

# BEYOND REMITTANCES: ASSESSING THE WELLBEING IMPACTS OF TEMPORARY INTERNATIONAL LABOUR MIGRATION ON TIMORESE WORKERS

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## Introduction

After enduring decades of oppressive colonial rule and a prolonged struggle for independence, Timor-Leste has emerged as one of the world's youngest nations, with a working-age population largely unprepared to fully engage in the socio-economic and political life of the new nation (Saikia et al., 2018). With the rapid depletion of oil and gas resources, which have funded the government's recurrent budget and ambitious infrastructure projects since independence in 2002, the urgent need to diversify the economy and create alternative sources of livelihoods and employment has become increasingly critical (Scheiner, 2019). Temporary labour migration of Timorese to overseas has become a crucial strategy for addressing high unemployment rates, providing household income, and generating export revenue (Curtain 2018). Given the limited job opportunities in the domestic economy, many young Timorese have sought employment abroad, particularly in Ireland and the UK, utilizing Portuguese passports. This is possible because Timorese citizens born before the country's independence in May 2002 are eligible for European Union passports (Conceicao et al. 2022).

Australia's Seasonal Worker Programme (SWP) was established in 2012, following similar schemes in Canada (Seasonal Agricultural Workers Program, or SAWP), New Zealand (Recognised Seasonal Employer, or RSE) and South Korea (Employment Permit System, or EPS). Thousands of Timorese have participated in these two bilateral labour migration schemes. While these migrant workers have played a significant role in economic globalization, the COVID-19 pandemic has highlighted their vulnerabilities, along with the risks associated with relying on labour migration for both sending and receiving countries.

Although temporary labour migration schemes claim to deliver "triple wins" that bring benefits to destination countries, origin countries and migrant workers themselves, robust investigations of their impact are scant (Bedford et al. 2017:45). Research among temporary migrant workers in Australia has identified considerable hardship, under-payment, and discrimination, and it is important to study their wellbeing in the context of travel restrictions, health risks and economic uncertainty (Petrou & Connell 2018; Hooper & Le Coz, 2020).

This research is the first study producing multidimensional measurements of wellbeing impacts on Timorese of the Australian Seasonal Worker Programme (SWP) and South Korea's Employment Permit System (EPS).

## Central research question:

What is the impact of Australia's Seasonal Worker Programme (SWP) and South Korea's Employment Permit System (EPS) on the Wellbeing of Timorese migrant workers and their households, and how can the sustainable development benefits of the SWP and EPS be maximised for Timor-Leste?

## Measurement system- well-being index

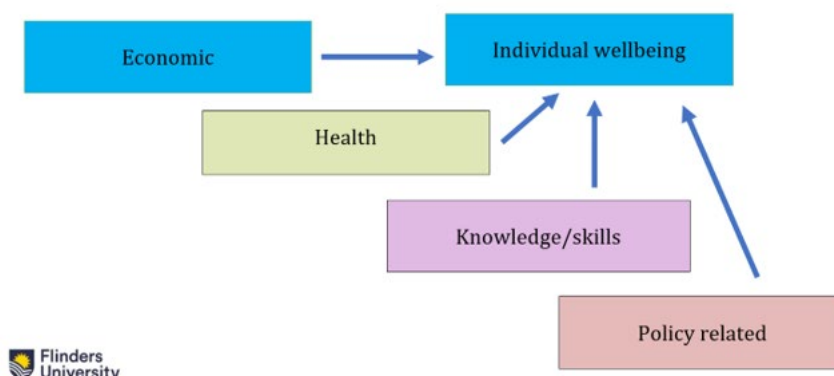
The measuring tools capture both subjective and objective indicators to measure wellbeing across the four dimensions. Each dimension is equally weighted in the overall wellbeing as they are all considered

to be equally important for wellbeing. The well-being framework has been developed by lead author Saikia and colleagues for the UNDP's National Human Development Report of Timor-Leste (2018), building on Amartya Sen's (1985) capabilities approach and the "Gross National Happiness" (GNH1) index development by the Human Development Initiative (OPHI) (Alkire 2013). A well-being approach goes beyond economic aspects and incorporates both material and non-material values, allowing for cultural and local differences in the way well-being is defined (Walsh 2010). It acknowledges that development takes place in diverse contexts of consumerism, inequality, governance and crisis and is shaped by social and cultural norms. A bespoke framework to capture the impacts of temporary labour migration has been created through a 2019 collaborative pilot survey in Timor-Leste involving CIs Saikia & Schech, the Government of Timor-Leste and the UNDP.

The measurement system enables policymakers to analyse the impacts of labour migration and remittances within the broader context of human development in Timor-Leste. To achieve "Wellbeing" in this system, an individual must attain sufficient achievements across multiple dimensions: economic (standard of living), health (both physical and psychological/emotional), education (knowledge and skills), and policy related. "Policy-related" refers to not only cognizance/awareness of Timorese migrants related to their country's temporary migration policy but also the opportunities to utilise the same. "Policy" also includes their awareness, access and utilisation of rights and opportunities in the labour receiving countries (Australia and Korea). The selection in each dimension is assessed through at least seven to nine survey questions directed at individual migrant workers. The analysis of the evidence produced by the survey tools hinges on a unitary measure or index termed the **Well-being Index**. The big advantage of an index is it allows researchers and policymakers to monitor and evaluate trends. Changes and impacts can be seen over time. The well-being framework at the centre of this research shifts discussion about the development impacts of temporary labour migration from means (remittances) to ends (well-being). The aim is to enable communities and policymakers to identify impacts of different dimensions of human development and how to invest in policies and programs that will maximise individual and societal benefits in Timor-Leste.

Tailored to the migration context, our framework accounts for well-being across multiple dimensions of worker experiences both in Australia and after returning to Timor-Leste, and includes non-economic impacts including education/skills benefits, health outcomes, equality and community cohesion. Such a framework shifts policymakers' attention from the means (e.g. income, migrant remittances) to the ends of development (wellbeing) and prioritises decent standards of living and life satisfaction over per capita income. The proposed project considers four well-being aspects at the individual level (Figure 1)

Figure 1. Wellbeing framework for measuring impacts of temporary labour migration on individual returned migrants



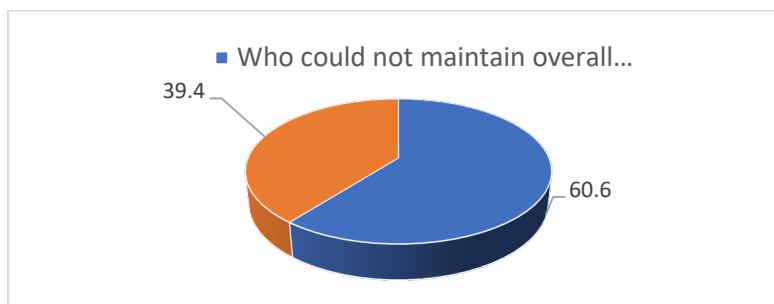
## Fieldwork:

The fieldwork in Timor-Leste for the project was conducted in two phases. The first phase (survey) was conducted in November-December 2022 and the second phase (Focus Group Discussions) in April 2023. A total of 567 returned migrants participated in the surveys which included Australian Seasonal Workers (284: 182 males and 102 females) and Korean Permit Scheme (283: 257 males and 26 females). The Australia-based fieldwork was conducted in three regions: Tasmania, Northern Territory and South Australia. In Tasmania, a total of 72 participants took part. An identical number participated in the Northern Territory. There were 16 participants in South Australia. The combined number of participants was 160 out of which 118 identified their gender as male, and 42 as female. out of which 118 identified their gender as male, and 42 as female.

## Key findings:

Analysis based on the Wellbeing Index shows that only about 40% of the survey participants were able to achieve/ maintain overall wellbeing across all four dimensions (Figure 2). This means that the remaining 60% of survey participants did not attain sufficient achievements across economic (standard of living), health (both physical and psychological/emotional), education (knowledge and skills), and policy related wellbeing dimensions.

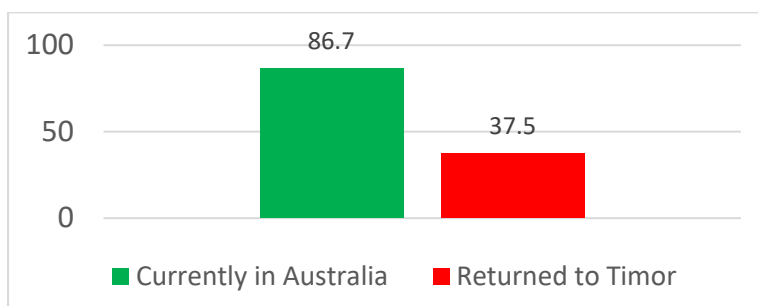
Figure 2: Overall Wellbeing of returned migrants (in percent- both SWP and EPS)



## Drivers of overall wellbeing insufficiencies

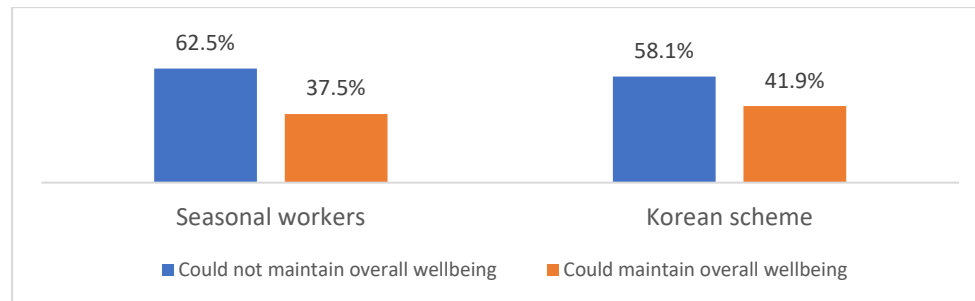
The Economic and Health dimensions are the primary contributors to a lack of overall wellbeing in surveyed migrants when data are compared across all four domains. The analysis shows a marked decrease in the overall wellbeing of returnee workers compared to those still in Australia. Workers maintaining overall wellbeing drops by 49% points once they return to Timor-Leste (Figure 3)

Figure 3. Maintained overall wellbeing (in percent of workers, SWP, Australia)



When comparing the two schemes, there is a slightly higher proportion of returned migrants from the Australian program who did not maintain overall wellbeing, but the differences are modest (Figure 4).

Figure 4. Overall Wellbeing by migration scheme



## Conclusion:

This paper argues that while temporary labour migration schemes provide important economic benefits to Timorese households, more robust and multidimensional reintegration strategies are needed to ensure the long-term wellbeing of migrant workers and contribute to the sustainable development of Timor-Leste.

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