

Pacific labour access – helping promote self-reliance in fragile states

Cynthia Banham's item " (Let unskilled workers in" 27/01/05) highlights why Australia should pilot a modest scheme to allow temporary access for unskilled Pacific Island workers to Australia.

Many of the micro states in our region have minimal access to foreign investment. They are tiny, remote communities which are seeking opportunities for their young people to learn skills and earn income, even if this is only on a temporary access basis to Australia or New Zealand.

The recent finding by the Australian government's aid expert group that there was an urgent need for access for a modest number of unskilled Pacific Island workers to jobs in Australia is welcome. The expert groups' recommendation is also consistent with evidence from the World Bank and Commonwealth Secretariat that remittances from overseas workers are a significant source of investment in small business and job generation in developing countries. Such remittances are also typically used by families to improve the educational opportunities of their children.

Through the gradual expansion of small business and jobs growth, especially in countries facing a crisis of youth unemployment and often high suicide rates, the proposed scheme could build a stronger platform of self-reliance. As the Canadians have found through running a similar scheme for the last 40 years with Mexico and Caribbean states, remittances and skills development for these temporary can make a major difference to the economic and social development of those sending countries.

Of course, access to Australia for Pacific Islanders is not the panacea for their complex problems of modernisation, but it offers potential over the long term to promote greater self reliance and assist them to adapt to a challenging global environment.

Bob Sercombe (SMH, 27/01/06, p1) was right to argue that Pacific Islander leaders note the selectivity in Australia's current temporary work permit arrangements, which allows entry for 100,000 mainly rich, white backpackers from Europe and North America each year. Yet, it denies temporary work access to immediate neighbours who are seeking to become less dependent on aid handouts.

While such a modest scheme would be very small in relation to the Australian labour market, it would have a substantial impact in many Pacific micro states. This is why there is a consensus among all our Pacific Island neighbours about its long term potential to assist their economic growth. The World Bank estimates that a 10% increase in remittances would lead to a 2% decline in the severity of poverty.

With any such scheme there is always a potential risk of exploitation of unskilled foreign workers. This risk can be addressed in the program design effectively through a combination of the method of selection of workers in their home country, the guarantee that they would be provide with opportunities to upgrade their skills and by an assurance that appropriate Australian industry wage benchmarks would be used. They would also be covered under relevant occupational, health and safety regulations.

Development of the proposed scheme into a transparent and professionally managed program would require further work. That would draw on the results of the proposed pilot program. That design would also deal with the risk of workers overstaying in

Australia. However, as in other parts of our migration program and from similar overseas programs, there is a pool of knowledge upon which we can draw. The Australian Council for International Development endorses the analysis of the aid expert group about the potential benefits to many Pacific Island countries of a modest temporary access scheme. Like Canada, which has found its scheme to be both manageable and one which delivers significant mutual benefit, Australia could now take initiate a pilot scheme to at least examine whether or not such an approach is worth developing fully.

This would complement the Prime Minister's welcome initiative in late 2005 to boost vocational training throughout the region. The combination of this initiative and a modest temporary access scheme would significantly assist many of our neighbours to chart their own futures more independently.