



► Summary Report

October 2023

Workshop on “Employment and Wages: Defining Priorities and Developing Effective Policies in Cook Islands”

Crown Beach Resort, Rarotonga, 17-18 October 2023

Key points

- The International Labour Organization (ILO) and the Government of Cook Islands through the Ministry of Internal Affairs (MIA) held a two-day workshop, kicking off the process to develop a National Employment Policy (NEP) for Cook Islands with the objective to achieve inclusive economic diversification and enhanced resilience. The workshop familiarized national stakeholders with the concept of NEP and discussed labour market challenges and priorities in Cook Islands that a NEP should address, promoting an integrated approach.
- The workshop also covered the topic of wage policies, including discussions on minimum wage as well as collective bargaining.
- The two-day workshop aimed to build up national capacity in Cook Islands on NEP development and implementation, as well as on wage policies. The workshop was designed to offer a roadmap for developing an effective, coherent and consistent NEP for Cook Islands, as well as an associated action plan with concrete policies and measures, following the principles of national ownership and social dialogue, based on ILO recommendations.
- About 25 participants from government, social partners, civil society and academia in Cook Islands attended the workshop over the two days.



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► Welcoming remarks

In her opening statement, **Ms. Anne Herman, Secretary of the Ministry of Internal Affairs (INTAFF)**, welcomed all attendees and emphasized the Cook Islands Government's dedication to creating a National Employment Policy (NEP) that aligns with the country's distinct labour market and development priorities. She expressed gratitude for the support provided by the ILO and looked forward to working with participants over the next two days to make meaningful progress toward formulating the NEP.

Mr. Christian Viegelahn, Specialist for Decent Work and Employment at the ILO Office for Pacific Island Countries, welcomed participants and underscored the significance of the workshop for the Cook Islands. He noted its role in addressing current employment challenges, exploring potential solutions, and deepening understanding of employment and wage policy concepts. He provided an overview of the ILO's ongoing efforts to

support the Cook Islands in its labour market recovery and highlighted that the upcoming National Employment Policy (NEP) aims to promote quality job creation and strengthen the resilience of both workers and businesses against future crises. Mr. Viegelahn emphasized that the development of the NEP will be guided by national ownership and social dialogue, building on the initial workshop held in November 2022. He also stressed that the outcomes of this workshop will play a key role in setting priorities and shaping the country's path forward. In conclusion, he expressed appreciation to the Cook Islands Government for organizing the workshop, in collaboration with the ILO, and reaffirmed the ILO's commitment to supporting the priorities identified by the government and its social partners.

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► Day 1: What is a National Employment Policy and which key priorities should it have in Cook Islands?

Current global and regional challenges to employment: What is the ILO’s approach to national employment policies in this context?

Current global and regional challenges to decent work and employment

The technical sessions of the day were facilitated by **Mr. Christian Viegelahn, Specialist for Decent Work and Employment at the ILO Office for Pacific Island Countries**. The first session began with an overview of the economic and labour market challenges currently affecting both global and regional levels, aimed at placing Palau’s situation in a broader context. Mr. Viegelahn highlighted how the COVID-19 pandemic significantly disrupted the Asia-Pacific economy, with GDP sharply diverging from its pre-pandemic growth trajectory in 2020—resulting in a gap in economic output that remains unclosed.

Employment data showed that while job growth is gradually resuming across the region, recovery has been slow. The impact has varied across worker groups, with youth employment in 2022 still lagging behind 2019 levels. The proportion of young people not in employment, education, or training (NEET) spiked in 2020 and has yet to return to pre-pandemic figures, with the rate consistently higher for young women than for young men. Globally and regionally, women—especially mothers of young children—continue to face lower labour force participation compared to men, reflecting a persistent “motherhood penalty.”

The crisis also halted progress on reducing vulnerable employment and working poverty in the Asia-Pacific region. Vulnerable employment—defined by the share of self-employed and unpaid family workers—serves as an indicator of job quality, while the working poverty rate captures the proportion of workers who remain in poverty despite being employed. Moreover, the pre-pandemic decline in informal employment has slowed significantly. Recovery has also been uneven across skill levels, with

low- and medium-skilled workers experiencing slower job rebounds than their high-skilled counterparts. In summary, the pandemic has created a persistent jobs gap in the Asia-Pacific region that is unlikely to be resolved soon.

Mr. Viegelahn also reminded participants that the pandemic struck at a time when key “future of work” challenges—such as technological shifts, demographic changes, and climate change—were already being discussed. These long-term trends remain relevant and should be considered when shaping labour market recovery strategies.

The data presented sparked active discussion, particularly around the disproportionate effects of the crisis on specific worker groups. Participants also stressed the importance of grounding the discussion in the context of the Cook Islands, noting that while global and regional data are useful, they have limited direct application. Overall, the session highlighted the urgent need for employment-focused policies amid ongoing global disruptions.

ILO’s approach to National Employment Policies

Mr. Christian Viegelahn continued the session by presenting the ILO’s approach to National Employment Policies (NEPs), which is grounded in the Employment Policy Convention, 1964 (No. 122). He explained that an NEP serves as a unified and strategic framework outlining a country’s employment goals and the coordinated actions required to achieve them. It lays out a series of multi-dimensional policy interventions to meet specific labour market objectives.

Convention No. 122 states that a NEP should aim to ensure that “there is work for all who are available for and seeking work,” that “such work is as productive as possible,” and that “there is freedom of choice of employment and opportunity for each worker to qualify for, and to use his skills and endowments in a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin.” These guiding principles highlight the importance

of both job quantity and quality, while emphasizing inclusiveness and non-discrimination.

The Convention also clarifies that NEPs must be tailored to each country's specific context, stating that they “shall take due account of the stage and level of economic development and the mutual relationships between employment objectives and other economic and social objectives and shall be pursued by methods that are appropriate to national conditions and practices.” This recognizes that there is no universal formula for employment policy design.

In terms of implementation, Convention No. 122 calls for concrete action, noting the importance of “measures to be adopted” to meet employment goals and urging countries to “take such steps as may be needed, including when appropriate the establishment of programmes, for the application of these measures.”

Another critical element of the Convention is the role of social dialogue. It affirms that “representatives of the persons affected by the measures to be taken, and in particular representatives of employers and workers, shall be consulted concerning employment policies, with a view to taking fully into account their experience and views and securing their full co-operation in formulating and enlisting support for such policies.”

Mr. Viegelahn noted that in addition to Convention No. 122, other ILO legal instruments are highly relevant to NEP development, including:

- Employment Policy Recommendation, 1964 (No. 122)
- Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169)
- Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168)
- Employment Service Convention, 1948 (No. 88)
- Private Employment Agencies Convention, 1997 (No. 181)
- Employment Relationship Recommendation, 2006 (No. 198)
- Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204)
- Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205)

He also referred to the Resolution concerning the third recurrent discussion on employment, adopted at the 2022 International Labour Conference (ILC), which reflects the current thinking among ILO member states. This

Resolution affirms that “comprehensive employment policy frameworks should aim to generate full, productive and freely chosen employment and decent work, and contribute to a human-centred recovery that is inclusive, sustainable and resilient.” It urges countries to “promote the strengthening, adaptation and implementation of coherent, comprehensive and integrated employment policy frameworks, based on tripartite consultations.”

Such frameworks can include a wide range of policy areas, such as pro-employment macroeconomic, sectoral, environmental, trade and investment policies; support for sustainable enterprises; education and skills development; wage and labour market policies; gender-responsive employment policies; and alignment with labour migration strategies.

Beyond Convention No. 122 and the 2022 Resolution, ILO's approach to NEPs is informed by other international agreements. Regionally, the Singapore Statement adopted at the 2022 ILO Asia-Pacific Regional Meeting emphasizes the goal of “full, productive and freely chosen employment.” Globally, several foundational instruments reinforce this focus, including:

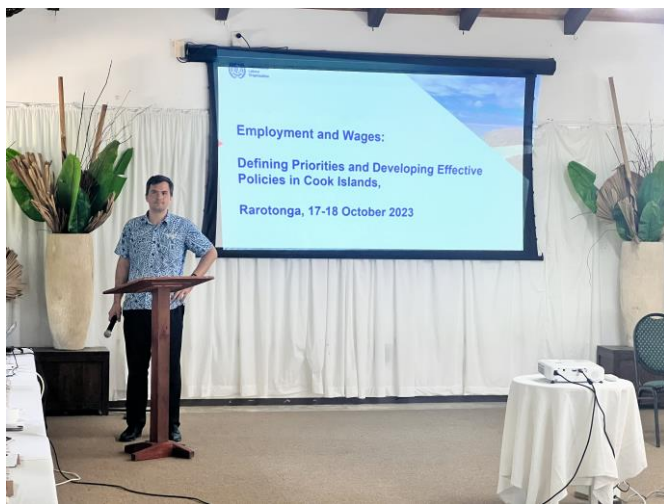
- ILO Constitution (1919)
- Declaration of Philadelphia (1944)
- Global Employment Agenda (2003)
- Declaration on Social Justice for a Fair Globalization (2008)
- Global Jobs Pact (2009)
- ILC Resolutions on Employment (2010 and 2014)
- 2030 Sustainable Development Goals, particularly Goal 8, which promotes “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”

Further recent global commitments, such as the ILO Centenary Declaration for the Future of Work (2019) and the Global Call to Action for a Human-Centred Recovery (2021), also emphasize “full, productive and freely chosen employment and decent work,” and call for “integrated national employment policy responses.”

Mr. Viegelahn went on to outline the typical structure of an NEP document. It generally begins with a labour market diagnostic to identify key challenges, followed by a clear articulation of policy objectives. It also includes an action plan outlining the measures to be taken, and a mechanism for implementation and monitoring. NEPs typically span multiple policy domains, including macroeconomic, industrial, trade and investment, private

sector development, active labour market strategies, education and lifelong learning, social protection, care policies, and wage policies. Gender, youth, and social dialogue are considered essential cross-cutting themes throughout the policy.

He concluded by noting the global trend in NEP adoption—82 countries adopted NEPs between 2000 and 2021—and expressed the ILO’s hope that Cook Islands will join this group in the near future.



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The National Employment Policy process

Prerequisites for a successful policy process

The next session began with a presentation by Mr. Christian Viegelahn, who outlined key factors that, based on ILO experience, contribute to a successful National Employment Policy (NEP) process—one that delivers meaningful outcomes for the country. These factors include strong national ownership and alignment with existing national policy frameworks. He emphasized the importance of establishing broad-based partnerships to support the NEP’s goals, as well as ensuring sustained political commitment and clear accountability for achieving the policy’s objectives. Crucially, the NEP process should be inclusive, grounded in social dialogue among tripartite partners, and involve consultation with all relevant national stakeholders.

An introduction to the National Employment Policy cycle

The National Employment Policy cycle broadly consists of seven phases. This includes:

- Preparation phase: Phase in which the overall goals of the NEP is defined and the organizational framework is set, including timelines and resources for the process.
- Issue identification phase: Phase in which issues on the labour market are identified, based on data and analysis as well as broad-based consultations with relevant stakeholders.
- Formulation phase: Phase in which priorities are being set, policy options are being evaluated and a first draft of the NEP is produced.
- Programming and budgeting phase: Phase in which action plan is being defined, including outcomes, outputs, targets, roles and responsibilities and budgetary requirements.
- Validation, adoption and communication phase: Phase in which national consensus on the NEP is obtained and the NEP is formally adopted and communicated to the public.
- Implementation and monitoring phase: Phase in which monitoring, and evaluation framework is operationalized, actors are trained and work between government entities, social partners and other actors is coordinated to implement the NEP.
- Review and evaluation phase: Phase in which the NEP is evaluated and assessed, using quantitative and qualitative research methods, informing the design and development of the following NEP.



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The economy and labour market of Cook Islands: What should be the priorities of a National Employment Policy?

The labour market in Cook Islands: What do the data tell us?

The next session started off with a presentation of the most recent labour market data available for Cook Islands and other Pacific Island countries. For Cook Islands, this corresponds to data from Cook Islands’ Labour Force Survey (LFS) of 2019, as the country is about to conduct a new Labour Force Survey, of which results are not yet published.

The labour market in the Cook Islands, as presented using data from the 2019 Labour Force Survey as published on ILOSTAT, reveals a complex picture of strengths and challenges that are central to the design of the country’s NEP. On the surface, the overall unemployment rate was low—just 1.2 per cent, suggesting that the vast majority of the working-age population was engaged in economic activity. Also youth unemployment was relatively low at 3.4 per cent, while female unemployment stood at 0.9 per cent.

To better understand underutilization, the presentation included the combined rate of unemployment and potential labour force. This broader indicator includes not only the unemployed (those without work but actively seeking and available for work) but also the potential labour force—a group that includes persons actively seeking work but not currently available to start, as well as persons available to work but not actively seeking (often discouraged workers or those facing barriers to job search). This combined indicator captures hidden slack in the labour market that traditional unemployment rates miss. In the Cook Islands, the combined underutilization rate was still relatively low in 2019 at 2.4 per cent for the total working-age population, 4.7 per cent for youth, and 2.7 per cent for females.

Another pressing concern is youth inactivity, captured by the so-called “NEET” rate—young people not in employment, education or training (NEET). In the Cook Islands, the overall NEET rate was 12.5 per cent, while for young women it rose to 16.9 per cent, highlighting the vulnerability of young females to long-term labour market exclusion. This disconnect from both educational and

labour market pathways can have long-term social and economic consequences. However, compared to the latest available data point from other Pacific Island countries, NEET rates in Cook Islands are among the lowest.

Informal employment was another major structural issue: approximately 29 per cent of all employed persons were working in informal jobs, whether in agriculture or in services. Informal jobs are often associated with lack of contracts, unstable income, and no access to employment-based social protection. Looking at employment status, 82 per cent of the employed were wage and salaried workers, while 18 per cent were self-employed.

Employment is heavily concentrated in services. Within services, the vast majority of jobs is in accommodation and food service activities, whole and retail trade, and public administration, the latter reflecting the relatively large public sector in the Cook Islands. Further important sectors are transportation and storage, construction and education.

The occupational structure shows strength in high-skilled employment. 33 per cent of workers held high-skill occupations such as managers, professionals and technicians—one of the highest shares among Pacific Island Countries. Medium-skill occupations accounted for 55 per cent, while low-skill jobs made up the remaining 12 per cent. Women were more likely than men to be employed in high-skill roles. In terms of educational attainment, a slightly higher percentage of employed women than men held advanced educational attainment.

Regional disparities within the country remain stark. Unemployment in Rarotonga was on average lower than in the other islands, where access to services, formal sector jobs, and infrastructure is more limited. These imbalances underscore the need for geographically inclusive policy design.

In conclusion, the Cook Islands demonstrates several labour market strengths: high educational attainment, relatively low informal employment rates, and a large share of workers in high-skill occupations. However, challenges persist, particularly for youth and outer island residents.

Policies and measures for inclusion into a National Employment Policy

A National Employment Policy (NEP) can encompass a wide array of policy areas to address employment challenges comprehensively. Thematic areas often include informality, social protection, skills development, gender equality, youth employment, support for SMEs and entrepreneurship, migration, microfinance, inclusion of vulnerable groups, local and rural economic development, disability inclusion, wage policies, and the role of cooperatives. Additionally, NEPs may align with broader policy domains that influence employment, such as macroeconomic, trade, investment, private sector development, and sector-specific strategies, including those focused on the green, digital, and care economies.

In the realm of labour market regulation, an NEP can address issues such as retirement policies, non-standard forms of employment, termination and dismissal procedures, working conditions, work-life balance, occupational safety and health (OSH), anti-discrimination, and public sector employment. Migration-related labour issues may also be considered.

Policymakers have a range of instruments at their disposal, including active labour market policies (ALMPs). These may cover public employment services, vocational training, job creation programmes, employment and start-up incentives, and targeted interventions for specific groups such as youth or migrants.

Social protection measures within an NEP may include child benefits, childcare services, caregiver support, parental leave, health and sickness insurance, unemployment benefits, employment injury insurance, disability benefits, and pensions. These ensure income security and stability throughout different stages of life.

Wage policy is another vital component, covering areas such as minimum wage setting, collective bargaining, working time and work organization, public sector pay, and gender pay equity. These measures should be grounded in principles of sustainable development and decent work. Establishing clear priorities and guiding principles within the NEP—aligned with frameworks like the Decent Work Country Programme—can enhance coherence and effectiveness, particularly when integrating wage policy as a strategic benchmark.

Group discussion: What are the biggest labour market challenges in Cook Islands? What measures could be taken to address those challenges?

For the group discussion, the audience was divided into groups to determine the most pressing challenges that should be addressed by a NEP and their root causes. The following challenges were stressed, when groups reported back to the plenary:

- **Skills:** Labour supply and skills shortages, skills mismatch, need for more workers, lack of specialized skills (engineers, doctors, nurses etc)
- **Wages:** Pay is higher in New Zealand which hence becomes an attractive destination to work for Cook Islanders; labour income within Cook Islands does not match high living costs
- **Work environment:** Conflicts at work, lack of support, favouritism, unfair treatment of employees, overwork with one person having to fulfil multiple roles due to labour shortages, people are not remunerated for taking up different roles
- **Work-life/family balance:** Limited childcare options, inflexible working conditions
- **Labour standards:** Non-compliance among employers, lack of labour inspection
- **Attractiveness of jobs:** employment in sectors such as agriculture or tourism is not attractive for many Cook Islanders
- **Outward migration:** Difficulties to retain workers, people travelling overseas or moving to other employers in order to take up new opportunities and have a learning experience, influence of transnational actors
- **Inward migration:** Cook Islands is perceived for many inward migrants as a springboard for New Zealand, there is a large reliance on migrants workers

Next, participants agreed on the four challenges that were mentioned most frequently and were asked to come up with measures to be taken to address those challenges, as well as name the institutions that are to play a role in this endeavour. In this choice, account was taken of the fact that issues related to inward and outward migration would be discussed in a separate session (please see

below). The results of the group discussions are summarized in the following table.

► **Table 1. Measures and institutions to address the most pressing employment challenges, as proposed by the participants**

Challenges	Measures	Institutions
Skills gap and labour shortages	Enhance data collection on skills and skills gaps in public and private sector	INTAFF Ministry of Education (MOE)
	Aligning education and training to labour market needs (e.g. review curricula etc)	University of the South Pacific (USP) Cook Islands Tertiary Training Institute (CITI)
	Review conditions for teachers and trainers, so that in-country education and training offer improves	
	Support employment of migrants	
	Tap fully into the potential of persons with disabilities by providing them with training	
Low wages	Review minimum wage setting and policy	Ministry of Finance and Economic Management (MFEM)
	Enhance domestic agricultural production for import substitution, in order to avoid high prices of imported food (vegetables, eggs etc)	INTAFF Chamber of Commerce
	Offer remuneration for	

	extra workload/ activities undertaken by staff Undertake research on issues related to wages	
Poor work environment	Introduce measures to enhance well-being, mental health and ergonomics	Chamber of Commerce/ Employers INTAFF Ombudsman
	Improve skills and qualifications of managers	Office of the Public Service Commissioner (OPSC)
	Treat unfair pay of staff (“pay disparity”)	Office of the Public Expenditure Review Committee and audit (PERCA)
	Introduce more flexible work arrangements, including work-from-home	Heads of Ministries and HR Departments
	Improve quality of workspaces and buildings	
	Improve internet connectivity and ICT	
No adequate work-life/family balance	Review parental leave for private and public sector, including maternity and paternity leave	INTAFF
	Introduce more flexible work arrangements	
	Address labour and skills shortage to prevent workers from overwork	

► Day 2 Part 1: Diving deeper into some potential thematic areas of the National Employment Policy

Leveraging the opportunities of a just digital and environmental transformation

Digital transformation and decent work

Mr. Viegelahn presented an overview of the opportunities and challenges associated with digital transformation, drawing heavily on insights from Charles, Xia, and Coutts (2022). He emphasized that harnessing the benefits of digitalization depends critically on expanding access to digital infrastructure and building digital skills across the population. At the same time, he cautioned that digital transformation also brings with it the risk of decent work deficits—issues such as precarious employment, limited social protection, and weak labour rights—which policymakers must address proactively.

In the context of Pacific Island countries, Mr. Viegelahn noted that digital technologies open new avenues for digital entrepreneurship—business activities conducted through technological platforms and communication tools. This form of entrepreneurship can span multiple functions, from marketing and sales to distribution, operations, and stakeholder engagement. He highlighted e-commerce as a key area where digital tools can help overcome market access barriers by improving information flow and boosting economic efficiency.

However, these opportunities depend on targeted investment in basic digital infrastructure, adapted to the region’s specific needs. He stressed the importance of digital literacy training, particularly to ensure that vulnerable or digitally marginalized groups are not left behind.

The presentation also explored the potential of e-learning and digital skills development, particularly for countries like Cook Islands. Massive Open Online Courses (MOOCs), Mr. Viegelahn explained, offer a valuable tool for promoting lifelong learning not only among young people but also within the adult population. In remote island contexts where travel for training can be expensive or

impractical, e-learning platforms can significantly expand access to upskilling and education.

Still, the shift to a digital economy calls for a new set of skills. Basic digital literacy must be complemented by more advanced competencies, including specialized technical abilities and cybersecurity skills. Mr. Viegelahn stressed that National Employment Policies (NEPs) should incorporate strategies for promoting digital training and supporting youth as they prepare for the changing world of work.

Equity and inclusion were also key themes. The presentation underlined the importance of ensuring that all segments of society—including women, young people, persons with disabilities, refugees, and migrants—have a fair chance to benefit from digital transformation.

Finally, Mr. Viegelahn addressed the emerging challenges associated with digital labour platforms and remote work. He noted that digital platforms often blur traditional employment relationships, raising complex questions around worker classification, social protection, collective bargaining, and job quality. Moreover, as remote work becomes more widespread, new issues are arising around work-life balance, requiring both workers and employers to establish and respect boundaries between working time and personal time.

Group discussion: What are the opportunities and challenges of digitalization in relation to employment in Cook Islands?

For the group discussion, the audience was divided into groups which discussed the opportunities and challenges of digitalization, and reflected upon policy measures to better harness opportunities and better address challenges. The following challenges were mentioned:

- Poor network connection
- Lack of storage/backup
- Cyber crime
- Poor computer literacy
- Retaining qualified staff

- High costs of software licenses

The following opportunities of digitalization in relation to employment were mentioned:

- Faster and easier access to information
- Stimulates innovation and creativity and enhances flexibility
- Possibility to enhance data collection
- Possibility to go paperless
- Investments in digital infrastructure can come along with decent job creation

As policy measures, the following was proposed:

- Enhance productivity by strengthening IT infrastructure
- Protect workers and employers by enhancing cybersecurity
- Improve policy and legal framework around new technologies
- Strengthen education and training system to incorporate modules on computer and digital literacy

Green transformation and decent work

Mr Viegelahn proceeded by discussing the green transformation, referring to the [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#), which were adopted by a Tripartite Meeting of Experts in 2016.

These Guidelines underscore the positive potential of a green transformation, emphasizing that transitioning to environmentally sustainable practices can result in overall employment gains. These gains can be achieved through strategic investments in green production, sustainable consumption, and effective management of natural resources. In addition to generating new jobs, the shift toward greener economies also presents an opportunity to enhance job quality and raise incomes—particularly in sectors such as agriculture, construction, recycling, and tourism—through more efficient and eco-friendly processes and services.

Furthermore, the Guidelines note that the green transition can contribute to greater social inclusion. For example, access to clean, affordable energy and mechanisms like payments for environmental services can benefit marginalized groups, especially women and people living in rural communities.

However, the transformation also comes with significant challenges. The economic restructuring required may lead to job losses and worker displacement in certain industries. There is also a pressing need for businesses, workers, and communities to adapt to the impacts of climate change, not only to protect assets and livelihoods but also to reduce the risk of forced migration. The Guidelines also warn of potential negative impacts on low-income households, particularly from rising energy and commodity prices.

Key policy areas to simultaneously address environmental, economic and social sustainability are: macroeconomic and growth policies, industrial and sectoral policies, enterprise policies, skills development, occupational safety and health, social protection, ALMPs, rights and social dialogue/tripartism.

Group discussion: Which measures are suitable to foster a green transition that is job-rich and fair in Cook Islands?

For the group discussion, the audience was divided into groups which discussed the opportunities and challenges of the green transition and reflected upon policy measures to better harness opportunities and better address challenges. The following challenges were mentioned:

- Difficulties to ensure equal access to benefits
- Greening requires upskilling
- Youth might not be work-ready to engage in the green economy
- Difficulties to dispose waste
- Difficulties of adaptation during transition phase

The following opportunities of greening in relation to employment were mentioned:

- Possibility to diversify economy away from tourism and become more resilient
- Entrepreneurship options
- Fostering smart agriculture, engaging youth
- Opportunities for creative industries
- New employment options may help retain workers in Cook Islands

As policy measures, the following was proposed:

- Foster ecotourism and agritourism through active promotion, measures to protect the environment

(e.g. regulation of ocean tour businesses, obligation to use reef-safe sunscreen) and accreditation

- Foster organic agriculture through prohibition of pesticides and use of smart agriculture
- Enhance digitization records of cultural materials to preserve and promote Cook Islands culture
- Find appropriate balance between commercial and environmental interests in the context of seabed mining through introduction of strong regulations
- Promote environmental awareness and offer training on green topics (e.g. introduce agricultural programs in schools etc)
- Move towards renewable energy sources (solar energy) and introduce e-vehicles through subsidies and accreditation

The following institutions to implement above-listed measures were mentioned:

- Te Aponga Uira (TAU)
- MFEM
- BCI
- Green Climate Fund (GCF)
- Ministry of Agriculture (MOA)
- CITTI
- Island Councils
- Government agencies
- Chamber of Commerce, private sector,
- National Environmental Service (NES)
- Tourism Corporation
- Ministry of Cultural Development
- Office of Prime Minister (OPM)
- Ministry of Marine Resources
- Marae Moana
- Government of New Zealand

Supporting labour mobility for decent jobs

Mr Mahanam Mithun, Labour Migration Project Coordinator at the ILO’s Office for Pacific Island Countries, based in Vanuatu, led the virtual session on labour mobility.

As an introduction into the session, Mr Mithun started by emphasizing the important role that migrant workers play in the economies of their host countries. He highlighted that migrant labour is a key driver of growth and

development, contributing significantly across a range of sectors. At the same time, he pointed out that countries of origin also benefit greatly — particularly through remittances sent home by migrants, which support household income, reduce poverty, and contribute to broader economic stability. Additionally, he noted that returning migrants often bring back valuable skills and experiences acquired during their time abroad. However, Mr Mithun also acknowledged that migration is a complex process that raises critical challenges. These include the need for robust governance frameworks, better protection for migrant workers, and stronger efforts to link migration with sustainable development outcomes. He stressed that effective international cooperation is essential in addressing these multifaceted issues.

Mr Mithun recalled that the ILO has long recognized the importance of protecting migrant workers. Since its founding in 1919, the ILO’s Constitution has called for the “protection of the interests of workers when employed in countries other than their own.” In line with this commitment, Mr Mithun noted that the ILO continues to work actively to shape policies that ensure labour migration delivers fair outcomes for all—migrant workers, their families, and the societies they move between.

Group discussion: What are the opportunities and challenges of inward and outward migration in Cook Islands?

The session then proceeded with a group discussion on the opportunities and challenges of inward and outward migration. For this purpose, the audience was divided into five groups, in which discussions took place, before selected participants from each group reported back to plenary.

The following opportunities of inward migration and related measures to be taken were mentioned:

- Amend Immigration Act
- Amend Employment Relations Act
- Amend Social Protection Policy
- Develop a multi-language app about living and working in Cook Islands and labour rights
- Train mediators in other languages
- Review quarterly reports from Te Marae Ora (TMO)
- Focus on skills and training (doctors, nurses, teachers, agriculture)

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- Undertake interviews and surveys of employers and workers

The following challenges of inward migration and related measures were mentioned:

- Lighten immigration processes and reduce migration costs
- Reduce recruitment costs
- Address language and cultural barriers, mismatch of expectations
- Enhance labour law enforcement to avoid exploitation of migrants; requires strengthened labour inspection
- Address sponsorship issues of workers who wish to transfer
- Address issue of inconsistency between medical costs and TMO Policy
- Address high accommodation costs
- Address discrimination with regard to parental leave provisions and social protection
- Address xenophobia

The following opportunities of outward migration were mentioned:

- Higher wages, better benefits
- Better health system
- Better access to leisure activities (sports)
- Opportunity for life-style change

- Opportunity to connect to family members living overseas

The following challenges of outward migration and related measures were mentioned:

- Address pay difference between Cook Islands and New Zealand in order to counter high demand and easy access to seasonal work in New Zealand and prevent the loss of skilled people
- Digitize cultural materials and pass on traditional knowledge in order to prevent the loss of culture and language
- Promote more in-country opportunities for education and training in order to prevent the loss of potential workers due to attractive options abroad
- Develop retention strategies in order to prevent the decrease in Pa Enua population, the increase in unfilled job vacancies and the increase in business closures
- Ensure that outward migrants have support and access to information about housing and related costs, transportation, finance and seasonal clothing

There was agreement in the audience that the NEP can be used to on the one hand better leverage the opportunities related to inward and outward migration, while on the other hand address some of the related challenges.

► Day 2 Part 2: Wage policies

Wage policies: Objectives, challenges and constraints

Mr Xavier Estupinan, Regional Wage Specialist at the ILO's Regional Office for Asia and the Pacific in Bangkok, gave a virtual session on the important role of minimum wages and collective bargaining. **Mr Jim Arrowsmith, Professor at Massey University**, conducting a regional wage assessment for the Pacific on behalf of the ILO, also connected virtually to this session and made some interventions.

The session highlighted the critical role of wage policies, which encompass a range of measures such as minimum wage regulations, collective bargaining mechanisms, equal pay laws, and compensation frameworks for public sector workers. Some components of these wage policies may also be integrated into National Employment Policies (NEPs). In turn, wage and employment policies can reinforce each other, fostering more inclusive and sustainable economic growth.

As articulated in the ILO Declaration of Philadelphia (1944) and reaffirmed in the ILO Declaration on Social Justice for a Fair Globalization (2008), member States of the ILO are encouraged to formulate and enforce “policies in regard to wages and earnings, hours and other conditions of work, designed to ensure a just share of the fruits of progress to all and a minimum living wage to all employed and in need of such protection.” While wage policy does not prescribe specific wage levels or increments, it establishes the framework and procedures for setting wages. To be effective, these procedures must balance the interests of both workers and employers, a goal best achieved through robust social dialogue. Furthermore, instruments such as collective bargaining and minimum wages should be viewed as complementary tools, not substitutes for one another.

Setting adequate wages: Minimum wage systems and Convention No. 131

Mr Estupinan outlined that there is a growing interest for ILO technical assistance to determine adequate wages. However, this is a delicate matter, as evidence-based dialogue and data are needed. Striking a balance is crucial—focusing too heavily on workers’ needs can place

undue pressure on businesses, while prioritizing economic considerations alone may suppress wages. To fully grasp wage dynamics, it is essential to assess both nominal and real wages.

The ILO Minimum Wage Fixing Convention, 1970 (No. 131), advocates for a minimum wage system that protects “all groups of wage earners” from “unduly low wages.” It does not mandate whether wages should be set nationally or by sector, instead promoting broader coverage. This inclusive approach can be realized through national, sectoral, or mixed frameworks.

According to Convention No. 131, the core components of a minimum wage system include:

- Scope of the application
- Consultation with social partners
- Minimum wage level taking in account needs of workers and their families and economic factors
- Regular adjustment
- Implementation and enforcement

Countries can implement the method of their choice, and be in conformity with Convention No.131, as long as they comply with the requirement of full and effective consultation with the social partners. The existence of a formal consultation procedure is not sufficient to meet the requirement of Convention 131. Consultation must be effective, going beyond information sharing: Sharing information and taking steps to ensure that concerns and arguments are taken on board. Consultation does not mean joint decisions-making. Consultation should ultimately lead to more balanced outcomes, greater ownership, and less social unrest.

Minimum wage setting mechanisms may include technical boards to support assessments. According to the ILO Minimum Wage Fixing Recommendation, 1970 (No.135), sufficient resources should be devoted to the collection of statistics and other data needed for analytical studies of the relevant economic factors, to the extent possible in national circumstances.

Wage collective bargaining

Collective bargaining is a core labor right that all ILO member states are obligated to uphold, actively support, and implement in good faith. Ensuring the effective

recognition of this right enables workers to negotiate the terms and conditions of their employment through collective bargaining processes. These negotiations should be voluntary and conducted freely between representatives of employers and workers, with the goal of reaching agreements on employment conditions, workplace relations, and labor standards.

The Collective Bargaining Convention, 1981 (No. 154), defines the scope of collective bargaining to include setting employment terms, managing employer-employee relations, and governing interactions between employer organizations and trade unions. Wage negotiations can address both the content of employment conditions and the procedures for how negotiations and relationships are managed.

Importantly, the level at which collective bargaining takes place—whether at the company, sectoral, or national level—should be decided freely by the negotiating parties, without interference or imposition by legislation or government bodies. Public authorities are expected to foster and support voluntary negotiations by providing a legal and institutional environment that respects the independence of the social partners. In the context of wage discussions, various elements may be subject to negotiation, including:

- Wage rates
- Periodical review of these rates
- Type of pay system
- Wage structure and composition

Plenary discussion: What are the wage policy issues in Cook Islands?

After different blocks of the presentation, the session included a plenary discussion on wages and wage-related issues in Cook Islands. In the discussion, various points were made:

- The minimum wage in Cook Islands is currently set by a Committee that meets annually, comprised of government, employers' and workers' representatives. Feedback obtained from community engagement by Committee members is one central input used in the decision to determine the minimum wage. The Committee

then proposes a certain level of minimum wage, which the Minister may endorse.

- Workshop participants emphasized the important role of the minimum wage for Cook Islands. While it was mentioned that employers should be able to pay more than the minimum wage in order to attract workers, given existing labour shortages, it was also noted that the minimum wage in Cook Islands is relatively high in comparison to other Pacific Island countries.
- Some participants noted that discussions around minimum wage do not really correspond to a bargaining process, but rather centre around the question of affordability for employers. Having a more data- and evidence-based process was welcomed.
- Some participants questioned the relevance of collective bargaining for the context of Cook Islands, noting the small size of the labour market. It was also mentioned that unions are relatively weak in Cook Islands.



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► Further information

Charles, Lorraine, Shuting Xia and Adam P. Coutts. 2022. *Digitalization and Employment A Review*, International Labour Organization, Geneva.

► List of participants

To be completed



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