

THE PACIFIC AGREEMENT ON CLOSER ECONOMIC RELATIONS PLUS

Labour Mobility

The Pacific Agreement on Closer Economic Relations Plus is a landmark trade and development agreement that will lower barriers and provide greater certainty for New Zealand businesses, while raising living standards, creating jobs and increasing exports in Pacific Island countries.

Along side PACER Plus, the Parties concluded a separate Arrangement that provides a new platform for enhancing regional cooperation on labour mobility.

Pacific Labour Mobility Annual Meeting

The Arrangement establishes a new, annual meeting as the primary mechanism through which regional cooperation will be advanced. The annual meeting is intended to address, in particular, key elements of cooperation set out in the Arrangement including:

- enhancing existing labour mobility schemes and exploring opportunities for new labour mobility;
- building institutional capacity of agencies that manage labour mobility;
- promoting and improving current visa categories to facilitate greater circulation of temporary workers;
- tertiary vocational education and training; and
- recognition of qualifications and registration of occupations

Australia and New Zealand have committed to fund the annual meetings and signatories to the Arrangement will take turns hosting the meetings.

Labour mobility schemes

New Zealand has committed to enhancing the operation of the Recognised Seasonal Employer (RSE) scheme and exploring opportunities for other temporary labour mobility opportunities in new occupational areas where New Zealand faces labour and skills shortages. The achievements of RSE demonstrate the potential of the new Labour Mobility Arrangement:



- Pacific seasonal workers in New Zealand send up to NZ\$41 million in remittances a year. Remittances are an increasing proportion of Pacific Island GDP and could assist with revenue adjustments related to tariff liberalisation under PACER Plus.

New Zealand has committed to providing assistance to Pacific Participants to improve operational aspects of the RSE, including to:

- improve worker selection and recruitment processes;
- promote their workers to New Zealand employers;

- improve training opportunities while in New Zealand;
- enhance pre-departure, on-the-job, and re-integration training programmes; and
- explore the possibility of reducing the tax rate on workers under the scheme and improve health insurance arrangements.

New Zealand has also undertaken to share information on areas of current and projected skill shortages in our labour market, including at the annual regional meeting.

Canterbury Reconstruction Pilot

New Zealand's Canterbury Reconstruction pilot is an example of trialling a labour mobility scheme to recruit Pacific workers in a sector facing persistent skills shortages. Under the pilot, 24 carpenters from Fiji (13), Samoa (10) and Tonga (1) were employed to work in the Christchurch rebuild. The carpenters were employed on an essential skills visa for an initial one-year trial period. The initiative was facilitated by the Ministry of Business, Innovation and Employment (MBIE) with funding from the New Zealand Aid Programme. Assistance included identifying labour supply, skills testing and recruitment, pre-departure and on-arrival training, and pastoral care.

While in New Zealand, the carpenters have undergone further skills assessments and will graduate with a New Zealand Level 4 qualification in carpentry. On conclusion of the pilot in October 2017, it will be evaluated and, if successful, expanded to recruit more workers from other Pacific Participants.

All of New Zealand's labour mobility schemes will continue to be employer-driven and based on the Government's principle of ensuring New Zealanders have access to jobs first.

Support for institutions that manage labour mobility

Under the Arrangement, New Zealand has also undertaken to assist Pacific Participants to:

- build institutional capacity of agencies that manage labour mobility;
- develop coherent national policies on labour mobility, visa and immigration procedures;
- strengthen the collection and harmonisation of labour market statistics; and
- optimise the roles of private institutions, including the reduction of bank transfer costs and speeding up transfer processes.

Recognition of qualifications and registration of occupations

New Zealand and the participants will enhance cooperation, including through:

- capacity building for Pacific participants to assess qualifications and facilitate the development, accreditation and registration of qualifications and recognition of those qualifications
- make publicly available the regulations and processes to achieve licensing or registration by the accredited boards
- encouraging qualification and occupation assessment and accreditation bodies to explore options for recognition of qualifications.

Want to find out more?

Visit the Trade section of the Ministry for Foreign Affairs and Trade website www.mfat.govt.nz/pacer to find out more about PACER Plus and the benefits it is designed to deliver. This website includes:

- The full text of PACER Plus;
- Factsheets on key areas for New Zealand; and
- The National Interest Analysis.

