

Policy Brief: Expansion of the Pacific Australia Labour Mobility (PALM) Scheme

Expansion of the Pacific Australia Labour Mobility Scheme

Australia's Pacific workforce programs have expanded over the last 10 years, and this accelerated significantly during COVID. With more than 20,000 Pacific visa holders in Australia across different industries we need to develop a way forward for the Pacific Australia Labour Mobility Scheme, and other complementary programs.

A review of the current data shows that some Pacific countries have a significant proportion of their working age population working in Australia, or in New Zealand, while other countries in the Pacific, and Timor Leste, have a much lower proportion of their working age population in Australia.

Summary of Pacific Workforce Schemes

		Population (a)	Working Age Population (b)	Australian PALM Scheme (c)			New Zealand Scheme (d)	Australia and NZ Total	% of working age population	
				Visa Type		Total				
				403	408					
Countries with high engagement in workforce programs										
1	Tonga	105,697	32,468	1,612	2,132	3,744	11.5%	1,807	5,551	17.1%
2	Samoa	198,410	53,576	3,557	245	3,802	7.1%	2,409	6,211	11.6%
3	Vanuatu	307,150	133,619	3,878	1,929	5,807	4.3%	4,237	10,044	7.5%
Relatively populous countries with scope to increase										
4	Solomon Islands	686,878	360,582	2,555	255	2,810	0.8%	756	3,566	1.0%
5	Fiji	896,444	362,966	1,828	276	2,104	0.6%	487	2,591	0.7%
6	Timor Leste	1,318,442	567,849	519	482	1,001	0.2%	-	1,001	0.2%
7	Papua New Guinea	8,947,027	2,805,278	361	106	467	0.0%		467	0.0%
Smaller countries with highly targeted approach needed										
8	Kiribati	119,446	45,389	255	219	474	1.0%	289	763	1.7%
9	Tuvalu	11,792	4,481	14	6	20	0.4%	115	135	3.0%
10	Nauru	10,834	4,117	11	-	11	0.3%	5	16	0.4%

Footnotes:

(a) <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=NR>

(b) <https://data.worldbank.org/indicator/SL.TLF.TOTL.IN?locations=TO>

(c) <https://data.gov.au/data/dataset/temporary-entrants-visa-holders>

(d) <https://www.immigration.govt.nz/documents/statistics/statistics-rse-arrivals.pdf>

Calculation for Kiribati, Tuvalu, Nauru - World Bank did not have available data on working age population. The average working age as a percentage of total population in the other countries is 38 per cent - this was used as an estimate of working age population in Kiribati, Tuvalu and

Those countries with a significant proportion of their workforce employed in Australia and New Zealand (such as Samoa, Tonga, and Vanuatu) are reporting challenges with finding enough workers in their home countries as their tourism industry recovers, and 'brain drain' as their most experienced workers are working overseas. The Australian Government and industry need to better develop strategies and engagement with individual Pacific countries and avoid grouping all Pacific countries together ('the Pacific') as the circumstances and expectations of each country are very different.

Simplistically, the data reveals that Samoa, Tonga and Vanuatu have more than 7 per cent of their working age populations employed in Australia or New Zealand. At this level, countries are reporting challenges in their home economies – with many of their workers in Australia and New Zealand, and an overall ‘brain drain’ as some of their most experienced workers are employed overseas.

Some critics may leap on this and suggest that Australia and/or New Zealand are expanding workforce programs to the ‘detriment’ of Pacific countries. This is not accurate. In the midst of COVID with a very difficult economic situation in many Pacific countries, Australia and New Zealand expanded their Pacific workforce programs to provide employment opportunities for individuals and their families, and to support the economic fabric of Pacific communities. Post COVID we must review these developments with a clear and pragmatic approach focussed on long term outcomes, and then work with Pacific countries to develop country specific strategies.

For countries with larger populations in the Pacific, and Timor Leste, the proportion of their workforce in Australia and/or New Zealand is much lower (generally under 2 per cent). The Solomon Islands, Fiji, Timor Leste, and Papua New Guinea all have larger total populations but relatively low utilisation of the Australia and New Zealand workforce programs. In consultation with individual Pacific countries, there is a significant opportunity to expand Australia’s PALM scheme in those countries with larger populations in particular.

Next Steps

The continued expansion of the Pacific Australia Labour Mobility scheme needs to consider:

- The overall effect of the scheme on specific countries,
- The expectations and requirements of individual countries in terms of the structure of their economies, overall population and working age populations, and the skills and experience of their respective workforce,
- The cumulative effect of the workforce scheme on individuals, families, communities and economies.

A newly elected Federal Government provides the opportunity to consider:

- Working with individual Pacific countries, and Timor Leste, to develop individual country strategies for workforce,
- Acknowledging the strengths of different economies and supporting different workforces into different opportunities within Australia,
- Undertaking skills and training programs in Pacific countries and Timor Leste that meet the needs of the people and the country involved.

Complementary Programs and Pathways

More broadly, the fresh produce industry has a range of skill and experience requirements within their workforce needs and this is met by recruiting Australians, Permanent Residents, and a range of different visa holders. The PALM scheme will continue to form the core of the harvest workforce, and broader roles.

Over the long term, a multi-pronged workforce strategy needs to focus on:

- skilled pathways through skills and training of Australians, complemented by recruitment of skilled individuals from overseas,
- expansion of the PALM scheme for the harvest workforce in particular,
- a complementary Agriculture Visa which supports visa holders to be more mobile to respond to peak harvest demands.