



NEW ZEALAND COUNCIL OF TRADE UNIONS  
*Te Kauae Kaimahi*

## **SUBMISSION**

by

**New Zealand Council of Trade Unions –  
Te Kauae Kaimahi**

on the

**Inquiry into  
New Zealand's Relationships  
with South Pacific Countries**

**25 May 2007**

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## **1. Introduction**

- 1.1 The New Zealand Council of Trade Unions (CTU) is the internationally-recognised trade union body in New Zealand. The CTU represents 39 affiliated unions with a membership of over 350,000 workers. The CTU acknowledges Te Tiriti o Waitangi as the founding document of Aotearoa New Zealand and formally acknowledges this through Te Runanga o Nga Kaimahi Māori o Aotearoa (Te Runanga) the Māori structure of Te Kauae Kaimahi (CTU) which represents approximately 60,000 Māori workers.
- 1.2 As part of its representative structure, the CTU also formally incorporates a Komiti Pasefika and has a Biennial Fono to represent the views of Pacific Island members of affiliated unions.
- 1.3 The NZCTU is a member of the South Pacific and Oceania Council of Trade Unions (SPOCTU). SPOCTU includes unions from the Cook Islands, Fiji, Tahiti, Kiribati, New Caledonia, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, and the Wallis and Futuna Islands – as well as Australia and New Zealand.
- 1.4 The New Zealand Council of Trade Unions (CTU) welcomes the opportunity to present the views of workers and their representatives on the relationship between New Zealand and the other South Pacific countries.
- 1.5 This submission will address the six questions posed by the terms of reference for the inquiry, placing particular emphasis on human and labour rights, social partnership, capacity building, trade, labour mobility, gender and skills and training.

## **2. New Zealand's key interests and responsibilities**

- 2.1 The CTU believes that New Zealand's key interests and responsibilities in the South Pacific should reflect New Zealand's

special relationship with, and significance to, South Pacific countries. In particular New Zealand should be working to promote rights-based development and international standards, with special emphasis on tripartism and key attention given to the social impact of trade liberalisation on the region.

**3. New Zealand is a Pacific nation**

- 3.1 It is important to place the relationship between New Zealand and South Pacific countries in the context that New Zealand *is* a South Pacific country – in terms of geography, in terms of history and in terms of the shared roots of the indigenous Pacific peoples.
- 3.2 As a developed nation within the South Pacific, New Zealand has a moral obligation and a unique opportunity to address the development needs of *our* region.

**4. There is a significant Pacific community already living in New Zealand**

- 4.1 New Zealand already has a very large Pacific Island population – the latest census figures state Pacific people make up 7 per cent of New Zealand's total population. Population projections estimate that Pacific people will make up 13 per cent of the New Zealand workforce by 2021.

**5. The issue of scale and resource**

- 5.1 Excluding Papua New Guinea, the total land area of the Pacific Island Forum island member nations would fit within the territorial boundaries of Canterbury and Otago.
- 5.2 Excluding Papua New Guinea, the Pacific Island Forum island member nations have a combined population only half of New Zealand's.

5.3 New Zealand's per capita GDP is between three and forty-three times that of individual Pacific Island Forum island member nations.

5.4 In the context of our shared South Pacific identity, New Zealand's resources mean it must make a greater contribution to the region and its development.

## **6. New Zealand should be part of a shared voice**

6.1 Bringing together our shared geopolitics, culture and history, and given New Zealand's greater resources, it is important that New Zealand speaks in harmony with the views of South Pacific countries and uses its greater resources to amplify that voice at a regional and global level. Climate change, trade liberalisation and promotion of democratic rights are three examples of specific issues where regional solidarity can help our joint voice to be effectively heard.

## **7. Promotion of human rights**

7.1 The promotion and maintenance of basic human rights in the South Pacific must be a key area of responsibility for New Zealand.

7.2 There is low official recognition of human rights in the South Pacific. In fact, the Pacific region has the lowest ratification rates worldwide of the seven core international human rights treaties.<sup>1</sup>

7.3 Among the 14 Pacific Island Forum island member states, three have ratified three of these international treaties, nine have ratified only two (on women's rights and on child rights) and two have only ratified one treaty (on children's rights).<sup>2</sup>

7.4 Irrespective of their ratification, recent events in Fiji, Solomon Islands and Tonga have underscored the practical need for greater recognition and protection of civil and political rights in South Pacific countries.

## **8. Promotion of labour rights**

- 8.1 Within the context of human rights, New Zealand has a responsibility to ensure the promotion of labour rights in the South Pacific, including the right to organise.
- 8.2 The experience of public servants in Tonga when they took industrial action in 2005 is one highly visible example of the difficulties created by a lack of recognised labour rights in the Pacific. In Tonga there is no legal recognition of unions or protocols as to how union officials can operate. As a result, when industrial action took place, there was no shared pathway to resolving the dispute. There has also been ongoing discrimination against worker representatives – for example, the secretary of the Tongan Public Service Association, Mele 'Amanaki, is currently suspended without pay for allegedly abusing official email in performing her union duties.

## **9. Promotion of fair trade and recognition of the dangers for the Pacific from trade liberalisation**

- 9.1 The CTU has an active interest in trade issues. The CTU policy approach on trade matters is to agree with rules-based trade but question the substance of many current rules, the WTO process for negotiating the rules, the inequalities of bargaining power, the inclusion and exclusion of certain issues, and the uneven enforcement of rules. Affiliated unions have varying positions along this spectrum.
- 9.2 The CTU has consistently argued the dangers of the proliferation of bilateral preference agreements compared with a stronger emphasis on multilateral negotiations. We further believe that New Zealand's international trade and investment policies should be driven by, and consistent with, its economic and social development policies. The CTU has also argued consistently for

transparency and comprehensive cost-benefit analysis in relation to any proposed trade agreement.

- 9.3 But the essence of our view is that support for rules-based trade does not imply support for the current set of rules.
- 9.4 We also support the greater integration of core ILO labour standards and trade agreements.
- 9.5 We argue for greater transparency in trade negotiations and we seek rigorous social and economic analysis of trade agreements so that the benefits or otherwise can be determined.
- 9.6 In the South Pacific context, the current negotiation of Economic Partnership Agreements (EPA) between the European Union (EU) and former colonies highlight many of these issues.
- 9.7 While WTO compatibility is supposedly “forcing” the EU to renegotiate existing “non-compliant” Cotonou preferential trade agreements<sup>3</sup> – many of the EPA negotiations are extending well beyond just trade in goods and, equally, contain no commitment to capacity building in the South Pacific.
- 9.8 The unilateral rejection of the South Pacific countries draft EPA negotiating text in mid 2006, the EU’s refusal to negotiate across the Pacific in terms of a region-wide agreement on fishing, pressure to extend negotiation to additional measures and the predominance of impact analysis on economic rather than social factors, demonstrate the imbalance in power dynamics in trade negotiations in the region and underscore why New Zealand must act to assist in protecting the interests of South Pacific countries.
- 9.9 More particularly, negotiation of EPA agreements is a trigger for the PACER free trade agreements involving New Zealand and Australia. Relatively speaking, the scope of trade liberalisation envisaged in that agreement might be even more detrimental to the

South Pacific and its development. This point is more fully discussed in Section 14 of this paper.

**10. Strategic threats to New Zealand's relationship with Pacific Forum members**

10.1 Given the varied nature of New Zealand's interest in and relationship with South Pacific countries alluded to in the previous section, there are a number significant risks to that relationship – including absence of labour standards, global warming, lack of consultation with civil society in the Pacific and trade liberalisation.

**11. Absence of Labour Standards**

11.1 From a trade union perspective, the relative absence of labour standards in South Pacific countries is a particular threat to the region's long-term sustainable development. It can reduce the social benefit of economic development, compromise the scope for real tripartite social partnership and generally undermine social cohesion. A failure by New Zealand to help South Pacific countries address this threat will undermine the effectiveness of the region's ongoing social and economic development.

*Limited recognition of the decent work agenda*

11.2 Within the context of labour standards, the marginal place of the ILO's decent work agenda in the South Pacific is a key indicator.

11.3 The decent work agenda is the ILO's key initiative to reduce poverty, and achieve equitable, inclusive and sustainable development. However, its application in South Pacific countries has been qualified.

11.4 In contrast, the Decent Work campaign launched in New Zealand early in 2007, fundamentally underpinned by an effective tripartite approach, is an indication of what such an initiative could offer the rest of the South Pacific.

*Limited ILO membership and/or ratification of ILO standards*

- 11.5 New Zealand is a member of the ILO and has ratified 50 ILO conventions. In contrast, the Cook Islands, Federated States of Micronesia, Nauru, Niue, Palau, Republic of the Marshall Islands, Tonga and Tuvalu are not members of the ILO. Of the South Pacific countries that are, Fiji has ratified 22 conventions, Solomon Islands 14, Vanuatu 8, Samoa 8, Kiribati 4 and Papua New Guinea none.

*Economic growth can be harmful to working people*

- 11.6 The recent consultation by NZAID on their “Growth and Livelihood” policy suggested that the New Zealand government places an emphasis on economic growth as the best way to promote pro-poor development. However the CTU believes that a narrow focus on economic growth can have unforeseen and inequitable outcomes – particularly for workers in an environment where worker protection, either through absence of employment law or effective unions, is not strong.

**12. Environmental risks**

- 12.1 The deterioration of the global environment is a second key threat to New Zealand’s relationship with South Pacific countries. South Pacific countries are particularly prone to the negative consequences of this deterioration and, like labour standards, failure by New Zealand to help South Pacific countries address this threat will undermine the region’s social and economic development.
- 12.2 As the NZCTU states in its climate change position paper, *Towards Sustainability: Unions and Climate Change*, “the situation faced by many Pacific Islands is dire if sea levels rise. New Zealand needs to have an active programme of assistance, and also develop

contingency plans including absorption of a greater number of workers from the Pacific should that situation arise”.

*Rising sea level*

- 12.3 The expansion of warmer water and the melting of the polar ice caps have caused the Intergovernmental Panel on Climate Change to predict sea levels in the South Pacific could rise 5-9mm per year.<sup>4</sup> As a region with limited land mass and low topography – particularly for atolls in the Marshall Islands, Kiribati, Tuvalu and parts of Papua New Guinea – the impact of rising sea levels could be extreme.

*Extreme weather events*

- 12.4 As well as contributing to rising sea levels, the warming of the world’s oceans contributes to an increase in the intensity of extreme weather events like cyclones.

*Damage to ocean ecosystems*

- 12.5 The oceans also represent a particularly valuable resource to many South Pacific countries. Excluding New Zealand and Australia from the calculation, the other South Pacific nations combined claim an exclusive economic zone 38 times their actual land mass. Excluding Papua New Guinea from the calculation, that rises to 260 times. The warming of the oceans is harmful to ecosystems and a threat to natural biodiversity which, in turn, will have major economic and social implications for Pacific communities.

**13. Lack of consultation with civil society**

- 13.1 Following from labour standards and environmental degradation – but also linked to both – is the absence of tripartite structures for social partnership in many South Pacific countries.

13.2 The ILO identifies at least seven reasons for greater promotion of social dialogue and tripartism:

- It results in more informed and representative decisions, since the views of those concerned are reflected.
- It leads to greater trust and social dialogue on wider social and economic issues.
- It results in better ownership of decisions, which can lead to improved implementation of those decisions.
- It promotes good governance.
- It promotes improved implementation of other international conventions and recommendations.
- It helps address issues in implementation of conventions.
- It demonstrates governments' commitment to core international values.

13.3 These benefits have clear implications for the protection of basic rights, equitable distribution of wealth and ongoing social stability and cohesion. In particular, such structures could be used as an effective forum to address labour rights and environmental issues. And the absence of an effective vehicle to deliver these benefits puts their realisation at risk.

13.4 The ILO's commitment to tripartite social dialogued is reflected in Convention 144 – the Tripartite Consultation Convention. New Zealand is one of 120 countries to ratify C144. The only other Pacific nation to do so is Fiji.

#### **14. Trade liberalisation in the Pacific**

14.1 In respect of PACER, the CTU is aware of the connection between current EPA negotiations with Europe and Article 6 of PACER which states that if any of its signatories commence formal negotiations for free trade arrangements with another developed

country, then they have to offer similar free trade agreement (FTA) negotiations with the others signatories of PACER. Without this trigger, the countries are still locked into commencing PACER by 2011.

14.2 PACER presents numerous risks for Pacific Island countries:

- They will lose preferential access to other countries while gaining none with New Zealand, as New Zealand already has its borders open to free trade.
- Local producers could lose out to cheaper foreign imports. This may mean the closure of locally-owned businesses, a decrease in local employment opportunities and higher dependence on imported goods. This is particularly negative if it occurs in the agriculture and food sector.
- Rising unemployment, where it occurs, would add to the already worrisome trend of unemployed and underemployed in the Pacific Island countries where work opportunities are limited.
- Pacific Island country markets will be open for foreign businesses who may take the market niche that is currently inhabited by local actors. Commonly foreign investment returns are not kept in the revenue-earning countries, but are transferred to another country. Thus earnings do not circulate within that economy thereby reducing the benefits of the initial investment.
- Smaller producers and service providers will have to face the challenge of competing with much larger, more diverse and technologically more competent competitors (especially those from Australia and NZ).
- The removal of tariffs will cause a decrease in revenues available to Pacific Island governments to pursue their own development priorities.

14.3 This means there is a need for:

- More analysis into the effects of PACER;
- More information and technical assistance to the Pacific Island countries in order that they can develop more expertise in the complexities surrounding international trade agreements and their negotiations;
- Ongoing regional dialogue about alternative forms of cooperation that can address the serious challenges Pacific Island countries face;
- Special measures attached to any agreements to allow Pacific Island countries to develop their own domestic capacity for trading products and for managing services. These measures must allow Pacific Island country governments to prioritise their own development and the sectoral areas where they wish to develop their competitive edge.

14.4 We note that the Communiqué from the Pacific Civil Society meeting on Trade Negotiations held just before the Pacific Forum in 2006 set out five key areas of concern:

*Impact Studies*

14.5 There must be independent and extensive studies on the impacts – social, cultural, gender, economic, developmental and environmental – of the EPA, PACER and other regional trade agreements. There must be a deeper analysis of potential costs as well as benefits, to allow public discussion and decision on any trade-offs needed to reach an agreement. In January 2007 Oxfam New Zealand noted, “to date the EPA impact studies have been purely economic in nature and rather cursory in depth... The economic models also assume responses that are likely to occur in cases with well functioning markets... These are unrealistic in the context of many Pacific countries where market ‘failures’ are commonplace ... There have been few, if any, social impact assessments, and the Terms of Reference for such a study allowed

for only 45 working days (at US\$350/day) to complete a study of the social impacts on 14 countries.”<sup>5</sup> The report of that social impact study already seems to be well behind schedule.

#### *Public Consultation*

- 14.6 Through the Pacific Island Forum there has been one opportunity for consultation with civil society groups. However it only followed the relative breakdown in discussions with the EU in late 2006.

#### *Transparency and Information Sharing*

- 14.7 Meaningful consultation requires greater transparency and information sharing on the EPA between governments and community organisations regarding the process, substance and implications of the negotiations. The correspondence between Oxfam and EU Pacific representative Roberto Ridolfi shows the limits in information sharing to date.<sup>6</sup>

#### *Non-Negotiable Issues*

- 14.8 There are areas which should not be liberalised as part of trade deals, including land, ownership and use of customary land, cultural heritage, key public services, food security and farmers' livelihoods.

#### *Regional and International Solidarity*

- 14.9 There is a need for Pacific countries to unite with common purpose, to avoid the danger that developed-country trading partners will attempt to divide Pacific Island governments, and make demands in areas outside our common interests as Island peoples. The example of the EU's outright refusal to negotiate multilaterally around fishing issues illustrates the extent to which Pacific solidarity will be tested.

**15. Opportunities to advance New Zealand's relationships with governments and peoples**

15.1 The CTU sees key opportunities to develop New Zealand's relationships with South Pacific peoples through tripartism, skills and training, addressing gender issues, building union capacity and encouraging pro-development labour mobility.

**16. Fostering a tripartite model**

16.1 The ILO broadly defines social dialogue as all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. Social dialogue is identified as the means for implementing the ILO's Decent Work Agenda and its three key components: rights at work, employment and social protection.

16.2 While the ILO eschews a single model of social dialogue it identifies four basic enabling conditions for social dialogue. These are:

- strong, independent workers' and employers' organisations which are broad-based and representative and have the technical capacity and access to the relevant information to participate in social dialogue;
- political will and commitment to engage in social dialogue on the part of all the parties;
- respect for the fundamental rights of freedom of association and collective bargaining, and;
- appropriate institutional support.

16.3 A systematic plan to develop all four of these enabling conditions in South Pacific countries would be an extremely worthwhile endeavour in terms of promoting decent work, rights-based development and social stability.

16.4 The New Zealand Council of Trade Unions recently made a submission to NZAID on their draft “Growth and Livelihoods” policy which made these very arguments.

## **17. Skills and Training – an example from the health sector**

17.1 The migration of Pacific Islanders workers to New Zealand creates complexities. For example, while there is a need for more Pacific Island health professionals in New Zealand and migration to New Zealand provides Pacific Island health professionals with opportunities to develop their careers, gain valuable experience, and improve living conditions for themselves and their families, the loss of valued and needed health professionals can be very detrimental to Pacific Island countries.

17.2 A report on the 2004 Asia Pacific Nursing Congress identified that nurses in Fiji were leaving the health system faster than they could be replaced. In Fiji, about 120 – 150 nurses graduate annually, but nearly half are lost to external migration. In the last five years the number of nurses in Fiji either resigning or moving overseas has exceeded the number of graduates. This not only has a devastating effect on the economy but is very detrimental to the remaining nurses.

17.3 Currently New Zealand is dependent on overseas qualified nurses because of the gap between nurses trained each year and nurses needed. Recruitment strategies by international agencies to reduce this gap pose a particular threat to Pacific Island nurses. This also applies to other professional groups.

17.4 A significant initiative in 2004 in the health sector was the development by the Commonwealth Health Ministers of a Code of Practice for the International Recruitment of Health Workers. This Code provides a framework and guidance for dealing with issues

resulting from international recruitment and migration in the health sector.

- 17.5 This Code provides guidelines for the international recruitment of health workers in a manner that takes into account the potential impact of such recruitment on services in the source country.
- 17.6 The Code does not propose that governments should limit or hinder the freedom of individuals to choose where they wish to live and work but provides governments with a framework within which international recruitment should take place.
- 17.7 In this context, the current partnership between Niue and the Counties-Manukau District Health Board, where health professional from Niue and New Zealand travel to the other to develop skills and capacity, is a practical model incorporating the key concerns addressed by the Code of Practice for the International Recruitment of Health Workers. As such, New Zealand should seek to replicate the partnership and the values of the code to other skill areas.

*Pacific Nurses and Nursing Students Survey*

- 17.8 New Zealand's large Pacific population creates a need for Pacific Island workers and professionals. A survey by the Samoan Nurses Association of New Zealand, and funded by Ministry of Health, conducted in 2002 and 2003 to identify the numbers, characteristics, areas of specialty and current status of employment and training needs of Pacific nurses and current nursing students in New Zealand, provided valuable insights into Pacific Island workers and professionals living in New Zealand.
- 17.9 The report found that Pacific nurses made up about 2.8 per cent of the total nursing population in New Zealand, this population was increasing at a relatively low rate and there are very few nurses working in nursing administration and management or midwifery administration and management.

- 17.10 The survey was consistent in the barriers it identified for both active nurses, nurses not currently working as nurses and nursing students: the high cost of training, family and community responsibilities, lack of support from training institutions and English as a second language.
- 17.11 Skill development is a key area where New Zealand can build its relationship with South Pacific countries and contribute to the South Pacific's ongoing development. This study of Pacific nurses shows that the current passive approach to skill development result in sub-optimal results and limits the potential of Pacific Island workers to contribute in the New Zealand workforce.

## **18. Gender issues**

- 18.1 If the experience of Pacific women in New Zealand is any guide to the experience of Pacific women living in other South Pacific countries, there are specific gender issues that need to be addressed in New Zealand's relationships with those South Pacific countries.
- 18.2 Pacific women in New Zealand are over-represented among the unemployed, lower-skilled workers and low income earners. Family and household sizes tend to be larger for Pacific peoples, which often mean greater responsibilities for Pacific women and added pressure on the distribution of income within the household.
- 18.3 A qualitative research study commissioned by the Ministry of Women's affairs focused on a number of different factors that impact on Pacific women's economic well-being, including their roles and economic contributions, access to employment, education and training, as well as their definition of economic well-being.
- 18.4 While the participants believed that they brought a number of unique skills and experience to the workplace, many of the women

felt that they faced a number of barriers to accessing employment opportunities, including:

- a lack of qualifications, experience and skills;
- a lack of motivation and confidence – partly due to a lack of knowledge of job application/interview processes and a lack of bargaining and negotiating skills;
- caregiving obligations;
- language and communication problems; and
- racism and discrimination.

18.5 This research highlighted the needs regarding gender equality for Pacific Island women living in New Zealand. Gender equality is a critical goal of women in New Zealand and Pacific Island countries. Gender equality is both important as a goal in itself but also for achieving socially and economically sustainable development

18.6 The Convention of the Elimination of Discrimination against Women (CEDAW) is the core human rights treaty that provides for the promotion and protection of women's rights. The CTU takes an active role in reporting on New Zealand's CEDAW obligations.

18.7 While many Pacific Island countries have made progress and ratified CEDAW, the CTU notes the concerns of the New Zealand Government made in 2003 by Don McKay, Permanent Representative of New Zealand on behalf of the Pacific Island Forum Group, that there are resource and capacity issues required to implement the Convention. As for New Zealand, the reporting process on this Convention offers the potential to be a positive and dynamic force for change in the recognition of gender equality issues and identifying actions to make change.

18.8 Pacific countries face similar challenges to New Zealand improving women's participation in all levels of society and improving the economic and social position of women in society. New Zealand's

role in working with Pacific countries to ratify, implement and support CEDAW is critical and offers unique opportunities to strengthen relationships between New Zealand and the Pacific, as well as improve the position of women in the Pacific

**19. Building union capacity**

- 19.1 In the context of tripartite social structures, and given the broad implications of promoting economic growth within an neoliberal economic framework (as much of NZAID's recent draft Growth and Livelihoods policy did), there is a vital need for workers in the South Pacific to be able to engage in the debate about economic development and trade liberalisation, both locally and regionally.
- 19.2 The best way for this to take place is through unions. However, in South Pacific countries there are clear issues about the capacity of unions to engage in such debates.
- 19.3 Equally, the effective development of tripartite engagement requires a commitment to develop the capacity of all the social partners – which includes unions.
- 19.4 Therefore, there is an important opportunity for New Zealand to assist in building the capacity of unions in the South Pacific. The CTU has already played some role in this process through its membership of SPOCTU. Also, specific CTU affiliates have become directly involved in supporting sister unions in the Pacific.
- 19.5 On behalf of Public Services International, the New Zealand Public Service Association has established bilateral relationships with affiliates in Tonga, (and in Samoa and the Cook Islands). A member of the Tongan PSA national executive is coming to New Zealand to work with PSA staff in developing training materials to take back to Tonga.

- 19.6 In another example, the Maritime Union of New Zealand (MUNZ) and the International Transport Federation have been involved in developing a Samoan Shipping Services Collective Agreement. The agreement is between MUNZ and Samoa Shipping Services and ensures minimum ILO labour standards are met by the employer in the absence of local union capacity to conclude such an agreement.
- 19.7 The South Pacific Nurses Forum (SPNF) is another example of an important opportunity every two years for nurses from 13 Pacific countries including New Zealand and Australia meeting together, strengthen relationships and have an exchange of nursing, health and research and information. The New Zealand and Australian nursing unions – the New Zealand Nurses Organisation and the Australian Nursing Federation - play a vital role in assisting this Forum organisationally and administratively.
- 19.8 In 2005, the New Zealand Nurses Organisation (NZNO), following a request from the Fijian Nurses Association (FNA) assisted the local union after serious threats to Fijian nurses' pay and employment conditions. The response from this experience, with leaders of the NZNO providing practical and on-the-ground-experience and assistance in building union capacity and response, was instructive. NZNO assisted the FNA, through analysis and research, with the introduction of bargaining responses, performance pay systems and new employment relations legislation.
- 19.9 Laila Harré one of the union leaders who went to Fiji at this time, commented in her evaluation on the importance and value of unions providing practical assistance to South Pacific unions. Two areas of particular importance were identified: training and employment relations legislation training and analysis.
- 19.10 Because the influence of New Zealand is so significance in the Pacific in respect of legislation and policy, New Zealand unions are

in a uniquely valuable position to assist South Pacific countries with analysis of legislation and policy. For better or worse, much of the response of South Pacific legislators is to emulate the experience and response of close, but larger countries, in respect of legislation and policy. After the NZNO's visit to Fiji in 2005, and their assistance in analysing the new employment relations legislation in Fiji, the NZNO went on to assist the FNA with analysis of new legislation impacting on Fijian nurses' professional development and accountabilities (similar legislation to the Health Practitioners Competence Assurance Act in NZ).

- 19.11 All these examples represent models for the wider Pacific and something that the New Zealand government could actively promote.

## **20. Labour mobility**

- 20.1 New Zealand has benefited, and continues to benefit, from the effort of migrant workers from South Pacific countries. In the 1960s and 1970s migrant workers from the South Pacific played vital role in New Zealand's industrial boom.
- 20.2 However, New Zealand's treatment of migrant workers from South Pacific countries has, at times, been very poor. For example, the "dawn raid" policies in the 1970s.
- 20.3 While dedicated policies supporting permanent migration from South Pacific countries still exist, and acknowledging that the permanent loss of people to New Zealand can raise its own problems for South Pacific countries, the growing emphasis on temporary migration in New Zealand policy is generating new concerns.
- 20.4 At the forefront of this new emphasis is the Recognised Seasonal Employer (RSE) policy.

- 20.5 On a general level, the Recognised Seasonal Employer policy has a number of positive dimensions.
- 20.6 First, it has a Pacific focus through the “kick-start” facilitation in relation to Kiribati, Samoa, Tonga, Tuvalu and Vanuatu and the requirement in operational policy that overseas workers are recruited from Federated States of Micronesia, Kiribati, Nauru, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu or Vanuatu, unless certain criteria are met.
- 20.7 Second, it has a return dimension, drawing on the best practice of temporary labour migration schemes between Canada and the Caribbean and Spain and North Africa.
- 20.8 Third, it is attempting to set some higher standards for pastoral care for temporary migrant workers.
- 20.9 However, it is important to acknowledge that there are specific risks involved in promoting temporary migrant work and, irrespective of what the RSE policy says in principle, the experience of temporary migrant workers generally around the world is a poor one.
- 20.10 If a significant number of temporary migrant workers from the South Pacific were to have a negative experience of New Zealand under RSE it would do immeasurable damage to our reputation and relationship with South Pacific countries.
- 20.11 Equally, while RSE has been promoted as a development tool for South Pacific countries, a number of factors may limit its effectiveness.
- 20.12 To date there has been an emphasis on remittances as the key development benefit of the RSE policy. Unless this is done through fair and transparent channels, the benefit of remittances can be significantly reduced.

- 20.13 However, an even bigger development opportunity is overlooked if the measurement of success is limited to the utility of remittances. There is a wonderful opportunity while South Pacific workers are in New Zealand to provide them with training, skills and personal development that are not available in their home countries.
- 20.14 In the RSE pilot project, involving workers from Vanuatu and horticulture/viticulture growers in Central Otago, those workers were given opportunities to attend courses at the local polytechnic and develop skills such as welding. However, now that the full RSE scheme is being rolled out, similar commitments do not appear to be the norm.
- 20.15 How selection for participation in the RSE scheme is handled in the Pacific will also have a significant impact on the scheme's effectiveness. As a significant source of foreign exchange for Pacific nations, those nations have a huge vested interest in making sure workers maximise their income generation while they are in New Zealand. Equally, who controls selection in Pacific states will be a source of political leverage.
- 20.16 The New Zealand CTU has tried to work closely with Pacific trade unions through SPOCTU, and provide them with information about the RSE scheme. As part of that process it would have been particularly useful to know how each of the kick-start nations was planning to handle the selection of workers to participate in RSE, so we could share that with Pacific unions and promote best practice. Unfortunately that information was not forthcoming until arrangements were already fixed.
- 20.17 The CTU is very keen to assist Pacific Island trade unions to engage with the operation of this policy in their respective home countries. This opportunity links to developing labour standards in the South Pacific, building the capacity of social partners, as well

as helping to ensure the legitimacy of and best development outcomes from RSE.

**21. Actions to encourage sustainable economic development in, and two way trade with, Pacific Forum countries**

- 21.1 Drawing together the previous discussion, the CTU believes that the ILO's Decent Work agenda and its pursuit through tripartite structures present an ideal methodology for encouraging sustainable economic development in the South Pacific.
- 21.2 Equally, the potential threat to Pacific development posed by global warming means New Zealand must make special effort to advocate for and assist with measures that can mitigate the harmful consequences of climate change.
- 21.3 Thirdly, the CTU would like to particularly stress the dangers posed by trade liberalisation and the PACER proposals through the imposition of inappropriate policy changes on developing Pacific Island countries.

**22. Strategic objectives for expenditure of New Zealand Aid**

- 22.1 The primary consideration for aid expenditure in the South Pacific must be poverty eradication. This should take place in line with the United Nations' Millennium Development Goals. It should also recognise the ILO's decent work agenda as a key tool in ensuring development is sustainable and equitable.
- 22.2 Within this framework, this submission has identified support for tripartite structures and social partnership as a valuable area for targeted assistance.
- 22.3 Equally capacity building for workers representatives and unions in the Pacific has been identified as a necessary step to bring effectiveness to tripartite structures and ensure the interests of workers are represented in the development process.

22.4 Any country providing aid has the right and responsibility to provide guidelines for the use of that aid within the country requesting aid. However it is also a responsibility of donor countries to consult with the recipients as to what is needed and how this can be developed as a long term, life sustaining exercise. Too often aid is provided to countries in need but without the consultation so that there is limited long term benefit and the recipients become aid dependents rather than being able to care for and provide for their families.

### **23. UN target of 0.7 per cent of Gross National Income**

23.1 New Zealand continues to be one of the least generous OECD countries in terms of overseas aid. The CTU continues to believe New Zealand should meet the internationally-agreed target of spending 0.7 per cent of Gross National Income (GNI) on official development assistance.

23.2 To this end, the announcements in the 2007 budget of an increase of \$70m in New Zealand's overseas aid in 2007-08, and ongoing increases in aid over the next four years, are a welcome move.

23.3 Equally, the CTU supports the Government's commitment that over half of the new funding will be spent in the Pacific, particularly in Melanesia.

23.4 However, these increases will still only bring New Zealand to a level of 0.35 per cent of GNI by 2010-11.

### **24. Conclusion**

24.1 The unique and special relationship between the people of New Zealand and the people of other South Pacific countries needs to be strengthened and protected. The CTU advocates that the government give greater attention to its international relationship with Pacific Island states in the South Pacific region.

24.2 Within that context, labour standards, social partnership, environmental protection and more development-focused rules for trade are areas where New Zealand should focus its activity. Equally skills and training, union capacity building and labour mobility are practical current areas where New Zealand could be doing more. Finally, the continued increase and focus on the South Pacific in New Zealand overseas aid is encouraged and supported.

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<sup>1</sup> The seven core conventions are The International Covenant on Economic, Social and Cultural Rights (ICESCR); the International Covenant on Civil and Political Rights (ICCPR); the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD); the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW); the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT); the Convention on the Rights of the Child (CRC); and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (ICRMW).

<sup>2</sup> P Imrana Jalal, "Pacific Culture and Human Rights: Why Pacific Island Countries Should Ratify International Human Rights Treaties", Pacific Regional Rights Resource Team, April 2006

<sup>3</sup> The Cotonou Agreement is a treaty between the European Union and the group of African, Caribbean and Pacific states (ACP countries). It was signed in June 2000 in Cotonou, the capital of Benin, by 79 ACP countries and the then fifteen Member States of the European Union and is the latest agreement in the history of ACP-EU Development Cooperation.

<sup>4</sup> Intergovernmental Panel on Climate Change, "Climate Change 2001: Impacts, Adaptation and Vulnerability", 2001

<sup>5</sup> Oxfam New Zealand, "Provision of technical support to assist the Pacific ACP Region in the Review of EPA Negotiations – Oxfam New Zealand Response", January 2007

<sup>6</sup> See <http://www.oxfam.org.nz/whatwedo.asp?s1=what%20we%20do&s2=issues%20we%20work%20on&s3=make%20trade%20fair&s4=Make%20Trade%20Fair%20in%20the%20Pacific> Accessed 24 May 2007.