

WORKERS ON THE MOVE

Past Lessons
and Future
Perspectives
on Ireland's
Labour Migration



Migration is a feature of social and economic life in all countries across the world. It is a cornerstone of the Irish nation, and Ireland has long been proud of its transnational identity. Experiences of migration past and present allow us to understand the social, economic, political and cultural opportunities and challenges it brings.

While almost twenty years have passed since Ireland first became a country of positive net migration, little attention has been given to the lessons learned throughout this period. Ireland today is a very different country, at a crossroads in its migration journey and fast becoming one of the most diverse countries in Europe. As a second generation prepares to enter the Irish labour market, and as an increasing number of new migrants arrive to sustain the new period of economic growth, future strategies are vital to harness potential and these changing dynamics. At the same time, globally we are struggling to face new challenges. The migration and refugee crisis – the largest humanitarian crisis since the formation of the European Union – and our aging populations are significant factors in this changing landscape.

The European Agenda on Migration has acknowledged the need for new policy on legal migration, including creating more regular channels for migration across a range of skills levels. However in an increasingly globalised world the

complexities of migration are more pronounced. Attracting and retaining migrant workers can no longer be taken for granted. As a result policymakers are faced with hard choices as they seek to respond to public opinion, interest groups and the needs of their region, their country and the labour market.

It is within this context that MRCI reviews how immigration has evolved in Ireland and how the system impacts those who have made Ireland home. This paper aims to contribute to the future discussion on migration in Ireland and elsewhere. It brings together an analysis of MRCI's work over 14 years, the lived experience of migrants and their families who have settled in Ireland, and the invaluable insight of stakeholders with responsibility in the field of migration. It focuses on the participation and experiences of migrants in the labour market as a vehicle for integration into Irish society and advances a set of informed recommendations to make migration policy work for all as we move forward on our migration journey.

Research produced by MRCI seeks to provide evidence-based analysis on issues affecting migrant workers in vulnerable sectors of employment in order to effect change in public policy, while giving voice to the experience of migrants. This paper has been written using a multi-methods approach and consists of three stages:

Firstly, we carried out extensive desk-based research and analysis of the academic and policy literature in the field of migration and labour market integration of migrants in Ireland and internationally. This provided us with both the theoretical framework for the study and a historical review of relevant policy changes.

Secondly, we conducted six semi-structured interviews with senior representatives of key agencies charged with developing, reviewing and influencing migration policy in Ireland. The interviews provided an invaluable insight into the impact of migration across a range of relevant agencies and informed our analysis on projections, demands and shortages. The stakeholders interviewed were:

- The Department of Justice and Equality
- The Department of Jobs, Enterprise and Innovation
- SOLAS – Further Education and Training Authority
- IBEC – Business and Employers’ Associations
- ICTU – Irish Congress of Trade Unions
- ICOS – Irish Council for Overseas Students

Thirdly, we conducted interviews with eight migrant workers in Ireland using a mixture of semi-structured questions and life-story interviewing to develop a time-geographical interpretation of the labour market

trajectories of migrants.¹ Participants were selected to reflect a range of low-paid sectors of employment (restaurant, security, domestic work, agriculture, cleaning, and care work). Each interviewee had entered Ireland as a labour migrant before the accession of the new EU Member States.

Finally, we conducted an analysis of MRCI’s Case Management System (CMS) over the past ten years. MRCI provides information and advocacy services to an average of 2,000 migrants per year. Key data and presenting issues are captured through the CMS. The information gathered is invaluable in understanding the changing trends and patterns of migration in Ireland.

Throughout its 14 years of working directly with migrants, MRCI has also undertaken a number of relevant pieces of research. Therefore we also conducted an analysis of data and findings of previous research publications which particularly focused on issues of irregularity, low pay and precarious sectors. Publications included:

- Au Pairs in Ireland: Briefing Paper & Recommendations (2014)
- Ireland is Home: An analysis of the current situation of undocumented migrants in Ireland (2014)
- Childcare in the Domestic Work Sector: Who’s Minding the Children? (2015)
- Migrant Workers in the Home Care Sector: Preparing for the Elder Boom in Ireland (2015)
- All Work and Low Pay: The Experience of Migrants Working in Ireland (2015)

1. Interviews carried out are based on the work of Anika Liversage. Liversage, A. (2009). Finding a path: investigating the labour market trajectories of high-skilled immigrants in Denmark. *Journal of Ethnic and Migration Studies*, 35(2), 203-226.

The development of the Irish immigration system

Ireland's immigration system primarily developed in reaction to an increased number of asylum seekers entering the country and to the fast-growing economy of the late 1990s which resulted in an acute demand for labour. The introduction, development and implementation of Ireland's immigration system occurred for the most part without a policy or legislative vision. This has contributed to some of the problems experienced by migrant workers. Both employers and workers faced a poorly-regulated system which was completely unprepared to receive large numbers of workers – over 22,000 a year. Inevitably, unscrupulous employers benefitted from poor oversight and administrative barriers, and some migrants suffered as victims of labour exploitation and irregular migration.

Ireland opted to introduce an employment permit modelled on a guest-worker system, which did not prepare the State for the eventuality of migrants settling down and did not address the individual needs of workers outside of their employment relationship. The Government's decision to opt out of key directives agreed at the Tampere meeting of the European Council in October 1999 meant that migrants in Ireland could not claim rights to family reunification or long-term residency. This further emphasized the temporary approach at the heart of evolving immigration policy and practice.

From the beginning, the employment permit system was employer-driven. It failed to allow workers the flexibility to apply for, own or change their work permit. Without government-led recruitment standards, it was left to employers to put in place recruitment procedures, resulting in employers and agencies setting up recruitment practices which often fell short of good practice and the law. Because there was no agency to monitor compliance in the workplace until 2008, migrant workers were vulnerable from the outset – meaning many workers paid high fees for recruitment, application or renewal of work permits.

The May 2004 decision to grant unrestricted access to the labour market to nationals of EU accession states represented a shift in Ireland's evolving labour migration policy. An Economic Migration Unit was established in

the then-Department of Jobs and Enterprise to provide oversight of labour migration policy. It recommended limiting employment permits to highly skilled occupations, and this continues to form the basis for employment permit policy to date. Indeed, its application has become stricter over the years.

The introduction of employment permits restrictions has not necessarily reduced demand for workers coming from outside the EU. Our immigration system has not kept pace with demand for labour, resulting in workers having to use other channels of entry. Post-2004, while more than 55,000 EU accession state nationals entered Ireland on average each year, there was also a marked increase in the number of migrants joining their families and the number of international students entering Ireland. Simultaneously, an increasing number of migrants were becoming undocumented, unable to maintain or gain the appropriate immigration status.

Since 2013 and the beginnings of economic recovery, renewed inward migration to Ireland has been evident. In the main, this consists of non-EEA migrants coming to Ireland through a range of diverse channels - employment-led, international students, family reunification and those seeking protection.

Managing migration in Ireland

Migration frameworks are complex, and their complexity is reflective of the evolution of the landscape of migration. Policymaking in the area of labour migration in particular can be overly influenced by political and populist decisions, to the detriment of the individual and the system. The reality is that migration is diverse, spanning a range of categories and statuses, often blurring the lines between economic and non-economic, temporary and permanent, regular and irregular. To harness the full potential of migration, it is important to build a dynamic system, responsive to emerging trends and patterns in the national labour market, cognisant of global trends and realities, and always respectful of the rights of the individuals at the heart of the system.

“The introduction, development and implementation of Ireland’s immigration system occurred for the most part without a policy or legislative vision.”

In Ireland the entry, residency and rights of migrants from outside the European Union are based on piecemeal legislation, some of which dates back as far as 1935. The Department of Justice and Equality (DJE) has responsibility for the development of schemes and attribution of rights and obligations, with the recording, registration and renewals falling under the remit of the Garda National Immigration Bureau (GNIB). The Department of Jobs, Enterprise and Innovation (DJEI) is tasked with developing Ireland’s economic migration policy, informed by the Expert Group on Future Skills Needs (EGFSN) and implemented by the Employment Permits Section with the assistance of the Strategic Policy Division.

However, the lack of comprehensive legislation addressing all aspects of migration throughout Ireland’s history of inwards migration has resulted in a system where discretionary practices are the norm, at times creating lengthy and ineffective processes. Now that migrants have settled in Ireland and a second generation is starting to emerge, it is clear that migration is a permanent feature of Irish demographic and the need for legislative reform in the field of immigration is now urgent.

Categorising migration in Ireland

Migrants are often categorised as ‘economic’ or ‘non-economic’ but increasingly such dichotomous terms are becoming insufficient to describe the realities of migrants’ lives. People invariably move across immigration statuses and categories – like family migrants, students and refugees, who do not enter Ireland as economic migrants but often end up participating in and making a valuable contribution to our economy.

1. ‘Economic’ migration: the employment permit system

Ireland’s employment permit system is the vehicle for non-EU economic migration to Ireland. It is informed by three key pieces of legislation: the Employment Permits Act 2003, the Employment Permits Act 2006 and the Employment Permits (Amendment) Act 2014.

The Employment Permits (Amendment) Act 2014 has made positive advancements in the system by enshrining the application and granting of permits in legislation. The DJEI states that this allows for increased flexibility and greater response to changing economic conditions.

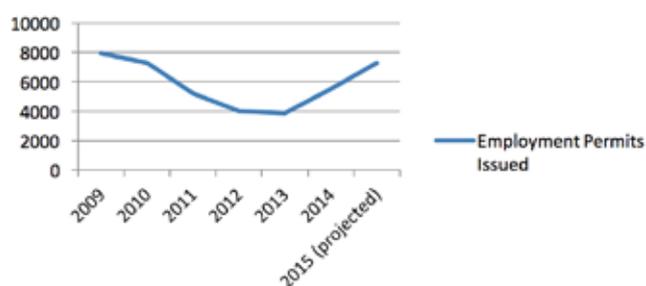
The Irish employment permits system is based on a guest-worker model, where permits are only issued when a vacancy is identified as resulting from a labour or skills shortage. Skills Needs in the Irish Economy: The Role of Migration, a 2005 study by the Expert Group on Future Skills Needs (EGFSN) in conjunction with Forfás – the previous national policy advisory board for enterprise and employment – identified the key principles which guide Irish labour migratio policy. Nationals from outside the European Economic Area (EEA)² can be recruited for highly skilled, highly remunerated positions or for recognised skills or labour shortages which cannot be met through the EEA labour force. The introduction of legislation in October 2014 resulted in nine different types of employment permits. Several of the key permits are categorised in the table on the next page:

2. The European Economic Area consists of the 28 members of the European Union together with Iceland, Norway and Liechtenstein. Switzerland, while not a member of the EEA enjoys similar rights in relation to access to the European labour market.

CRITICAL EMPLOYMENT PERMIT	<p>Replacing the Green Card, this is aimed at attracting highly skilled workers in occupations deemed critical for the Irish economy. Remuneration of over €60,000 p/a is expected but this can be lowered to €30,000+ for certain occupations on the Highly Skilled Eligible Occupations List.</p> <p>Unlike other employment permits, this offers a faster route to permanent residence and family reunification.</p>
GENERAL EMPLOYMENT PERMIT	<p>Replacing the work permit, this targets occupations which are experiencing labour or skills shortages but for which remuneration ranges between €30,000 and €60,000 p/a.</p>
DEPENDANT/PARTNER/SPOUSAL EMPLOYMENT PERMIT³	<p>This is intended to make Ireland more attractive as a destination for workers eligible for Critical Skills Employment Permits by granting access to the labour market to their spouses.</p> <p>Any occupation of over 10 hours per week with a salary above the National Minimum Wage is considered, bar those in a domestic setting.</p>
REACTIVATION EMPLOYMENT PERMIT	<p>This is aimed at previous employment permit holders who have fallen out of the system as a result of labour exploitation or other malpractices.</p> <p>It is open to all full-time occupations with a salary above the National Minimum Wage except for those in a domestic setting.</p>

Over 5,400 new and renewed employment permits were issued in 2014, representing an increase of over 36% compared to 2012. This compares to the year 2001, when nearly 30,000 new employment permits were issued. Most employment permits issued (46% of new and 61% of renewals) in 2014 fall under the category of General Employment Permits, demonstrating that the economic recovery is driving an increased demand in labour across all skills levels. Available figures for 2015 show an increase of 29% in employment permits issued compared to the previous year, further validating this point.

Employment Permits Issued



This graph shows the number of employment permits issued since the economic crisis.

3. In 2007, MRCI launched a campaign to advocate for the introduction of a “bridging visa” which would allow those who fell outside of the employment permits system – through no fault of their own, exploitation, deception, fraud – to regularise their immigration status. This ad-hoc policy measure was formalised through the Undocumented Workers Scheme 2009, a once-off regularisation programme which later established an ongoing mechanism through the Reactivation Employment Permit 2014, proving the effectiveness of solution-focused policy change.

2. 'Non-economic' migration: European migration to Ireland, family-related migration, international student migration, humanitarian & protection, and irregular migration.

European migration to Ireland:

The decision not to impose barriers to the employment of nationals of states acceding to the EU in May 2004 resulted in almost 130,000 taking residence in Ireland by 2006. By 2011, following the accession of Romania and Bulgaria, the numbers had exceeded 225,000.

The freedom of movement enjoyed by EEA nationals, and their access to the labour market, is a cornerstone of Irish migration policy. The reduction in work permits issued in sectors such as Accommodation and Food Service, Wholesale and Retail, and Manufacturing resulted in a corresponding increase in EEA workers taking up employment in those sectors. Research produced by the ESRI demonstrates that in spite of the mobility enjoyed by nationals of the 'EU 13' category, they tend to be concentrated in occupations below their qualifications and to experience issues arising from discrimination.

With the advent of the economic recession, nationals of the accession states were disproportionately affected and comprised the main category of emigrants in the first years of the downturn. This phenomenon can be explained both by the fact they were over-represented in sectors most affected by unemployment, such as construction, and the fact that freedom of movement allowed for relatively easy relocation to other EU states experiencing better economic conditions.

Figures from the CSO Population and Migration Estimates show that continuously since 2009 more EU nationals are leaving Ireland per year than arriving. In the past year their negative net migration reached over 2,400. Conversely, non-EEA migration has increased throughout the recession.

Family-related migration:

According to Eurostat, the number of migrants citing family motivations when migrating to Ireland has been on the increase since 2008. This is as a result of a number of legislative reforms and an increased number of migrants settling down and forming families in Ireland. Due to lack of disaggregated data it is difficult to capture the exact extent of family-related migration in the State. Latest figures available for 2012 showed the number of those registered as dependants of employment permit holders nearing 12,000.

A number of legal rulings and Department of Justice-led schemes have granted permission to remain to parents of Irish children⁴. It is estimated that the number securing permission under these schemes is in excess of 30,000 people. Their permission to remain allows them to enter the labour market without the need for a work permit. Spouses of Irish nationals enjoy similar rights and entitlements, but there are no available statistics for this group.

Finally, by virtue of the Treaty of Accession to the European Union, the dependants of EU workers also enjoy full access to the labour market. Registration for this group exceeds 8,500 per year.

International student migration:

While international students have long been a feature of the Irish immigration system, in recent years and particularly throughout the economic recession their numbers have increased significantly. In the period between 2002 and 2014 the number of students registered rose from just over 11,000 to 49,500, or an increase of over 450%. They currently represent over one third of non-EEA migrants registered in Ireland and it is expected that their numbers will continue to increase, due to Ireland's intention to internationalise its educational system. Since 2005, the State has increased investment in the English language education sector, which is responsible for a large portion of the new arrivals. A series of government reform⁵ were brought in with the aim of regulating the

4. In 2004, following a referendum, the Irish Citizenship Act 2004 was enacted, ending access to birth right citizenship in the Republic of Ireland. In the following year, the Department of Justice enacted a regularisation scheme aimed at granting residence status to over 17,000 parents of children born in the territory prior to 2005.

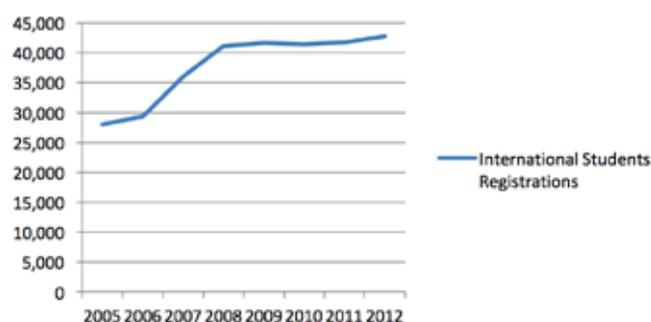
5. In 2011, Ireland introduced a maximum of three-year residency for International students pursuing a non-degree course and seven for those pursuing degree-level courses. In order to prevent international students from falling into irregularity the Department of Justice enacted a temporary regularisation mechanism, the Student Probationary Scheme 2004 aimed at granting residency to students who have completed their residency allowance. This needs clarification

participation of international students in the labour market, by limiting the number of hours and periods in which they can avail of a work concession. International students are now permitted to work twenty hours per week during term time and forty hours per week during a set five-month 'holiday term', which may not correspond with the holidays set out by individual schools.

Since 2007, international students who complete a Higher Education degree can avail of the Graduate Scheme, a transitional measure allowing non-EEA graduates to work full-time for up to twelve months in their field of studies during which time they can submit an application for an employment permit. According to the latest available figures, only 39% of non-EEA students are enrolled in a degree course.

To date, no research has been carried out into the role students play in our labour market and to what extent they fill labour and skills shortages. Undoubtedly, their immediate access to the labour market has allowed employers to circumvent growing restrictions on the issuing of work permits in low-paid sectors. Recent figures from the Quarterly National Household Survey show an increased share of non-EEA nationals working in the Accommodation and Food Industry, Wholesale and Retail, and Human Health sectors. Due to limitations in the datasets it is not possible to draw definite conclusions but it is estimated that those are by and large international students.

International Students Registrations



The above graph shows the increase in international student registrations for the years for which data is available.

Humanitarian & protection

Ireland grants protection to non-EEA migrants through three avenues: refugee determinations, subsidiary protection, and leave to remain on humanitarian grounds. While there have been just over 10,000 positive refugee determinations to date, it is not known how many people were granted protection under leave to remain on humanitarian grounds.

There have been recent efforts to coordinate Member States' responses to the humanitarian crisis across the Middle East and North Africa which will see an increased number in applications for protection and relocations. The Government has sought to meet some obligations by introducing a single application procedure; however, this falls short of international best practice.

While a protection application is pending, the applicant is prevented from working. If the application is successful they can work without the need of an employment permit. Unlike other European countries, Ireland has no strategy to facilitate the transition into the labour market of migrants afforded protection, and lengthy determination processes often lead to deskilling. This situation leads to an overrepresentation on the live register and an underutilisation of skills, talents and resources.

Irregular Migration

Irregular migration is driven by the demand for labour, the need to join family and the lack of legal channels of migration. Research has shown that the great majority of irregular/undocumented migrants enter countries legally but fall into irregularity due to a lack of opportunities to maintain their status.

MRCI has estimated the number of irregular migrants to be between 20,000 and 26,000⁶. Research conducted by MRCI in the field shows that irregular migrants have higher than average labour market participation rates, with over 87% in employment. The research also showed that over 81% have been residing in Ireland for more than five years and that undocumented migrants tend to work in low-paid sectors of employment: Restaurant & Catering (37.5%), Domestic Work (32.5%), and Cleaning and Maintenance (10.5%). Irregularity often translates into precarious conditions of employment, and measures such as regularisation which reduce irregularity also help improve sectorial conditions and address humanitarian considerations.

6. Ireland is Home: An analysis of the current situation of undocumented migrants in Ireland (2014)

Gaps, demands and projections

Identifying labour and skills shortages in the Irish labour market

The Skill and Labour Market Research Unit (SLMRU) is tasked with the identification of labour and skills shortages in Ireland. They produce two key annual publications, the National Skills Bulletin and the Vacancy Overview. The work of the SLMRU is complemented by the Expert Group on Future Skills Needs, which *'advises the Irish Government on current and future skills needs of the economy and on other labour market issues that impact on Ireland's enterprise and employment growth'*⁷ and by SOLAS which is tasked with developing and giving strategic direction to the Further Education and Training Sector in Ireland.

Jointly they inform the development of the Highly Skilled Eligible Occupations List and the Ineligible Categories of Employment List, which in turn form the basis for Ireland's labour migration policy. In the process of developing both lists, the Department of Jobs and Enterprise engages a range of stakeholders for consultation, including civil society organisations.

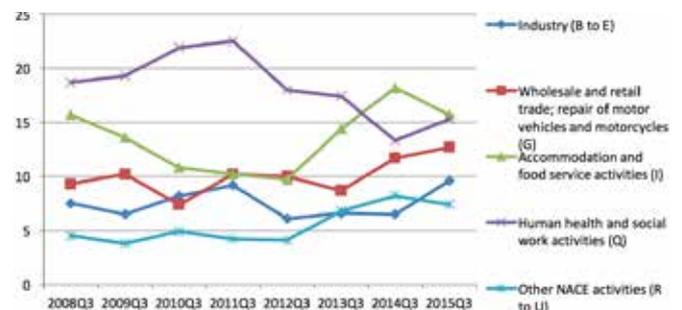
Challenges in the identification of labour and skills shortages

There is neither a universally accepted definition of labour shortage nor agreement on how to measure it. Examination of labour market data and skills surveys needs to be complemented with in-depth qualitative analysis to better understand the factors affecting the foundations of labour shortages: employers' demands and workers' supply. Currently, due to the limitations of available datasets, certain shortages are not being captured – particularly in smaller sectors of employment with a high incident of migrant labour, such as domestic and care work.

The OECD makes recommendations for the implementation of transparent processes using separate lists for occupational shortages (targeting short-term needs) and structural shortages (addressing long-term needs). Ireland could replicate some recent developments in Sweden and Canada, reforming the work permit system to provide for greater occupational mobility or implementing transitional measures, including sector-based employment permits, to reduce irregularity in the labour market.

Responding to demand

In Ireland, in order to guarantee preference for EEA workers, employers must satisfy a labour market needs test to ensure there are no available workers with the required skills that could take up that occupation. In spite of preferential treatment given to EEA workers, an analysis of the QNHS since 2008 seems to indicate that non-EEA employment has been on the rise, particularly in occupations ineligible for employment permits such as in sectors like Retail, Restaurant and Catering and, to a lesser degree, in the private home. This is corroborated by MRCI's casework team, who have seen an increase in people seeking information regarding their employment status in the State, mainly in low-paid sectors of employment and with temporary migration status, such as international students.



The above graph shows the evolution of the employment of non-EEA nationals in the four sectors where their employment is most prevalent.

The above graph shows the evolution of the employment of non-EEA nationals in the four sectors where their employment is most prevalent.

In May this year, the Directorate-General for Migration and Home Affairs of the newly formed European Commission released its first communiqué stating its Agenda for Migration. A key point is its recognition that to address the demographic challenge of an aging continent, ensuring the sustainability of the welfare system across Europe while remaining attractive for growth, Europe must develop more regular channels of migration at all skills levels.

7. <http://www.skillsireland.ie/About-Us/>

The OECD warns against the increased use of discretionary migration channels to provide for cheap labour supply:

“problems arise when the cumulative impact of those channels cannot be monitored and where both the effects on the labour market and the workers cannot be monitored”⁸.

In Ireland, the situation of international students is a case in point. International students are prohibited from accessing the social protection system, which in turn makes them more dependent on their employment to meet tuition fees and the high cost of living. Their high concentration in labour-intensive, low-paid and unregulated sectors of employment makes them particularly vulnerable to labour exploitation.

Paving the way for economic integration

Research from the Migration Policy Institute⁹ indicates that the economic integration of migrants is intrinsically linked with the development of the overall host economy and society. The global recession has negatively impacted outcomes for migrants in a number of countries and the lesson learned is that economic integration requires more than just a dynamic labour market: it also requires clear strategy and vision. In Ireland, the economic integration of migrants has not been a feature of Government strategy. A laissez-faire approach to policy has resulted in migrants being concentrated in the burgeoning low-paid sectors which have become a central feature of Ireland’s labour market.

Currently Ireland overemphasises the categorisation of migrants between high and low skills, despite growing research demonstrating that this is counter-productive. Today’s labour markets are increasingly complex and it has proven difficult to establish the skills sets needed by employers. Instead, due to high rates of over-qualification, large sources of skills inside the country are being untapped. This is due to restrictions to access to the labour market, lack of recognition of skills and experience or a lack of foresight. This pushes many migrants who do not enter Ireland through the selective highly skilled scheme to the fringes of the labour market.

Attracting workers

Ireland’s policy decision to restrict migration from outside the EEA remains in place and has become more stringent over the years. In interviews with civil servants from both the DJE and the DJEI it has been stated clearly that there

is no short- to medium-term expectation of liberalising the entry of workers from outside the European Union. Vacancies not deemed highly skilled are expected to be filled by those on the live register, by returning Irish migrants, or by workers from the enlarged EU. Despite this stated approach there is no dedicated strategy to ensure an uptake of vacancies by these groups.

An analysis of QNHS data regarding the employment of accession state nationals shows that their participation in the labour market peaked in the first quarter of 2007, with just over 175,000 in employment compared to some 83,000 non-EU workers at the same time. Their numbers subsequently declined continuously for five years, before starting to show a modest increase.

The employment of accession state nationals is now at 75% of its 2007 peak, compared to 96% for non-EEA employment at the same time. This shows that growth in non-EEA employment has been significant throughout the recession and the onset of recovery despite perceptions to the contrary, particularly in the Accommodation and Food Service sector, where their numbers have almost doubled. Similarly, from an analysis of PPSN activity, it is inferred that accession state nationals show different patterns of mobility, with shorter spans in each employment. It is not possible to draw a definite conclusion considering the scale of disruption in the labour market caused by five years of recession, but the findings resonate with the literature describing difficulties in retention of employment for accession state nationals in low-paid employment. Upward social mobility has been facilitated by access to a transnational labour market extending across Europe, allowing people to avail of better opportunities when they are available.

Projections from Eurostat, however, indicate that the workforce across the EU will shrink by 50 million over the next 50 years. Without responsive and far-reaching labour migration policies, it will be increasingly difficult to address labour shortages and demographic change. This challenge will be particularly felt in the provision of care.

The latest Eurobarometer (2010) covering labour mobility in the European Union shows that 17% of the EU population indicated a willingness to work in a different country in the future, but the majority (over 60%) indicated a non-European country as their intended destination. Attracting and retaining migrants has become an issue that policymakers cannot ignore. The future of labour migration to Europe looks increasingly complex and countries, including Ireland, need to diversify their response through projecting themselves as an attractive destination for both EEA and non-EEA workers.

8. OECD (2014), International Migration Outlook 2014, OECD/CEPR (2014), International Migration Outlook 2014, OECD Publishing/D Publishing.

9. Benton, Meghan, et al. Aiming Higher: Policies to Get Immigrants into Middle-Skilled Work in Europe. MPI, 2014.

Issues affecting migrants employed in Ireland

MRCI has been to the forefront of documenting issues affecting migrants working in Ireland; particularly those most at risk of exclusion, discrimination and poverty. It gathers both quantitative and qualitative data regarding the labour market experiences of those working in less-regulated, more precarious sectors of the economy in order to produce evidence-based analysis.

The topics covered below reflect the analysis of the semi-structured interviews conducted, a range of focus groups organised with workers in low-paid sectors and data from the Case Management System (CMS).

Progression

In a 2015 study¹⁰ with migrant workers, MRCI found that over 87% of respondents resident in Ireland for over five years continue to work at entry-level positions. Defining progression in a person's employment trajectory is not an easy task, as it is rather subjective, but if we understand it as the process of narrowing the gap between immigrants and Irish workers in terms of income or professional attainment, then we are not making great progress.

A recent study¹¹ emphasised high levels of discrimination as one of the main factors hindering progression. This, coupled with the concentration of migrants in sectors relying on labour-intensive models where there is constant pressure to keep labour costs at the lowest levels, paints a grim picture in terms of access and progression in the labour market.

Among the migrant workers interviewed for this paper, progression was interpreted more broadly than simply professional and salary attainment. It also relates to working in an environment where they can enjoy stability, such as permanent contracts, and feel free of exploitative conditions of employment. Feeling respected and achieving a work-life balance was also described as important.

When asked what would have enhanced or facilitated a sense of movement in their progression, many brought up the lack of opportunity to move into their desired sectors of employment, often ones which they were qualified and trained for. Unfortunately, the lack of mobility in our employment permits system, together with poor transference of skills, presents a significant barrier to achievement of goals and workplace progression. One interviewee described her experiences as follows:

"I knew I was an educated person. I knew I could do better jobs which required more skills, better-paid jobs. I felt trapped [in the work permit system], I couldn't go anywhere. I felt like a slave."

The low pay trap

Data samples such as the Survey on Income and Living Conditions, used to calculate incidences of low pay in Ireland (earnings representing 60% or less of the median salary), are too small to allow us to disaggregate information related to migrants. However, in MRCI's recent study almost half of the participants were working below the €300 weekly threshold and 82% of respondents had not received a pay increase in the past 12 months.

Eurostat estimates a 20% incidence of low-paid work in Ireland concentrated in sectors such as Accommodation and Food Services and Wholesale and Retail. The Quarterly National Household Survey shows those sectors as having the highest proportion of migrants in employment within the labour market – a reality reflected in the analysis of MRCI's CMS.

The great majority of those interviewed have never experienced work outside of low pay, regardless of immigration status or length of residence in Ireland. In fact often the strategy to increase family income has been to accept overtime, Sunday work or a second job. One worker in one of the largest cleaning companies in Ireland asked for a pay rise after six years of earning €9.50 per hour; she was told "You should consider yourself lucky that you earn this and not less." It is important to note that experiences of low pay are intrinsically linked to non-compliance, exploitation and issues of irregularity.

10. MRCI All Work and Low Pay Dec 2015

11. Kingston, Gillian; McGinnity, Frances; O'Connell, Philip J (2015) "Discrimination in the Labour Market: Nationality, Ethnicity and the Recession", *Work, Employment and Society*, 29 (2), pp 213-232.

“...during those years I was dead inside.”

Exploitation

Labour exploitation continues to be a feature of the Irish labour market, and in MRCI's experience it disproportionately affects migrant workers. Adherence to key employment legislation remains low in sectors with large numbers of migrant workers, such as Domestic Work and Restaurant and Catering. Lack of compensation for overtime or Sunday work remains the norm, and the incidence of sub-minimum wage pay is as high as 44%.¹²

One interviewee who has worked in the food industry for more than seven years has described exploitation as a rite of passage, with different hierarchies of exploited workers. Labour inspections have proved ineffective as a deterrent to the poor practices of some employers. Regular operational checks in tandem immigration enforcement authorities have led to a widespread distrust of this enforcement agency among migrant workers. The very few who are successful in filing a complaint and obtaining a determination order find that there are limited effective avenues to make employers pay compensation. MRCI has described the current pervasive lack of enforcement as tolerated wage-theft.

Rigid migration systems such as the employment permits system and the student work concession are cited as contributing factors to exploitation, as they afford too much power to employers. But labour exploitation is more than just monetary: it can have lasting consequences on the physical and mental health of workers. As one interviewee who experienced over seven years of exploitation in Ireland explained,

“...during those years I was dead inside. Who knows? Maybe If I didn't experience exploitation I would have studied something or I would have worked in my profession. Maybe I would have brought my family over. Now I just want quietness.”

Irregularity

Ireland's labour migration policy creates the conditions for irregularity. The employment permit system which ties one worker to one employer results in migrants at risk of falling into irregularity (becoming undocumented). Until 2014, with the introduction of the Reactivation Scheme, there was no clear path to regain legal status once a person had fallen outside the system.

Many workers have been and continue to be reminded by their employers that their stay in the country is dependent on their employment and particularly on the employment specified in the permit. As such, many workers are forced to accept exploitative conditions of employment in order to retain their work permit and remain documented in the State. MRCI has consistently highlighted the extreme difficulties that undocumented migrants face to uphold their employment rights. This shows the need for stronger measures to curb pervasive poor employment practices and guarantee employment standards.

One worker in the Accommodation and Food Services industry describes his experience with irregularity as follows:

“One day I rang the Department, I told them my permit was about to expire and my employer was not making efforts to renew it despite promises. I was told ‘Is your employer there? We can't talk to you. We have to talk to your employer’. At that time I knew I was in prison, my employer was everything.”

With the evolution of our immigration system, and the extensive restrictions imposed on our employment permits system, the number of irregular/undocumented migrants in Ireland has increased. In Ireland is Home: an analysis of the situation of undocumented migrants in Ireland (2014), MRCI estimated the number of undocumented migrants in Ireland to be between 20,000 and 26,000, the vast majority of whom have now resided here for over 6 years. Undocumented migrants have a high labour market participation rate - over 87% of those surveyed for the study were in employment. They are over-represented in sectors where there is high incidence

of low pay and exploitation: namely, Domestic Work, Accommodation and Food Services, and Cleaning. Ongoing demand for their labour, despite the impossibility of obtaining an employment permit, and changes made to the international students system are the main factors contributing to irregular status.

Undoubtedly, irregular migration is an issue of labour migration policy. The high employment of undocumented migrants and the reliance of certain sectors on the employment of undocumented migrants make a regularisation scheme the most pragmatic solution to this issue. The MRCI has proposed a once-off time-bound scheme, which would allow those with an irregular status to regain formal residency in the State. Such a scheme would generate revenue for the state, reduce exploitation and non-compliance, formalise employment relationships and reward compliant employers. It is time for the State to rethink the appropriateness of a system that has such a detrimental effect on workers' lives and mobility. If we do not address the mistakes of the past this situation will persist.

Family formation

A body of knowledge has emerged focusing on the role of family decisions in international migration, and more precisely on the role of individual migration as part of family strategies. In Ireland the migration system developed with an exclusive focus on individual workers and there are no entitlements to family reunification in legislation, yet family considerations are present during all stages of migratory decisions. For many workers, migration and remittances have always been and will continue to be a key strategy to improve family wellbeing including sustaining the basic needs of spouses and/or children while awaiting the possibility of being reunited with family.

Because family reunification is discretionary and, until recently, lacked clear guidelines, many migrants refused to access any of their social protection entitlements for fear that accessing them could have repercussions for future family reunification applications – even if this meant they suffered deprivation. For others, enduring exploitation was a necessity in order to not lose employment and with it the possibility of being reunited with their loved ones. Once family reunification is secured, the spousal employment permit acts as a secondary barrier to the

employment of family members, as many described employers as being reluctant to submit applications despite simplified procedures. This, together with the lack of affordable childcare and limited access to family networks, makes family formation costlier and more difficult; many families are obliged to live on just one income, and all those interviewed indicated having forgone career opportunities or plans due to family-related constraints. This is of particular concern for migrant women who are forced to make difficult choices between motherhood and labour market activity.

The husband of one couple, both previously employed in the Cleaning and Maintenance industry describes their family arrangements:

“Once the child goes into pre-school we can think about her going back to work. At the same time we are trying to apply for my mom or her mom to come over to help, as I am working non-stop because I am the only income and she is always alone. But once he (the child) grows up, she could do a course, maybe find a secretarial job.”

Recommendations: A ten-point strategy to improve Ireland's labour migration system

Like all countries, Ireland faces the challenge of continuing to attract and retain migrant workers with specific abilities. This has become more pressing with lowering wage disparities and new countries entering the global chase to attract migrants. Traditionally, Ireland has mainly competed with other English-speaking countries such as Australia, Canada and New Zealand, but increasingly, new globalised markets such as Singapore, China or Gulf countries are developing strategies to attract migrants. Migration has proven to be a significant contributor to growth and dynamism in the labour market, and Ireland is a case in point. Yet in order to fully benefit from migration flows and the skills people bring and generate, and to uphold the human rights of each individual, the system must have efficiency, flexibility and transparency at its core.

1. A legislative framework which recognises the right to permanent residency and family reunification

In order for migrants to settle down in a country it is important that they can envision putting down roots there. As family formation and family reunification play a significant role in fostering social and economic integration, it is vital to enshrine rights in this area. While efforts have been made in Ireland to improve guidelines to access long-term residency and family reunification we still lag behind other countries which offer statutory rights to permanent residency and a broader understanding of family reunification.

A study carried out with migrant nurses in Ireland and published in 2009¹³ had already identified these factors as the main reasons as to why half of respondents indicated a desire to moving abroad in the near future. In a competitive labour market, affording rights which promote settlement is a clever strategy to increase retention rates and limit the overreliance on European migrants who experience high rates of mobility. MRCI recommends the construction of a comprehensive legislative framework addressing the rights to permanent residency and family reunification.

2. Tackling discrimination and exploitation in the labour market

Several research papers have addressed the issue of discrimination in the Irish labour market. The most recent study published¹⁴ in 2014, found that non-EU migrants are significantly more vulnerable to discrimination and that ethnicity is a key factor contributing to discrimination. More worryingly it showed that discrimination levels have not reduced over the years.

These conclusions are consistent with the findings of a recent MRCI¹⁵ study with migrants in low pay. Discrimination is damaging to the individual, directly impacting on their labour market trajectory, but it is also significantly damaging to the host economy and society. Not only does discrimination hinder retention, it also makes it harder to recruit new workers. It is imperative that Ireland puts in place anti-discrimination measures, together with a diversity and intercultural strategy devised in conjunction with employer bodies and trade unions, to reverse the current trend.

The issue of discrimination goes hand-in-hand with that of exploitation. It is important for Ireland to put in place a system of labour inspections that is able to build compliance across all sectors of employment vulnerable to exploitation, irrespective of workers' legal status. MRCI recommends a firewall between labour inspections and immigration control.

3. Improving childcare, health and education

It takes time for migrant workers to build family and social networks in the host country, increasing their reliance on public service infrastructure. In order to facilitate integration and in turn increase the attractiveness of Ireland as a destination country it is important to make sure that institutions related to childcare, healthcare, education and housing are easy to navigate and accessible to migrants coming here. Immigration status impacts how migrants access their rights, making many problems shared by the overall population of particular significance to non-EU nationals.

13. Humphries, Niamh, Ruairi Brugh, and Hannah McGee. "I won't be staying here for long": a qualitative study on the retention of migrant nurses in Ireland." *Human resources for health* 7.68 (2009): 1-12.

14. Kingston, Gillian; McGinnity, Frances; O'Connell, Philip J (2015) "Discrimination in the Labour Market: Nationality, Ethnicity and the Recession", *Work, Employment and Society*, 29 (2), pp 213-232.

15. All Work and Low Pay (2015)

“...enduring exploitation was a necessity in order to not lose employment and with it the possibility of being reunited with their loved ones.”

Developing an intercultural strategy for services which is adapted to the increasingly diverse workforce in Ireland may seem out of place in a conversation about labour migration policy, but in fact these are crucial points to ensure labour market participation and progression. These services are key factors influencing the decision to settle down or move. MRCI recommends the immediate development of this intercultural strategy.

4. Reforming Ireland’s employment permit system

Ireland’s employment permit system has come a long way since its inception, and this paper has discussed the main developments and addressed some of the shortcomings that still remain. Legislation implemented last year has solidified the framework under which Irish labour migration policy functions, but we continue to operate a system which is demand-driven rather than focusing both on supply and demand. Most importantly, this system continues to hinder progression by tying the worker to one employer.

MRCI believes that we can learn from countries such as Canada and Sweden which have been exploring the gradual introduction of mobility within their employment permits system. This approach allows for occupation-based employment permits which can increase dynamism across sectors of the labour market, decrease long-term reliance on the social protection system, and facilitate economic integration.

MRCI also recommends lowering the salary threshold for employment permits which has not been reviewed since its introduction and no longer reflect the realities of Ireland’s labour market. Exploring the use of different thresholds will also help prevent irregularity and undeclared work. Finally, the current methodology of identifying both skills and labour shortages requires greater qualitative input from non-statutory bodies and migrant workers themselves.

5. Retaining talent by putting in place transitional measures in the labour market

Every year Ireland receives a significant number of migrants on temporary schemes, most significantly through the international student system. In spite of many conditions imposed on their permission to reside, including a residency time limitation, they experience high labour market participation rates and contribute significantly to a range of sectors in our economy. At the same time opportunities to transition to more permanent status are limited for many students, preventing compliance and resulting in economic loss.

MRCI recommends the introduction of measures which will help maximise the skills students bring and the skills they acquire here, and which would recognise the value of the employment relationships many have developed in the country. A facilitated entry into the employment permits system by means of a different salary threshold would help increase compliance in many sectors, reduce irregularity and help employers retain staff.

6. Implementing a regularisation scheme

Irregular migration is an inevitable consequence of the lack of effective legal channels to respond to the demand for workers. It is inherently an issue of concern for labour migration policy; Ireland is no different to other countries in this regard. MRCI has carried out extensive work to highlight the detrimental effect of irregularity, both for the individual and for the labour market.

Implementing a regularisation scheme will not only address the fundamental rights issues affecting a large number of migrant families, it will also help tackle issues such as low pay and non-compliance in sectors where irregular migrants are over-represented. It will help create a level playing field for compliant businesses and for those seeking to formalise their employees’ work. Furthermore, measures of regularisation are necessary to add weight and credibility to structural policy changes underway in our immigration system. Regularisation is a pragmatic, manageable and income-generating solution to a problem that will not dissipate on its own.

“The economic disadvantage experienced by migrant families has repercussions on a child’s acquisition of human capital in the educational system and later through the labour market.”

7. Recognising skills

The overqualification of migrants is a serious problem across developed economies, but it is of particular concern in Ireland. An analysis of the European Labour Force survey put the rate of overqualification for migrants in Ireland at 41%, suggesting a cycle of “brain gain, waste and drain.” Ireland currently has no formal mechanism for the recognition of qualifications of foreign workers. MRCI recommends the creation of a dedicated structure responsible for the recognition of qualifications, bringing together educational authorities, professional bodies and employers. The lack of recognition of migrants’ skills traps them in low-paid employment, in turn leading to a loss of revenue and stagnation in the labour market in terms of skills fluidity.

8. Developing skills

The acquisition of skills is an ongoing process, and qualifications should be complemented with location-specific skills. The workplace is also an effective space to acquire and develop new skills, and measures promoting mobility will also promote the acquisition of new skills. It has been the experience of many migrants in Ireland that limited mobility within their workplace has resulted in de-skilling.

Language skills are paramount for integration into the labour market, as well as other aspects of daily life. While a range of English language courses exist, MRCI recommends increasing their reach and putting in place tailored programmes with a specific focus on entry, participation and progression in the labour market.

Sweden has developed programmes – a mixture of incentives, subsidies and placements – to bring together immigrants and employers in the private sectors. MRCI believes there is scope to learn from such models to promote the progression of migrants in Irish labour market.

9. Activating skills

The disconnect between public employment services and the needs and realities of migrant workers is a reality across Europe and is also the case for other activation programmes. In Ireland, the habitual residence condition has been pinpointed by the OECD as one of the elements hindering the activation of migrants. Reforming this approach is highly recommended. It is also recommended to put in place specific activation programmes for migrants, and in particular those communities most affected by unemployment.

The economic recession has hit migrants in Ireland particularly hard, and they are overrepresented by more than 4% in the live register. Studies have also shown that the participation in the labour market of migrants was reduced dramatically during the recession years, and that this has not been evenly distributed among nationality groupings. We incur a serious risk of long-term unemployment among certain communities due to the lack of tailored activation measures. MRCI recommends the development of tailored activation measures to curb long-term unemployment in migrant communities.

10. Engaging our second generation

The entry and integration of second-generation migrants into the labour market has become a topic of heated discussion in policy and academic circles. Increasingly, scholarship is giving more attention to the intergenerational transmission of disadvantage and the corresponding policy measures required to reduce it. The economic disadvantage experienced by migrant families has repercussions on a child’s acquisition of human capital in the educational system and later through the labour market.

The entry of Ireland’s second generation into the labour market is fast approaching. The educational system has been criticised for being disadvantageous to children of migrant families and will undoubtedly have an impact on their experiences in the labour market.

The entire education system from primary to third level needs a long-term strategy to measure the performance and acquisition of skills of migrant children. This must be accompanied by a corresponding strategy to facilitate entry into the labour market. MRCI recommends the implementation of the above strategies as a matter of urgency.

Selected bibliography

-
- Benton, Meghan, et al. (2014). *Aiming Higher: Policies to Get Immigrants into Middle-Skilled Work in Europe*. MPI.
 - Benton, Meghan, Susan Fratzke, and Madeleine Sumption. (2014). “Moving up or standing still?: access to middle-skilled work for newly arrived migrants in the European Union.”. MPI
 - Collins, M.L. (2015). ‘A Profile of Those on the Minimum Wage’ NERI Working Paper, 2015/ No. 27. Dublin. The Nevin Economic Research Institute.
 - Collins, M.L. (2015). ‘Earnings and Low Pay in the Republic of Ireland: a profile and some policy issues’ NERI Working Paper, 2015/ No. 29. Dublin. The Nevin Economic Research Institute
 - Central Statistics Office (2015). *QUARTERLY NATIONAL HOUSEHOLD SURVEY QUARTER 3 2015*. CSO Statistical Release.
 - European Migration Network (2015). *Annual Policy Report on Migration and Asylum 2014: Ireland*. Dublin
 - European Migration Network (2013). *Attracting Highly Qualified and Qualified Third-Country Nationals*. Dublin.
 - European Migration Network (2015). *Determining labour shortages and the need for labour migration in Ireland*. Dublin.
 - Eurostat (2008). *NACE Rev. 2: Statistical classification of economic activities in the European Community*. Eurostat Methodologies and Working Papers. Office for Official Publications of the European Communities. Luxembourg
 - Expert Group on Future Skills Needs, Forfás (2005). *Skills needs in the Irish economy: The role of migration*. Expert Group on Future Skills Needs and Forfás. Dublin.
 - Expert Group on Future Skills Needs (April 2015). *The Expert Group on Future Skills Needs Statement of Activity 2014*. Department of Jobs, Enterprise and Innovation. Dublin.
 - Kingston, Gillian; McGinnity, Frances; O’Connell, Philip J (2015). “Discrimination in the Labour Market: Nationality, Ethnicity and the Recession”. *Work, Employment and Society*, 29 (2), pp 213-232.
 - Liversage, A. (2009). *Finding a path: investigating the labour market trajectories of high-skilled immigrants in Denmark*. *Journal of Ethnic and Migration Studies*, 35(2), 203-226.
 - MRCI (2015). *All Work and Low Pay: The Experiences of Migrants working in Ireland*. Dublin
 - MRCI (2014). *Au Pairs in Ireland: Briefing Paper and Recommendations*. Dublin
 - MRCI (2015). *Childcare in the Domestic Work Sector: Who’s minding the children?* .Dublin.
 - MRCI (2014). *Ireland is Home: An analysis of the current situation of undocumented migrants in Ireland*. Dublin
 - MRCI (2015). *Migrant Workers in the Home Care Sector: Preparing for the Elder Boom in Ireland*. Dublin
 - OECD (2015). *International Migration Outlook 2015*. OECD Publishing. Paris.
 - OECD (2015). *OECD Economic Surveys: Ireland 2015*. OECD Publishing. Paris.
 - OECD and European Union (2014). *Matching Economic Migration with Labour Market Needs*. OECD Publishing

List of acronyms used

CSO	Central Statistics Office
DJE	Department of Justice and Equality
DJEI	Department of Jobs, Enterprise and Innovation
EEA	European Economic Area
EU	European Union
ICTU	Irish Congress of Trade Unions
ICOS	Irish Council for Overseas Students
GNIB	Garda National Immigration Bureau
EGFSN	Expert Group on Future Skills Needs
ESRI	Economic and Social Research Institute
QNHS	Quarterly National Household Survey
SLMRU	Skills and Labour Market Research Unit
MPI	Migration Policy Institute
MRCI	Migrant Rights Centre Ireland
PPSN	Personal Public Service Number
OECD	Organisation for Economic Cooperation and Development





Workers on the Move:

Past Lessons and Future Perspectives on Ireland's Labour Migration

