



## INVESTMENT CONCEPT

<b>Investment Concept Title:</b>	Pacific Australia Labour Mobility (PALM) Scheme Support Program		
<b>Start date:</b>	1 July 2023	<b>End date:</b>	30 June 2028
<b>Total proposed DFAT funding:</b>	See separate documentation provided to AGB		
<b>Total proposed funding from all donor/s:</b>	Nil		
<b>Current program fund annual allocation:</b>	TBC	<b>AidWorks investment number:</b>	INN812
<b>Overall Risk Profile:</b>	Medium	<b>Risk:</b>	Medium
		<b>Value</b>	TBC
<b>Proposed design pathway:</b>	DFAT-led design		
<b>Concept endorsed by AGB:</b>	Will be considered by the Aid Governance Board on 5 April 2023		
<b>Quality Assurance:</b>	Settings reviewed by Pacific Labour Mobility Program Alignment Committee (Band 2 IDC)		
<b>Policy Approval:</b>	Delegate in Canberra Acting FAS Pacific Integration and Economic Division (IED) Celeste Powell		

### A. Development Context (What is the problem?)

#### *Regional context*

The COVID-19 pandemic highlighted the structural challenges faced by many countries in the Pacific and Timor-Leste: remoteness from major centres of population and economic activity; limited opportunities for wage-earning employment; high rates of under/unemployment, particularly among young people; and a high degree of sensitivity to economic shocks, natural events and the climate emergency.<sup>i</sup> While it is estimated to have grown by 5.3 per cent in 2022, and expected to see steady growth in 2023 and 2024<sup>ii</sup>, the region continues to face significant economic and fiscal impacts as a result of COVID-19. It will take several more years of growth before economic output and government revenues return to pre-pandemic levels in many countries, particularly those highly reliant on tourism, foreign investment and certain commodity exports where external demand weakened<sup>iii</sup>.

Labour mobility is one of the primary economic opportunities available to the working-age population in the region, with the potential to generate significant economic and social benefits for workers (e.g. financial income, work experience and skills development including formal qualifications); their home countries (e.g. unemployment relief, development of human and financial capital, reduction in finance trade deficits and investment in community assets); and Australia (e.g. alleviation of labour shortages, increased production and greater competitiveness). A **'triple win'**.<sup>iv</sup>

But the political economy of the region is complex. Each sending country has its own specific ambitions for labour mobility and its role in its economic development, meaning any labour mobility arrangements need to be appropriately tailored to the **national context**. Some countries wish to maximise participation while others consider worker numbers should be controlled to manage the economic and social impacts of participation on local communities.

Despite efforts to date, there remains scope to enhance gender equality and overall social inclusion in regional labour mobility arrangements. These issues are discussed in sections B and C below, and a further commentary on gender equality is provided in Annex A.

### *Recent evolutions to Australia's labour mobility initiatives*

In September 2021, the Australian Government opted to streamline its short-term Seasonal Workers Program (SWP) and its longer-term Pacific Labour Scheme (PLS) into a consolidated **Pacific Australia Labour Mobility (PALM) scheme**, with a single set of obligations for employers (Australian Approved Employers (AEs)) and a single PALM visa. The opening up of both short- and long-term streams to all industries since April 2022 has driven a significant increase in the numbers of AEs and diversity of industries and occupations involved in the scheme (although most workers remain in agriculture and associated sectors). There was also a rapid growth in worker numbers during the pandemic - from around 8 000 Pacific and Timor-Leste workers in March 2020 to over 36 000 workers under the consolidated PALM scheme in February 2023.<sup>v</sup>

The scheme is now **Australia's primary temporary migration program for unskilled, low-skilled, and semi-skilled workers**, enabling AEs to recruit workers from nine Pacific Island Countries (PICs) (Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) and Timor-Leste to fill positions where local workers are not available. Workers can be employed in any sector across regional and rural Australia, and the agriculture sector nationally. Successful applicants take up **seasonal placements** for up to nine months or **longer-term placements** of between one and four years.

The scheme boosts vital **remittance** flows to Timor-Leste and the Pacific and delivers these countries a skills dividend, while also helping meet Australia's labour shortages and creating people-to-people connections within the region. For some countries, labour mobility 'has had an impact of the sort that foreign aid could never hope to have'.<sup>vi</sup> The impacts for workers and their home communities can be **transformative**. Pre-COVID-19, on average, seasonal workers on the scheme remitted about A\$1,061 a month, while long-term workers remit about A\$1,300 per month.<sup>vii</sup> The remittances, savings, and gains in knowledge and skills are known to make a positive difference to Pacific and Timor-Leste households by improving housing standards, educational and business opportunities, and overall resilience,<sup>viii</sup> while also contributing to the performance of local economies. In a region where more than one-third of people live on less than \$1,000 a year, long-term PALM workers send home an average of \$15,000 each. Any decline in Pacific remittances would negatively impact Pacific household budgets and likely widen current account deficits across the region, causing greater reliance on foreign borrowing and aid flows.

For Australia, an investment in labour mobility presents value for money as the scheme makes a significant contribution to Australia's economy. PALM scheme workers helped businesses survive during the pandemic and to manage subsequent labour supply constraints, while also enhancing the cultural and economic vibrancy of our communities. Economic modelling commissioned by DFAT shows that from July 2018 to October 2022, long-term workers: helped generate almost \$1 billion in industry value added (almost entirely in regional Australia); earned \$434 million; spent \$137 million in goods and services (mostly in local communities); saved or remitted \$184 million; and paid \$71 million in income and superannuation taxes.<sup>ix</sup>

The PALM scheme is currently managed by DFAT and the Department of Employment and Workplace Relations (DEWR), with the support of an external provider, the Pacific Labour Facility (PLF). In line with the July 2022 **Machinery of Government (MOG) changes**, responsibilities for domestic or 'onshore' operations are currently transferring to DEWR (see Annex B). Insourcing delivery of onshore operations is also under consideration by government – this would mean a gradual phase out of the PLF's domestic operations functions.

DFAT retains overall policy (non-operational) responsibility for PALM scheme, along with the delivery of '**offshore**' operations under the scheme. DFAT is also responsible for strategic policy and communications, stakeholder engagement with industry across the Pacific and Timor-Leste, support to partner governments, and monitoring and evaluation related to achievement of overall strategic objectives (see Annex B). Note the proposed investment concerns DFAT's specific program of support for the overall PALM scheme and therefore principally operations conducted offshore. We assess the investment eligible to be considered 'Overseas Development Assistance' (ODA).

### Reforming the PALM scheme

As part of its commitment to support the region's development and resilience under the *Plan to Build a Stronger Pacific Family*, the Australian Government has committed to **expanding and improving PALM**. DFAT will lead the non-operational policy effort, working across government and in close consultation with partners in the Pacific and Timor-Leste to ensure the scheme better supports workers and delivers Pacific countries and Timor-Leste a skills dividend, while enhancing the scheme's attractiveness to AEs as a sustainable source of workers to fill unskilled, low-skilled and semi-skilled positions.

Expansion of the program and improvements would provide an opportunity for the Australian Government to engage with sending countries on their broader economic ambitions and the contribution of labour mobility to their development. For partner countries, it would provide renewed opportunity to better position labour mobility as a driver of sustainable and resilient economic development: one that connects education, training, and skills development with the evolving world of work, both locally and internationally.

Some changes are already planned for roll-out in 2023 in response to what Pacific and Timor-Leste partners, Australian employers, industry and workers have told us needs to improve. The Government will, for example: enable long-term PALM workers to bring their families to Australia when sponsored by their employers, commencing with a small pilot in the second half of 2023; support 500 PALM scheme workers to complete their aged-care certification; and make seasonal deployments more attractive to Australian employers by reducing the burden of upfront travel costs.<sup>x</sup>

### B. Strategic Intent and Rationale (Why should Australia invest?)

The Government has committed to a range of measures to advance Australia's interests by tackling poverty and supporting stability, prosperity and security in our region.<sup>xi</sup> This includes the improvement and expansion of the PALM scheme, in a way that is sustainable and meets the region's economic needs. PALM facilitates regional economic integration and supports the recovery and resilience of all participating countries. In keeping with commitments in the *2050 Strategy for the Blue Pacific Continent*, PALM fosters a partnership model that **promotes Pacific and Timor-Leste priorities**, responds to **shared challenges**,<sup>xii</sup> and is based on **mutual respect** and a commitment to **listen** to partners.

Approaches to expanding the scheme need to be **tailored** to the specific objectives and expectations of sending countries. The sustainable and responsible growth of worker numbers under PALM would enhance the scheme's attractiveness to Australian employers, for whom the scheme is one important avenue to manage skills shortages and rebuild sectors particularly affected by the pandemic, such as hospitality and tourism.

In addition, there is a clear need to **improve the performance and value proposition** of the scheme for the benefit of all stakeholders. Evidence gathered to date, including through **extensive public consultations in 2021 and 2022**, has revealed concerns across the Pacific and Timor-Leste about the social and economic impacts of PALM's rapid scale-up and pointed to areas where DFAT support to PALM could be enhanced. The proposed investment would therefore include several **notable pivots or areas of greater emphasis, to enhance the overall quality of the scheme**.

- Supporting partner governments to manage the risks of 'brain drain' and/or to better utilise the scheme for national benefit (e.g. by supporting improved forecasting; improving policy coherence across education, skills development, employment and economic development; and strengthening policy processes that are more inclusive of voices from across the private sector, workers and civil society).
- Supporting partner governments, Labour Sending Units (LSUs) and other key stakeholders to better align and meet the needs of local economies in sending countries along with Australian employers (e.g. by supporting, requiring or advocating for improved industry targeting and skills targeting).
- Providing LSUs with *country-specific support* that better meets their individual needs so they can better match workers with workforce needs and deliver better pre-departure preparation of workers and their families.

- Supporting local institutions to identify, develop and/or apply locally-led measures to dismantle barriers to participation, as well as facilitate smoother, quicker reintegration of workers on their return home.
- Introducing family accompaniment to address reported social issues due to family separation, and enable spouses (majority female partners) to take up work opportunities in Australia.
- Facilitating greater coordination with regional organisations (e.g. the Pacific Island Forum (PIF)) and better leveraging other regional initiatives, such as activities delivered under the Pacific Agreement on Closer Economic Relations (PACER) Plus (noting PNG, Fiji and Timor-Leste are not PACER Plus members), Australia Pacific Training Coalition (APTC) and other skills and education initiatives.

The proposed DFAT-led program of support for growing and improving the scheme will be matched by DEWR-led onshore efforts to improve performance, including enhancements to training opportunities in Australia, securing fair wages and improving appropriate working and living conditions.<sup>xiii</sup> The quality and extent of coherence between the various elements of the scheme will be essential to the scheme's overall success in the long-term.

This ICN provides the conceptual foundations and outlines delivery arrangements for the offshore elements of the PALM scheme, for which DFAT has responsibility.

### *ODA Eligibility*

The proposed investment meets the ODA eligibility criteria.

- All sending countries are on the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee's (DAC) List of ODA Recipients.
- The proposed program promotes 'the economic development and welfare of developing countries' by creating opportunities for significant economic and social benefits for sending countries by way of unemployment relief, development of human and financial capital, and investment in community assets.
- The program does not include non-grant financing (such as loans, equity, guarantees or other private sector instruments), nor does it relate to security (including biosecurity, cyber security, policing, military or other armed forces).

We note there are ongoing discussions within the OECD Statistics Working Group about tightening the ODA eligibility criteria for labour mobility expenditure, including consideration of criterion that would exclude activities intended primarily to fill labour market gaps in, or promote permanent integration of potential migrants into the economy and society of, non-ODA eligible host countries. As a broad principle, activities to foster labour mobility would be eligible where the primary purpose is to benefit developing countries – through skills transfer, for example.

### *Applying our cross-cutting policy commitments*

The Australian Government is committed to the shared undertakings in the *2050 Blue Pacific Strategy* to better address issues of exclusion, gender inequality and marginalisation.<sup>xiv</sup> There remains space for improvement in PALM. Current participants tend to be men, without disability, from Vanuatu, Tonga and Samoa, and are placed in horticulture (short-term) or the Australian meat processing industry (long-term). Many short-term workers participate in the program multiple times: around 60% of short-term participants (formerly SWP workers) work in Australia at least twice. Repeat participation is a building block of the program, contributing to the scheme's attractiveness to many AEs. For workers, it generates accrual of significant earnings and skills, and for employers, it reduces risks and avoids the need to train new workers each year.<sup>xv</sup>

Notwithstanding, there is scope to **enhance the balance** within worker cohorts, so they better reflect the make-up of Pacific and Timor-Leste societies and provide opportunities to a broader range of groups. Those groups include **women, people with disabilities, prospective first-time migrants, and people from under-represented regions** (see Annex A for a short commentary on gender equality). This investment will look at ways to promote and actively pursue an inclusive approach while also trying to accommodate AE preferences (e.g. for repeat workers from certain communities).



### *Key insights and lessons*

The Australian Government is committed to applying a rigorous, evidence-based approach to its development program.<sup>xvi</sup> Insights and lessons from past/current programming suggest:

- development returns are greatest where PALM applies a bespoke approach to each national context; one that acknowledges and responds positively to the perspectives and needs of individual sending countries
- the scheme's impact depends, in part, on optimising coherence with other Australian investments and policy measures in the region. There remains scope to strengthen links with – and returns from – other initiatives, including bilateral skills and business development activities, as well as APTC and activities delivered under PACER Plus
- there remains a need to better understand and respond to the underlying drivers of persistent barriers, experienced by specific groups in specific contexts (including women with disabilities)
- there remains ongoing need to better target key industries in Australia in areas of domestic economic relevance for participating countries and/or where women workers are well placed to secure work placements
- robust, coordinated approaches to monitoring, evaluation, research and learning, and gender equality, diversity and social inclusion are critical to the scheme, and should be resourced accordingly.

### *A successful investment*

A successful program of support would: be **fit for purpose**; be **aligned with the needs and expectations of all 11 participating countries**; and help **sending countries move towards their development aspirations**. In particular, DFAT's program of support would be assessed as successful when:

- the scheme's offering or 'value proposition' for each sending country is tailored to the national context
- participating governments regard the scheme as an effective partnership that contributes to their broader economic ambitions and the quality of their bilateral relationships with Australia
- the scheme is more accessible to under-represented workers, including women
- local stakeholders, including LSUs, make sustained, positive strides towards overcoming systemic challenges, including by improving the quality of reintegration assistance
- families, community groups, and employers in participating countries feel actively engaged in key processes and the resolution, management or mitigation of key issues, thereby extending the scheme's 'social licence'
- DFAT and DEWR coordinate strategy and operations such that PALM operates as a unified scheme.

### *Localisation*

The Australian Government is committed to enhancing local leadership and working through local systems and partners wherever possible. As part of the improvement agenda, the PALM scheme will continue to place a strong focus on LSUs but will place greater emphasis on adopting a locally-led approach to support partner countries to use the scheme in ways that make the most sense for them. Bespoke, country-by-country offerings will put local aspirations and voices centre stage. In keeping with the scheme's partnership model, all 11 participating countries will be guided by a set of commonly agreed principles, including the need for open discussion about both the shared aspirations and the specific interests and needs of individual countries and different stakeholder groups.

## **C. Proposed Outcomes and Investment Options (What?)**

### *The scheme's overarching intent*

The proposed **goal** is to *facilitate circular migration to Australia that accelerates benefits for all participants & strengthens participating economies* – a statement of intent that is aligned with the policy thrust of the *2050 Blue Pacific Strategy* and consistent with the aspirations of Timor-Leste. Australia's **policy objective** is to *expand & improve the Pacific Australia Labour Mobility scheme so that it better meets the challenges and aspirations of participating countries*.

The Australian Government, through the unified efforts of DFAT and DEWR, is committed to delivering a single **long-term PALM outcome**: *Sending countries, participating workers and Australian employers secure greater economic and social benefit from labour mobility opportunities through the PALM scheme.*

The LTO is aligned with the internationally recognised notion of a ‘triple win’ and spans the offshore and onshore components of the scheme. Pursuit of this LTO will guide collaboration, coordination and decision-making, and underpin a coherent suite of mutually supportive workstreams.

The reference to *greater economic and social benefit* in the LTO acknowledges the need to deliver ‘net gains’ through PALM by expanding positive returns while **mitigating and managing potentially adverse effects** for specific stakeholders – for example, should there be a very high take-up rate in certain countries creating negative social and economic impacts locally. Reference to *economic and social* in the LTO acknowledges the ambition to ensure PALM delivers both the monetary *and* non-monetary dividends.

### *DFAT’s program of support and the expected End of Program Outcomes*

DFAT’s investment in PALM seeks to make a significant contribution to the LTO through the achievement of several End of Program Outcomes (EOPOs). Subject to further consultation and refinement during the design phase, these are:

***EOPO1:** The PALM scheme enables more workers, including women and under-represented groups, in sending countries to take up jobs in domestically relevant sectors in Australia.*

***EOPO2:** Workers, including women and under-represented groups, are adequately prepared to take up jobs in Australia and reintegrated socially and economically on return home.*

***EOPO3:** Sending countries are closely engaged with the PALM scheme and view the scheme positively.*

***EOPO4:** The PALM scheme is managed coherently as a partnership between DFAT, DEWR, participating countries, employers, and workers and their advocates.*

The growth of the PALM scheme will be underpinned by increased and more inclusive labour mobility opportunities (EOPO1 and EOPO2), with a focus on both the *quality* and *quantity* of workers. EOPO3 acknowledges the important role played by sending countries and strong bilateral relations in the scheme’s success. A commitment to partnership and shared impact is reinforced by EOPO4, which explicitly recognises the role of DEWR and other partners (including other Australian initiatives such as APTC) in the delivery of DFAT’s EOPOs and reflects the need for coherence and coordination between offshore and onshore operations.

A set of **Intermediate Outcomes** (IOs) – steppingstones to the EOPOs – will be identified during the design process. The framing of the IOs will draw on current understanding of what systemic and behavioural changes are needed to deliver the EOPOs, insights about how change occurs, and credible assumptions about the role DFAT and its partners can play in enabling such changes. The IOs will address gender more fully (see below) as well as the mitigation of negative social and economic risks (e.g. ‘brain drain’), child protection risks, and reputational risks (also identified in the Risk and Safeguard Assessment at Annex D).

While DFAT’s program of support would be regional, focusing on the 10 current sending countries, and others in the region that may wish to join the scheme, it would be open to Australian bilateral development assistance programs to contribute funds, or deliver activities that contribute to PALM outcomes, as some bilateral programs already do (e.g. English language activities in Timor-Leste).

### *The pursuit of gender equality and inclusion*

Gender equality is a *significant* objective, but not the principal reason for undertaking this investment. The proposed program will apply a twin-track approach of mainstreaming and targeting to promote and enable gender equality and inclusion. The design team will pay specific attention to how the proposed **equality- and inclusion-focused** EOPOs (1 and 2) can be achieved through DFAT’s support. These EOPOs will be supported by a gender equality, disability and social inclusion (GEDSI)-focused IO to be developed in the design process. The design team will also identify opportunities to facilitate greater diversity within worker cohorts, including for people with a disability and workers from a broader range of sectors. Family accompaniment and more roles in

the aged care sector could provide particular opportunities for women. A multi-faceted approach should help to ‘move the dial’ on achieving gender equality and social inclusion in PALM.

### *Other investment options*

The Australian Government has committed to ‘expanding and improving’ the PALM scheme,<sup>xvii</sup> in part by leveraging the respective mandates of DFAT and DEWR. In principle, there are a range of other investment options, including budget support and technical assistance, to facilitate improvements to labour mobility. We assess, however, that a comprehensive, dedicated and coherent scheme provides the best means of meeting the shared and individual needs of the participating countries and of minimising risks and ensuring continuity for key stakeholders.

## **D. Implementation Arrangements and Delivery Approach (How will DFAT deliver it and engage?)**

### *Delivery options*

Three modalities were considered to support delivery of the offshore elements of the scheme: (1) a **contractor-managed PALM scheme Support Function**; (2) a **multilateral organisation-managed PALM scheme Support Function**, for instance via a grant arrangement with the International Labour Organization (ILO) or with the International Organization for Migration (IOM); and (3) **bundling support function services within an existing regional initiative, such as the APTC**. Each option is described below.

Under any modality, the focus of delivery would be to improve the supply of seasonal (short-term) and long-term workers as well as the quality of the workers through a range of activities to ensure workers are suitable and have access to relevant and appropriate skills development. Consistent with the scheme’s development focus, activities would need to enhance access to the scheme for under-represented groups (including women and people living with disability).

Further options were considered, including delivery utilising relevant existing regional initiatives such as Australia Awards Pacific Scholarships, and/or bilateral investments focused on skills development and economic growth, such as the Vanuatu Skills Partnership, the Australia-PNG Economic Development Partnership, and the Samoa Governance and Economic Growth Program. However, these were less attractive due in some cases to a patchy geographical footprint, high transaction costs and unacceptable levels of disruption to current activities.

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**Delivery Option 1:** a **contractor-managed Support Function** in which an appointed team would deliver offshore services to DFAT in line with the Head Contract and agreed annual workplans in a manner similar to the PLF.

***Notable benefits:** familiarity; builds on existing systems and processes; means to enhance joined-up programming; comparative ease for DFAT to task the provider with ad hoc requests.*

***Notable limitations:** DFAT does not build in-house expertise and becomes reliant on service-provider for advice, information and specialist knowledge.*

***Notable risks:** the contracted team may inadvertently sideline elements of the Australian Government’s direct engagement with key government partners, including labour sending agencies.*

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**Delivery Option 2:** a **multilateral organisation-managed Support Function** in which an appointed team would deliver services in line with the Head Contract and annual workplans in a manner similar to the PLF.

***Notable benefits:** direct access to considerable in-house expertise, especially a focus on worker outcomes (ILO) and/or labour sending capacity building and reintegration (IOM); sending countries may regard the Support Function as a neutral broker (given, for example, the ILO’s principle of tripartism, which includes dialogue and cooperation between governments, employers, and workers).*

***Notable limitations:** would require strong Australian Government skills in relationship management; comparatively challenging to forge synergies with education and skills programs, including APTC; potentially less scope to deploy Australian expertise; more difficult to manage than contracted options.*

***Notable risks:** Heightened delivery-related risks in the near-term at a time of rapid scale-up.*

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**Delivery Option 3: bundling services within an existing regional initiative**, in which responsibility for delivering the Support Function is infused into one or more related programs, including or such as the APTC.

***Notable benefits:** APTC has a very similar geographical footprint to the PALM scheme, with campuses in five countries and country offices in 10 countries; in principle, ease of opportunity to forge coherence across like-minded investments.*

***Notable limitations:** high transaction costs (coordination and contract amendments/re negotiations with partners).*

***Notable risks:** additional responsibilities dilute effectiveness; limited APTC experience to date in providing support to PALM.*

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From a cost-focused value for money perspective, there is little distinction between the three options in terms of likely efficiencies and savings for DFAT management and administration: implementation under all three models would require approximately six Full Time Equivalent (FTE) staff members in the Pacific Labour Policy and Engagement Branch (LMB) and an appropriate number of A-based (Australia based) and LES (Locally Engaged Staff) at Posts to deliver our in-region engagement. LMB would also provide broader policy direction, and communications and stakeholder engagement support for the program.

Our **preferred approach is Option 1**. As a continuation of current delivery arrangements, Option 1 offers comparatively minimal risk at a time of significant transition following the MOG, a significant increase in the number of workers and AEs participating in the scheme and, concurrently, concerns in some sending countries that participation levels are too high.

Under the guidance of DFAT and DEWR, the design team will identify the scope of services expected of the Support Function, drawing upon the insights and lessons emerging from an **evaluation** of PLF planned for Q2-3 of 2023. The Support Function would have an appropriate level of GEDSI-focused analytical capacity and resourcing.

The design will also include recommendations to promote coherence in the delivery of offshore and onshore elements of the scheme, including to ensure communications between Australia's lead agencies - DFAT and DEWR - and the next offshore provider of the Support Function are efficient and effective.

#### **Governance and oversight arrangements**

Oversight will be delivered through governance arrangements agreed in December 2022. A **Deputy Secretary level PALM Transition Executive Committee (PALM TEC)**, comprised of officials from DFAT and DEWR, will facilitate a smooth transition into the new arrangements associated with MOG changes and adjustments to the onshore delivery model, and will disband once the transition process has been completed.

A **First Assistant Secretary level PALM Senior Executive Committee (PALM SEC)**, also comprised of officials from DFAT and DEWR, will oversee the PALM scheme, lead coordination and collaboration between DEWR and DFAT, and ensure the scheme delivers against its multiple objectives. The inaugural meeting was held in February 2023.

The PALM SEC will draw upon strategic advice from the **Pacific Australia Labour Mobility Advisory Group (PALM Advisory Group)**, co-chaired by DFAT and DEWR. Membership will be drawn from peak industry bodies, community sector organisations, unions, participating country governments (including labour ministries and their equivalents, and Heads of Mission (HOMs) in Australia), Pacific/Timor-Leste HOMs, LSUs and other key partners. Various operational-level **sector-specific committees** and **thematic working groups** will report to the PALM Advisory Group (see Annex C for more detail).

DFAT will continue to chair the **Pacific Labour Mobility and Integration Interdepartmental Committee (IDC)**. The Committee will provide a mechanism for strategic, cross-government discussion on matters pertaining to labour mobility, with the PALM scheme a standing agenda item. From a management and operational perspective, a **PALM Senior Management group**, comprising representatives from DFAT, DEWR and, at present, the PLF, provides a weekly forum for addressing both routine and pressing issues.

Subject to further consultations during the design, the **Quality and Technical Assurance Group (QTAG)** function would be retained, with its efforts focused on performance and risk management. The QTAG would report to the PALM SEC, with the costs of the QTAG function met by DFAT.



### *Opportunities for engagement within the region*

In line with the Separation of Responsibilities, DFAT will be responsible for **maintaining and strengthening bilateral relations** across the 10 sending countries (Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu). The Pacific Heads of Mission Roundtable, established by DFAT in 2020, will continue. To capture a range of perspectives, at least one HOM representative will participate in the PALM Advisory Group on a rotating basis.

**Annual bilateral dialogues** with Pacific and Timor-Leste Governments offer a forum for discussions on labour mobility and the performance of the PALM scheme. Consideration will also be given to establish a more formal mechanism to enhance coordination between PALM and Australia's bilateral programs. Engagement with PIF and the Pacific Labour Mobility Annual Meeting (PLMAM) (delivered under PACER Plus) would also be an area of focus under the proposed program.

### **E. Risks**

As with any significant change, the transition in delivery approach will pose some risks to the scheme's effectiveness, particularly in the short- to medium-term as coordination and operational matters are bedded down. We assess this risk can be managed effectively through: a considered design; appointment and strategic use of a QTAG; and governance and consultative mechanisms that apply robust partnering principles.

From an operational perspective, we anticipate implementation will build on the systems, tools, and resources developed in the earlier PLS and SWP programs, including the unified in-country recruitment database and management information system developed by the PLF. The design team will identify appropriate roles for the Support Function in monitoring, evaluation, research, learning and communication, and in ways that best marry offshore and onshore workstreams and reflect the agreed Separation of Responsibilities between DFAT and DEWR (see Annex B).

The investment may involve contact with children and vulnerable and disadvantaged groups. Consistent with DFAT's *Child Protection Policy*, a detailed assessment of related risks will be conducted during the design phase.

### **F. What are the next steps?**

The design of the DFAT program of support would commence in Q2 2023 and be managed by LMB, following a decision by Government in a budget context. We will use DFAT's Design, Review and Monitoring & Evaluation Panel to appoint a design team with the requisite geographical and technical expertise *and* understanding of interdepartmental coordination/collaboration.

We propose a '**parallel design-procurement**' approach. In Step 1, LMB would develop an indicative scope of services for the PALM scheme Support Function, go to market and select a shortlist of possible providers. In parallel, it would commence the design process. Shortlisted providers would be consulted about possible approaches, creating opportunities for innovation and space for the private sector to advise on measures to leverage additional value for money. In Step 2 (after the design is approved, including with AGB consideration as required), the tender for the Support Function would be completed and an outcome secured by approximately Q3 2024. The Development Effectiveness and Enabling Division (PRD) (specifically, the Development Performance and Advisory Services Branch (ADB) and the Development Procurement Agreements and Systems Branch (DVB)) has advised this approach would utilise the strengths of the market, while maintaining optimal control, and would be consistent with the Commonwealth Procurement Rules.

Framed by the long-term PALM outcome described above, the design would focus on DFAT's agreed responsibilities and EOPOs where DFAT investments are expected to make a significant contribution. The design would incorporate both the Support Function and the QTAG and draw from a range of sources, including governance bodies, remote and in-country consultation, recent reviews, public consultations in 2021 and 2022, and existing strategy documents. Relevant DFAT and DEWR staff would provide specialist input, including to ensure coherence between offshore and onshore elements and with Australia's Pacific skills programs.

The Investment Design Concept (IDD) would be appraised by two independent experts and PRD/DFAT. First Assistant Secretary Pacific Integration and Economic Division (IED) would provide final approval.

<sup>i</sup> Pacific Data Hub. <https://pacificdata.org/dashboard/sdg-8-decent-work-and-economic-growth#target-81> Accessed 20 January 2023.

<sup>ii</sup> Asian Development Bank, December 2022.

<sup>iii</sup> Fiji, PNG, Vanuatu, Solomon Islands, Samoa, Tonga have been most affected.

<sup>iv</sup> For discussion, see, for example, Cornish, G.E., Pearson, J., McNamara, K.E., Alofa, P., McMichael, C. 2022. “Experiences of i-Kiribati with labor mobility schemes”, *Asian and Pacific Migration Journal*. 31(2), 162–175; Stead, V., Petrou, K. 2022. “Beyond the 'Triple Win': Pacific Islander farmworkers' use of social media to navigate labour mobility costs and possibilities through the COVID-19 pandemic”, *Journal of Ethnic and Migration Studies*, DOI: 10.1080/1369183X.2022.2138288; International Labour Organization. 2019. *Labour Mobility in Pacific Island Countries*. ILO; Curtain, D.L., Dornan, M.S., Doyle, J. Jon, G., Howes, S. 2017. “Labour Mobility: the ten billion dollar prize (English)”. *Pacific Possible Series, Background Paper No. 1*. World Bank Group; Pacific Possible. 2016. Labour Mobility [PPT presentation]

<sup>v</sup> Pacific Australia Labour Mobility scheme, Australian Government, 28 February 2023.

<sup>vi</sup> Howes, S., Curtain, R., Sharman, E. 10 October 2022. Labour mobility in the Pacific: transformational and/or negligible? Devpolicy blog. <https://devpolicy.org/labour-mobility-in-the-pacific-transformational-and-or-negligible-20221010/> Accessed 22 February 2023.

<sup>vii</sup> Danielle Heinecke, First Assistant Secretary, Pacific Integration and Economic Division, at the Foreign Affairs, Defence and Trade Legislation Committee Estimates, 16 February 2023.

<https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=COMMITTEES;id=committees%2Festimate%2F26534%2F0000;query=id%3A%22committees%2Festimate%2F26534%2F0000%22> Accessed 23 February 2023.

<sup>viii</sup> For discussion, see, for example, Cornish, G.E., Pearson, J., McNamara, K.E., Alofa, P., McMichael, C. 2022.

“Experiences of i-Kiribati with labor mobility schemes”, *Asian and Pacific Migration Journal*. 31(2), 162–175; Gibson, J., Bailey, R-L. 2021. “Seasonal Labor Mobility in the Pacific: Past Impacts, Future Prospects”, *Asian Development Review*. 38(1), 1-31; IOM/ILO. June 2022. *Climate Change and Labour Mobility in Pacific Island Countries Policy Brief*.

<sup>ix</sup> Reflects data relating to long-term cohorts based on modelling commissioned by DFAT. DFAT is working with DEWR to expand modelling to understand the economic impacts of short-term workers employed in Australia through PALM.

<sup>x</sup> Commonwealth of Australia. October 2022. *Budget October 2022-23. Building a Better Future*.

<sup>xi</sup> See speech by Minister Conroy to Exemplar’s Parliamentary Forum – Partnering on Pacific Priorities on 22 Nov 2022.

<sup>xii</sup> See the speech by Minister Wong to the Pacific Islands Forum Secretariat on 26 May 2022 and to the Pacific Way Conference, Papeete, French Polynesia on 21 October 2022, and the speech by Minister Conroy to the Australasian aid conference on 29 November 2022.

<sup>xiii</sup> *Pacific Labour Mobility Consultation Summary [2021]; Building a Stronger Pacific Family: reforming the PALM Scheme – Consultation Summary [2022]*; also see Ewen McDonald, Head of the Office of the Pacific, at the Foreign Affairs, Defence and Trade Legislation Committee Estimates, 16 February 2023.

<https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=COMMITTEES;id=committees%2Festimate%2F26534%2F0000;query=id%3A%22committees%2Festimate%2F26534%2F0000%22> Accessed 23 February 2023.

<sup>xiv</sup> Pacific Islands Forum. 2022. *2050 Strategy for the Blue Pacific Continent*.

<sup>xv</sup> Davila, F., Dun, O., Farbotko, C., Jacobs, B., Klocker, N., Vueti, E., Kaumaitoia, L., Birch, A., Kaoh, P., Pitakia, T., Tu’itahi, S. 2022. ‘Agrifood systems transformation through circular migration between Pacific Island countries and Australia’. *ACIAR Technical Report 100*. Australian Centre for International Agricultural Research, Canberra.

<sup>xvi</sup> See the speech by Minister Conroy to the Australasian aid conference on 29 November 2022.

<sup>xvii</sup> See the speech by Minister Wong to the Pacific Way Conference, Papeete, French Polynesia on 21 October 2022 and the speech by Minister Conroy to the Australasian aid conference on 29 November 2022.

## Annex A Gender equality and labour mobility to Australia

### *Regional context*

Across much of the Pacific region and Timor-Leste, there are pronounced gender disparities in the labour market.<sup>xviii</sup> In Fiji, for example, 40.9% of women aged 15-64 participate in the labour market, compared to 79.8% of men (2016). Similar differences are seen in several other PALM scheme countries, including Tuvalu (41.3% vs. 72.8% respectively, 2016), Samoa (44.4% vs. 70.3%, 2017) and Tonga (45.5% vs. 67.9%, 2018).<sup>xix</sup> At four percentage points or less, the gender gap is most narrow in Papua New Guinea and the Solomon Islands.<sup>xx</sup>

The extent of youth participation in the labour market also varies across the region. Nearly half (46.9%) the youth population remains not in employment, education or training (NEET) in Kiribati - double the global estimate of 22%. Young women are at greatest risk of being NEET in Fiji and Vanuatu. In Fiji, for example, young women are nearly three times as likely as young men to be NEET.<sup>xxi</sup>

Among labour market participants, occupations are typically segregated by gender, with notable differences in the types of work that women and men tend to perform.<sup>xxii</sup> In some PICs, including Fiji, Kiribati, Samoa, Tonga and Tuvalu, agriculture – the focus of the earlier SWP Scheme – accounts for significantly larger shares of men’s employment than it does for women, with gaps of between 15 and 31 percentage points common place.<sup>xxiii</sup> While the construction industry – an emerging area of interest for the PALM scheme – usually accounts for relatively small shares of total employment, the labour market is dominated by men. In Tonga, for example, 15% of men are employed in construction, compared to less than 0.5% of women.<sup>xxiv</sup> Broadly speaking, women are more dependent than men on public administration, accommodation, community and social services for employment opportunities.<sup>xxv</sup> For instance, the share of public administration in women’s employment is 10 percentage points higher than the men’s share in Fiji, Kiribati, Palau, Samoa, Solomon Islands and Tuvalu. In Fiji, Papua New Guinea and Samoa, there are also large gender gaps – skewed towards women - in wholesale and retail trade.<sup>xxvi</sup>

Gendered disparities in the labour market extend to wages. The gender pay gap is typically wide, with that in Fiji reportedly the widest in the Pacific.<sup>xxvii</sup> Only one in five businesses in Fiji are registered to women, and most of those are micro and small-scale operations (2015).<sup>xxviii</sup> Across the region, as in much of the world, the impacts of the COVID-19 pandemic were felt by some more than others. Women’s jobs were disproportionately affected because of the occupational segregation present in many of the hardest-hit sectors.<sup>xxix</sup> Many women were pushed out of employment and into unpaid care and domestic work.<sup>xxx</sup> Women-owned microenterprises were also affected as families tended to redirect funds within the household.<sup>xxxi</sup>

### *Gendered participation in temporary and circular labour mobility*

Available evidence on the impacts of labour mobility schemes points to the multitude of ways in which women workers can or might benefit, for example, improved self-worth and self-esteem, entrepreneurship, bargaining power in household decision-making and land ownership.<sup>xxxii</sup> Effects tend to ripple across households and communities. Women may also secure benefit indirectly, for example, as receivers of remitted earnings. Earlier evidence suggests that women typically direct earnings towards education and households needs,<sup>xxxiii</sup> pointing to the likelihood of positive human development dividends.

Not all effects are positive. While labour mobility can lead to reduced financial stress and strengthened family relationships, it can also lead to concerns about extra-marital affairs and family breakdowns.<sup>xxxiv</sup> The effects on the ongoing familial responsibilities on those ‘left behind’ are often ‘hidden’ in research and policy-making discussions.<sup>xxxv</sup> Recent PALM-financed analysis of family separation issues argued that when care practices are reorganised or personal relationships break down, there can be significant adverse consequences for the wellbeing of those involved.<sup>xxxvi</sup> While often overlooked, the (negative) effects of such shocks and changes are real. Recent World Bank-facilitated research on the impact of the SWP on labour-sending households and communities in Tonga and Vanuatu found that men’s absence placed a greater burden of work on the women who had been left behind and confined them to their traditional gender roles.<sup>xxxvii</sup> This reduced opportunities to seek paid employment or wage labour, presumably raising the barrier to their future participation in labour mobility schemes. These issues are known to be of concern to LSUs.<sup>xxxviii</sup>

While men dominate both the short- and long-term workforces under PALM, women's participation has been steadily increasing. For example, women's participation in the PALM scheme's long-term workforce has risen from approximately 15% in early 2021, to about 20% – a not insignificant increase given the high-volume of recruitments in male-dominant industries (horticulture, agriculture, and meat processing) during the period of border closures and the slow re-engagement from what might be framed as women-dominated industries (aged-care, hospitality and tourism) in the years since.<sup>xxxix</sup>

The outlook is positive. PALM stakeholders are confident the scheme will continue to reduce barriers to women's participation and foster a higher degree of industry diversification, with strong interest from the construction, automotive, aged care, and hospitality industries, in part for more and higher skilled and qualified workers.<sup>xl</sup> As noted, some of these sectors tend to have a greater proportion of women workers than men.

### *Known barriers to equal participation*

Barriers or constraints to equal access and participation are multiple, complex and often interlinked. Broadly, however, it is possible to distinguish between individual, familial, institutional and structural constraints.

- *Individual*, including personal attributes such as education, language skills, access to information and finance. World Bank-led research on Pacific labour mobility suggests that participation is more accessible to, and considered acceptable for, unmarried women. Married women may be deterred from participating because of concerns over family separation – a concern that is ameliorated if the travel is accompanied by family. The research also suggests women's primary motivation to participate is helping the family, whereas for men it often centres on earning money and the excitement of travel.<sup>xli</sup>
- *Familial*, including the immediate household and the extended family and community. World Bank-led research indicates that the encouragement and support of the immediate household is critical to women's participation. Support from community leaders can also be important.<sup>xlii</sup> As that might imply, social and cultural norms, in addition to concerns about safety and wellbeing, often limit women's participation in Pacific labour mobility. Such norms can prohibit women from undertaking specific work tasks in some cultures, which inevitably limits access to labour market opportunities in Australia.<sup>xliii</sup>
- *Institutional*, including access to information and understanding of key processes. Employers act as 'admission gatekeepers'.<sup>xliv</sup> The same may be said for other institutions, both formal (LSUs) and informal (communities). The established practices and outlooks of such institutions can enable or constrain access. World Bank-led research suggests that men and women often derive insight from different sources: men from community fora, and women from other female participants. A gender bias – perceived and actual – skews recruitment processes in favour of men: for example, some industries favour certain physical attributes, such as height.<sup>xlv</sup> The absence of appropriate accommodation at some employment sites can reinforce concerns about safety, cultural appropriateness and extra-marital affairs.
- *Structural*, including sector dynamics and labour market realities across the 11 participating countries. Labour markets across the sending countries are typically characterised by an overabundance of unskilled workers and a shortage of workers with technical, managerial and professional skills<sup>xlvi</sup> - realities that the APTC (among other entities) are seeking to address in close collaboration with industry associations and employers. The skills mismatch and the gendered disparities in specific labour markets shape the nature of employment opportunities and the extent to which specific genders are likely to secure equal access to opportunities.

### *Possible strategies to expand opportunities and better realise optimal benefits*

Evidence from the current PALM scheme, coupled with insights from research and stakeholders, suggest there is scope to further identify and remove barriers to full participation.



## Scheme-wide

1. *Modelling inclusivity across the scheme and throughout the labour cycle*, for example in the systems, processes, attitudes and actions of the scheme Support Function, the LSUs and other parties associated with the PALM scheme (DFAT and DEWR).
2. *Piloting and, where successful, scaling out proven measures for overcoming barriers*, particularly where the conditions for success are well understood and evident in other locations. This could include, for example, locally led reforms in specific LSUs, such as the successful measures undertaken by the Kiribati Government's Recognised Seasonal Employer (RSE) Unit to secure new employers, especially for women<sup>xlvii</sup> (DFAT and DEWR).
3. *Leveraging on areas of convergence*, working with other actors to actively identify points of synergy in other programs and initiatives so that the returns to each are maximised and that parties actively contribute towards a shared objective (DFAT and DEWR).
4. *Better understanding and responding to intersectionality*, such that the multiplicity of underlying drivers of persistent barriers, as experienced by specific people in specific contexts (including women with disabilities), are recognised, navigated and, over time, removed (DFAT and DEWR).
5. *Enhancing the evidence base*, such that decision-makers and stakeholders have improved sight and understanding of different experiences, needs and opportunities, thereby permitting timely adjustments to policy, strategy and operations (DFAT and DEWR).

## In the region

6. *Ongoing advocacy in sending countries*, working with and through local institutions to 'move the dial' on those pervasive gender norms that create barriers to participation (DFAT).
7. *Pursuing joined-up programming in sending countries*, working in tandem with bilateral programs to further develop the enabling environment for women's labour force participation. This would likely require a twin-track approach of further strengthening skills development measures (technical, vocational, ICT, managerial, workplace and entrepreneurial) in areas of both current overseas need and projected future domestic demand and, in parallel, investing in improved social welfare programs that bolster the care economy and help remove barriers to labour force participation<sup>xlviii</sup> (DFAT with DEWR).

## In Australia

8. *Targeting industries in Australia*, specifically where there is evidence a sector and/or the skills under offer have particular growth potential for specific sending countries and/or where women workers are well placed to secure work placements (DEWR with DFAT).
9. *Supporting employers to remove barriers*, requiring both pursuit of solutions to known concerns, such as shared accommodation blocks, and the challenging of inherent biases, including in male-dominated fields like agriculture, horticulture and meat processing<sup>xlix</sup> (DEWR).
10. *Further upskilling of workers in Australia*, better ensuring that returning women workers gain market-relevant skills and qualifications that should act as a bridge to downstream benefits<sup>l</sup> (DEWR).

<sup>xlviii</sup> Boccuzzi, E. 2021. *The Future of Work for Women in the Pacific Islands*. The Asia Foundation.

<sup>xlix</sup> <https://ilostat.ilo.org/topics/population-and-labour-force/> [accessed 13 January 2023]

<sup>l</sup> International Labour Organization. 2020. *Pacific Labour Market Review 2020: Pre-COVID-19 baseline labour market information for post-disaster recovery*. ILO.

<sup>l</sup> International Labour Organization. 2020. *Pacific Labour Market Review 2020: Pre-COVID-19 baseline labour market information for post-disaster recovery*. ILO.

<sup>l</sup> Boccuzzi, E. 2021. *The Future of Work for Women in the Pacific Islands*. The Asia Foundation.

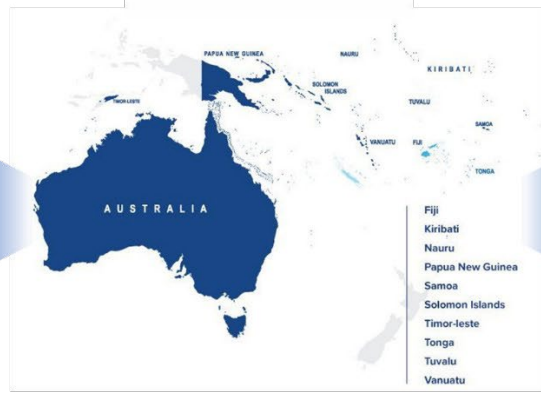
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- <sup>xxxii</sup> Petrou, K., Casabonne, U., Dornan, M., Doan, D. 2022. *The Gendered and Social Impacts of Labour Mobility in Pacific Island Countries*. Presentation to the 2022 Australasian AID Conference, 30 November 2022.
- <sup>xxxiii</sup> Petrou, K., Casabonne, U., Dornan, M., Doan, D. 2022. *The Gendered and Social Impacts of Labour Mobility in Pacific Island Countries*. Presentation to the 2022 Australasian AID Conference, 30 November 2022; Ball, R., Bailey, R., Haley, N., Keen, M. 2015. *Pacific Labour Mobility: Removing the Gender Blinkers*. In Brief 2015/51. ANU. [https://openresearch-repository.anu.edu.au/bitstream/1885/142871/1/ib2015.51\\_ball\\_bailey\\_haley\\_and\\_keen.pdf](https://openresearch-repository.anu.edu.au/bitstream/1885/142871/1/ib2015.51_ball_bailey_haley_and_keen.pdf) Accessed 18 January 2023.
- <sup>xxxiv</sup> Petrou, K., Casabonne, U., Dornan, M., Doan, D. 2022. *The Gendered and Social Impacts of Labour Mobility in Pacific Island Countries*. Presentation to the 2022 Australasian AID Conference, 30 November 2022.
- <sup>xxxv</sup> Chattier, P. 2019. "Beyond Development Impact: gender and care in the Pacific Seasonal Worker Programme", *Gender & Development*, 27:1, 49-65, DOI: 10.1080/13552074.2019.1570733
- <sup>xxxvi</sup> Withers, M. 12 August 2022. *Rapid Analysis of Family Separation Issues and Responses in the PALM Scheme – Final Report*. PALM.
- <sup>xxxvii</sup> Chattier, P. 2019. "Beyond Development Impact: gender and care in the Pacific Seasonal Worker Programme", *Gender & Development*, 27:1, 49-65, DOI: 10.1080/13552074.2019.1570733
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- <sup>xxxix</sup> Australia Awards Women Leading and Influencing. 2022. *Women's Leadership in the Pacific Australia Labour Mobility (PALM) Scheme. Summary Paper*. <https://www.wliprogram.org/files/download/?id=4004> Accessed 12 January 2023.
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- <sup>xli</sup> Petrou, K., Casabonne, U., Dornan, M., Doan, D. 2022. *The Gendered and Social Impacts of Labour Mobility in Pacific Island Countries*. Presentation to the 2022 Australasian AID Conference, 30 November 2022.
- <sup>xlii</sup> Petrou, K., Casabonne, U., Dornan, M., Doan, D. 2022. *The Gendered and Social Impacts of Labour Mobility in Pacific Island Countries*. Presentation to the 2022 Australasian AID Conference, 30 November 2022.
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**Annex B Separation of Responsibilities (as of November 2022)**



- Operational policy and program delivery, including leading design of PALM scheme Deed and Guidelines and operations, approach to employer approval and recruitment, employment conditions, and media related to operational issues.
- Onshore operational communications and engagement with stakeholders, including industry, unions, employers and workers.
- Industry engagement and demand generation.
- Welfare and worker support.
- Compliance and assurance, including links with the Fair Work Ombudsman.
- Data management and analytics, including recruitments, redeployments, Approved Employer applications and workers.



- Policy (non-operational), coordination, and engagement.
- Leading on strategic communications and stakeholder engagement, including that with partner governments and Pacific and industry stakeholder groups.
- Development and international relations, including Memoranda of Understanding and capacity support to Pacific labour sending agencies.
- Managing support to Pacific High Commissions/Embassies to fund Liaison Officers in Australia.
- Overall responsibility for Pacific labour skills development strategy and approach, including links with Australia Pacific Technical Coalition.

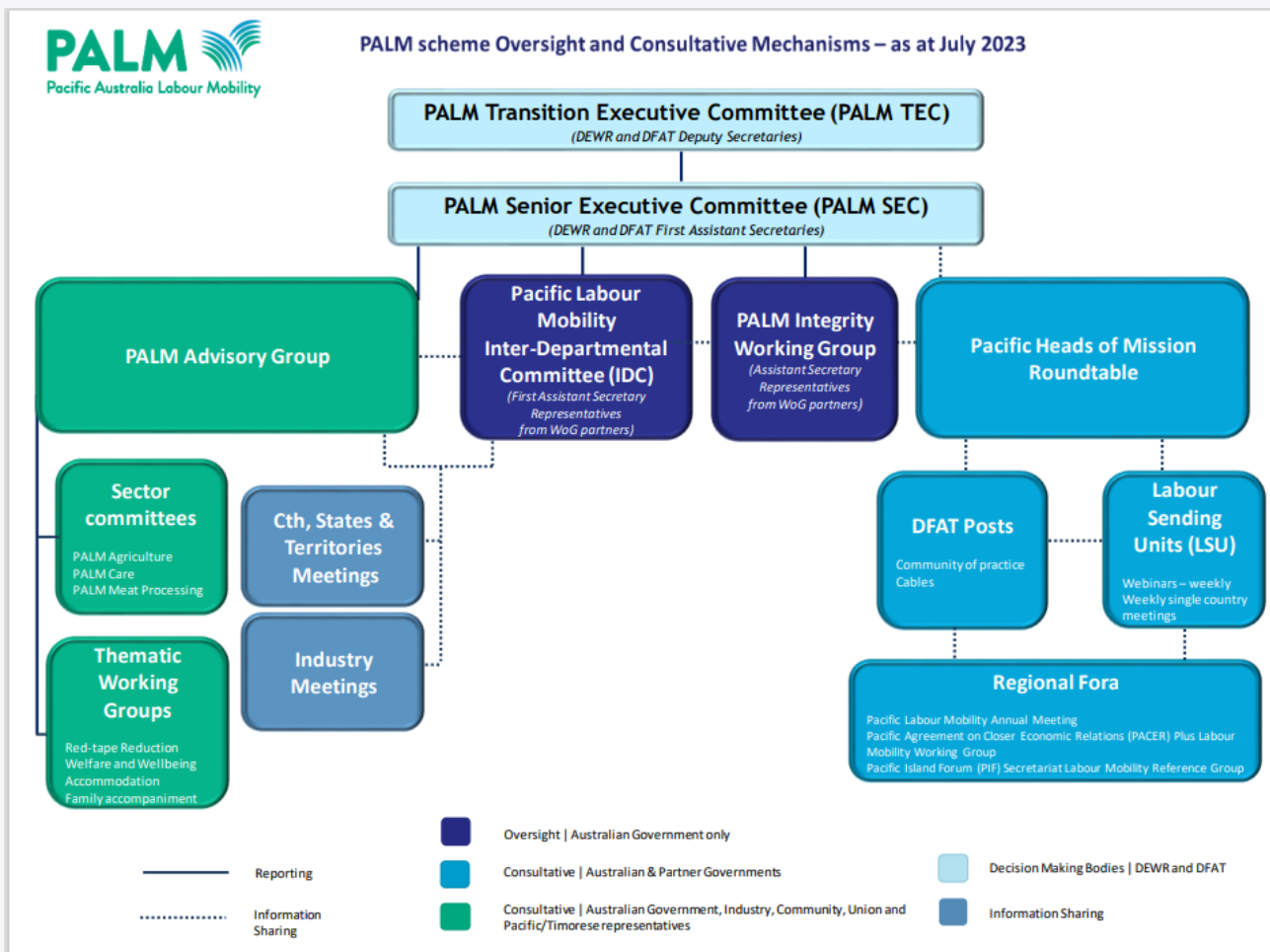
Image credit: Agri Labour Australia



**Annex C: Overview of the current governance structures (as of November 2022)**

A Deputy Secretary level PALM Transition Executive Committee (PALM TEC), which is composed of officials from DFAT and DEWR, will facilitate a smooth transition into the new arrangements associated with the change of MOG in 2022. Specifically, the PALM TEC has responsibility for managing decisions related to the delivery model, governance arrangements and assigning responsibility for leadership of existing consultation and other fora. The PALM TEC will meet quarterly until the transition to the consolidated insourced delivery of the onshore/domestic element of the PALM scheme is completed (see Figure 1).

Figure 1: PALM Scheme Governance and Consultative Mechanisms





A **First Assistant Secretary level PALM Senior Executive Committee (PALM SEC)**, also composed of officials from DFAT and DEWR, will oversee the PALM scheme (including performance and risk), lead coordination and collaboration between DEWR and DFAT and be the escalation point for the resolution of major issues. It will provide strategic direction to the PALM Scheme to ensure it meets the needs of industry, workers, Pacific and Timor-Leste Governments, the Australian Government's priorities in the region, and the Australian Government's broader policy agenda. PALMSEC will meet every two months, or more frequently as required.

The **Pacific Australia Labour Mobility (PALM) Advisory Group (PALM Advisory Group)**, to be co-chaired (alternating) by DFAT and DEWR, will provide strategic advice on arrangements and settings for Pacific labour mobility in Australia. Membership will be drawn from peak industry bodies, community sector organisations, unions, Pacific/Timor-Leste HOMs, LSUs and other key partners in Pacific labour mobility. The Advisory Group will provide an ongoing mechanism for key stakeholders of Pacific labour mobility to: focus on strategic, policy and program settings that impact on Pacific labour initiatives; identify and assist in the resolution of issues that impede positive outcomes for workers, employers, and Pacific countries and Timor-Leste; share information and ideas about program improvements and best practice, including opportunities for the future direction of labour mobility; and strengthen government, private sector, and non-government partnerships in the delivery of Pacific labour mobility. **Sector-specific committees** (i.e. Agriculture Committee, Meat Processing Committee, Care Committee) and **thematic working groups** (i.e. Welfare and Wellbeing, Red Tape Reduction, Accommodation) will engage at the operational level of Pacific labour mobility and report to the PALM Advisory Group. Other sector committees and thematic working groups may be stood up on an as-needs basis, with the agreement of DEWR and DFAT.

DFAT will continue to chair the **Pacific Labour Mobility and Integration Interdepartmental Committee (IDC)**, with the PALM Scheme considered as a standing agenda item. The IDC will be a mechanism for strategic, cross-government discussion on opportunities to expand Pacific and Timor-Leste family connectedness through labour mobility, education and skills development, migration pathways, and aviation. It will also support information sharing, problem solving and coordinated advice on policy and implementation for specific Pacific and Timor-Leste integration initiatives, including the PALM Scheme.