

Impacts of COVID-19 on Labour Mobility in the Pacific Region

1. Summary

The rapid spread of the novel coronavirus disease (COVID-19) since March 2020 has amounted to an unprecedented global health crisis.

Whilst Pacific Island Countries (PICs) have only registered a small number of COVID-19 cases they are still facing the devastating impacts on key economic sectors such as tourism, trade and labour mobility as a consequence of travel restrictions, border closures and quarantine measures.

The United Nations (UN) and development partners are working together to present evidence of the impact of COVID-19 on lives and livelihoods in PICs.

This factsheet presents findings and conclusions from an IOM rapid assessment of how COVID-19 has affected labour mobility and broader migration trends in the Pacific region since March 2020. Over 30 informant interviews were conducted in eight countries. This includes interviews and surveys with seasonal workers, temporary labour migrants, employers in countries of destination, migrant households, aspirant migrant workers and relevant government officials.

The countries covered under the assessment include Fiji, Republic of the Marshall Islands, Tonga, Tuvalu and Vanuatu in addition to Australia, New Zealand and the United States as countries of destination.

2. Background

- Pacific Countries have a long-established migratory history with developed countries such as Australia, New Zealand, United States and the United Kingdom.
- Migration of temporary and seasonal workers normally occurs through labour mobility schemes such as the Pacific Labour Scheme (PLS) and the Seasonal Worker Programme (SWP) for Australia and the Recognized Seasonal Employer (RSE) scheme of New Zealand.
- The Marshall Islands forges its migratory pathways with the United States given its status under the Compact of Free Association (COFA).

3. Key Findings

Pacific Migrant Workers in Country

- As at 21 May 2020, there were over 6,900 workers in Australia under the SWP and 460 under the PLS.
- As at 21 May 2020, there were 3,342 workers in New Zealand from the Pacific countries covered under the assessment.
- Seasonal workers from Fiji, Tonga, Tuvalu and Vanuatu under the various labour schemes were not able to depart because of the border closures and suspension of flights.
- Vanuatu has stated that access to the labour mobility programmes is suspended.
- Stimulus measures has been introduced across the region to help alleviate income constraints, these measures have boosted existing social welfare mechanisms by better supporting families.

Pacific Migrant Workers overseas

- Pacific migrant workers participating in the seasonal migration schemes could not return home due to border restrictions.

- Some workers have been able to continue working either with their existing employer or after redeployment, with a new employer.
- As at 20 March 2020, 1989 SWP workers and 74 PLS workers were redeployed to other sectors in demand.
- Australia has approved 2000 new visas allowing SWP workers to remain legally for up to 12 months.
- New Zealand has also approved 3342 RSE visas that were due to expire between April and June 2020 to 25 September 2020.
- Seasonal workers reported increasing anxiety due to family separation, especially those whose communities were affected by Tropical Cyclone Harold.
- Seasonal workers interviewed also appreciated the opportunity to continue earning money during a time of severe economic downturn globally.
- RSE workers continue to work including with alternative employers and half of these have full-time employment opportunities. Around 300 workers have been prioritized for repatriation, while an additional 1000 seasonal workers are not working.
- There was no specific financial socioeconomic support for seasonal workers who were in receiving countries that were unable to return home.
- The Marshallese diaspora community was at risk in the United States as they were not covered by Medicare or Medicaid.

4. Remittances in the face of COVID-19

- Fiji, the Marshall Islands, Tonga, Tuvalu and Vanuatu recorded a remittance inflow of over USD 500 million in 2019 alone.
- Remittance rates have recorded a steady growth for all selected Pacific countries over the past 10 years.
- Fiji and Vanuatu had recorded an increase of more than 30% over the past 10 years.
- Tonga has a strong dependence on remittances as it contributes to over 40% of GDP in 2018.
- Remittances sent home by Pacific seasonal workers contribute to the household budget, education and health costs.
- An analysis of remittance flows demonstrate that initial periods of lockdown led to a fall in remittance volumes.

- In totality, the value (the total currency amount) of the remittances sent is reported to have been falling during the period of the strictest lockdown period.
- The drop in value of the remittances is reflective of the unemployment and reduced hours amongst Pacific diaspora and seasonal workers.
- Significant challenges were faced by both senders' and receivers' during the lock down period as at both ends as money transfer operators (MTOs) were either closed or had reduced operating hours.
- MTOs in New Zealand were later classified as an 'essential service' and had to comply with strict conditions if they were to remain open.

5. Repatriations

- All PICs have also been exploring opportunities to repatriate their citizens from overseas, including seasonal workers.
- As at 24 June 2020, over 1000 seasonal workers from Vanuatu flown home in a repatriation flight.
- At the time the report was completed, Tonga and Tuvalu were preparing their medical and quarantine facilities before borders are open to repatriation.
- Fiji has commenced repatriation flights from the United States, Australia and New Zealand.
- The Marshall Islands has commenced repatriation flights for stranded citizens beginning with those stranded in COVID-19 free countries.

6. Effectiveness of Support Measures

- Pacific governments and governments in countries of destination for Pacific migrants have put in place general and specific measures to support temporary and seasonal workers, diaspora communities and Pacific Islanders overseas.
- Fiji, the Marshall Islands, Tonga, Vanuatu and Tuvalu have each announced their own economic and social stimulus packages which amount to approximately over USD 500 million.

- An analysis of the effectiveness of the measures reveals that while some measures have been important to help overcome specific challenges for seasonal and temporary workers, there are gaps in the support across the focus countries and in the countries of destination.
 - Seasonal workers who were due to depart have found it difficult to access economic welfare measures implemented by Government.
 - While members of the Marshallese community have the right to live, work, study and pay taxes in the United States, they are denied a range of benefits, including Medicare or Medicaid coverage.
 - While seasonal workers in countries of destination have been redeployed and visas have been extended, some including those whose contracts have ended and are awaiting departure do not receive support.

7. Conclusion

- The rapid assessment on the impacts of COVID-19 on labour mobility in the Pacific has found that to date, major detrimental impacts have been contained for Pacific migrant workers either working as scheduled or working on extended visas in Australia and New Zealand.
- Concerns related to bearing the responsibility of supporting stranded Pacific migrants or those unemployed has been raised by other actors examining the impacts of COVID-19 on migration.
- While a large cohort of workers in Australia and New Zealand have benefited economically by continuing to earn money, the lack of specific income support and bureaucratic delays in redeployment leave Pacific seasonal and temporary migrants in a state of suspension.
- As the Marshall Islands is a COFA country, Marshallese citizens are covered by income support measures and other relief provided by the United States Government but do not have access to medical insurance.

8. Recommendations

Short Term

- Include Pacific seasonal workers who have been unable to depart their home countries and households dependent upon remittances in COVID-19 assistance measures.
- Ensure adequate support is provided to Pacific seasonal and temporary workers in countries of destination including coverage under government income support schemes, medical insurance and opportunities for repatriation.
- Provide psychosocial counselling and services to Pacific labour mobility workers and their families affected by COVID-19 border closures.
- Ensure support is provided to Pacific diaspora communities in countries of destination.

Medium Term

- Convene regional consultations between Pacific Governments and countries of destination to support safe migration for economic recovery.
- Wherever possible, training and reskilling of Pacific labour mobility workers should take place in each country of origin so that migrants have alternative employment options.
- Continuously monitor and frequently evaluate the impact of COVID-19 on labour mobility.
- Based on regular monitoring and evaluation, review labour mobility schemes.
- Scale up provision of information and support to ensure that remittance values and volumes are maintained during the COVID-19 crisis.
- Increase understanding of social impacts of COVID-19 on migrant sending households, including on education and food security implications for families.

Long Term

- Strengthen data collection on remittance corridors to better understand remittance trends and flows.
- Provide digital financial education.
- Encourage diaspora community investments.
- Establish long-term safety nets to provide relief during disasters.