VANUATU SKILLS NEEDS
INDUSTRY SURVEY REPORT

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Most enterprises believed that technical, vocational, and workplace training for local workers would help meet future skills needs of Vanuatu businesses.

Enterprises in the tourism and hospitality sector were the most affected (65%), followed by enterprises in the manufacturing and trade sectors (58%).

The most difficult positions to fill were trade occupations (e.g., builders, electricians, plumbers, and welders), retail jobs (e.g., salespeople, shopkeepers, cashiers, and retail assistants), and restaurant staff (e.g., chefs, bakers, bartenders, and waitstaff).

Most enterprises reported needing one or two more skilled employees to respond to skills shortages in the next 12 months.

A large percentage of enterprises reported experiencing negative effects related to existing labour mobility programs.

50% of enterprises surveyed had at least one member of staff leave their positions to work in Australia or New Zealand in the last 12 months.

The most difficult positions to fill were trade occupations.
The Vanuatu Chamber of Commerce and Industry (VCCI), in partnership with the Australia Pacific Training Coalition (APTC) surveyed enterprises to assess skills needs of businesses in Vanuatu. The survey was carried out between October and November 2022 and was completed by 478 enterprises from five sectors: agriculture (business license category K), manufacturing (business license category B), services (business license categories F1–4), tourism and hospitality (business license categories D3 & E3) and trade (C). Participating enterprises were in Vanuatu’s Shefa, Sanma, Tafea, and Malampa provinces.

This report presents key survey findings and insights and is divided into the following sections:

- **Section 1** provides an overview of the labour market context in Vanuatu, including an assessment of the skills shortages expected in the next 12 months; the impact of labour mobility on enterprises and sectors; an examination of skills and jobs in which enterprises employ foreign workers; and analysis of the challenges experienced recruiting new staff in the past three months.

- **Section 2** examines the crosscutting skills needs of junior, intermediate, and senior staff, from an operational, administrative and soft skills perspective. Key survey findings are presented by economic sector and enterprise size.

- **Section 3** analyzes the specific industry sector skills needs of enterprises in the agriculture, manufacturing, service, tourism and hospitality, and trade sectors.

The objective of producing this report is to provide up to date data on specific skills needs of the private sector, and analysis on the impact of labour mobility programs on key industry sectors, to better inform dialogue and decision-making. The five sectors selected to survey are the top five contributors to Gross domestic product (GDP), therefore tend to be the largest employers of staff (not including the public sector).

VCCI and APTC would like to acknowledge the participation of all enterprises that took part in the survey. For a copy of the full survey please contact VCCI.

**Supported by:**

[Images of Australian Aid and APTC logos]
The survey examined three elements of the labour market context of Vanuatu enterprises: skills challenges, employment of foreign workers to respond to skills needs, and job vacancies in the last three months.

Key survey findings are below:

**SKILLS SHORTAGES**

- Half of the surveyed enterprises (50 percent) had at least one staff member leave for Australia or New Zealand in the past 12 months to a labour mobility program. Enterprises in the tourism and hospitality sector were the most affected (65 percent), followed by enterprises in the manufacturing and trade sectors (58 percent).
- More than half of enterprises (60 percent) opted to keep these now vacant positions available to workers returning after their contract completion overseas.
- A large percentage of enterprises (60 percent) reported experiencing negative effects related to existing labour mobility programs. Many enterprises (40 percent) have yet to see a return of their workers due to extended contracts/time abroad of workers (due to COVID), so are unable to comment yet on any benefits of the programs beyond remittances.
- Forty percent of enterprises reported experiencing some benefits from labour mobility programs, including improved skills, confidence, and work experience of returning staff.
- Enterprises were not keen to extend the labour mobility visa to three years. Such an extension would negatively impact their businesses due to difficulty in finding skilled staff.
- 44 percent of enterprises expect skills shortages within the next 12 months, with most needing one to two new employees to meet market demand. Enterprises in the trade, tourism, and hospitality sectors reported to be most affected by these anticipated skills shortages.
- The most common occupations in which enterprises currently experience and anticipate skills shortages were trade jobs (e.g., mechanics, carpenters, electricians, technicians, welders), professional and administrative jobs (e.g., accountants, engineers, managers, and supervisors), and restaurant jobs (e.g., chefs, waitstaff, and bakers).
- 4 out of 10 enterprises report technological change as the major driver in need for new or improved skills. These enterprises believed that workforce development is needed to develop skills to new technologies and adapt to technological innovation.
- Most enterprises reported a need for technical, vocational, and workplace training for local workers and/or job seekers to help meet the skills needs of Vanuatu businesses.

**EMPLOYMENT OF FOREIGN WORKERS**

- 2 out of 10 enterprises reported employing foreign workers. Most foreign employees that work in Vanuatu came from Asia, Australia, New Zealand, or other Pacific islands.
- Overall, enterprises preferred hiring local workers and only resorted to hiring foreign workers when they could not find the necessary technical skills, qualifications, and expertise locally.
- Most enterprises employed foreign workers for intermediate and senior positions. Enterprises generally employed skilled staff with relatively high expertise and capabilities unavailable among local applicants.
- Under half of enterprises employed professionals who had earned bachelor’s, master’s, or doctorate degrees.
- Although less than 10 percent of enterprises planned to hire foreign workers in the next year is it anticipated this number growing significantly if the process was easier and cheaper to do so – please see footnote.

**JOB VACANCIES**

- Less than half of enterprises reported having job vacancies in the previous three months. Enterprises in the manufacturing, hospitality and trade sectors accounted for the highest share of job vacancies.
- The most common reasons reported as leading to job vacancies were staff leaving Vanuatu to work overseas as part of labour mobility programs, and that businesses needed new employees to meet existing market demand and opportunity for business growth. Enterprises in the tourism and hospitality, and trade sectors were the most affected by labour shortages.
- The most difficult positions to fill were trade occupations (e.g., builders, electricians, plumbers, and welders), retail jobs (e.g., salespeople, shopkeepers, cashiers, and retail assistants), and restaurant staff (e.g., chefs, bakers, bartenders, and waitstaff).
- It is worth noting that the skills required for the majority of the above positions take several years of training and work place experience to master. There is no ‘quick fix’.

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5 By request from the Minister of Finance and Minister for Internal Affairs in late February 2023, VCCI sent a survey to all members. 179 business participated in the survey from across all industry sectors; 311 supervisor positions were reported as required over the next 12 months; 244 manager positions were reported as required over the next 12 months; 596 technical expert positions were reported as required over the next 12 months- Total number of work permits for foreign workers needed by the private sector is 1,161.
1.1. SKILLS SHORTAGES, IN DETAIL (QUANTITATIVE DATA)

EXPECTED SKILLS SHORTAGES IN THE NEXT YEAR

Forty-four percent of surveyed enterprises reported expecting skills shortages in the next year (see figure 1, panel A). Enterprises in the trade sector accounted for the highest share of enterprises anticipating skill shortages (67 percent), followed by enterprises in tourism and hospitality (61 percent), manufacturing (47 percent), agriculture (44 percent), and service (33 percent) (see figure 1, panel B).

![Figure 1: Enterprises Expecting Skill Shortages in the Next Year](image)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Expected</th>
<th>Not Expected</th>
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<tr>
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<td>64%</td>
<td>36%</td>
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<td>Tourism &amp; Hospitality</td>
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<td>Manufacturing</td>
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<td>Agriculture</td>
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<td>Services</td>
<td>33%</td>
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Most enterprises reported needing one or two more skilled employees to respond to skills shortages in the next 12 months. Of the enterprises, 41 percent said they would need one employee, and 43 percent reported that they would need two employees. Lower shares of enterprises reported requiring three or more skilled employees to respond to skills shortages.

JOBS IN WHICH ENTERPRISES EXPECT SKILLS SHORTAGES

The survey asked enterprises about the types of jobs they expected to see skills shortages in, over the next 12 months. Of surveyed enterprises:

- 37 percent expected skills shortages in trade related jobs, representing the highest share overall. These jobs included mechanics, carpenters, electricians, technicians, welders, painters, and warehouse staff – roles of critical importance to both public and private sectors.
- Almost 30 percent foresaw skills shortages in professional and administrative jobs such as accountants, engineers, managers, supervisors, administrators, and officers.
- 25 percent anticipated skills shortages in the hospitality industry. These jobs included chefs, waitstaff, bakers, baristas, kitchen assistants and kitchen supervisors.
- Over 16 percent expected skills shortages in customer-facing jobs in the retail industry, including shop assistants, cashiers, shopkeepers, and salespeople.

Major shifts or trends impacting skills needs

Surveyed enterprises were also asked about the major shifts or trends requiring new skills. Technological change was the most common shift for which staff would require better skills, as reported by 4 out of 10 enterprises. Overall, enterprises thought that employees would need new skills to operate new machines and adapt to changes such as automation and other technological innovation.

Thirty percent of enterprises reported that their employees needed more training to respond to business demands and skills needs.

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6 This question was answered by 206 enterprises (44 percent) expecting skills shortages in the next year. Shares total over 100 percent because enterprises were allowed to select multiple responses.
ENTERPRISES THAT HAD STAFF LEAVE FOR A LABOUR MOBILITY PROGRAM

50 percent of the surveyed enterprises reported that at least one staff member had left for Australia in the past year as part of a labour mobility program (see figure 2, panel A). 65 percent of enterprises in the tourism and hospitality sector reported that their staff left to work in Australia, representing the sector with the highest share of labour mobility, followed closely by manufacturing (58 percent), trade (58 percent), agriculture (54 percent), and service (41 percent) sectors (see figure 2, panel B).

Large enterprises were more likely to experience staff participating in labour mobility programs, compared to micro, small, and medium enterprises. In fact, the share of enterprises that reported staff’s labour mobility decreased as enterprises became smaller. Nine out of 10 large enterprises reported staff taking up labour mobility opportunities, compared to 7 out of 10 medium enterprises, 4 out of 10 small enterprises and 3 out of 10 micro enterprises.

JOBS LEFT BEHIND IN VANUATU

Enterprises in which at least one staff member had left for labour mobility programs in the past 12 months were asked about the jobs that staff performed before leaving their positions. Of the surveyed enterprises:

- A third reported that their tradespeople had left - these jobs included mechanics, plumbers, electricians, maintenance staff, welders, warehouse staff, repairers, and handlers.
- A quarter mentioned that restaurant staff had left - these jobs included chefs, cooks, waitstaff, bakers, coffee makers, kitchen assistants and supervisors.
- Ten percent reported that employees in professional and administrative jobs had left their positions. These jobs included accountants, administrators, information technology technicians, assistants, and other officers.

60 percent enterprises reported that they were leaving the position open for the employee that had left a for labour mobility opportunity to return to once they had completed their 6-9 month contract overseas. 55 percent reported holding the positions with benefits, meaning retaining holiday and severance accrual.

IMPACT OF LABOUR MOBILITY PROGRAMS

Sixty percent of enterprises reported a negative impact or no benefits to their business from labour mobility programs. Enterprises reported high costs of recruiting and training new staff to fill positions, hardship in filling positions, and higher than usual rates of turnover. With a low return rate of staff to their previous employers post overseas contract, enterprises found it difficult to report on benefits to attribute to labour mobility programs.

Forty percent of enterprises, however, reported benefits from returning staff who had participated from labour mobility programs. These enterprises highlighted the improvement in skills, confidence, and work experience of returning participants to labour mobility programs. Some skills that enterprises reported improvements in include communication, work ethic, time management, and customer service skills. Enterprises also saw benefits in knowledge sharing, as returning staff being better able to transfer skills knowledge to other team members at their workplace.
THE POTENTIAL IMPACT OF A MULTI-YEAR LABOUR MOBILITY VISA ON LOCAL BUSINESSES

The survey asked enterprises about the potential impact of an increase to the current average length of labour mobility contracts (6-9 month) for New Zealand and Australia (excluding the existing 3 year skilled ‘stream’) would have on local businesses. Overall, enterprises were not optimistic about the effects of longer contracts. Almost all surveyed enterprises reported that such a visa would negatively impact their businesses. They would encounter difficulties finding knowledgeable and skilled staff to fill vacancies. They would also struggle with additional costs (e.g., time and financial resources) related to recruitment and staff training. They also believed holding staff positions for three years with or without benefits would not be possible.

The potential labour market implications of this visa increase could lead to an increase in the cost of goods and services or a reduced availability of goods and services, including essential goods and services, as fewer businesses are able to stay open to provide them. Inflationary pressure that might come from employers having to raise wages to retain workers.

ASSISTANCE REQUIRED TO MEET THE SKILLS NEEDS OF ENTERPRISES IN VANUATU

Most enterprises believe that better-access to technical, vocational, and workplace training for local workers could assist in meeting the skills needs of Vanuatu businesses (see figure 3). 74 percent of enterprises reported that technical and vocational training could help businesses meet future skills needs. 64 percent of enterprises said workplace training could help improve the skills of existing local workers. 47 percent of enterprises support that employers should provide practical training to new hires that are recent graduates and 42 percent believe employment standards related to wages (wage bracket standards related to skills/experience) would positively affect the skills needs of enterprises.

FIGURE 3. ASSISTANCE NEEDED TO MEET SKILLS DEMANDS OF VANUATU BUSINESSES (ALL ENTERPRISES)

- Technical and Vocational Training: 74%
- Workplace Training: 64%
- Employers Should Provide Practical Training for Recent Graduates: 47%
- Government Should Promote Better Vocal Wages: 42%

KEY FINDINGS BY SECTOR:

100% of enterprises from the manufacturing sector agreed that technical and vocational training is needed to respond to skills demands, followed by enterprises in trade (83 percent), agriculture (80 percent), tourism and hospitality (74 percent), and services (69 percent).

80% of enterprises in the tourism and hospitality sector agreed that workplace training is needed to address skills gaps, followed closely by 7 out of 10 trade enterprises.

8 out of 10 enterprises from the trades sector believe employers should provide practical training for new hires that are recent graduates (for example internships/cadetships).

Agriculture, manufacturing and trade enterprises are more supportive of employment standards related to wages with enterprises in the services, and tourism and hospitality sectors less supportive.
1.2. EMPLOYMENT OF FOREIGN WORKERS

ENTERPRISES CURRENTLY EMPLOYING FOREIGN WORKERS

77 percent of enterprises interviewed reported not employing foreign workers (see figure 4, panel A). A relatively low share of enterprises across all sectors reported employing foreign workers. Approximately a quarter of enterprises in the trade (27 percent), manufacturing (26 percent), and tourism and hospitality sectors (24 percent) reported employing foreign workers. This compares to 21 percent of service related enterprises and 13 percent of agricultural enterprises (see figure 4, panel B).

Large enterprises were more likely to employ foreign workers than micro, small, and medium enterprises. The share of enterprises employing foreign workers decreased as enterprises became smaller. Over 70 percent of large enterprises reported employing at least one foreign worker, compared to 31 percent of medium enterprises, 20 percent of small enterprises, and 4 percent of micro enterprises.

Asia accounted for the highest share of foreign workers (see figure 5). Four out of 10 enterprises reported employing staff from Asian countries such as India, Korea, the Philippines, Thailand, and Vietnam. A third of enterprises reported hiring foreign workers from Australia or New Zealand. A quarter of enterprises said they employed workers from other Pacific islands, including Fiji, Samoa, Papua New Guinea, and New Caledonia. Lower shares of enterprises reported employing staff from developed countries in Europe or North America (17 percent) and other regions in Africa, the Middle East, and Latin America (7 percent).

65 percent hired foreign workers for intermediate and senior positions, such as managers and supervisors. Relatively high shares of enterprises in services, and tourism and hospitality sectors reported employing foreign employees. 20 percent of enterprises reported hiring foreign staff for professional jobs such as accountants, economists, technical advisors, and information technology specialists. Lower numbers of enterprises reported hiring foreign employees for trade occupations, including electricians, mechanics, and carpenters (13 percent) and specialist hospitality jobs, such as chefs and bakers (11 percent).

The survey asked enterprises about the level of education and/or qualifications required of foreign workers to fill positions. 45 percent reported that foreign employees had a Bachelor, Master, or Doctorate degree. Additionally, three out of 10 enterprises said foreign employees brought managerial and professional skillsets to their businesses.
ENTERPRISES PLANNING TO EMPLOY FOREIGN WORKERS

Only 8 percent of enterprises reported planning to employ foreign workers in the next 12 months (figure 5, panel A). Fourteen percent of trade enterprises reported planning to employ foreign workers in the next year. By comparison, 11 percent of enterprises in the manufacturing, tourism and hospitality sectors, 8 percent in the agriculture sector, and 5 percent of enterprises in the service sector planned to employ foreign workers in the next year.

Large enterprises were more likely to plan to employ foreign workers in the next year compared to micro, small, and medium enterprises. Two percent of micro and small enterprises planned to employ foreign workers, compared to 13 percent of medium enterprises and 27 percent of large enterprises.

MOTIVATIONS TO EMPLOY FOREIGN WORKERS

The most common motivations to employ foreign workers rather than local workers include lack of qualifications or experience and lack of up-to-date technical skills among local applicants. Other common reasons to hire foreign workers was limited work experience of local applicants (57 percent), lack of motivation or interpersonal abilities of local applicants (38 percent), lack of other work-ready skills of local applicants (36 percent), and lack of digital skills and knowledge of local applicants (34 percent).

8 VCCI’s recent survey on staffing needs if there was a no cost timely work visa has resulted in 179 businesses reporting 1136 positions they would fill within the next 12 months – this is an offer by the current Government and is an imminent decision to be made and implemented.

KEY RESULTS

BY SECTOR:

7 out of 10
agriculture, services, tourism, and hospitality enterprises reported needing more qualifications or experience among local applicants.

nearly 70%
of enterprises in the tourism and hospitality (68 percent) and trade (65 percent) sectors reported that local applicants needed more work experience.

HALF
of enterprises in the tourism and hospitality and 4 out of 10 enterprises in the agriculture sectors reported a need for more motivation or interpersonal abilities.

4 out of 10
manufacturing, service, tourism, and hospitality enterprises thought that more digital skills and knowledge were required.

about 60%
of enterprises in the agriculture and manufacturing sectors reported needing more work-ready skills.

Most enterprises in tourism and hospitality (77 percent) and trade (73 percent) sectors reported local applicants’ need for up-to-date technical skills.
1.3. JOB VACANCIES

ENTERPRISES WITH JOB VACANCIES IN THE LAST THREE MONTHS

Four out of 10 enterprises reported having job vacancies in the previous three months (see figure 8, panel A). The manufacturing sector accounted for the highest share of job vacancies (63 percent), followed by enterprises in tourism and hospitality (52 percent), trade (45 percent), service (38 percent), and agriculture (31 percent) (see figure 7, panel B).

Large and medium enterprises were more likely to have job vacancies in the last three months than micro and small enterprises. The share of enterprises that had job vacancies decreased as enterprises became smaller: Eighty percent of large enterprises and two-thirds of medium enterprises reported having job vacancies in the past three months, compared to 40 percent of small enterprises and 18 percent of micro enterprises.

WAYS IN WHICH JOB VACANCIES OCCUR

Four out of 10 enterprises reported job vacancies occurred when staff left for labour mobility opportunities, or new staff were required to meet business growth needs (see figure 9). Other reasons to open job vacancies included staff resigning (24 percent), changes in business demands resulting from COVID-19 (24 percent), and changes in skill requirements (23 percent).

Note: a quarter of enterprises reported opening vacancies for ‘other’ reasons. This share of enterprises is not included in this figure.
AN OVERVIEW OF THE MOST COMMON REASONS TO OPEN JOB VACANCIES IN DIFFERENT SECTORS:

50% of enterprises in the tourism, hospitality, and trade sectors reported losing experienced staff to labour mobility programs.

40% of enterprises in the tourism and hospitality sector reported changes in business demands due to the COVID-19 pandemic /shutting of borders.

9 out of 10

50% of manufacturing enterprises reported needing more staff to meet business growth needs.

The survey asked enterprises about roles that they found hardest to fill. The most difficult positions to fill include:

• Trade occupations such as builders, electricians, plumbers, welders and maintenance staff.
• Retail jobs such as salespeople, shopkeepers, cashiers, and retail assistants.
• Hospitality staff such as chefs, bakers, bartenders, and waitstaff.

Most enterprises (9 out of 10) reported difficulties finding adequate qualifications, skills and experience among local applicants.

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Most enterprises (9 out of 10) reported difficulties finding adequate qualifications, skills and experience among local applicants.
Section 2 of the survey asked enterprises about crosscutting skills that junior, intermediate, and senior staff would need now or in the next 12 months, covering operational, administrative and soft skills areas. Key survey findings are below:

**JUNIOR STAFF**
The most common training needs for junior staff were to enhance customer service skills, attention to detail, work attitude, and organization skills. Enterprises in the services, tourism, and hospitality sectors reported particular needs in training to improve their staff’s ability to engage with customers and respond to customer needs.

**INTERMEDIATE STAFF**
Most enterprises reported needing training to improve intermediate staff’s decision-making and problem-solving, organization skills, attention to detail, and customer service skills. Services, tourism and hospitality enterprises reported a high need for training to improve decision-making and problem-solving.

**SENIOR STAFF**
Most enterprises reported needing training to improve senior staff’s management, customer relations, and leadership skills. Agriculture and manufacturing enterprises reported an exceptionally high need for training in management and leadership for senior staff.

Seven out of 10 enterprises reported needing training in customer service, attention to detail, work attitude, and organization skills for junior staff (see figure 10). Training to improve attention to detail was the most common need among agriculture and manufacturing enterprises. Service, tourism, and hospitality enterprises reported particularly needing training to improve customer service. Training to improve attitude to work was most needed in trade enterprises.

Examples given to enterprises surveyed include:

- **Customer service skills**: ability to greet customers, provide good service, respond to customer needs, talk with customers, and use basic phone etiquette.
- **Work attitude**: ability to arrive on time, commit to getting the job done and be helpful to others.
- **Organization skills**: ability to work out the order in which tasks should be completed.
72 percent of enterprises reported that intermediate staff needed skills training in decision-making and problem-solving, organization, attention to detail, customer service, work attitude, and delegation (see figure 11). Attention to detail was the most common training need for intermediate in both the agriculture and manufacturing sectors. Training in decision-making and problem-solving was most required in services, tourism and hospitality enterprises. Training to improve intermediate staff’s attitude towards work was particularly noted by trade enterprises.

Examples given to enterprises surveyed include:

- **Decision-making and problem-solving**: ability to work independently to solve problems and make decisions regarding work needs where appropriate.
- **Organization skills**: ability to work out the order that tasks should be completed and work flexibly to accommodate changes to priorities.
- **Attention to detail**: ability to work accurately and as instructed on complex documentation.
- **Customer service skills**: ability to greet and talk with customers, provide good service, and negotiate good outcomes.
- **Work attitude**: ability to arrive on time, commit to getting the job done and be helpful to others.
- **Delegation**: ability to work effectively with others to allocate tasks for completion by others.
2.3. SENIOR STAFF

The top three training needs for senior staff were in management, customer relations, and leadership, as denoted by 75 percent of all enterprises surveyed (see figure 12). Over 70 percent of enterprises also reported requiring training to improve critical thinking, creative and persuasive communications, and business development. Agriculture and manufacturing enterprises reported an exceptionally high need for training in management and leadership for senior staff. 80 percent of enterprises in the services, tourism and hospitality sectors reported needing training in customer relations for senior staff. 72 percent of enterprises in the trade sector reported needing training to improve senior staff’s networking skills.

Examples given to enterprises surveyed include:

- **Management**: ability to work flexibly, make decisions, be dependable, and delegate.
- **Customer relations**: ability to engage effectively with customers to improve customer satisfaction.
- **Leadership**: ability to influence and guide others, listen and act with integrity.
- **Critical thinking**: ability to identify and analyze problems, ask relevant questions, and present solutions.
- **Creative and persuasive communications**: ability to communicate effectively to get people to revise their thinking and change their behaviour.
- **Business development**: ability to put in place strategies to promote growth and boost revenue.

![Figure 12. Training needs for senior staff of all enterprises](Image)
SECTION 3: SKILLS NEEDS BY ECONOMIC SECTOR

The survey asked enterprises in the agriculture, manufacturing, service, tourism and hospitality and trade sectors about specific industry related skills needs for training employees now or in the next 18 months.9 Research was conducted on the industries operating in Vanuatu to determine the industry scope for the survey. Based on the industry scope, the skills titles and descriptors were developed guided by the Australian Qualifications Framework.

9 According to the latest data, of total gross domestic product, services accounted for 67 percent, agriculture represented 23 percent, and industry (including construction and manufacturing) accounted for 11 percent (Asian Development Bank, 2023).
3.1. AGRICULTURE

CROP FARMING

Crop farming refers to cultivating plants, food, or vegetables for commercial purposes. The top three training needs were in workplace health and safety, coaching, and supervisory and management skills, as reported by 59 percent of enterprises (see figure 13). 54 percent of enterprises also reported needing training to improve staffs’ repair and mechanical skills, followed by weed treatment and control skills.

Definitions of activities in detail can be found below:

- **Workplace health and safety**: ability to safely handle products and machinery, and identify and manage workplace hazards, among others.
- **Supervisory or management skills**: ability to use management and leadership techniques that help other employees perform in their jobs.
- **Coaching skills**: ability to support the development of other employees on their jobs through feedback, informal on-the-job training, and discussions.
- **Repair and mechanical skills**: ability to carry out minor repairs and maintenance on equipment.
- **Treating and controlling weeds**: good understanding of how to treat and control weeds.

---

11 On average, 52 enterprises in the agriculture sector responded to questions on crop farming.
CATTLE FARMING

Cattle farming refers to cultivating domesticated bovine animals, including cows and bulls, to produce milk, meat, and hides and to provide draft power.\(^{12}\) Training to improve staff workplace health and safety skills was the most common need among enterprises in the agriculture sector with cattle farming activities (56 percent) (see figure 14).\(^{13}\) Other common needs included training to improve supervisory and management skills, coaching skills, animal care and management.

Definitions of activities in detail can be found below:

- **Workplace health and safety**: ability to safely handle products and machinery, identify and manage workplace hazards, among others.
- **Repair and mechanical skills**: ability to carry out minor repairs and maintenance on equipment.
- **Coaching skills**: ability to support the development of other employees on their jobs through feedback, informal on-the-job training, and discussions.
- **Animal care and management**: good knowledge of animal care, breeding, training, and management of their health and safety.

POULTRY FARMING

Poultry farming refers to breeding, keeping, and raising birds to produce eggs, meat, and feathers.\(^{14}\) Almost half of the enterprises in the agriculture sector with poultry farming activities reported needing training to improve the following skills: operating farm machinery and equipment, managing ecosystems, poultry catching and loading, poultry brooding, egg incubation, and cleaning and disinfecting of production sheds (see figure 15).\(^{15}\)

Definitions of activities in detail can be found below:

- **Operating farm machinery and equipment**: ability to operate farm machinery and equipment.
- **Managing ecosystems**: ability to ensure the long-term sustainability of the natural environment.
- **Poultry catching and loading**: good understanding of the techniques to catch healthy individual birds and place them in cages for transporting.
- **Poultry brooding**: good understanding of chick management from one day old to about eight weeks of age and how this involves providing heat and other necessary care.
- **Egg incubation**: good understanding of the incubation process of keeping fertile eggs warm for however long it takes to hatch a baby bird.
- **Cleaning and disinfecting production sheds**: good understanding of the processes used to wet or dry clean and disinfect sheds used for poultry production.
## 3.2. MANUFACTURING

### MEAT PROCESSING

Meat processing involves killing animals, cutting, packaging, and processing meat to sell for consumption. **Six out of 10 enterprises reported needing training to improve workplace health and safety, representing the most common need among meat processing enterprises** (see figure 16). Other common training needs were reported in record maintenance, coaching, supervisory or management skills, and following strict hygiene and standard operating guidelines.16

Definitions of activities in detail can be found below:

- **Workplace health and safety**: ability to safely handle products and machinery, identify and manage workplace hazards, and secure the health, safety, and well-being of employees.
- **Maintaining records**: ability to maintain records for workplace and regulatory agencies.
- **Coaching skills**: ability to support the development of other employees on their job role tasks through feedback, informal on-the-job training, and discussions.
- **Supervisory or management skills**: ability to use management and leadership techniques that help other employees perform their jobs.
- **Following hygiene and standard operating guidelines**: ability to follow routines to ensure people, rooms, machines, and equipment meet hygienic standards.

![Figure 16. Training needs of manufacturing enterprises with meat processing activities](image)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace health and safety</td>
<td>60%</td>
</tr>
<tr>
<td>Maintaining records</td>
<td>55%</td>
</tr>
<tr>
<td>Coaching skills</td>
<td>55%</td>
</tr>
<tr>
<td>Supervisory or management skills</td>
<td>55%</td>
</tr>
<tr>
<td>Following hygiene and standard operating guidelines</td>
<td>53%</td>
</tr>
<tr>
<td>Dispatching products</td>
<td>48%</td>
</tr>
<tr>
<td>Operating and rendering equipment</td>
<td>47%</td>
</tr>
<tr>
<td>Butchering meat</td>
<td>41%</td>
</tr>
<tr>
<td>Preparing carcasses for sale</td>
<td>40%</td>
</tr>
<tr>
<td>Handling and slaughtering livestock</td>
<td>37%</td>
</tr>
<tr>
<td>Using electric and hand-held cutting machines</td>
<td>35%</td>
</tr>
</tbody>
</table>

16 On average, 30 manufacturing enterprises responded to questions on meat processing.
3.3. SERVICES

BUSINESS SERVICES

Most enterprises reported needing training to improve skills in organizing and maintaining records and files, and writing business correspondence (see figure 17). These training needs were reported by 64 percent of enterprises providing business services. Over 60 percent of enterprises also reported needing training to improve marketing skills, senior or management skills, and organization of office equipment and inventory. 17

Definitions of activities in detail can be found below:

• **Record and file organization and maintenance**: ability to use logical and consistent processes for maintaining electronic records, such as naming and organizing file paths.

• **Writing business correspondence**: ability to write memos, emails, minutes, and other relevant documents for internal and external customers.

• **Marketing skills**: good knowledge and application of digital marketing tactics, media applications and software, presentations, preparation of marketing documents, etc.

• **Supervisory or management skills**: ability to use management and leadership techniques to help other employees perform their jobs.

• **Organizing office equipment and inventory**: ability to set up the required office equipment and create a complete listing of all items.

17 On average, 111 service enterprises responded to questions on business services.

![Figure 17: Training Needs of Enterprises Providing Business Services](image-url)
RETAIL SERVICES

Almost 80 percent of retail enterprises reported needing training to improve sales techniques, customer service, coaching, and supervisory or management skills (see figure 18). Definitions of activities in detail can be found below:

- **Sales techniques**: ability to use effective sales techniques.
- **Customer service**: ability to build connections with shoppers and educate people about the products sold.
- **Coaching skills**: ability to support the development of other employees on their jobs through feedback, informal on-the-job training, and discussions.
- **Supervisory or management skills**: ability to oversee the daily operations of a retail store, including product availability and pricing.

HANDICRAFTS IN RETAIL SERVICES

Handicraft refers to activities to make traditional crafts. The top three skills that retail enterprises reported needing training in were in the promotion of products and services to international markets (25 percent), workplace health and safety (24 percent) and sourcing and using information relevant to art practice (24 percent).

Definitions of activities in detail can be found below:

- **Promoting products and services internationally**: ability to research, plan, coordinate and review suitable products for international customers.
- **Workplace health and safety**: ability to ensure a healthy and safe environment with self and others and assist in responding to incidents.
- **Sourcing and using information relevant to arts practice**: ability to obtain historical and relevant information on creative work.
3.4. TOURISM AND HOSPITALITY

COOKERY

Safe food preparation and storage was the most common training required among tourism enterprises with cooking activities, as reported by 80 percent of surveyed enterprises (see figure 20). A high share of enterprises also reported wanting training to improve supervisory or management skills (76 percent), recipe planning and costing (75 percent), use of hygienic practices (74 percent), hazard identification and safety risk control (74 percent), and coaching skills (74 percent).

Definitions of activities in detail can be found below:

- **Safe food preparation and storage**: ability to prepare and store food correctly and ensure that frozen and hazardous food is refrigerated.
- **Supervisory or management skills**: ability to use management and leadership techniques that help other employees perform in their jobs.
- **Planning and costing recipes**: ability to select recipes and calculate costs to make individual dishes.
- **Using hygienic practices**: using personal and cleaning routines to prevent infection spreading and food poisoning.
- **Hazard identification and risk control**: ability to secure the health, safety, and well-being of people at the workplace by identifying and reporting risks and hazards.
- **Coaching skills**: ability to support the development of other employees on their jobs through feedback, informal on-the-job training, and discussions.

FIGURE 20. TRAINING NEEDS OF ENTERPRISES WITH COOKING SERVICES

- 80% Safely preparing and storing food
- 76% Supervisory or management skills
- 75% Planning and costing recipes
- 74% Using hygienic practices
- 74% Hazard identification and risk control
- 74% Coaching skills
- 73% Basic cookery skills
- 72% Planning and managing stocks and supplies
- 72% Customer service
- 71% Preparing pastries, breads and cakes
- 70% Producing stocks, sauces and soups
- 69% Producing and serving food for buffets
- 68% Producing desserts
- 67% Showing cultural awareness and sensitivity

20 On average, 98 enterprises in the tourism sector responded to questions on cooking.
HOSPITALITY

Hotels, bars, and restaurants provide hospitality services, including lodging, serving food and drinks, and event planning. Almost 70 percent of enterprises with hospitality activities reported needing training to improve hygienic practices, hazard identification and control, and planning and management of stock and supplies (see figure 21). Additionally, 67 percent of enterprises reported needing training to improve customer service and security skills in tourism and hospitality.

Definitions of activities in detail can be found below:

- **Using hygienic practices:** ability to use cleaning routines to prevent infection spreading and food poisoning.
- **Hazard identification and risk control:** ability to secure the health, safety and well-being of people at the workplace by identifying and reporting risks and hazards.
- **Planning and managing stocks and supplies:** ability to ensure correct stock is maintained, by knowing what inventory needs to be ordered and when to order it.
- **Customer service:** ability to build a connection, communicate with customers and guests and meet their needs while providing quality service.
- **Security skills:** ability to safeguard property, assets, guests, visitors, and employees.

HOUSEKEEPING

Housekeeping encompasses cleaning tasks to create a comfortable and safe domestic environment. Hazard identification and risk control was the most common training required among tourism enterprises with housekeeping activities, as reported by 75 percent of surveyed enterprises (see figure 22). The second and third most common training need was reported to improve hygienic practices (73 percent) and coaching skills (73 percent).

Definitions of activities in detail can be found below:

- **Hazard identification and risk control:** ability to secure the health, safety and well-being of employees and other people at the workplace by identifying and reporting risks and hazards.
- **Use of hygienic practices:** ability to use cleaning routines to prevent infection spreading and food poisoning.
- **Coaching skills:** ability to support the development of other employees on their jobs through feedback, informal on-the-job training, and discussions.
TOURISM

Tourism enterprises provide services for people who are travelling. Training to improve customer service was the most common need among enterprises with tourism activities, as reported by 71 percent of surveyed enterprises (see figure 23). Most enterprises also reported training needs to improve hygienic practices (70 percent) and hazard identification and risk control (69 percent).

Definitions of activities in detail can be found below:

- **Customer service**: ability to build a connection, communicate with customers and guests and meet their needs while providing quality service.
- **Using hygienic practices**: ability to use cleaning routines to prevent infection spreading and food poisoning.
- **Hazard identification and risk control**: ability to secure the health, safety and well-being of employees and other people at the workplace by identifying and reporting risks and hazards.

![Figure 23. Training Needs of Enterprises with Tourism Services](image1)

![Figure 24. Training Needs of Enterprises Providing Air Conditioning and Refrigeration Services](image2)

AIR CONDITIONING AND REFRIGERATION

Air conditioning (AC) and refrigeration systems treat and distribute air to control temperature, humidity, and air quality. AC and refrigeration technicians support installation, troubleshooting, maintenance, and repair, among others.

Almost half of the trade enterprises that provided AC and refrigeration services reported needing training to improve skills for **fault diagnosis and rectification in AC and refrigeration systems (47 percent)**, safely handling refrigerants and lubricants used in refrigeration and AC systems (47 percent), and understanding work health and safety regulations, codes, and practices (45 percent) (see figure 24).

![Figure 23. Training Needs of Enterprises with Tourism Services](image1)

![Figure 24. Training Needs of Enterprises Providing Air Conditioning and Refrigeration Services](image2)

---

23 On average, 42 enterprises in the tourism sector responded to questions on housekeeping.


25 On average, 17 enterprises in the trade sector responded to questions related to air conditioning and refrigeration systems.
AUTOMOTIVE MAINTENANCE AND REPAIR

Automotive vehicles include automobiles, cars, vans, trucks, buses, and motorcycles, among other motor vehicles. Automotive technicians provide services to install parts and maintain, repair, and inspect vehicles.

68 percent of enterprises reported needing training to improve skills for establishing causes of technical problems, finding solutions, and understanding work health and safety regulations and codes, representing the highest training needs among trade enterprises providing automotive services (see figure 25).26 Over 60 percent of enterprises also reported needing training to improve the understanding of ignition systems and the installation of low voltage direct current lighting and wiring systems to vehicles, vessels, or machinery.

MARINE MAINTENANCE AND REPAIR

Marine vehicles include cargo containers, passenger ships, and fishing vessels.27 Marine technicians provide services to maintain, repair, troubleshoot, and inspect marine vehicles.

52 percent of the surveyed enterprises reported needing training to improve skills for diagnosing and repairing marine inboard propellers, inboard engines, and marine fuel systems, representing the highest training needs among trade enterprises providing marine maintenance and repair services (see figure 26).28

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26 On average, 40 enterprises in the trade sector responded to questions on automotive maintenance and repair.
28 On average, 40 enterprises in the trade sector responded to questions on marine maintenance and repair.
CONSTRUCTION

Construction services include building, repairing, renovating, and maintaining facilities and infrastructure. Construction workers conduct several manual tasks at construction sites and operate heavy machinery and tools.

Workplace health and safety was the most common training required among enterprises providing construction services, as reported by 68 percent of surveyed enterprises (see figure 27). Other common training needs were reported to improve safety skills on a construction worksite (65 percent), concreting skills (61 percent), operation of power tools and equipment (59 percent), building site supervision (59 percent) and supervisory or management skills (59 percent).

ELECTRICAL SERVICES, INCLUDING SOLAR AND RENEWABLE SYSTEMS

Electrical services include the installation, operation, maintenance and repair of electrical devices or electrical wiring. Electrical technicians work on electrical systems in diverse settings, including houses, buildings, and factories.

60 percent of enterprises reported needing training to improve the understanding of work health and safety regulations, codes, and practices and skills to conduct routine work activities in an energy sector workshop, representing the highest training needs among trade enterprises providing electrical services (see figure 28). Training to improve supervisory or management skills was the third most common need reported by enterprises providing electrical services.

FIGURE 27. TRAINING NEEDS OF ENTERPRISES PROVIDING CONSTRUCTION SERVICES

FIGURE 28. TRAINING NEEDS OF ENTERPRISES PROVIDING ELECTRICAL SERVICES
WALL AND FLOOR TILING

Wall and floor tiling includes laying ceramic, clay, slate, marble, and glass tiles on external and internal walls for protection or decoration. Tilers conduct a range of activities, including preparing the surface to be tiled, cutting tiles, and polishing walls, among others.

Repairing walls and floor tiling and selecting and installing waterproof systems were the most common training required among enterprises providing wall and floor tiling services (see figure 29). Additionally, 59 percent of enterprises providing wall and floor tiling services reported needing training to improve workplace health and safety skills.

PAINTING AND DECORATION

Painting and decoration include preparing surfaces for painting and applying paint, wallpaper, and other finishes to internal or external building walls. Painters and decorators use brushes, abrasives, fillers, and other tools to do their jobs.

Training to improve skills to prepare uncoated surfaces for painting was the most common training needed among enterprises providing painting and construction services (see figure 30). Most enterprises also reported training needs to improve painting by brush and roller application (61 percent), handling and storage of painting and decorating materials (61 percent) and using painting tools and equipment (60 percent).

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31 National Careers Institute, 2023.
32 On average, 22 enterprises in the trade sector responded to questions related to wall and floor tiling.
33 On average, 23 enterprises in the trade sector responded to questions on painting and decoration.
PLUMBING

Plumbing is the practice, materials and attachments used for installing, altering, repairing or maintaining pipes, devices and appliances connected to drainage facilities.\(^{34}\) The work of plumbers involves fitting and repairing water pipes and other drainage systems.

Six out of 10 enterprises reported needing training to improve the following skills: workplace health and safety, reading plans and calculating plumbing quantities, using hand and power tools, installing water mains pipe systems and water pumps, installing below-ground sanitary drainage systems, installing domestic treatment plants, and working safely on roofs (see figure 31).\(^\text{35}\)

![FIGURE 31. TRAINING NEEDS OF ENTERPRISES PROVIDING PLUMBING SERVICES](image)

<table>
<thead>
<tr>
<th>Skill</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace Health and Safety</td>
<td>58%</td>
</tr>
<tr>
<td>Reading Plans and Calculating Plumbing Quantities</td>
<td>58%</td>
</tr>
<tr>
<td>Using Hand and Power Tools</td>
<td>58%</td>
</tr>
<tr>
<td>Installing Water Mains Pipe Systems and Water Pumps</td>
<td>58%</td>
</tr>
<tr>
<td>Installing Below Ground Sanitary Drainage Systems</td>
<td>58%</td>
</tr>
<tr>
<td>Installing Domestic Treatment Plants</td>
<td>58%</td>
</tr>
<tr>
<td>Working Safely on Roofs</td>
<td>56%</td>
</tr>
<tr>
<td>Handling and Storing Plumbing Materials</td>
<td>54%</td>
</tr>
<tr>
<td>Maintaining Tools and Equipment</td>
<td>54%</td>
</tr>
<tr>
<td>Installing and Adjusting Water Service Devices</td>
<td>54%</td>
</tr>
<tr>
<td>Installing and Fitting Sanitary Fixtures</td>
<td>54%</td>
</tr>
<tr>
<td>Installing Rainwater and Sub-Soil Drainage Systems</td>
<td>54%</td>
</tr>
<tr>
<td>Installing Trench Support</td>
<td>54%</td>
</tr>
<tr>
<td>Collecting and Storing Roof Water</td>
<td>54%</td>
</tr>
<tr>
<td>Installing Roof Components</td>
<td>54%</td>
</tr>
<tr>
<td>Repairing and Maintaining Plumbing Systems</td>
<td>54%</td>
</tr>
<tr>
<td>Coaching Skills</td>
<td>54%</td>
</tr>
<tr>
<td>Supervisory or Management Skills</td>
<td>54%</td>
</tr>
<tr>
<td>Making Piping Joints and Connections</td>
<td>50%</td>
</tr>
<tr>
<td>Concreting and Rendering Skills</td>
<td>50%</td>
</tr>
<tr>
<td>Locating and Clearing Blockages</td>
<td>50%</td>
</tr>
<tr>
<td>Other</td>
<td>13%</td>
</tr>
</tbody>
</table>

\(^{34}\) United States Department of Health and Human Services, 2012.

\(^{35}\) On average, 24 enterprises in the trade sector responded to questions on plumbing.

WELDING AND FABRICATION

Welding is a fabrication process involving cutting, bending, and assembling metals to form new structures.\(^{36}\) Fabrication refers to the overall process of manufacturing metal to make new structures. Welders and fabricators use several tools to cut, join, and shape metals.\(^{37}\)

Workplace health and safety was the most common training required among enterprises providing welding and fabrication services, as reported by 74 percent of surveyed enterprises (see figure 32).\(^{38}\) Almost 70 percent of enterprises also reported needing training to improve engineering measurements and computations, and metal inert gas welding skills.

![FIGURE 32. TRAINING NEEDS OF ENTERPRISES PROVIDING WELDING AND FABRICATION SERVICES](image)

<table>
<thead>
<tr>
<th>Skill</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace Health and Safety</td>
<td>74%</td>
</tr>
<tr>
<td>Performing Measurements and Computations</td>
<td>67%</td>
</tr>
<tr>
<td>Metal Inert Gas Welding Skills</td>
<td>67%</td>
</tr>
<tr>
<td>Completing Welding Tasks</td>
<td>64%</td>
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<tr>
<td>Coaching Skills</td>
<td>64%</td>
</tr>
<tr>
<td>Supervisory or Management Skills</td>
<td>63%</td>
</tr>
<tr>
<td>Gas Welding Skills</td>
<td>62%</td>
</tr>
<tr>
<td>Understanding Alternating and Direct Currents</td>
<td>61%</td>
</tr>
<tr>
<td>Preparing and Cleaning Out Impurities</td>
<td>61%</td>
</tr>
<tr>
<td>Using Hand and Power Tools</td>
<td>61%</td>
</tr>
<tr>
<td>Undertaking Sheet and Plate Assembly</td>
<td>61%</td>
</tr>
<tr>
<td>Manual Heating and Thermal Cutting Skills</td>
<td>61%</td>
</tr>
<tr>
<td>Soft Soldering Skills</td>
<td>61%</td>
</tr>
<tr>
<td>Manual Metal ERC Welding Skills</td>
<td>61%</td>
</tr>
<tr>
<td>Using Mechanical and Safety Equipment</td>
<td>59%</td>
</tr>
<tr>
<td>Forming and Shaping Skills</td>
<td>59%</td>
</tr>
<tr>
<td>Mechanical Cutting and Grinding Techniques</td>
<td>57%</td>
</tr>
<tr>
<td>Oxy Acetylene Welding Skills</td>
<td>57%</td>
</tr>
<tr>
<td>Other</td>
<td>10%</td>
</tr>
</tbody>
</table>

\(^{36}\) Precision Compendium, 2019.

\(^{37}\) Go Construct, 2023.

\(^{38}\) On average, 37 enterprises in the trade sector responded to questions on construction.
The main limitations of the study were that the methodology did not allow for quantitative evaluation of the impact of skills shortages on local businesses in the areas of workplace safety, product quality, productivity, working capital, capital investment, productivity, and other areas of business operations critical to enterprise sustainability.

The research also did not provide scope for employers in Vanuatu to share how they have responded to the tight labour market through changes to compensation and benefits packages, deterrence of capital investment, downsizing of operations etc and to understand why more employers are not addressing skills gaps in the domestic labour market through increased recruitment of migrant workers.

VCCI is now preparing to pursue these further research directions and is calling for an assessment of Vanuatu's capacity to scale up TVET provision across the country and for the qualifications and employment status of returnees to be tracked for 24 months.

REFERENCE LIST


Extension Foundation. 2023. “What is a poultry farm?” Available at: https://poultry.extension.org/articles/poultry-related-youth-programs/what-is-a-poultry-farm/


Go Construct. 2023. “Welding Fabricator.” Available at: https://www.goconstruct.org/construction-careers/what-jobs-are-right-for-me/welding-fabricator/


Precision Companies. 2019. “Commonly used terms in welding and fabrication.” Available at: https://www.precgroup.com/welding-fabrication-terms/


The national survey was conducted with 478 enterprises across four provinces. Most responses came from Shefa province, accounting for 58 percent of responses, followed by Sanma (26 percent), Tafea (10 percent) and Malampa provinces (6 percent) (see figure 33).

Eight out of 10 enterprises were in the provincial capital, and 2 out of 10 enterprises operated in rural environments, including villages, towns, and the outer island (see figure 34).
Almost all surveyed enterprises (96 percent) operated in the private sector. An additional 3 percent of enterprises operated in the public sector, and 1 percent of enterprises were non-governmental organizations.

Enterprises in the survey were classified into four types based on the number of workers they employed, namely micro (employing less than five workers), small (employing 6 to 10 workers), medium (employing 11 to 50 workers) and large (employing over 50 workers).

Almost 60 percent of surveyed enterprises were micro or small. Of total enterprises, 38 percent were micro, 20 percent were small, 30 percent were medium, and 12 percent were large (see figure 35). The highest share of responses came from the services (44 percent) and tourism and hospitality (24 percent) sectors. Of total responses, trade accounted for 14 percent, agriculture represented 8 percent. An additional 10 percent of responses came from manufacturing (4 percent) and other economic sectors (4 percent) (see figure 36).

Ninety percent of enterprises did not employ people with disabilities. Only 9 percent of enterprises reported employing people with disabilities (see figure 37).

One out of four enterprises reported employing women in trade or technical roles. About three out of four enterprises did not employ women in such positions (see figure 38).
ANNEX 2: SCHEDULE 1: REPUBLIC OF VANUATU BUSINESS LICENSE APPLICATION FORM

For Official Use

<table>
<thead>
<tr>
<th>Date Application Received</th>
<th>Fee Due (VT)</th>
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<tbody>
<tr>
<td>Date Receipt Issued¹</td>
<td>Total Fee Payable</td>
</tr>
<tr>
<td>CT N° Issued</td>
<td>Approved Licence No.</td>
</tr>
</tbody>
</table>

¹ Note – a receipt acts as a provisional business license until an official business license certificate has been issued

1. Year __________

2. License area – Identify the municipality or local government for which a business license is being applied by ticking the appropriate box. Please note a separate application is required for each municipality and/or local government in which you conduct business

- Port Vila
- Luganville
- Tafea province
- Shefa province
- Sanma province
- Penama province
- Malampa province
- Torba province

Section 1 General information

3. Language – What is your preferred language for all correspondence? (Please tick a box)

- English
- French
- Bislama

4. Business Name – Print your full name or the name of the company registered with VFSC

5. Type of business – Please select which type of business entity you operate under (Please tick a box)

- Sole proprietorship
- Partnership
- Limited company
- Other (Please specify)
6. Names of shareholders – For a partnership or company, print the full names of all partners and shareholders

<table>
<thead>
<tr>
<th>Names</th>
<th>Nationality</th>
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<tbody>
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</table>

7. Contact details

<table>
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<th>Mailing address</th>
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<table>
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<tr>
<th>e-mail address</th>
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8. Contact Person

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</tbody>
</table>

9. Trade Names – If you use trading names different from the one shown above, please identify them here

<table>
<thead>
<tr>
<th>Full name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

Section 2 Business activities

10. Type of Application – tick one box

- New
- Renewal

10 (a) For a new application:

- Identify the commencement date of business activities

- If you are a limited company or sole proprietor/partnership, have you attached your Certificate of Incorporation or Business Name Registration Certificate?
  - n/a
  - Yes

10 (b) For a renewal:

- If you have changed your business name or shareholding/ownership during the last calendar year, have you attached your new Certificate of Incorporation or Business Name Registration Certificate?
  - n/a
  - Yes

- Total turnover for the last calendar year as per your VAT return (VT)

11. Business activities to be carried out during the licensing year (Jan-Dec) – Using the information provided in Appendix A, identify the business categories and activities you will carry out. Identify each location of all physical premises from which you will conduct the business activity. If this is a new application you will be assessed on the minimum fee level pro-rated according to your commencement date. If this is a renewal, you must allocate your total turnover for the last year across your business activities and locations. In instances where your annual turnover for a business activity and location is less than VT 4.0 million, you will be charged the minimum license fee rate. Applications should be made to the municipality or Local Government where the business activity will be conducted. If you are operating in the F category, you must also identify your estimated turnover for the current licensing year.

<table>
<thead>
<tr>
<th>Business license category</th>
<th>Business activity</th>
<th>Location</th>
<th>Actual turnover last calendar year</th>
<th>Estimated turnover current licensing year</th>
<th>License Fee</th>
</tr>
</thead>
<tbody>
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</table>

12. Total Number of Employees:

<table>
<thead>
<tr>
<th>Ni-Van</th>
<th>N/C (Non-Citizen)</th>
</tr>
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<tbody>
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</table>

<table>
<thead>
<tr>
<th>Full Time:</th>
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</table>

<table>
<thead>
<tr>
<th>Part Time:</th>
</tr>
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</tbody>
</table>

Section 3 Foreign ownership

13. If you are considered a foreign investment under the Foreign Investment Act, have you attached a copy of your foreign investment approval certificate?

- n/a
- Yes

14. Foreign owners engaged in the business – If you ticked “yes” to Q.13, identify the names and positions of all non-citizen owners, principals or partners that are residents in Vanuatu and are engaged in the business

<table>
<thead>
<tr>
<th>Full name</th>
<th>Position</th>
<th>License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

15. Declaration – I declare that the information given on this form is true and correct.

Name of authorized person

Signature

Date
### APPENDIX A – BUSINESS CATEGORIES & BUSINESS ACTIVITIES

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Business License Activities</th>
</tr>
</thead>
</table>
| A        | Mining, Quarrying and Logging | • Mining for minerals  
• Quarrying and other mining  
• Logging  
• Manufacturing and re-exporting of natural and processed minerals and metal  
• Mining of mineral and metal  
| B        | Manufacturing Industries and Trade | • Abattoir and meat packing  
• Canneries  
• Oil mill  
• Bakeries and confectioneries  
• Manufacture of food products not elsewhere classified  
• Manufacture of prepaid animal feeds  
• Distilleries  
• Breweries  
• Manufacture of carbonated non-alcoholic beverages  
• Manufacture of non-carbonated or non-alcoholic beverages  
• Manufacture of tobacco  
• Sawmills, planing and other wood mills  
• Artifacts and decorative small furnishing  
• Manufacture of paper, paper products, printer and publisher  
• Manufacture of chemicals, chemical products  
• Manufacture of rubber and plastic products  
• Manufacture of soap and cleaning preparations  
• Tailors working alone or employing not more than two apprentices  
• Tailors working alone or employing not more than two apprentices  
| C        | Construction Industries and Trade | • General and specific trade contractors  
• Artisans working alone (or with up to two apprentices – bricklayers, painters, decorators, jobbing builders, masons, plumbers, welders, fitters, turners)  
• Computer network installation  
• Motor vehicle repair shops  
• Salvaging & Demolishing Services  
• Other construction industries and trade not elsewhere classified  
| D1       | Import and re-export | • Businesses that import and re-export goods without transforming them  
| D2       | Retailers and wholesalers | • Retailers  
• Wholesalers  
• Butchers  
• Pharmacists and druggists  
• Other wholesale and retail merchandising not elsewhere classified  
| D2(a)    | Specialty Shops | • Duty Free Shop  
• Boutique Shop  
| D3       | Hotels, Motels, Restaurants, Cafes, Bars & Other Accommodations Services | • Hotel  
• Resort  
| D3(a)    | Hotels & Resorts Accommodations | • Hotel  
• Resort  
| D3(b)    | Motels & Self Contained | • Motel  
• Self Contained Units  
| D3(c)    | Unique | • Modern Bungalows  
• Tent Lodge  
• Clamping  
• Theme  
| D3(d)    | Holiday Homes | • House  
• Vacation Rental  
• Short Term Stay Holiday  
• Cottage  
• Holiday Lodge  

### D3(e) Business License Activities
- Guest Houses
- Hostel
- Backpackers
- Bed & Breakfast

### D3(h) Business License Activities
- Island Bungalows
- Island Bungalows

### D3(i) Business License Activities
- Home Stay
- Home Stay

### D3(j) Business License Activities
- Camp Sites
- Camp Sites

### D3(k) Business License Activities
- Restaurants
- Restaurant

### D3(m) Business License Activities
- Cafes
- Cafe

### D3(n) Business License Activities
- Bars
- Bar

### D4 Business License Activities
- Take-Aways
- Take-Away

### D5 Business License Activities
- Catering Services
- Catering Services

### E Business License Activities
- Open Air Vendors, Mobile shops and door-to-door sales
- Open Air Vendors
- Mobile Shops
- Door-to-door sales

### E1 Business License Activities
- Air Transport
- Air transport operators and carriers
- Airport Agents
- Helicopter Charters
- Aircraft Charters/Leased
- Other Support services to air transport

### E1(b) Business License Activities
- Sea Transport
- Ship and boat owners and operators
- Shipping Agent

### E1(c) Business License Activities
- Land Transport
- Seaport agents
- Fishing Boat Charters
- Other Support Services to Sea Transport

### E2 Business License Activities
- Storage Facilities (Transport Support Services)
- Storage and warehousing services
- Stevedoring and wharf facilities and services
- Customs agents
- Courier Services
- Freight Forwarding Services
- Container Freight Services
- Other transport support services

### E3 Business License Activities
- Tourism Transportation, Products and Services
- Tourism Transportation, Products and Services

### E3(1) Business License Activities
- Air Tourism Transports
- Air Tourism Transports
- Plane Operator
- Helicopter Operator

### E3(2) Business License Activities
- Sea Tourism Transports
- Sea Tourism Transports

### E3(3) Business License Activities
- Water Transports
- Watercraft
- Marine & Motorized Water Operator
- Other Water Transport

### E3(4) Business License Activities
- Yacht or Boat Charters
- Yacht Charter
- Boat Charter

### E3(5) Business License Activities
- Tourism Land Transportation
- Tourism Land Transportation
- Service Bus
- Taxi

### E3(6) Business License Activities
- Tours & Transfers
- Tour Operator
- Transfer Operator

### E3(7) Business License Activities
- Tourism Tours & Activities
- Tourism Tours & Activities
- Educational & Interest Tours
- Education & Interest Tour

### E3(8) Business License Activities
- Travel Agency
- Outbound Operator

### E3(9) Business License Activities
- Inbound Operator
- Tour Agent

### E3(10) Business License Activities
- Tour Guide
- Tour Guide

### E3(11) Business License Activities
- Handy Craft & Arts Shop
- Handy Craft Shop
- Arts Shop

### E3(12) Business License Activities
- Other Products (Sea/Water Based Activities)
- Parasailing
- Underwater Walks
- Fly Boards
| E3(3b) | Scuba Diving | • Glass Bottom Boat |
| E3(3c) | Traditional Canoe | • Snorkeling |
| E3(3d) | Game Fishing Tour | • Kayaking |
| E3(3e) | Tour Products (Land Based Activities) | • Medical practitioners |
| E3(3f) | Land Adventures | • Dental practitioners |
| E3(4a) | Rentals | • Optometrists |
| E3(4b) | Other Services | • Chiropractors |
| E4 | Rental & Hire Services | • Osteopaths |
| E4(a) | Rentals | • Nursing services |
| E4(b) | Other Services | • Masseurs and physiotherapists |
| F1 | Commercial Banks | • Midwives |
| F2 | Other Financial Institutions | • Veterinary services |
| F3 | Insurance Companies | • Credit Schemes |
| F3(a) | Domiciled Insurance | • Other business and administrative services and agencies |
| F3(b) | Non Domiciled Insurance | • Medical practitioners |
| F3(c) | Insurance Agents | • Dental practitioners |
| F4 | Other professional and business services | • Optometrists |
| F4(a) | Land Adventures | • Chiropractors |
| F4(b) | Other Services | • Osteopaths |
| F4(c) | Other professional and business services | • Nursing services |
| G1 | Personal, social and recreational and repair services | • Masseurs and physiotherapists |
| G2(a) | Recreational Services | • Midwives |
| G2(b) | Barber and Beauty Services | • Veterinary services |
| G2(c) | Educational Services | • Credit Schemes |
| G2(d) | Repairs & Other Services | • Other business and administrative services and agencies |
| H1 | Electricity | • Medical practitioners |
| H2 | Telecommunications | • Dental practitioners |
| H3 | Water works, distribution and supply companies and providers | • Optometrists |
| H4 | Radio and television broadcasting companies and providers | • Chiropractors |
| J | Artist and Sculptors | • Osteopaths |
| K | Planners, Farmers, Dairymen, Vegetable and Fruit Hawkers, and other Gardeners | • Nursing services |
### Annual Fees*

Note - Business Licence (Amendment) ACT No.30 of 2013

<table>
<thead>
<tr>
<th>Category</th>
<th>Fee (in Vatu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A, B, C, D, E, G, I</td>
<td>10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million to less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.</td>
</tr>
<tr>
<td>D5</td>
<td>5,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million to less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.</td>
</tr>
<tr>
<td>F1</td>
<td>7.00% of turnover for the licensing year subject to a minimum fee of 5,500,000</td>
</tr>
<tr>
<td>F2</td>
<td>5.00% on quarterly turnover where income is zero rated and exempted for VAT purposes, subject to a minimum fee of 310,000; 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million to less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.</td>
</tr>
<tr>
<td>F3</td>
<td>20,000 for gross turnover of 4 million to less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.</td>
</tr>
<tr>
<td>F4</td>
<td>10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million to less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.</td>
</tr>
<tr>
<td>J, K, L</td>
<td>50,000 for gross turnover of 10 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.</td>
</tr>
</tbody>
</table>

*See Schedule 1 of the Business License Act (CAP 249) for additional information.*