

Non-Agricultural Private Sector Labour Losses and Practices in Samoa_A Pacific Island Qualitative Study

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ARTICLE INFO

Article History:

Received:	July	5, 2022
Revised:	July	10, 2022
Accepted:	August	5, 2022
Available Online:	August	20, 2022

Keywords:

Entrepreneurship, Human Resource, labour pool, labour mobility, Pacific economies, Recruiter competition, seasonal workers

JEL Classification Codes:

O15, O47, R13

ABSTRACT

The Samoan economy is largely agriculture based with a high dependence on external personal remittances and external development aid. In Samoa, as in many developing countries, the main employer of labour in the formal sector of the economy is the government. However Samoa's private sector economy has continuing to diversify and grow over time. This article explores the main characteristics of the non-agricultural private sector industry and its workforce in Samoa. It also reviews the impact of the seasonal worker's scheme on the non-agricultural private businesses and the associated responses to them. It is based on detailed interviews with 31 private business operators in Apia who have experienced losses of skilled and trained workers leaving their employment to take up the opportunity to work under the seasonal worker's scheme currently running in New Zealand and Australia. The focus of the article is the characteristics of the workforce, the labour market losses, the various views on the loss of skilled critical workforce to overseas competitors and the associated subsequent disruption these have on the non-agricultural private businesses.



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INTRODUCTION

Covid-19 has had a global impact and its effects have reached the Samoan economy. Samoa recorded lower year-on-year nominal and real GDP for the September 2020 quarter of 15.5% and 16.3% respectively (Samoa Government 2021) due to the combined effects of the Measles outbreak and the Covid-19 pandemic. For the first half of 2020/21, the average volume of the agricultural domestic market produces decreased by 14.6% due to weak demand compared to the prior year (Samoa Bureau of Statistics 2021). The main drivers behind the Samoan

economy are agriculture, fisheries, services, the public sector, and Tourism with its associated hotels, commerce, transport and communications accounting for about 20% of economic output. Agriculture and fishing are the other main private-sector economic activity and accounts for about 14% of total output (ADB 2015b). This led to a 32.1% decrease in the total exports and a decrease in imports by 14.1%. Also, Samoa's protective strategy against the Covid-19 pandemic included a lockdown of international borders, travel restrictions and containment measures. As a result, the total number of international visitor arrivals and associated receipts of \$341.76 million was lost for the 7 months of 2021 which affected Samoa's local economy compared to the prior year (Samoan Government 2021). For the same period, private remittances were 9.5% higher than the prior-year (Samoan Government 2021).

All private sector businesses have to operate within their particular market, industry, and environment whilst navigating through the demographics, politics, culture, technology, within that peculiar economy. The private sector is the part of the Samoan economy that is not state-controlled but is run by individuals or companies for profit, some of whom are non-Samoan by ethnicity, but Samoan by citizenship. These non-Samoan businesses could be regarded as foreign investors in Samoa. Within the private sector, firms are small and as a result, they cannot efficiently realize economies of scale. The higher reliance on family ownership makes them less attractive business partners; and limits their ability to efficiently allocate resources or access funding for investment. Some progress has been made within the private sector, however, higher growth and prosperity is expected to be preceded by reforms, investment and entrepreneurship growth (ADB 2015b). The constraints within the private sector include the need for development within the financial markets, a significant regulatory burden is borne by the private sector, the limited opportunities for women and thus their unrealised economic potential, barriers to agriculture sector development; gaps in the commercial legal framework, and the low productivity by the state-owned enterprises (ADB 2015a).

Most private business owners and operators are already suffering from the economic impact of the Covid-19 pandemic. During the pandemic, some that could not continue their operations had to lay off workers, reduce the hours of work, or shut down. In addition to having to survive through such uncharted economic waters, private businesses in economies that subscribe to the seasonal employment scheme, have to also face the possibility of losing critical personnel to overseas recruiters. Earlier study and the literature suggests that the migration of workers results in labour shortages whilst the associated remittances paid into the economy by the migrated workers also tend to discourage the decision to work (Bedford and Ho, 2009). Also, low-income countries are negatively affected by their dependency on informal work (Muntaner et al 2012). Low-income economies have also been found to be hindered by a heavy reliance on informal work (Muntaner et al 2012). From the study of workers at the Yazaki factory, it was found out that workers were willing to work in tough conditions for minimum wages if it allows them the means to take care of their family and have a good social interaction in the process (Tsujita Levi 2019). The study of the Yazaki factory workforce suggests that workers will be willing to work in tough conditions and enjoy the social contacts at the workplace when it provides them with the opportunity to earn an income for their families. However, workers forced Yazaki to modify terms of employment because workers refused to commit to those set down by the company in its initial years in Samoa (Tsujita Levi 2019). Little is known of the change in the attitude of the private business operators towards overseas competition for the same pool of workers in Samoa. The proposed research, therefore, encompasses for-profit

businesses that are not owned, controlled, or operated by the government, although at times they may partner with a government body to jointly deliver a business service or business venture to the community. To the best of our knowledge so far, very little has been written on the competition that exists between the foreign recruiters of labour and their local counterparts and how this impacts the local labour markets, particularly for low middle-income countries like Samoa. Samoa's Ministry of Commerce, Industry and Labour(MCIL) has recently confirmed that Samoa is losing skilled workers as well as unskilled labour as part of the Seasonal Workers Scheme(SWS) which may affect the local economy (Radio New Zealand 2020).

LITERATURE REVIEW

To the best of our knowledge, very little has been written on the competition that exists between the foreign recruiters of labour and their local counterparts and how this impacts the local labour markets, particularly for low-income middle-income countries like Samoa. However, we intended, as part of this research to look at comparative international studies of seasonal work impacts on the economies of development countries. There are a number of influential studies of the social economic impact of seasonal worker schemes summarised in Ramasamy et.al. 2008, and Bedford et.al. 2009. The academic literature has largely concentrated on explaining the differences in unemployment rates across countries, the quality of labour that are migrated as to whether they are skilled or unskilled, the permanent migration of skilled labour across countries, etc. and not the specific competitive impact of foreign recruiters from the local skills pool or the complexities of doing business as a private firm that has to only depend on a reduced pool of workers who could potentially leave or those who couldn't qualify for the opportunity to be recruited for one reason or the other overseas. The literature makes it clear that Labour shortages have not only resulted from migration ('brain drain') but also that remittances may discourage labour force participation (Bedford and Ho, 2009). Muntaner et al 2012, found out that the economies of low-income countries are hindered by a heavy reliance on informal work. Large informal sectors tend to result in severe labour market insecurities. A study by Tsujita of the Yazaki factory workforce found that workers were prepared to endure tough conditions for minimum wages because they enjoyed the social contacts and the chance to earn money for their family which they had no other means of obtaining, However workers forced Yazaki to modify terms of employment because workers refused to commit to those set down by the company in its initial years in Samoa (Tsujita Levi 2019).

RESEARCH METHODOLOGY

In order to answer the research questions identified, a qualitative research method was used. A sample of business owners and managers in 25-30 small and medium enterprises (5-15 employees) were contacted through consultation with the Samoa Chamber of Commerce and affiliated organisations. The proposed sample of businesses were contacted with a written request for their assistance and for appointments, and a final list and work program created based on the responses. The survey method was a semi-structured interview schedule in which the same topics of enquiry was used for all interviews, thus ensuring comparability of responses. The interviews were conducted in the English language, recorded, and transcribed for analysis. For confidentiality purposes, the names of the people interviewed are not published but only the type of business operated in adherence with the university's confidentiality policy. Consent forms were also used for all interviews.

The findings were then collated and analysed using narrative analysis; contents from the various interviews were analysed and compared against the research questions to provide inference as to the competition for labour in the Samoan labour market, the common issues that private businesses face when doing business with Samoan labour, and the composition of the labour market in Samoa. The interview schedule used was field-tested to ensure it is an effective means of collecting relevant information. It contained standardised questions on: (i) type of business (ii) number of employees (iii) recruitment, training, and promotion practices (iv) family members employed (v) wage costs (vi) loss of employees and the causes (vii) attitudes and opinions on the Seasonal Worker programme in relation to Samoa's private sector. Each interview lasted between 40 and 60 minutes and audiotaped with participant's consent.

Following the completion of each face-to-face interview, the researcher completed field notes, and summarized the contextual characteristics of the interview. These notes were then used in the data analysis.

A research proposal that was drawn up in accordance with the prevailing procedure, was submitted to the National University of Samoa Research Ethics Committee (UREC) for approval.

Other sources of information consulted included publicly available data from the Household Income and Expenditure (HEIS) Surveys, Agriculture Censuses, Ministry of Finance reports, employment data from population censuses and a range of other special reports produced by the government of Samoa, World Bank and Asian Development Bank, and the local media.

The non-agricultural private sector

Typical examples of private sector organizations in Samoa include sole proprietors, partnerships, small and medium-sized businesses, and large multinationals such as those in the Telecommunications industry. In this study, we investigated the private businesses' responses to the loss of their critical workforce to overseas competitors. This research selected and reviewed a cross-section of the private and medium-size businesses in Samoa with a particular interest in their investment into their staff, what the loss of their skilled staff and potential loss of more staff to the scheme is leading them to do, how this is affecting the morale and retention of their staff and labour issues. Also, how these businesses are able to stay competitive when their competitors for the same labour supply are from Australia and New Zealand who have comparatively higher financial power and provide an unmatched remuneration package and incentive for the same pool of workers. The private sector businesses are not state-controlled but run by companies and individuals for profit, some of whom may not be Samoan by ethnicity, but by citizenship. These non-Samoan businesses could be regarded as foreign investors in Samoa and generally engage in mainly wholesale, retail, telecoms, food, beverages, and very minor manufacturing. A typical private sector business organisation in Samoa includes; small and medium-sized businesses, partnerships, sole proprietors, and large multinationals. Operating any successful private business in Samoa requires the appropriate due diligence on the industries, markets, businesses, competition, legal framework, and other relevant data. The labour market is one of the significant areas that any new or current business will be expected to know and engage with. There are several significant studies of the impact of seasonal worker schemes summarised in Ramasamy et.al. 2008, and Bedford et al 2009. The academic literature has largely concentrated on explaining the quality of labour that are migrated as to whether they are skilled or unskilled, the differences in unemployment rates across countries, the permanent migration of skilled labour across countries, etc. and not the specific competitive impact of foreign recruiters from the local skills pool or the complexities of doing business as

a private firm that has to only depend on a reduced pool of workers who could potentially leave or those who couldn't qualify for the opportunity to be recruited for one reason or the other overseas. From the literature, migration ('brain drain') has contributed to labour shortages whilst remittances may discourage labour force participation (Bedford and Ho, 2009).

The Samoa National Employment Policy (SNEP) estimates a total of 111,000 working-age women and men in Samoa, of which 40 per cent were employed in 2017(ILO 2019b). An estimated 67 per cent of employment was medium-skill whilst 10 per cent was low-skill in elementary occupations. Within the Samoan economy, employment opportunities are limited, poorly paid, whilst the emigration rates of the citizens seeking work in other countries are rising; mainly into Australia, New Zealand, and the United States (ADB 2015b). Most of the men concentrate their employment in agriculture and fisheries where informal employment was nearly universal at 94.4 per cent and the typical workers do not receive basic employment benefits and protections or are employed in unregistered enterprises (ILO 2019b). Additionally, the average monthly wage for employees in 2017 was SAT\$1,278 (or US\$501), with a gender pay gap of around 10 per cent in favour of women and wages are directly correlated with education (ILO 2019a). The Samoan labour market faces various challenges which include, creating jobs, increasing the labour force participation rate, improving the quality of employment, increasing the employment stability and the number of people who are working in a wage employment capacity. This leads to strong remittance inflows which partly offsets the economic downturn and keeps the aggregate consumption, investment, households, and productivity ongoing. With many of the citizens living abroad, there is a substantial loss of human capital and its associated loss of internally generated productivity and income. The subsequent effect is that the working population is affected by the "brain drain" of workers in addition to the aggregate output.

Samoa like other Pacific Island nations supplies labour force to New Zealand and Australia in exchange for remittances in line with the MIRAB model of migration (Mi), remittances (R), aid (A) and bureaucracy(B) (Arthur T 2020). A significant number of the Samoan labour force have already taken up the opportunity to work in New Zealand and Australia under the Recognized Seasonal Employer Scheme (RSE) or the Seasonal Worker Programme (SWP) or Pacific Labour Scheme (PLS), (Department of Foreign Affairs and Trade 2022). The records suggest that Samoa has provided the second-highest number of seasonal workers in Australia (SWP) and New Zealand Schemes (RSE)(MCIL 2021). The labour that Samoa provides is for work in construction, the meat processing industry, aged-care or caregiving work, carpentry and more traditional fruit picking and pruning work. The underlying intent and purpose of Samoa engaging in the scheme were summarised by the government representative in their report; "The schemes have enabled many low-skilled Samoan workers to obtain employment opportunities overseas and improve their livelihoods. Our workers have benefitted from higher incomes earned abroad together with the acquisition of new skills, knowledge, and relevant training. It is part of a triple-win effect whereby workers, Samoa and the receiving country all reap the benefits." (MCIL 2021).

Although there have been a few minor incidences with some of the workers overseas, all the participating governments are keen to keep the arrangement in place. Such employment programs recruit workers for assignments for a few months up to 3 years with the option to extend the engagement depending on the needs of the employer and the performance of the worker. However, the needs and specifications for workers by the overseas employers appear to be the same expectations by the local employers for their workers (MCIL 2021). This, therefore, creates competition for recruiting workers from the same pool of workers in addition

to attracting skilled and employed workers who may be attracted by the incentives that may be on offer. Consequently, a portion of the unemployed eligible workers and employed labour force end up being recruited overseas. Although the loss of economy-wide productivity and income is being substituted by the remittance returns into the economy, a gap in the labour force is being steadily created. The non-agricultural private sector businesses have to also include these factors in their human resource planning and development if they are to succeed as a business. It is argued that the SWS has no material effect on private-sector workers and there may be data to suggest this is correct. However, the small-scale agriculture and non-agricultural private sector businesses, due to various factors cannot compete with the pay on offer under the seasonal worker's scheme. Non-agricultural private sector businesses recruit from the same pool of workers in an economy that subscribes to the seasonal employment scheme and therefore is effectively in competition with overseas recruiters. The recruiter who gets the best pick from the competition for unemployed workers or employed workers is significantly determined by the incentives and remuneration that can be provided by the recruiters. The comparative rates of pay provided by the overseas recruiters tend to sway not only the unemployed but, in some cases, the critically skilled workers who are employed at the time. This results from the fact that all workers are motivated to make a choice to work when the reward or incentive on offer makes sense to them. Once they have decided to work, the alternative choices available to them then becomes; which of the options will compensate the highest for their efforts whilst considering the relative cost it takes to offer the services. This is why many who are employed would and most often have received some sort of skills training, make the decision to offer their services to the most rewarding recruiter.

Once the workers are recruited into the SWS scheme, they are effectively out of the Samoan labour force and not available for employment within Samoa for the period that they are engaged outside the country. This could typically be a few months or up to 3 years and if the agreement between the countries is ongoing there will be replacements sent regularly. The outlook and long-term impact of the loss may take a few years to be realised or felt. The success of the scheme since its inception has led to increasing the annual cap of recruitment and the scheme is being expanded to provide the workforce for other industries in Australia and New Zealand which means a lot more skilled labour force may be lost from their employment in the next few months and years (New Zealand Immigration, 2022).

Training and recruitment

The Samoan working group and youth continue to face considerable disadvantages in their search for jobs whilst the unemployment rate among female youth was 30.2 per cent compared to 17.6 per cent for young men in 2017. This could reflect, in part, the mismatch between education and industry or possibly unrealistic reservation of wages. In 2017, young people aged 18 to 35 accounted for less than half the labour force but more than 75 per cent of the nearly 7,000 unemployed women and men in Samoa. The challenges reflect a multitude of factors, including a lack of information and knowledge of the job market, the relevance and effectiveness of the education and training system, and a mismatch between the needs of employers and the career aspirations of young people. The untapped potential of Samoan youth is further illustrated in the high share, of eligible youth who are not in employment, education or training (NEET) (ILO 2019b). More than four in five youth captured in the NEET never attended school or left school early. The basic formal education which normally serves as the foundation for work-based training and skills is therefore absent and thus makes their development and employment a lot more difficult. Though the causes that spur early school withdrawal varied widely, household financial constraints were clearly the main determinant.

Furthermore, only around twenty per cent of the youth captured in the NEET was reported to have actively searched for employment in the past 30 days. This reflects not just a high number of youth who are not in employment but a higher number of the youth who are not taking the appropriate steps to be employed. The most commonly cited reasons for not seeking work were family and household responsibilities and discouragement. These factors may also help explain the very low number of youth NEET who were engaged in some form of training outside the general education system in the past 12 months (3.2 per cent). With the exception of a few cases where the work requires specialist knowledge and skills, most of the business operators have to find prospective workers and invest what is needed to train them up in the area they need them in. Finding good staff is difficult and expensive which leads the businesses to make attempts at keeping the workers. Especially, those who have now been skilled-up. They do this by attempting to match the salary and engaging them in counselling sessions when issues surface. From when the employees walked through the door of the company, they did not have the skills that they now have. Investment of time, training, and money has been invested into their training and acquisition of the skill they possess on the job. Between 2017 and 2020, an estimated 800 Samoan women and men, of whom the vast majority will be youth, will enter the labour force and join the 7,000 unemployed that are already seeking employment (ILO 2019b).

All the businesses we spoke to said they provided some sort of training for their employees. The training to be provided may depend on the type of work, the background of the worker, the unique peculiarities of the business, the ability of the worker to learn and how quickly they learn, and sometimes the person providing the training. The higher percentage of youth who are not in employment or taking the appropriate steps to be employed makes those who have taken steps to be employed and trained to be very valuable to the employers considering the efforts that would have been invested to source them. As such any loss of workers from any employment solely for the purposes of the SWS scheme and who may not be returning in the short term to the same work roles, also creates the repeated unwanted cycle of constantly going through the loss of trained staff, loss of resources invested, and the process of recruiting and training new workers who may also be lost again with time.

The Family contribution element

The majority of the non-agricultural private businesses in Samoa do have a significant portion of their workers as relations or family members of the owners or operators reflecting the sacrifices and extra contribution and, in most cases, unpaid contribution that go into running these businesses. In some cases, the business operator may have had bad prior experiences employing their relatives which may have altered their recruitment decisions away from family and relations. Generally, the relations who are enlisted in the business may be seen as just supplying help to a family and therefore may not receive the usual remuneration that will normally be provided and given to non-related employees. The schedule below shows the summary of the per cent of the workers who were family or related to the business operator or owners we interviewed

(20, 19, 17, 16, 3, 10, 12)	0%
(9,15,26)	7-8%
(29)	10%
(1,2,11,31)	13-14%

(3, 27)	17%
(8)	22%
(5,6,13,19,24)	24-27%
(7)	30%
(21,23,28,30)	33%
(25)	40%
(18)	45%
(22)	50%
(14)	78%
(4)	100%

Human resource development and retention

Private business operators are using various means to attempt to retain their best quality workers. Generally, human resource development rests with the private business operator who will decide the skills, knowledge and attitude needed by the worker and provide what's needed accordingly. Some of the incentives used by the business operators we interviewed include providing counselling sessions, providing targets, offering competitive rates, and bonuses-for-meeting targets.

“Usually, we increase the pay”, “we offer competitive wages”, “we are targets driven now”

“Increasing their wages and giving them bonuses if they meet or beat targets”

“We increase their pay on assumption that they increase productivity. Some people do and some do not increase productivity.”

“Providing training, upskilling them, increasing their bonus and rates due to performance.”

“We give workers a pay rise every year based on the previous year's profit”

“Bonuses are based on output and productivity”

“We offer better salaries and better entitlements. We are in the private sector we are very much competing with the government and public sector in terms of recruiting. Previously the private sector was offering better salaries but now the public sector has increased their pay.”

“When someone wants to leave, we never were able to keep them. Even if you match salary, they still leave due to the prestige and security of working for the government.”

The general trend is that workers are provided financial incentives in recognition of their contribution and to retain them. The motivation of the workers and therefore potential losses of the workers can therefore be linked to competition that may be providing a lot more by way

of incentives than what is offered by their current employer. In the absence of any large-scale recruiter with a pay structure that is significantly superior to the local rates of pay, the competition for the workers rests with the local government and local private businesses.

We did notice that one of the business operators has a different approach to retaining their staff focussing more on the quality of output instead of how long the staff has been employed:

“it’s always been the same for us, we reward them for the work they do instead of the time they have been employed there. The more skills they learn the more responsibilities they receive and the money they receive and therefore it’s an improvement and their pay from their work and therefore they stay with us. Our pay is above the minimum wage quite a bit and therefore they are attracted to it. Some stay and quickly find out that the longer they get paid, the harder they have to work and some who are ok with that stay and those who are not ok working harder leave.

Operational wage burden

Although many are paying the minimum wage of \$3 or slightly above the minimum wage for their workers, in most cases a greater portion of their income is going towards meeting their staff costs. This may be due to the low income generated from their business operations. Paying a greater portion of the business income on staff cost has the effect of limiting the opportunities that the business can explore up to and including how much more can be spent towards developing the workers which can also impact further productivity. The breakdown of the staff cost as a percentage of the operational cost of the private businesses we spoke to, is below.

(22, 23, 1, 11, 28)	50%
(21)	70%
(9, 16, 20)	20%
(19, 26)	10%
(2)	100%
(4)	0%
(5) "it is around 40-50%. Our main cost is our wages"	
(7)	30-40%
(12)	25%
(3, 30)	60%
(27)	35%
(6, 8, 13, 14, 17, 18, 24, 25)	30%
(12, 29)	70%

Issues for employers

The statements made by the people we spoke to suggest that the Recognized Seasonal Employer Scheme (RSE) scheme, the Seasonal Worker Programme (SWP) and Pacific Labour Scheme (PLS), that the various SWS schemes are recruiting from the pool of already employed workers from the non-agricultural private sector which understandably is creating issues for employers. There is great support for the scheme as far as it brings in the remittances and financial injection into the economy, repatriation of skills and expertise. The workers being recruited are not people who used to be employed with the businesses that at the point of their recruitment into the scheme were unemployed but are being recruited from an employed job. Losing workers that you have spent time and money recruiting, training and possibly re-skilling is a significant issue for any business regardless of the size of the business and in smaller sized businesses, this will be a material loss.

“We have some current staff members that just applied. One claims he will be going in November 2021.”

“One of our staff came for work and he said his application for the scheme is coming up”

We have one current staff member waiting to go on the seasonal worker’s scheme.

“ 2 staff members have been lost to seasonal work. ”

“I have lost 4 staff members to the seasonal worker’s scheme.

“1 seasonal worker was lost but luckily we had him training other people before he left”

“For seasonal work - we have lost 7 staff members”

“Five staff have left for seasonal work overseas and we have an additional two staff who are thinking about this but still undecided for next year.”

“In recent years we have found that Staff leaving for RSE and SWP employment overseas has been the primary factor for our loss of staff. In the last five years, we have lost a total of six staff members. The business has been affected at all levels with staff shortages in our small business and this has affected the profitability of the business. We are putting in place succession plans and training current staff in new responsibilities, and multi-tasking.”

The basic assumption for anyone who is employed is that they are workers who have been trained to a certain degree of skill and most importantly, investment has been made by the businesses that recruited them. These generally will not be planned or expected losses of trained workers and do not have a guarantee of returning to the business although in a few cases it may happen that the business is not able to recruit someone of a similar skill level on a permanent basis and or the worker who returns has already received a lot of investment and they are worth the risk of taking them back into the business with the possibility of losing them again to the scheme. In speaking to the non-agricultural private business operators, we noticed two main attitudes that resulted from the losses being made to the SWS. There is one response that generally favours the seasonal employment scheme; with normally no attitudinal change towards staff recruited staff in training or potential recruits on the seasonal employment scheme. Normally these business operators have not lost any staff or in the cases where they have lost staff, it may have had a very little or negligible effect on their ability to meet their

operational demands. Some have systems and mechanisms of ensuring that they do not have an operational risk of having other employees provide cover. They have an open-door policy for those who are lost to the scheme to return to the same job

“We haven't changed the way we employ staff, engage staff or made any contingency plans for the loss of staff to the scheme. The main impact is that I have to find and train replacements”

“One of our current staff is about to leave for the Australian option and I don't blame him. We will be short-staffed when she leaves but at the same time, we will have to continue the business. It will affect our services probably in the short term because she is one of our best people in that area. We will have to find a replacement. If she comes back we will still hire her because getting a good worker is hard to find”.

“I have lost 2 boys who used to work here to seasonal work. One of them always returns to the same job after his regular assignment as a seasonal worker”

“I encourage them to go on the seasonal employment scheme, I have lost 2 staff members so far”

“ We have lost workers to seasonal work. 3 have applied who have all gone on assignment and when they come back we allow them back into the company.

“I have lost 9 people to seasonal work over 4 years. I have totally lost 8 people but my 9th worker was one of the very first groups that went on the seasonal worker's scheme. We had a deal with him because he wanted to go only for 3 months. We arranged for him to come during our busy period which has worked out well for the past 3 years. He is a really good worker.”

“The scheme will not cause us to change our employment, because when we need someone it's on an immediate basis”

“Lost one of my staff. It didn't affect the business operation because we had backup. No, it has not changed the way we employ staff.

“we've lost none to the seasonal working scheme. We have had staff that the husbands have gone buy the partners are still working with us.” Will it affect your recruitment - “I don't think so. When our people come on through the interview etc, we are quite open to them and give them options.”

It does appear that there is a group of private sector businesses who are actually in favour of the SWS even though it may be leading to the loss of their staff. Struggling for good quality workers also leads them to the point of having to re-employ them after their assignment under the SWS is over. Some of the business operators actually encourage their staff to apply for the opportunity knowing they are helping their families and the economy.

There is another group of non-agricultural private business operators who generally opposes the SWS. Their stand is formed from, the loss of key staff sometimes on a day's notice or short notice, the loss of key staff that leads to closure of business for a week, the loss of key staff that leads to increased mental and physical responsibilities of other staff, from the stories of returning workers who were previous staff but lost to the scheme whose words and lifestyle tend to encourages the current staff to apply and potentially leave their business, the loss of key skilled staff in whom material investment or training, time, and effort has been made and most

importantly the lack of official recognition of the loss suffered by private firms by the operating ministry. The attitude of those who have lost key staff towards the scheme, towards recruitment, towards staff they get to know have applied for the scheme; antagonistic to the scheme. This is due partly to the fact that the size of the businesses and income normally leads to a lack of contingency plan to cushion the effect of the loss of key staff as it is almost always unexpected as the official stance is that there's no impact on employed staff thus no one plans or provides backup. Some businesses are also taking coping strategic decision-making for a near-smooth running of the businesses with some using the 3 month trial period to assess and eliminate those who are on the scheme.

“This year many have gone to apply but none has left as yet. 10 have applied as we know. If all 10 are successful, the associated impact will be that it will slow down production, we will lose money, and have to hire new people. It will change how we employ people”

“My understanding is that the seasonal work is on the increase. When it starts to pull the available talent in Samoa, I might have issues with recruitment”

“I have lost a few to seasonal workers; 3 from this business but up to 20 across all my other businesses. Many come untrained so we spend a lot into recruiting, training them, re-adjusting the business. It has affected how we recruit; we sign contracts now with the hope of having at least 2-5 years from our staff. which we have to terminate for them to go when they are called.”

“In engaging our staff, it comes up in the interview. We question them more”

“We really support them for their application. However, we have to now weed off those who do not want to stay and grow with the business”

“Again the SWS is quick money, it is not taking care of the problem.”

“There is loss of trained and skilled workers to the SWS.”

“Our loss of skilled workers that I trained to the scheme, had a huge impact on our business production. When they came to me, they were not fluent in English. Investment had to be put into them to train and skill them. There's also a great opportunity cost of adjusting, human resource retraining and re-allocation, their physical and mental health during that period. it does affect my recruitment.”

“The potential loss of our recruits to the SWS will affect how we recruit ‘ yes, definitely”

The main issue that the non-agricultural private business operators have to deal with is how to identify from the prospective employees, those who are intending to stay and grow with the business from those who may just be using their employment as a waiting gap for their real intention of working under the SWS. Some of the business operators we spoke to stated that they will never employ anyone they find to be on the scheme or waiting for an opportunity to be called on the scheme

”When it comes to recruiting again, we will probably check what the long term goals of our prospective recruits are and see if it is in line with being able to stay”

“When prospective applicants are on the scheme, I will never employ that person, I will take them off the list for recruitment and choose another who will stay”

“In recruiting, we will have to come up with some form of agreement. We won’t want to invest in a staff who leaves soon.”

“We will think carefully about employing people who may be going to the seasonal work. Even if you get them to sign a contract they will still leave the contract to go. If a staff member leaves, it will affect us.”

“It will affect how we employ because if they leave, we have lost weeks of training and need a further investment of training their replacement”

“I have lost 4 staff members to the seasonal work scheme from the beginning of this year. In the last 6 months, we have found out about 5 of our staff applying and making excuses to miss work. As soon as we found out that they were applying we let them go if they haven't been here for 3 months. One of my struggles is the seasonal worker’s program because the people we train leave us and they take all that skill and training with them.”

Only in a few cases where the businesses have provided earlier training to the staff that was lost to the scheme, will these operators will willing or consider retaining these staff back into the same organization.

Being non-agricultural private businesses, there are unique strengths, weaknesses, opportunities and threats to successfully navigate. A variety of firm-specific strengths is what will make the businesses succeed and is the basis for which the customers will keep patronising their services. Some of the issues raised above if managed appropriately could determine the continued operation of the businesses. The seasonal worker’s scheme is one of the main threats to the labour force cohesion and human resource development for the non-agricultural private businesses as it has the power to drain the investment, human capital, the morale of the workers and ultimately the productivity of the business

CONCLUSION

The current seasonal employment scheme (RSE and SWP) brings in a huge capital injection to the economy and indirectly to private businesses. This is coming at a cost to the non-agricultural private sector businesses as some are losing their key trained staff. The businesses that are losing staff and potentially losing their income or having to provide further training and investments into replacing or training support workers in response to the loss of critical staff to the scheme. Due to the size of the businesses and the availability of replacements and economic impacts of the COVID-19, some of the businesses are resorting to ensuring that they do not employ anyone who is on the scheme or have plans of going on the scheme. A review of the recruitment processes for the scheme may be needed to ensure that the intended purpose and pool of people it captures meets its intended target. The Government, non-governmental agencies and private business operators and their owners should collaborate to provide general assistance, policy recommendations on the effective running of the scheme. Additionally, financial support and specialized sustainable services should be provided to assist both the workers and impacted businesses to ensure that all the stakeholders achieve their goals.

The Samoan workforce faces a lack of work-ready skills, training, and exposure but also ends up losing key trained, significant, skilled, senior staff to overseas and International Competition including staff that may already be employed and skilled. Some may have invested a great deal of time training the workers to acquire the skills. Some may already be trained in customer service, and in some cases specific tradie knowledge. In most cases, the workers who are lost

are the valuable key senior staff. Due to the size of the firm, income, and business, there may not be any succession plan in place or contingency plans in place as no one was expecting such a move. The loss of staff also impacts the other staff, the junior staff who may be looking up to and being trained by the one who has been lost to the scheme. In some cases, the businesses have not been able to replace those who have been lost especially when they were long-standing workers which affect the productivity of the businesses. This affects the morale of the others who are left behind. There is a loss of the knowledge, expertise, training, and skills learned over the years from the economy. In industries like retail where some staff may be assigned customers and clients, it also results in a loss of clients and customers which also impacts the turnover of the businesses as a replacement may not possess the same skills, knowledge, and or unique qualities that drew that customer to the business. The stories from those who receive the opportunity and the attractiveness of the remuneration package could also have a signalling effect on those who have not yet applied and are employed. The possibility of leaving their current employment for the seasonal working scheme will now be an option for them.

Participants emphasized the fact that they are losing in most cases their key personnel. In some cases, the people who are lost are the ones with irreplaceable knowledge, a wealth of experience, people with a customer base that's generally lost with their departure, and all the investment made into them over the years to the scheme. In most cases, they are lost to the fact that the private businesses can not compete with the remuneration package on offer by the foreign scheme and unfortunately most of the private businesses now accept that they will most likely lose some of their staff including their best workers to the scheme. Their only option is to have a deeper recruitment screening process that excludes those who are on the scheme or are just waiting for their call out or are intending to apply for the scheme. Employers are also now having to extend their recruitment process and screening to include the possibility of having to employ people who are on the waiting list for the RSE and SWP scheme.

Though it is having an impact on the staffing attitudes of businesses; managers now find ways to check and confirm those who have applied for the RSE and SWP schemes. Many will not employ those who they know have applied and are waiting for their opportunity to leave. The bad workers or unskilled workers are not likely to receive a call back to the scheme and therefore the scope and nature of the scheme are changing from seasonal to long-term employment with 2 years of work visa renewals with breaks for family home visits. The incentive for working regardless of the location and person is to maximize satisfaction and utility generally in the form of remuneration. Therefore as long as NZ and AU provides the opportunity to earn a better reward for work, anyone who gets the opportunity will most likely be tempted away regardless of the term as the comparative earning potential is not as attractive.

FUNDING:

This research was part of an NUS-UREC funded project on developing private businesses in Samoa whilst competing with pacific recruiters for the same pool of labour. Grant No: 2021-09-02

ACKNOWLEDGEMENTS:

The authors will like to appreciate the National University of Samoa-University Research and Ethics Committee (NUS-UREC) for providing the grant for this study, and the labour economics 2021 students, for helping in the data transcription and translation.

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