

AID-FOR-TRADE CASE STORY

NEW ZEALAND

Recognised Seasonal Employer (RSE) Worker Pilot Training Programme “Vakameasina – Learning for Pacific Growth”

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Region: Pacific

Country: Kiribati, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu

Type: Pilot project

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EXECUTIVE SUMMARY

To increase the benefits of a seasonal migration scheme for Pacific workers, the New Zealand Aid Programme has funded a pilot training programme for 316 Pacific workers. It has focused on developing English literacy, numeracy and financial literacy skills; skills that will be of broad benefit to the workers and their home communities. This pilot programme falls under the Aid for Trade category “Other trade related needs”.

The pilot has clearly proved relevant and delivered benefits for workers (as well as their employers). Workers who have participated in the training have increased confidence, improved English language skills, and gained computer skills (which is facilitating communication with their family at home). The positive learning experience may also foster an open attitude to future learning.

There are a number of challenges to ensure such a training programme is effective and delivered efficiently. Successful implementation requires significant efforts to manage relationships with key stakeholders, including employers and tutors, and to ensure an environment of trust and mutual respect with workers. To be of most value a dynamic and flexible approach is needed to delivery. This helps ensure the effective participation of workers, and to build on and not undermine their ability to work and earn money; their priority for their time in New Zealand.

ISSUES ADDRESSED

The Recognised Seasonal Employer (RSE) Worker Pilot Training Programme (“Vakameasina – Learning for Pacific Growth”), is intended to enhance the development gains resulting from New Zealand’s Recognised Seasonal Employer (RSE) policy.

New Zealand introduced the Recognised Seasonal Employer (RSE) policy in April 2007 to allow for the temporary entry of offshore workers to work in the New Zealand horticulture and viticulture industries. The RSE policy enables these industries to access a secure and sustainable supply of seasonal labour, fostering high-quality, high-value, and productive industries. The policy was designed to also benefit the workers and their home countries. It provides an opportunity for people who may not qualify under other immigration

categories to live and work in New Zealand, to earn an income and learn new skills. The policy builds on best international practice to deliver a “win-win” outcome for New Zealand employers and workers.

Up to 8,000 seasonal workers can enter New Zealand under RSE each year. Preference is given to workers from Pacific Island Forum countries¹, reflecting the breadth and depth of New Zealand’s relationships with Pacific Island countries and its priority for the New Zealand Aid Programme. There is an excess supply of low-skilled workers in Pacific Island countries and only limited opportunities for formal employment. An emphasis has been placed in RSE on recruiting low skilled workers, usually from rural areas.

The New Zealand and Pacific Island country governments and employers have been interested in how to further increase the positive development benefits for Pacific RSE workers and their home communities from this circular movement of people (see Annex for a discussion on evaluations of the impact of RSE). (In a trade sense, this is akin to increasing the value generated from the export of goods.)

To pilot one such initiative, a training scheme was developed and funded by the New Zealand Aid Programme.² Bearing in mind that most of the workers have relatively low-skill and education levels, and learning from the experience of workers during the first two seasons of RSE, the pilot has focused on building basic English literacy, numeracy and financial literacy skills.

OBJECTIVES PURSUED

The goal and objectives of the Programme were to design, deliver, and monitor and evaluate a pilot training programme that increases opportunities and choices for Pacific RSE workers through skills development, by providing RSE workers access to English literacy, numeracy and financial literacy training during their time in New Zealand.

DESIGN AND IMPLEMENTATION

The pilot programme was designed in close consultation with relevant stakeholders including RSE employers and the New Zealand Department of Labour (who have responsibility for RSE). A critical issue was to ensure the design recognised that workers are here to work and wish to maximise their earnings. The timing and duration of training should therefore not impede people’s ability to work. It also needed to recognise that the physical nature of the work can leave workers tired, reducing their ability to participate and learn effectively. The primary focus for the pilot phase was to support the development of foundational skills that would be of broader benefit to workers in their home communities, rather than skills specific to the work they are doing in New Zealand.

The content of the training programme was designed and delivered by an organisation specialising in adult foundational education in partnership with a training organisation from the horticultural industry. The 10 week, 2 hour per week, training programme imparted the foundational skills (literacy, numeracy and financial literacy) through five modules: financial and personal goal setting; budgeting; payslips, deductions and your rights and responsibilities; remittances; and health and safety. These modules focused on key issues and situations workers encountered to help ensure the learning would be relevant (and facilitate ‘learning transfer’). Some modules utilise computers – for example, introducing the

¹ Countries eligible for the Pacific preference are Federated States of Micronesia, Kiribati, Republic of the Marshall Islands, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. To kickstart the scheme, facilitative arrangements have been developed with Kiribati, Samoa, Tonga, Tuvalu, Vanuatu, and most recently Solomon Islands.

² The New Zealand Aid Programme has also been supporting initiatives to reduce the cost of sending remittances to the Pacific, co-funding (with AusAID) www.sendmoneypacific.org to enable easy comparison of the cost and services of different money transfer operators; and the MoneyPACIFIC initiative to build financial capability amongst Pacific communities.

www.sendmoneypacific.org website to examine the cost of remitting money home.

The pilot was implemented in two regions of New Zealand (Bay of Plenty and Hawkes' Bay) between November 2009 and September 2010. 312 workers participated. (An evaluation of the pilot, currently being finalised, has informed this Case Story).

PROBLEMS ENCOUNTERED

There were a number of challenges to the design of this programme. The programme needed to be flexible in its approach to delivery, managing around work obligations and priorities (timing and duration taking into account the seasonal nature of the work, fluctuating workload and weather) and delivery in sometimes remote locations. (Experience during the pilot suggests this challenge has not yet been addressed sufficiently, as many workers were unable to participate in all of the training sessions).

The most important challenge to emerge during implementation was the ability to cater for diversity in initial levels of learning and learning needs, including those with lower English as a second language (ESOL). There was reluctance to split into separate ESOL and 'mainstream' groups (that it would be insulting for group leaders to be put into a beginners group), although the alternative - an immersion approach - did not necessarily work well for either group. The limited duration of the training also limited the ability to address the course content in any depth.

Additional issues during the pilot were how to manage demand to participate (the pilot finished ahead of schedule and did not enter a planned third region due to excess demand in the first two regions).

Issues around project management also emerged from both the donor and the implementing partner perspective. Aspects of this included financial reporting (against an inputs-based budget) and staff turnover on the donor side.

FACTORS FOR SUCCESS / FAILURE

A number of factors have been identified that proved key to success (or conversely increased risk of failure) through this pilot project.

Firstly, relationship management with key stakeholders in the region is critical. In this instance, key stakeholders included employers and tutors. Their engagement was important to ensure the training could be delivered around work demands (and in some cases location), to enable participation. It is also important to help promote an environment where workers have immediate opportunities to put their learning into practice.

The ability to build a rapport and an environment of trust and mutual respect between workers and tutors was also critical to successful outcomes.

Taking a dynamic approach enabled the project to respond to issues that emerged and implement ongoing improvements.

RESULTS ACHIEVED

Based on interviews with those involved, there is strong evidence of the following outcomes:

- Increased confidence – Three-quarters of the employers interviewed as part of the evaluation said that workers were now more confident to speak directly to supervisors or other staff. This was also identified by workers who participated in the training.
- Improved English language skills – There is evidence that, for some workers at least, there has been an increase in English language comprehension.
- Computer skills – Workers identified learning computer skills as a key attraction and are now using them to connect with family at home via email. These new skills also have a potential benefit in the workplace (e.g. undertaking 'reject analysis' of produce).

- Positive learning experience – By providing a positive experience of learning, workers are now more open to education and future learning (at least in the eyes of one tutor).

Without rigorous pre- and post-assessment data for individual learners, it is difficult to formally measure learner gains with respect to language, numeracy, and financial literacy competencies. It is also too early to comment on any impact from the training in workers' home communities.

LESSONS LEARNED

It is clear that there is value in providing this type of training to RSE workers in New Zealand, developing skills that complement those they are learning through their workplaces.

A key lesson through the pilot is the need for solid relationship management with key stakeholders, both those directly involved (for example, workers and employers) and those in the region not directly involved but who can help create an environment for success (e.g. community groups, churches).

Ensuring the content of the course is adequately tailored to the different needs of individuals has also been highlighted as an important lesson. Having the expertise in place to support this (eg ESOL skills) is valuable.

CONCLUSION (applicability to other programmes)

Labour mobility is a significant strand of international connectedness. Given the important contribution that labour mobility can make to achieving sustainable economic development, and as a potential catalyst for increased trade in goods and services, it is important not to neglect migration-related programmes in the context of Aid for Trade.

New Zealand's RSE policy was designed in order to promote positive development outcomes for Pacific Island Countries while also delivering the objective of providing a secure supply of labour to the New Zealand horticulture and viticulture industries, increasing productivity and value in those industries. Evidence shows the policy is delivering development benefits to Pacific Island Countries. The training scheme piloted for RSE workers is one mechanism to further enhance those development gains.

The pilot training scheme has proved worthwhile in strengthening the value that Pacific workers and their home communities are reaping from participating in RSE - in this instance through increased confidence of participants, improved English language and computer skills. These skills may also help participants make better use of the incomes and skills they are acquiring directly through RSE. This is similar to the objective of an activity seeking to increase the value that producers in a developing country receive in international markets for the goods or services they produce.

Many of the lessons learnt from this project are directly applicable to other, more traditional, types of Aid for Trade. In particular, managing relationships with key stakeholders and ensuring their ownership has proved critical to the success of this pilot project.

ANNEX / REFERENCES

Description of the Recognised Seasonal Employer (RSE) Policy

The Recognised Seasonal Employer (RSE) Policy was launched in April 2007 to allow for the temporary entry of offshore workers to work in the New Zealand horticulture and viticulture industries. Initially the Policy enabled up to 5,000 workers to enter under RSE each year; in October 2008 this cap was lifted to 8,000 RSE workers per annum.

Preference is given to workers from the Pacific Island Forum. Employers may recruit from countries other than the eligible Pacific Islands Forum nations if they have an existing relationship with workers from other countries, or they have evidence that they have been unsuccessful in recruiting from the Pacific nations.

To help 'kick-start' the policy, five Pacific states were initially selected to have facilitation measures: Kiribati, Samoa, Tonga, Tuvalu and Vanuatu. Facilitative arrangements have subsequently been developed with Solomon Islands. These arrangements address recruitment processes; work visa application and processing; pre-departure orientation; pastoral care; and compliance. Specific recruitment arrangements vary by country. The facilitative arrangements are outlined in Inter-Agency Understandings between the relevant Pacific government agency and the New Zealand Department of Labour.

The design of the RSE policy sought to build on international experience with seasonal migration schemes in order to mitigate the risks of overstaying, displacement of New Zealand workers, and exploitation of RSE workers.

The key aspects of the RSE Policy are:

Employer recognition: Employers who wish to participate in the RSE scheme must first gain recognition by meeting specified standards, particularly in regard to their recruitment and employment practices (hence the name Recognised Seasonal Employer). Once an employer has achieved RSE status, they may apply for an Agreement to Recruit (ATR) a specified number of RSE workers (for a specific time-frame, location and work tasks).

New Zealanders first: The number of RSE workers approved in ATR applications is subject to the availability of suitable New Zealand workers.

Employer driven: The selection of workers and re-employment of return workers is determined by employers' requirements. The relationship between the employer and worker is one of employment.

Short-term migration: Worker applicants who have an over of employment from an RSE employer and who meet the RSE worker criteria are granted a limited purpose entry visa for up to 7 months in any 11-month period (Kiribati and Tuvalu nationals may stay for up to 9 months in any 11-month period).

Circular migration: The RSE Policy provides for the return of experienced workers (who have an offer of employment, want to return, and meet immigration requirements) in future seasons.

Pastoral care: The RSE employer is responsible for the pastoral care of RSE workers. In addition, employers are required to pay half of the airfare of each RSE worker to New Zealand, guarantee a minimum number of hours of work, ensure workers are paid the same market rate as New Zealand workers, and contribute towards the costs of removing workers from New Zealand if they overstay.

References

More information on RSE can be found on the New Zealand Department of Labour's website, www.dol.govt.nz/initiatives/strategy/rse/index.asp.

For an overview of the development of the RSE policy, see S Ramasamy, V Krishnan, R Bedford and C Bedford (2008) "The Recognised Seasonal Employer Policy: Seeking the elusive triple wins for development through international migration" *Pacific Economic Bulletin* 23: 171-186.

The Department of Labour led an evaluation of the first two years of the RSE policy. This evaluation "Final Evaluation Report of the Recognised Seasonal Employer Policy (2007-2009) is publicly available on the Department of Labour's website (above)

The World Bank has funded research to examine the development impact of RSE on two Pacific sending countries, Tonga and Vanuatu. For the findings see J. Gibson and D. McKenzie (2010) "The Development Impact of a Best Practice Seasonal Worker Policy", *World Bank Policy Research Working Paper no. 5488*.

The Ministry of Foreign Affairs and Trade is currently finalising an evaluation of the RSE Worker Pilot Training Programme. Once this has been finalised we envisage it will be made available on our website www.aid.govt.nz.