

Who is coming from Vanuatu to New Zealand under the new Recognised Seasonal Employer program?

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Temporary migration has come to be regarded by many as a way of squaring the policy circle around international migration. (Winters 2003, GCIM(2005), World Bank 2006a,b, Pritchett (2006) It apparently offers many of the benefits—such as relieving labour shortages in developed countries and aiding development in developing countries—with few of the perceived costs—such as permanent losses of talent in developing countries, and social stresses, fiscal costs and irreversibility in developed countries. Much ink has been spilt making this case and debating how best to design such systems. A notable feature of this debate, however, is that it has been almost wholly based on *a priori* reasoning or casual empiricism. There is almost no formal empirical evidence about what works in temporary migration schemes or why it works.

Therefore in this paper we report on the results of a baseline survey taken in Vanuatu, allowing us to examine who wants to participate and who is selected by New Zealand's newly created Recognised Seasonal Employers scheme, which aims

to accept up to five thousand unskilled horticultural workers per year. Vanuatu is the largest supplier of labour in the first year and our survey is designed to explore the developmental impacts which the scheme may have.

The RSE scheme has been based on previous experience and analysis, and contains many of the features that constitute current ideas of best practice in seasonal worker schemes. But that does not remove the need for an in-depth evaluation, which will both aid future fine-tuning (and possibly extension) in New Zealand and help other countries contemplating the introduction of similar schemes. Australia, under new Prime Minister Rudd, is introducing similar policies.

The evaluation has several phases over several years designed to see who takes advantage of the scheme, how it affects them, and their families' economic decisions and outcomes and how it impacts on their communities and nation. The first step, which this paper describes, was a base-line survey conducted in late 2007 and early

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2008, designed to record living standards prior to the introduction of the scheme, the knowledge and access that potential workers have to the scheme and the characteristics of those who seek to take it up. Respondents included workers who had been selected to go to New Zealand, those who aspired to do so but had not yet been selected and those who were not interested, along with their community leaders, recruitment agents and certain members of the Vanuatu government. The survey was conducted on three of Vanuatu's islands—Efate (where the capital, Port Vila is located), Tanna, and Ambrym. Subsequent surveys of both the workers and their families will allow us to identify the scheme's effects on the lives and prospects of the residents of Vanuatu in a formal and rigorous way.

The initial survey is useful mainly as a base-line for future analysis, but it also contains useful and interesting information in its own right. Ultimately the development impact of the program will depend in large part on who (and how many) of the Ni-Vanuatu participate. Our baseline survey allows us to detect early on the characteristics of the participants, and to start to infer whether any differences between them and non-participants are due to the differences in the decision to apply for the program, or to the selection process among applicants. Part of this is to see how broadly and precisely knowledge of the scheme has spread and whether its workers are drawn from among the poorer or better-off sections of society. We find the main participants are males in their late 20s to early 40s, most of whom are married and have children. Most workers are subsistence farmers in Vanuatu and have not completed more than 10 years of schooling. Such workers would be unlikely to be accepted under existing migration channels. Nevertheless, we find RSE workers from Vanuatu to come from wealthier households, and have better

English literacy and health than individuals not applying for the program. Lack of knowledge about the policy and the costs of applying appear to be the main barriers preventing poorer individuals applying.

The RSE program in Vanuatu

Vanuatu is an archipelago of 83 islands located 1,750 kilometres east of Australia. It has a population of about 215,000. Purchasing power-adjusted GDP per capita in 2005 was US\$3,225 (purchasing power parity, PPP), compared with New Zealand's US\$24,996 (PPP) (UNDP 2007). Most of the country is rural, with about 20 per cent of the population living in the two urban centres of Port Vila (the capital, with more than 30,000 people) and Luganville. Formerly known as the New Hebrides and administered under joint British–French jurisdiction, Vanuatu became independent in 1980. The inhabitants of Vanuatu, ni-Vanuatu, are of Melanesian descent and form the majority (98.5 per cent) of the population; collectively, they speak about 110 different local languages, although the three official languages are Bislama (the most widely spoken), English and French. In common with much of Melanesia, Vanuatu has never been a country of emigrants; only about 1.5 per cent of its population lives abroad (World Bank 2008).

The RSE program

On 16 October 2006, the New Zealand Cabinet agreed to a temporary seasonal work policy called the RSE work policy. One of the explicit objectives of the RSE is to 'encourage economic development, regional integration and good governance within the Pacific, by allowing preferential access to workers who are citizens of eligible Pacific countries' (New Zealand Department of Labour 2007). All Pacific Islands Forum countries (other than Fiji,

whose participation has been suspended) are eligible for this scheme in principle, but five have been selected for so-called 'kick-start' status, which entails deliberate and expedited efforts to launch it: Kiribati, Samoa, Tonga, Tuvalu and Vanuatu.

The policy was launched on 30 April 2007, with a limit of 5,000 seasonal workers set each year. Predicated on the assumption that New Zealanders should still have preferred access to New Zealand job vacancies, the RSE scheme is based on a three-step process: 1) employers in the horticulture and viticulture industries apply to become Recognised Seasonal Employers (RSEs) in New Zealand; 2) employers with RSE status obtain an Agreement to Recruit (ATR), which enables them to employ overseas workers if no New Zealanders are available; 3) workers with employment offers linked to an ATR apply for Seasonal Work Visas for a maximum of seven months (nine months for Kiribati and Tuvalu) per 11-month period. In subsequent years, subject to satisfactory performance and a continuing need for labour, employers' RSE status will be extended, new Agreements to Recruit will be approved and previous seasonal workers may return to New Zealand. In Vanuatu, individuals must be 21 years or older and must not hold a university-level degree or other professional qualification, or work for the government. Visa applicants must supply a passport, a temporary entry chest X-ray certificate (used to screen for tuberculosis), a medical certificate, a copy of their employment agreement with an RSE and their return air ticket. They must also meet a character requirement: they must not have a criminal record and must not have been deported from any country.

Employers are required to pay for half of the return airfare between New Zealand and the worker's country of residence and comply with employment laws in New

Zealand. The hourly rate must be the typical rate a New Zealand citizen would be paid for equivalent work. Employers are also required to make available appropriate 'pastoral care' for workers, including arranging suitable accommodation, internal transportation, access to personal banking services, provision of protective equipment and opportunities for recreation and religious observance.¹ The minimum remuneration in employment agreements of six weeks or longer is the greater of 240 hours at the hourly rate, regardless of the availability of work, or payment for an average of 30 hours a week at the hourly rate for the period worked.

The Inter-Agency Understanding (IAU) between New Zealand and Vanuatu requires that all workers should attend a pre-departure orientation seminar before their departure for New Zealand, covering matters such as climate, clothing and footwear requirements, taxation, insurance, health and well-being, accident compensation, banking and remitting, budget advice and travel arrangements. Agents (or if directly recruited, employers themselves) are responsible for the delivery of these seminars, while the Vanuatu Department of Labour maintains an oversight role.²

How do New Zealand employers select ni-Vanuatu workers?

The inter-agency understanding between the New Zealand Department of Labour and the Vanuatu Ministry of Internal Affairs specifies two options for New Zealand employers to recruit from Vanuatu. The first is to use a licensed agent to undertake recruitment on their behalf. Agents are paid by the employer and are prohibited from seeking compensation from workers.³ The second option is for the employer to recruit workers directly, after obtaining a permit

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from the Vanuatu Commissioner of Labour. In practice, it is difficult to separate these two options completely, because even direct recruiters have made some use of agents.

Direct recruiting was carried out by one of the first and largest recruiters. Seasonal Solutions, which had employed 45 ni-Vanuatu workers in early 2007 under a previous immigration policy,⁴ recruited 230 workers to begin work in New Zealand in late October 2007. The 45 workers recruited in early 2007 were from the islands of Tanna and Ambrym. These workers were invited back, and those from Tanna were also asked to bring two others along to recruitment interviews. Seasonal Solutions had originally selected 15 workers from North Ambrym and asked for 30 workers to come as part of this 230. Selection in North Ambrym was done through the Lolihor Development Council, an association of 12 villages in the area. The development council selected workers on the basis of their ability to work hard, listen and follow instructions, lack of dependency on kava, cigarettes or alcohol and their ability to leave family behind, as well as trying to select workers from each of the 'extended families' that made up the villages. These workers were expected to contribute to a community pool for a micro-credit program for women on return and a separate scholarship fund for education and training. Seasonal Solutions also used local advertising and contacts through licensed agents to select other workers. The other large recruiter using direct recruiting was Big Toe, a 'New Zealand based private sector organization with a focus on community development in [the] Third World', which served as a link between Vanuatu and employers in the Bay of Plenty region of New Zealand. Big Toe worked closely with World Vision in Vanuatu to target areas with limited employment or income-generating opportunities from which to recruit workers. Tanna was identified as one such location,

as well as some other smaller island groups, with the 'shortfall' of workers recruited from other areas, mainly Port Vila and its surrounding area.

Direct recruitment is facilitated by the Vanuatu Department of Labour, which maintains a pool of about 1,000 'work-ready' workers from 'walk-ins' who have registered directly with the department and people who have registered after the 'Road Show' (community consultations) conducted by the Public Relations Officer in Vanuatu. These work-ready workers have all their papers in order, so that if an employer asks the Department of Labour for assistance, names and contact information may be given immediately from the pool. Employers then interview workers and the department does a final screening during the visa application process. If there is any remaining doubt about the worker's background or character, his or her community leader is asked for a final assessment of whether or not the person is fit to work in New Zealand.

As of April 2008, there were 22 licensed RSE agents in Vanuatu, with 10 securing places for ni-Vanuatu workers. Many of these agents have secured workers with Seasonal Solutions or Big Toe. One agent has placed workers directly with smaller seasonal employers, and has placed 272 workers in total. He requires potential workers to complete application forms, he then interviews them and checks their character and abilities by asking community leaders. Initially, the performance of some agents has raised concern, especially over the quality of their scrutiny of candidates, and there have been suggestions that, in some cases, this might endanger the renewal of their licences. For example, contrary to explicit intentions, some groups of workers have been dispatched without a single adequate English speaker to handle their communication in New Zealand,

and some workers have complained that, despite being explicitly forbidden, some agents have tried to charge an additional fee to workers for their services. Moreover, it seems that some agents have not had the capital and resources necessary to market their services and make themselves known in New Zealand.

The role of agents continues to evolve and their worth in the second year of the scheme remains to be seen. It is likely that many employers will re-employ workers from the first year and ask trusted workers to recommend others from their villages. Along with direct recruiting from larger employers, this will limit the space available for agents to add value. The area in which some agents are still likely to retain business is in recruiting for smaller employers, especially first-time employers. They will, however, face competition from cooperatives such as Seasonal Solutions and Big Toe. We will continue to study the evolving role of agents in our follow-up work.

In general, communities and community leaders have played a somewhat limited formal role in the selection process, with many applicants coming forward on their own initiative; this is particularly the case in urban areas. In rural areas, there is a greater role for chiefs in deciding how many workers should go and who they should be. More direct community involvement occurred in employer recruitment of husbands and wives from the island of Epi, and community decision making in Ambrym and some communities in Tanna. In most cases, the employer doing direct recruiting has established a geographical area to work with, based on advice, connections or affinity with particular islands, and then engaged the communities there, with the communities nominating candidates who then go through the employer's selection process.

As of 22 May 2008, 1,698 ni-Vanuatu workers had been approved to come to New

Zealand through the RSE.⁵ As of 19 April 2008, 21 different employers had recruited from Vanuatu, although this included five employers whose recruitment was carried out by Big Toe. Agents were involved in recruiting 1,055 workers by April 2008, with 10 of the 22 licensed agents having succeeded in sending workers. The first employers recruited no women: between October 2007 and January 2008, when the first 321 workers arrived in New Zealand, all were male. Between one-quarter and one-third of those arriving between February and May 2008, however, were female. Of the 1,698 workers recruited by 22 May, 22.3 per cent (379 workers) were female. A final point of interest from the official statistics is that only a minority of workers were recruited for the full seven months: as of May 2008, approximately 28 per cent of RSE workers had been recruited for seven months, 28 per cent for six months, 16 per cent for four to four and a half months and the remaining 27 per cent for periods of two and a half to three and a half months.

Survey data and determinants of migration

Survey design

One of the objectives of the RSE is to improve development outcomes within the sending countries. In order to evaluate the impact of the RSE program on Vanuatu, the World Bank partnered with the New Zealand Department of Labour and the University of Waikato, New Zealand, to design a research study. The aim of the study is to survey households and individuals in Vanuatu before RSE workers leave for New Zealand, survey these same households once RSE workers have been in New Zealand for three to six months and then survey the households again on return of the workers.

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The study aims to survey participants in the RSE, individuals and households wishing to participate in the RSE who have not been selected and individuals not wanting to apply for the RSE. At the village or community level, the survey also aimed to cover communities with households participating in the RSE and communities in which no household had an RSE worker. In addition to a household survey, up to three community leaders (chiefs, church leaders and teachers or youth representatives) in each community were asked to complete a short community survey. This paper is based on the baseline survey, conducted between 9 October 2007 and 2 April 2008.

Several factors complicated the design of the survey. The most important was that approvals of Agreements to Recruit in Vanuatu occurred on a rolling basis, as did the recruitment of workers. Once workers were selected for recruitment, there was often only two to three weeks before they left for New Zealand. The RSE program as a whole had a quota of 5,000 workers for the first year, with an effort to ensure at least half came from Pacific island countries. There were, however, no explicit quotas across kick-start nations (and the only implicit quota seems to have been an effort to ensure each kick-start nation sent *some* workers). It was therefore not possible *ex ante* to know how many workers from Vanuatu would participate in the RSE or when they would be recruited. Within Vanuatu, it was also not clear from which islands or communities RSE workers would be drawn.

Vanuatu's rugged geography and high transportation costs meant it was not feasible to survey in all islands, so a decision was made to limit the evaluation to three islands from which we believed there was a high *ex ante* chance of workers coming. These islands were Efate (population 50,000), where the capital city, Port Vila, is located; and Ambrym (population 10,000)

and Tanna (population 20,000), from which workers for the initial Seasonal Solutions pilot had been drawn. The sample contains 190 households from Ambrym, 106 from Tanna and 176 from Port Vila and the rest of Efate.

Interviewing began in early October 2007 with workers recruited by Seasonal Solutions, with interviewing taking place after the briefing sessions organised by Seasonal Solutions and before the workers' departure at the airport. Interviewing in Ambrym began in November 2007. The sample was selected based on the proportion of the population in the three area councils (North, West and South-East) and within these areas villages were selected at random to represent the whole North region. The North area was expected to have higher numbers of RSE migrants than the other areas because of the prior participation of communities in this area in the pilot. In the West, communities were selected based on their proximity to the main settlement on the premise that RSE rates would be higher near this main centre and would decrease with distance. Communities in the remote South-East were selected based on economic activity (for instance, a community with kava farming was selected because leaders stated that they had sufficient income from kava and did not need schemes such as the RSE) and remoteness (a small inland village was selected to see if it was aware of the RSE scheme). Within communities, households were selected at random.

Interviewing in Tanna occurred in November and December 2007. The Tanna field manager visited three of the major RSE agents operating in the island, who gave lists of all RSE workers and applicants, which allowed identification of communities and individuals with RSE workers. The island was divided into six areas (West, Middle Bush, North, South-West, South and Whitesands) for surveying of communities

and households without RSE workers. The lower cost and higher population in Efate and Port Vila led to staggered sampling from this area, with the last sampling of Big Toe workers occurring in late March and early April 2008. Sample locations in Efate were selected using the location of households from the pre-departure interviews, geographical location in rural areas and areas representative of different socioeconomic groups in Port Vila.

Classification of households and individuals

We follow common survey practice in defining a 'household' as a group of people sharing expenses and living together. Mean household size is 4.7 individuals. Sixty-four per cent of households in our sample are nuclear households, consisting of a head, spouse and children only. The majority of the remaining households also contain either a parent or sibling of the household head.

We classify households and individuals into three groups according to the extent of their involvement in the RSE program. An individual is classified as a 'selected RSE worker' if he or she has been selected to work in New Zealand under the RSE program. At the time of interview, 60 per cent of the RSE workers had just left for New Zealand, while the remaining 40 per cent were in Vanuatu preparing to leave. An individual is classified as an 'unselected RSE applicant' if he or she has tried to participate in the RSE program, but has not yet been selected as a worker. Subsequent survey rounds will identify the unselected applicants who went on to become RSE workers. Together, the selected RSE workers and unselected RSE applicants form the group of 'RSE applicants'. Finally, an individual is classified as an 'RSE non-applicant' if he or she has not tried to participate in the RSE program. A household is defined as an 'RSE

selected worker household' if at least one member is a selected RSE worker, an 'RSE unselected applicant household' if at least one member is an unselected RSE applicant and no members are selected RSE workers, and as an 'RSE non-applicant household' if everyone in the household is an RSE non-applicant.

Under these definitions, our sample of 472 households contains 170 RSE selected worker households, 97 RSE unselected applicant households and 205 RSE non-applicant households; and the 2,229 individuals consist of 208 selected RSE workers, 118 unselected RSE applicants and 1,903 RSE non-applicants. Household-level characteristics (Table 1) and individual-level characteristics (Table 2) across the three groups are summarised and the results of two-sample t-tests reported for the difference in means.

Differences between RSE workers, unselected applicants and non-applicants

The RSE selected worker households tend to be better off in terms of infrastructure, household durable assets,⁶ weekly food expenditure, total monthly expenditure per capita and household income compared with the RSE unselected applicant and non-applicant households (Table 1). Total household income is measured as the sum of cash income from agricultural sales and from wage and salary work; cash income from pensions, interest and rents; the value of food produced by the household for its own consumption; and net domestic transfers. Mean weekly income per capita in the RSE selected worker households is 3,694 vatu (approximately US\$40 or NZ\$52), compared with 2,458 vatu in the RSE unselected applicant sample and 2,729 vatu in the RSE non-applicant sample.⁷ Mean (median) monthly total expenditure per capita is 8,852 vatu (5,030 vatu) in the RSE selected worker

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Table 1 Characteristics of households by RSE status in Vanuatu

	Full sample		Selected RSE worker households	Unselected RSE applicant households	Non-applicant households
	Mean	Std deviation	(mean)	(mean)	(mean)
<i>Household characteristics</i>					
<i>Proportion with:</i>					
Piped water	0.29		0.28	0.21	0.34 ^d
Flush toilet	0.17		0.22	0.08 ^c	0.17
Electric light	0.26		0.44	0.07 ^c	0.20 ^{c,f}
Telephone	0.24		0.38	0.11 ^c	0.19 ^{c,e}
Motor vehicle	0.10		0.14	0.04 ^b	0.10
Bank account	0.49		0.62	0.51 ^a	0.37 ^{c,f}
ATM card	0.27		0.42	0.18 ^c	0.18 ^{c,f}
Receive overseas remittances	0.18		0.15	0.29 ^c	0.16
Receive some cash income	0.87		0.84	0.89	0.84
Have a relative in New Zealand	0.07		0.11	0.07	0.02 ^{c,f}
<i>Quantities</i>					
Household size	4.73	2.01	4.55	5.13 ^b	4.69
Asset index	0.00	2.41	0.87	-0.81 ^c	-0.34 ^{c,f}
Number of pigs	3.54	5.65	3.07	3.80	3.82
Number of chickens	11.72	15.27	8.48	14.85 ^c	13.02 ^c
Number of cattle	1.64	4.33	0.69	2.48 ^c	2.06 ^{c,d}
Household weekly cash income (vatu)	8,724	15,408	9,434	7,957	8,497
Household weekly own production (vatu)	4,309	7,554	5,235	4,245	3,571 ^{b,d}
Weekly total income per head (vatu)	3,020	3,756	3,694	2,458 ^b	2,729 ^b
Household weekly food expenditure (vatu)	2,455	2,998	3,383	1,665 ^c	2,059 ^{c,e}
Monthly total expenditure per head (vatu)	5,921	8,678	8,852	3,295 ^c	4,732 ^{c,f}
<i>Median weekly total income per head (vatu)</i>	1,529		2,382	1,337 ^c	1,343 ^{c,f}
<i>Median weekly food expenditure (vatu)</i>	1,000		2,000	1,000 ^c	1,000 ^b
<i>Median monthly total expenditure per head (vatu)</i>	2,445		5,030	1,714 ^c	2,250 ^c
Sample size	472		170	97	205

^a *t*-test shows significantly different from the RSE worker household sample at the 10 per cent level

^b *t*-test shows significantly different from the RSE worker household sample at the 5 per cent level

^c *t*-test shows significantly different from the RSE worker household sample at the 1 per cent level

^d *t*-test shows significantly different from the RSE applicants sample at the 10 per cent level

^e *t*-test shows significantly different from the RSE applicants sample at the 5 per cent level

^f *t*-test shows significantly different from the RSE applicants sample at the 1 per cent level

Source: Authors' survey

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households—almost twice that of the 4,732 vatu (2,250 vatu) in the RSE non-applicant sample. Only 28 per cent of the RSE selected worker households have piped water, 22 per cent have a flush toilet, 44 per cent have electric lighting and 38 per cent have a telephone. RSE selected worker households have somewhat higher incomes from their own production. A surprisingly high share of households has bank accounts: 62 per cent of RSE selected worker households compared with 37 per cent of RSE non-applicant households. It is likely that most of the higher bank account usage among RSE selected worker households is the result of households obtaining bank accounts just before leaving for New Zealand. Indeed, our fieldwork team had difficulty interviewing some selected RSE workers after their pre-departure training as many had gone straight to open bank accounts.

The oldest selected RSE worker in our sample is 58, while 21 is the lower age limit for participation in the RSE. The age distribution of selected RSE workers in our sample is plotted in Figure 1. It is not the case that the workers are mainly young men in their twenties; the median age is 35 and there are almost as many workers in their forties as in their twenties. A similar pattern is seen in the age distribution of all 1,698 RSE workers approved by 22 May 2008 (Figure 2). The median age for the overall sample is 33, and only 18 per cent are aged below 25, whereas 25 per cent are over 40.

We compare 21–58 year olds by their RSE status (Table 2). Eighty-two per cent of the selected RSE workers in our sample (and 78 per cent of all ni-Vanuatu RSE workers recruited by 22 May 2008) are male, so we separate the non-applicant group into males and females. The mean RSE worker is 36 years old with 7.2 years of education. Seventy-eight per cent of the workers are married and 61 per cent have children. For the majority of workers,

therefore, participation in the RSE program will involve leaving a spouse and children behind in Vanuatu while they work in New Zealand. Sixty-four per cent of the workers have primary schooling (six years of education) or less and only 6 per cent have schooling beyond Form 4 (Year 10). Ninety per cent claim to be literate in English.

The collection of data on RSE workers, unselected applicants and non-applicants allows us to make two interesting comparisons. Comparing the selected RSE workers with unselected RSE applicants gives us a handle on the selection process conducted by firms, agents and community leaders. Comparing all RSE applicants with the non-applicants, on the other hand, reveals information about the self-selection of potential RSE recruits. Taking the former first, we see that the RSE workers are significantly more likely to have worked or studied overseas before,⁸ are more likely to be literate in English, less likely to have had a health complaint in the past six months, have worked more in the past week and are somewhat more likely to have ever had a paid job. These statistics suggest that the selection process is fairly accurate in identifying workers with better working histories and prospects in New Zealand. Interestingly, however, the two ‘character’ variables, consumption of kava and alcohol and tobacco, do not differ between selected and unselected workers, but do differ between male applicants and male non-applicants—that is, they show signs of self-selection.

When we compare all applicants with non-applicants, we see some self-selection of males and females. Males who apply for the RSE have higher English literacy than those who don’t apply and are less likely to have drunk kava or alcohol in the past month than non-applicants. The small group of non-applicants who work for pay have higher hours worked and higher earnings

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Figure 1 Age distribution of RSE workers in sample

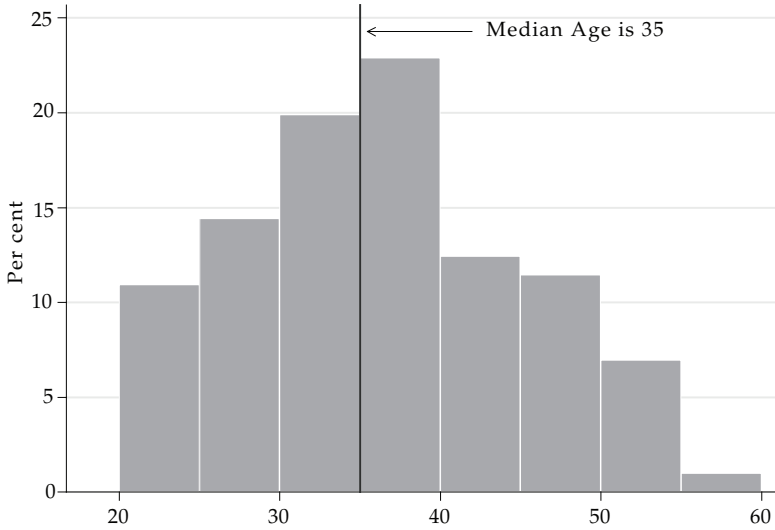
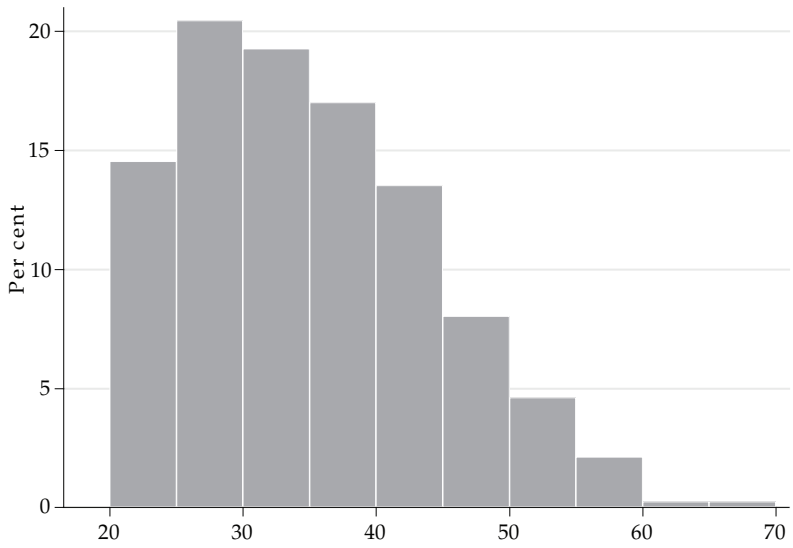


Figure 2 Age distribution of all RSE workers approved by 22 May 2008



Source: Authors' survey

than the group of applicants who work for pay. This is consistent with the view that those with the best earning opportunities in Vanuatu are less likely to apply (and with those with university-level degrees and professional qualifications not being allowed to apply). Among females, we see that those who apply are less likely to be married, are more literate in English, have higher schooling, more experience working for pay and less health complaints than the non-applicants.

The natures of the two types of selection criteria—self and employer—are interesting in their own rights, but they will become critical in future rounds of this research as they will help to eliminate the biases commonly found in studies of the effects of migration. When we observe that migrant families do better, say, than non-migrant families, we do not know from that observation whether that is because they managed to migrate or because they wanted to migrate. In our sample, however, we hope to separate the two effects, the former by comparing workers with (non-selected) applicants, and the latter by comparing workers and applicants with non-applicants. The study that makes this distinction most effectively is McKenzie et al. (2006), in which workers were selected by lottery from among the full set of applicants, providing a very clean estimate of the effect of migration *per se*. In our case, by modelling the employers' selection process, we hope to be able to construct comparable sub-samples of workers and (non-selected) applicants and from differences in their histories identify the effects of migration *per se*.

The differences in Tables 1 and 2 are unconditional differences. We further investigate the determinants of applying for the RSE and of being selected conditional on applying, via probit estimation (Table 3). These results allow us to see the marginal impact of each variable, controlling for

the other variables present. Column 1 of Table 3 shows the results for applying for the RSE for the full sample of 21–58 year olds, while Columns 2 and 3 separate the analysis by gender. The large gender difference continues to hold after controlling for other variables that might differ across genders and also influence the likelihood of applying for the RSE: males are 37 percentage points more likely to apply for the RSE than females. The likelihood of applying for the RSE is increasing and then decreasing with age: the turning point is at age 41. An individual is significantly more likely to apply if they are not married, are literate in English, do not have more than Form 4 schooling, have not had a health complaint in the past six months, do not drink kava or alcohol frequently, come from a smaller household and have a relative in New Zealand. There are more applicants among our Tanna sample than the samples from Ambrym and Efate/Port Vila. Most of these effects continue to hold when we look separately by gender; however, being married reduces the likelihood of applying only for women, and not men. Since there are far fewer female RSE applicants, we find fewer variables significant in this case and, having more than primary education, rather than English literacy, is associated significantly with being an applicant. Women from richer households (those with higher per capita income and more cattle) are less likely to apply.

Column 4 of Table 3 examines the selection of workers among the group of RSE applicants in our sample, while Column 5 considers selection among male applicants. There are too few female applicants and workers to consider selection separately among females. We see that males are more likely to be selected than females, conditional on other observable characteristics. Those with relatives in New Zealand are more likely to be selected, while few applicants

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Table 2 Characteristics of 21–58 year olds by RSE status

	RSE selected worker	RSE unselected applicant	RSE non-applicant	
			Males	Females
Male	0.82	0.87	1	0
Age	35.9	35.9	35.3	34.6
Married/ <i>de facto</i>	0.78	0.78	0.75	0.87 ^b
Have a child	0.61	0.63	0.64	0.72
Ever worked or studied in New Zealand	0.16	0.02 ^c	0.02 ^c	0.00 ^a
Ever worked or studied overseas	0.21	0.04 ^c	0.09 ^c	0.00 ^a
Literate in English	0.90	0.81 ^a	0.74 ^c	0.71 ^a
Has primary schooling or less	0.64	0.66	0.64	0.72 ^b
Has schooling past Form 4 (Year 10)	0.06	0.05	0.09	0.05
Years of education	7.22	6.70	7.48	6.66
Ever held a paid job	0.48	0.36 ^b	0.43	0.20 ^c
Worked for pay in 2007	0.39	0.34	0.38	0.17 ^c
Average hours worked in past week, if worked	37.74	14.86 ^c	36.80 ^c	35.60
Wages in past week (vatu), if worked	8,710	6,055	10,970 ^b	7,761
Had a health complaint in past six months	0.05	0.15 ^c	0.11	0.10 ^a
Number of days of hard physical labour per week	3.62	3.74	3.81	3.41
Currently smokes	0.39	0.38	0.51	0.02
Has consumed kava or alcohol in past month	0.45	0.48	0.64 ^c	0.04
Sample size	201	97	316	447

^a significantly different at the 10 per cent level

^b significantly different at the 5 per cent level

^c significantly different at the 1 per cent level

Notes: *t*-tests for unselected RSE applicants compare mean levels with selected RSE workers; *t*-tests for non-applicants compare mean levels with RSE applicants of the same gender.

Source: Authors' survey

from Ambrym had been selected at the time of our survey there. Individuals from households with more assets are marginally more likely to be selected, as are males with lower schooling levels and males who don't regularly consume kava or alcohol. The point estimate on English literacy is large and positive, but not statistically significant.

What jobs were the RSE workers doing?

Most households in Vanuatu engage in subsistence farming and the RSE selected worker households are no exception; 99 per cent of them produce their own food, with the mean (median) share of total income coming from their own production equal to 51 per cent (41 per cent). Fifty-four per cent of households also sell agricultural products in the market, although the mean (median) share of total income from agricultural sales is only 11 per cent (0.5 per cent). Combining own production and agricultural sales, we find that 65 per cent of households earn at least half of their total income from agriculture and 50 per cent earn at least 90 per cent of all their income from this source. The main crops and meat products produced by RSE selected worker households for home consumption are summarised (Table 4). The most common crops are bananas, which 87 per cent of households produce, coconuts (81 per cent), island cabbage (73 per cent), taro (67 per cent), cassava (61 per cent) and pawpaw (60 per cent). These crops are completely different from the apples, pipfruit and grapes that workers will work with in New Zealand, suggesting natural limitations to the extent to which some of the skills learned in New Zealand can be applied to home crop production.

Only 48 per cent of the selected RSE workers have ever held a paid job before and only 39 per cent worked in the first half of 2007, meaning that for many workers the seasonal worker program will be their first experience of working for an employer.

Among those who worked in the first half of 2007, the most common jobs were as cleaners (13 per cent of those with wage jobs), retail sales workers (12 per cent), builders or carpenters (12 per cent), security (12 per cent) and drivers (10 per cent). Most of these jobs have highly variable hours, with 90 per cent of workers saying their hours varied a lot month by month. Approximately 10 per cent of the selected RSE worker group with wage jobs worked in white-collar jobs, such as managers, accountants and teachers. Workers were asked whether the job they currently had would be available in seven months. Only 37 per cent said yes, 45 per cent said no and the remaining 18 per cent weren't sure. When asked what they planned to do on return from the RSE, only 21 per cent of wage workers planned to return to their old job, and 57 per cent said they would look for a new job.

Knowledge of the RSE

The RSE program attracted a significant amount of media attention in Vanuatu, with the local newspapers and radio covering the launch of the program, and because of the recruiting efforts of the large New Zealand employers. The Vanuatu Department of Labour 'RSE Road Show' conducted seminars on the islands of Tanna, Malekula, Santo, Torres and Efate, with support from the New Zealand Ministry of Foreign Affairs and Trade. Many communities, however, are geographically isolated: only 17 per cent of the communities in our sample receive a daily newspaper⁹ and only 41 per cent receive weekly mail deliveries. It is therefore of interest to see the extent to which RSE applicants and non-applicants have the correct information about the RSE with which to make an informed decision and to see the main sources of this information.

Policy dialogue

Table 3 Probit estimation of determinants of being an RSE applicant and of an applicant being selected (marginal effects shown for probit estimation on 21–58 year olds)

	Selection into applying			Selection among applicants	
	(1) all	(2) males	(3) females	(4) all	(5) males
Male	0.368 ^c (0.032)	n.a.	n.a.	0.188 ^b (0.089)	n.a.
Age	0.0337 ^c (0.012)	0.0233 (0.018)	0.0281 ^c (0.0086)	0.0301 (0.025)	0.0330 (0.029)
Age squared	-0.000403 ^b (0.00016)	-0.000304 (0.00024)	-0.000335 ^c (0.00011)	-0.000410 (0.00034)	-0.000519 (0.00038)
Married	-0.0864 ^a (0.051)	0.0112 (0.066)	-0.113 ^a (0.058)	-0.0591 (0.081)	-0.0346 (0.087)
Literate in English	0.146 ^c (0.030)	0.240 ^c (0.053)	0.0217 (0.020)	0.131 (0.099)	0.119 (0.099)
Has primary schooling or less	-0.0142 (0.034)	0.0524 (0.052)	-0.0624 ^b (0.029)	0.0794 (0.086)	0.181 ^a (0.098)
Has schooling beyond Form 4	-0.101 ^b (0.048)	-0.0877 (0.088)	-0.0418 ^c (0.015)	-0.0996 (0.15)	-0.135 (0.15)
Worked for pay in first half of 2007	0.0257 (0.036)	-0.0231 (0.056)	0.0424 (0.033)	0.0393 (0.058)	-0.0288 (0.068)
Had a health complaint in past six months	-0.0278 (0.052)	0.00323 (0.084)	-0.0435 ^c (0.015)	-0.176 (0.12)	-0.0812 (0.12)
Currently smokes	0.0254 (0.049)	0.0433 (0.060)		0.0635 (0.086)	0.0620 (0.089)
Drank kava or alcohol in past month	-0.0952 ^b (0.043)	-0.137 ^b (0.058)	-0.0318 (0.022)	-0.136 (0.085)	-0.155 ^a (0.082)
Household size	-0.0298 ^c (0.0067)	-0.0291 ^c (0.010)	-0.0154 ^c (0.0053)	-0.0196 (0.017)	-0.0248 (0.019)
Household asset index	-0.000229 (0.0072)	-0.00836 (0.011)	0.00329 (0.0039)	0.0385 ^a (0.020)	0.0207 (0.022)
Log per capita weekly income	-0.00608 (0.015)	0.0200 (0.023)	-0.0167 ^a (0.0091)	0.0254 (0.032)	0.0168 (0.034)
Number of cattle	-0.00404 (0.0036)	-0.00336 (0.0053)	-0.0138 ^b (0.0067)	-0.0149 (0.012)	-0.0167 (0.012)
Number of chickens	-0.0000645 (0.0011)	0.000170 (0.0015)	0.000254 (0.00075)	-0.00357 (0.0023)	-0.00228 (0.0023)
Tanna	0.0886 ^a (0.049)	0.111 (0.072)	0.0358 (0.032)	0.0772 (0.097)	-0.0538 (0.11)
Ambrym	-0.0641 (0.043)	-0.0444 (0.068)	-0.0448 ^a (0.024)	-0.329 ^c (0.11)	-0.454 ^c (0.11)
Has a family member in New Zealand	0.143 ^b (0.068)	0.159 ^a (0.093)	0.0898 ^a (0.055)	0.157 ^a (0.091)	0.270 ^c (0.065)
Observations	969	517	445	277	229
Pseudo R-squared	0.198	0.073	0.239	0.259	0.304

^a p<0.1^b p<0.05^c p<0.01

n.a. not applicable

Notes: Robust standard errors in parentheses clustered at the household level; there are too few female applicants to look at selection among female applicants

Source: Authors' survey.

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The main sources of information used by RSE selected workers were family or friends (68 per cent), village leaders (51 per cent), radio (49 per cent), newspapers (33 per cent), a non-governmental organisation (NGO) such as World Vision (28 per cent), the Vanuatu government (26 per cent) and television (23 per cent). Less than 5 per cent received information from family or friends in New Zealand and only 1 per cent obtained information from the internet.

We surveyed the selected RSE workers, unselected RSE applicants, non-applicants and community leaders for their knowledge of the RSE program (Table 5). They were first asked whether they had heard about the possibility of going to New Zealand

to work under the RSE program and then, conditional on answering yes, they were asked about specific conditions of the program.

RSE non-applicants and community leaders in communities without selected RSE workers have low knowledge of the RSE. Only 27 per cent of the non-applicants and 39 per cent of the community leaders in non-RSE communities had even heard of the RSE. Knowledge of most conditions for those who have heard of the RSE is quite good. Most know that workers can return in subsequent years, that they can't apply for permanent residence while in New Zealand and that the spouse and children can't accompany the worker. The majority

Table 4 Share of RSE worker households consuming different forms of own production in past week

Food	Percentage of RSE worker households that consumed this from own production in past week
Banana	87
Coconut	81
Island cabbage	73
Taro	67
Cassava/manioc	61
Pawpaw	60
Fish, crabs and other seafood	37
Chicken	33
Mango	27
Sweet potato (kumala)	27
Pineapple	20
Beans	18
Eggs	13
Sweet pumpkin	13
Yam	10
Squash, tomatoes and other vegetables	10
Beef	10
Pork	9

Source: Authors' survey

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know that the maximum number of months an RSE worker can work in New Zealand is seven, although three months and six months were also somewhat common answers. The one question for which knowledge was low was one that asked about the obligations of employers to pay for half the airfare, to pay for at least 240 hours of work and to ensure that hours of work averaged at least 30 a week. Most knew about the airfare requirement, but not the conditions for hours of work.

The application and selection processes in practice

Application

The survey also provides information on how applicants, non-applicants and community leaders view the RSE program operating in practice. RSE applicants were first asked an open-ended question about what they considered the most difficult and burdensome part of applying. The

Table 5 Knowledge of the RSE policy by RSE status

	RSE selected worker households	RSE unselected applicant households	RSE non-applicant households	Village leaders in RSE communities	Village leaders in non-RSE communities
Percentage who have heard of the RSE	97	79	27	75	39
<i>Responses conditional on having heard about the possibility of RSE work</i>					
Know maximum number of months is seven	74	48	60	67	55
Know workers can return in subsequent years	92	75	96	84	100
Know workers cannot apply for permanent residence while in New Zealand	80	92	84	87	100
Know spouse and children cannot accompany the worker	91	90	89	89	73
Know employer obligations for hours and half airfare	23	17	24	49	0

Source: Authors' survey

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main answers given were the time and cost in applying for a passport and visa, the time and cost of the medical check-up and difficulties with the English language in filling out the application forms. Only three individuals gave answers relating to the recruiting itself.

Community leaders were asked whether they thought the selection process was suitable, and the reasons why or why not. Two-thirds believed it was, with the reasons given including the fact that anyone could apply and selection was fair, with no favoritism, and that the selection criteria did not depend on qualifications. Among those who didn't think the selection criteria were suitable or didn't know whether it was, the main qualm was that women were not having the opportunity to participate to the same extent as men. Community leaders in

communities without RSE workers said that the main reasons why the community did not have an RSE worker was that people didn't know about the system or they couldn't afford the costs of applying.

Selected RSE workers experience different costs in applying for the RSE (Table 6). The largest cost is the airfare to New Zealand, reported to be 50,000–64,000 vatu. This appears to be the full cost of the airfare—of which the employer pays half. The second largest expense is the cost of obtaining a passport and visa. The official visa fee is 14,760 vatu, but workers using agents are sometimes charged more. A passport costs 5,000 vatu, which is higher than the median world passport price of US\$38 (McKenzie 2007). Some workers paid 7,000 vatu to receive an 'urgent' passport in one week rather than one month. Workers

Table 6 Costs of applying for the RSE (vatu)

Item	All workers		Ambrym/Tanna	
	Mean	Median	Mean	Median
Local transport (from home village to nearest port or airfield)	2,783	1,500	5,418	3,000
Boat fare to Port Vila	1,737	0	5,527	5,000
Airfare to Port Vila	1,309	0	4,165	1,000
Passport	5,357	5,000	6,136	7,000
Police clearance	1,229	1,000	1,545	1,000
Medical check-up	3,100	3,000	2,573	3,000
Visa	16,666	15,000	16,300	18,000
Airfare to New Zealand	49,563	64,000	52,000	55,000
Other	259	0	273	0
Total RSE costs	82,003	89,900	93,938	97,500
Total RSE costs excluding half airfare	57,221	57,900	67,938	69,000

Note: In April 2008, US\$1 = 91.80 vatu.

Source: Authors' survey

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from the outer islands face additional transport costs in travelling to Port Vila to obtain a passport and visa, undergo police clearance and get the chest X-ray for the health check. Workers either made multiple trips for this purpose or spent a couple of weeks in Port Vila. Combining all costs, the application process cost the median RSE worker 58,000 vatu and the median RSE worker from the outer islands of Tanna and Ambrym 69,000 vatu. These costs are certainly not trivial for ni-Vanuatu households, given total weekly household cash income for the households in our sample is only 8,700 vatu (Table 1).

How then did workers meet these costs? In many cases, through loans. Seasonal Solutions offered loans to its workers for the worker share of the airfare and for the visa, which workers then had to pay back during their first six weeks in New Zealand. Seasonal Solutions has also asked returning workers to keep NZ\$1,000 in their New Zealand bank accounts to pay for their airfare in the next season. Some of the agents and other employers used a bank package to finance the worker half of the airfare, clothing, footwear and other expenses. The National Bank of Vanuatu began offering loans in January 2008 of up to 160,000 vatu to be repaid over four months with a flat interest rate of 16 per cent. These loans had to be guaranteed by the agent or employer.

Selection according to workers, applicants and community leaders

According to some RSE applicants, it was the village chief and counsel who decided who should apply; for others, it was church leaders, and for others still it was a household or individual decision. Returning workers from the 45-person pilot helped refer friends and family to Seasonal Solutions for its recruitment. World Vision was the local partner in Tanna for the Big Toe

recruitment there and worked closely with community leaders in the selection process. The characteristics believed to be used by the village or church in deciding who to send were whether or not the individual was strong, hardworking, obedient, healthy, spoke English and was not an alcoholic. Agents were believed to use similar criteria and also required a recommendation from a chief or pastor in many cases. Community leaders gave similar criteria when asked how people were chosen in their community: they said the community sought strong, healthy, well-behaved people who could speak English. In many cases, however, there was no selection at the community level. These cases of community selection are consistent with the idea that communities are trying to send very good workers in their initial recruiting to signal the quality of their members and to establish a reputation for future recruitment.

The pre-departure orientation

Seventy-three per cent of RSE migrant workers had attended a pre-departure orientation session at the time of interview. They reported sessions lasting between one and three hours. When asked what the most useful piece of information they learned was, the most frequent specific responses were learning that you couldn't drink alcohol during working hours, learning about the weather in New Zealand and the clothing required and learning that you must wash your hands after going to the toilet. When asked how the presentation could be improved, many expressed appreciation for the video clips shown and asked for more information to be presented in this format.

Reasons for applying or not applying, and expectations

The survey provides only baseline data and, as such, cannot inform us of the development impact of the RSE program. Nevertheless, using the survey and supporting information, we can examine the motives given by the selected RSE workers for applying, and the expectations of individuals and community leaders of the potential benefits and costs of the program.

Reasons given for applying or not applying

RSE applicants were asked to assess the importance of different factors for their decision to apply to participate in the RSE program (Table 7). The most important motives are to earn money to pay for school fees, improved housing and businesses, which 80 per cent or more of RSE applicants say are very important reasons for applying. In addition to the monetary rewards, 64 per cent say the chance to improve their English is a very important reason for applying, 61 per cent say the chance to gain working skills is a very important reason and 36 per cent say the chance to experience a different lifestyle is a very important reason. Only 31 per cent said that the fact that their community or church asked them to go was a very important reason, which was consistent with the previous evidence suggesting that for most workers it was an individual decision or was made largely at the household level.

RSE non-applicants gave various reasons for not applying (Table 8). The most important reason given is lack of information, which 55 per cent say is very important and 78 per cent say is important or very important. This concurs with the lack of knowledge about the RSE program

among non-applicants seen previously. The next three most important reasons are that individuals are content in their home village, that they cannot afford the costs of applying and that they do not want to move away without their family. The themes of information and cost barriers to participation identified in the previous section are therefore echoed here.

Main benefits and costs perceived

RSE workers were asked how much they expected to earn each week in New Zealand and how much they expected to send or bring back to Vanuatu in total. The mean (median) income expected each week was 38,764 vatu (35,000 vatu)—approximately NZ\$490–530 a week. The inter-quartile range was 32,085–36,064 vatu, suggesting many RSE workers shared similar beliefs about how much they could earn a week. The mean (median) total amount they expected to send or bring back to Vanuatu was 524,446 vatu (500,000 vatu)—approximately NZ\$7,000. The inter-quartile range was 300,000–600,000 vatu. They expect to contribute from this a mean (median) of 68,965 vatu (20,000 vatu) to their community.

Single case studies reported in newspaper articles suggest that these expectations are in the right ballpark. Fruit pickers are said to be paid NZ\$12.10 an hour plus 8 per cent holiday pay (McDonald 2008). For a 40-hour week, this would equate to NZ\$522—between the mean and median income expected. One concern expressed by some workers, however, was the variability of hours of work. At the guaranteed 30 hours a week, weekly income would instead be NZ\$392. Three reports of the amount saved or sent back are NZ\$6,000 for four months' strawberry picking (Corcoran 2008), up to 500,000 vatu (NZ\$6,800) for five months' work (MacLellan 2008) and NZ\$5,000 for seven months' work (McDonald 2008).

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Community leaders were asked what they saw as the main possible benefits and costs of the RSE program for their community. They viewed the main benefits as the money for households and community projects, improving the standard of living in the community. The potential downsides envisioned included

problems with the separation of husbands and wives, not enough people left to do the community work and potential concerns about lifestyles abroad coming back to the home community.

In some cases, communities have already received additional benefit at the community level. McDonald (2008) reports

Table 7 RSE applicant reasons given for applying

Reason	Percentage saying that in their decision the reason was:	
	Very important	Important or very important
To earn money for school fees	91	98
To earn money to build a better house in Vanuatu	89	99
To earn money to start a business in Vanuatu	80	98
I could work abroad but my children could stay in school at home	65	84
To improve my English	64	96
To gain work skills	61	98
To earn money to pay for social responsibilities in my village	53	89
I don't want to leave Vanuatu permanently, but this gives me some time in Vanuatu and New Zealand	46	69
To earn higher wages	43	84
My family asked me to go	43	81
To experience a different lifestyle	36	70
My community or church asked me to go	31	40
I have a health problem and wanted to consult a New Zealand doctor	24	41
As a way of getting links to New Zealand to give a path to permanent residence	23	57
I could still keep my job in Vanuatu	22	63
Less cultural restrictions on what I can and cannot do	21	56
Have family members already in New Zealand	12	28
Other	41	51

Source: Authors' survey

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that the 32 workers from the Lolihor Development Council in Ambrym raised more than NZ\$10,000 busking with a ukulele, tea-chest bass and voices outside Cromwell's bookshop and farmers' market at weekends, while Rotary clubs and churches in the town raised more funds for village improvements.

These early reports suggest the potential for the RSE to have a significant development impact on the sending households and their communities. The overall impact will, however, depend on how their remaining household members adjust to their absence. Our follow-up surveys and evaluation aim to measure this impact.

Conclusions

Despite Vanuatu's geographical challenges and the evolving and slightly improvised character of the nomination process, recruitment to the RSE seems to have been relatively smooth and successful. Two-thirds of the community leaders thought selection had been fair and it appeared to have coincided well with the specified criteria. Firms and agents generally appear to have selected carefully among the people who presented themselves, favouring those with better health records and more work and overseas experience, and who have better English literacy. Interestingly, there appears also to have been a high degree of self-selection in that applicants differ somewhat from the population at large: on

Table 8 RSE non-applicants' reasons given for not applying:

Reason	Percentage saying that in their decision the reason was:	
	Very important	Important or very important
I do not know what the requirements are	55	78
I am happy living in my home village	46	63
I cannot afford the costs of applying for the RSE	44	65
I do not want to move away without my family	35	60
I have continuing business I cannot leave for seven months	30	43
The seasonal work in New Zealand is too hard for me	29	42
I do not think the chances of being selected are very high	29	55
I think I can earn more money staying in Vanuatu	27	47
I do not feel my English ability is good enough	24	51
Social obligations in my village do not allow me to leave	21	43
I do not want to go temporarily and will wait until a permanent option becomes available	16	39
I already have permission to work in New Zealand through another category	10	34

Source: Authors' survey

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average, they have better English literacy, tend to be in their late twenties to early forties, are more likely to have a relative in New Zealand and the males are less likely to smoke or drink. Female applicants are less likely to be married than female non-applicants. Finally, the scheme had allowed more than 1,600 ni-Vanuatu to work in New Zealand by May 2008—more than for any other eligible country.

Nonetheless, improvements are still conceivable. A lack of information appears to have discouraged some potential applicants and the cost of registering was reported as an important barrier to application by half our sample of non-applicants. Other reasons for not applying reflected mostly the conditions of the scheme and showed simply that it was not for everyone. Women were certainly under-represented among applicants, although we do not know whether this reflects discrimination or inclination, and more women were seen to be leaving towards the end of the New Zealand agricultural season, when the nature of the work became less physically demanding. For the future, better information dissemination and the greater involvement of community leaders and local agents could be useful.

The pre-departure orientations might need further refinement. Workers learn important things about working and living habits (no alcohol in working hours or washing hands after using toilets) but they do not know some important features of the RSE policy (such as the minimum number of hours of paid work they should receive). In future years, it could be useful to involve returning workers in explaining the nature of the work to be performed and in helping explain what aspects of life in New Zealand prove most challenging.

Although in terms of averages RSE workers' households tend to be better off than non-selected applicants' and non-applicants', and a larger number of workers

had a previous paid job, neither of these variables appears to explain the propensity of people to become workers once other characteristics are taken into account. The likelihood of being an RSE worker increases with being male, middle-aged, being literate in English, not drinking kava or alcohol, not having had a health complaint in the past six months and having relatives in New Zealand.

Despite the communal nature of Vanuatu society, RSE migration seems to be mainly an individual or household decision, not a community one. Relatively few recruits were chosen by community leaders. This individualism is perhaps to be expected given that individuals or households profit most, and appears to be confirmed by the prevalence of financial motives and the desire to learn English among the reasons given for joining the RSE. Only in Lolihor did we find evidence that the community sought explicitly to collect some of the benefits of the RSE, via an expectation that recruits would make significant donations to community funds.

Differences in cultural, institutional and geographical factors limit the extent to which one might generalise research on Vanuatu's RSE experience to other countries and circumstances. The relatively rigorous nature of the research that we have been able to initiate in Vanuatu will, however, surely contribute to gradually extending the knowledge base of international migration in general and seasonal worker schemes in particular. It will be especially valuable given the difficulties that the replication of this effort is likely to face: such detailed research is very expensive, it requires forewarning of the policy change to be studied and it entails the active participation in evaluation of the national governments involved.

Looking forward, we hope to be able to assess the developmental impact of the RSE.

We hope to conduct three future rounds of surveys in the next two years, including many of the same households as covered here. These will allow us to assess the impact for a particular household of participating in the RSE, relative to a similar household that did not participate and relative to their previous circumstances, and also to start to answer questions about the broader societal benefits of the scheme. We hope that someone will be able to revisit these households and communities after many years to gauge the longer-term effects of access to labour markets abroad as a tool for the development of small, poor, isolated nations.

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kerosene cookers, generators, canoes, motors, bicycles and forestry equipment. It is scaled to have a mean of zero.

⁷ In April 2008, US\$1 = 91.80 vatu; NZ\$1 = 71.3 vatu. Source: www.xe.com/ucc

⁸ The survey asked whether any household members had ever worked or studied abroad for one month or more and, if so, in which country. Individuals recruited under the previous AIP policy would have had this experience. It also seems, however, that some households that were interviewed just after their household member had left for New Zealand as part of the RSE reported yes to this question on the basis of the current RSE experience. We therefore believe this variable overstates the level of previous work experience abroad among the RSE worker group.

⁹ There is only one daily paper, which is published in Port Vila and is not distributed widely to the other islands.

Notes

¹ See New Zealand Department of Labour (2007) for further details.

² By law, the agent must inform the Vanuatu Department of Labour of the date and time of their pre-departure briefing so that the department can participate and/or monitor it.

³ The fee charged by the agent who placed the second highest number of workers was NZ\$100 a worker for new workers and NZ\$50 for returnees, with bulk discounts possible for large numbers recruited.

⁴ These workers came to New Zealand under the Approval in Principle (AIP) policy and were facilitated by the World Bank as a 'pilot' of what might be feasible under the RSE.

⁵ Official statistics were supplied by the New Zealand Department of Labour and the Vanuatu Department of Labour.

⁶ The asset index is the first principal component of indicators of ownership of 24 durable goods, such as televisions, radios, cameras,