

Employment Permits Bill

12th October 2005

Liz O'Donnell T.D. Dáil Éireann Employment Permits Bill 2005 Second Stage

Ceann Comhairle, this is one of two Bills before the Dáil this week from the Department of Trade, Enterprise and Employment, and this is significant. Both Bills reflect our changing society, specifically in terms of our working lives. The Parental Leave Bill responds to the pressure on today's working families- and ways to achieve work/life balance. This Employment Permits Bill is a response to our dynamic society, population and workforce.

Employment is central to our growth. Sustaining employment is a central plank of government policy. It follows that employment rights and the permits must be tailor-made to suit government policy. People were appalled at claims that a Filipino was hired to work on a ship for just over €1 an hour, and that Turkish workers had money belonging to them paid into Dutch bank accounts without their knowledge.

So this Bill will protect workers- all workers- particularly vulnerable migrant workers, many of whom live under the radar of media, but who are essential for our sustained economic growth.

Perhaps the biggest social change in the last ten years is the virtual eradication of unemployment and its companion, mass emigration. Since 1997, the number at work has increased by over 450,000 to a total of almost 2 million. Unemployment has been reduced from 11% to 4.2% (virtually full employment) and long-term unemployment has been reduced from 6% to 1.4%. The reality behind this is an enormous reduction in poverty. A recent ESRI report shows that the poverty rate in Ireland dropped from 17.45 in 1994 to 4.7% in 2001 and that the major factor driving this reduction was the growth in employment. We have turned from mass emigration to net inward migration.

For centuries, our island provided cheap labour and goods for Britain. Even after independence was achieved, significant emigration continued over the decades. Irish people made their homes in the world's strongest economies - in Britain, the US and other English speaking countries.

Today, we are one of the world's strongest economies, and understandably are a destination for immigrants to come and make their homes and new lives. Moving from this monocultural homogeneity to a multi-cultural context has been a challenge.

Our society has had to adjust. And we are still adjusting. We have moved from a fearful hesitancy of newcomers to welcome recognition of the benefits in terms of labour and cultural diversity.

Sure there are some who fear change. But they fail to recognise the value and positive influence of cultural and racial change. They are obviously blind to the fact that as an economy, we need migrant workers to sustain the prosperity that is fuelling everything else in modern Ireland- services, infrastructure, and individual prosperity for citizens.

The ESRI and others have pointed out the need for migrant labour to meet the workforce demand of our buoyant economy. The percentage of firms reporting vacancies increased during the first three months of 2005 reaching 10 per cent in March.

If we continue our pro-enterprise policies, strong economic growth will continue for the foreseeable future. Economic growth as measured by real GDP is forecast to grow by 5.7 per cent in 2005 and by 5 percent in 2006.

Much of this growth, of course, depends on the contribution of migrant workers. While EU nationals, nationals of the European Economic Area and Swiss nationals require no visa or permit to live and work in Ireland, other must seek such permissions.

The 2003 Employment Permits Bill provided for these procedures, and the vast majority of non-EU / EEA migrant workers enter Ireland on employment permits. Under that system, it is the employer, not the would-be employee that applies for the permit. This was motivated by a desire to control the labour market and linked economic migration to labour force needs.

- Sadly we have had widespread abuse of that system reported.
- Agencies that provide workers with fake permits for non-existent jobs.
- Workers forced into indentured labour- signing away future earnings. This may even happen before they have left their own country.
- Workers may receive less than the promised wage. Less than the minimum wage. Illegal deductions from salaries.

A large part of the problem, according to the Immigrant Council, is that the employer effectively controls the employment permit. The worker is not fully free to sell his or her labour in the marketplace, and may feel intimidated from making any complaints about such grievances, and / or exploitation.

Quite apart from the reported abuses, the current restrictive and cautious immigration system reflects an earlier period when the country attracted few immigrants. We know that the situation has changed utterly in recent years. While the system has been commended for being flexible, it does not do enough to protect workers and their families, and has become burdensome and overly bureaucratic for employers.

The difficulty appears to be who controls the permit, how best to protect the rights and entitlements of workers.

This Bill means that employment permits will in future issue to the employee, and that the permit will state certain rights and entitlements of the worker concerned. The Act bans the practice of deducting money related to recruitment from earnings. It will also prohibit employers retaining a worker's personal documents.

This Government wants to ensure effective monitoring of the working conditions of all persons with work visas. Enforcement is key. The Labour Inspectorate of the Department of Enterprise, Trade and Employment is responsible for monitoring employment conditions for all categories of workers in Ireland.

We need plenty of inspectors, well resourced to pursue allegations of worker mistreatment and, when evidence of non-compliance is found, to take action. In this regard, I welcome the agreement to recruit an additional ten Labour Inspectors to the Labour Inspectorate, plus a manager.

This will strengthen capacity to ensure that workers are protected, and should also act as a preventative measure.

I note the Department has produced a series of information leaflets, in nine languages, about employment rights legislation in Ireland. This is good. The languages covered are Chinese, Czech, Hungarian, Latvian, Lithuanian, Polish, Brazilian-Portuguese, Romanian, and Russian - reflecting the diversity of the modern workforce. I assume these will be updated to take account of new legislation.

Ceann Comhairle, debate on a Bill like this inevitably raises issues of global migration and the challenges posed to the rich countries of the north. With the enlargement of the EU to the east, it was presumed that most of our labour force needs would be met from that source. Not so. We still need non-EU migrants. Labour constraints persist in the services, catering and hospitality industries for example. The levels of poverty and lack of opportunity in Africa and other regions make mass economic migration from these areas, predictable and understandable in light of our own story.

Many in developed countries bemoan and even resent inward migration. But for me, it is part of the human condition. Perhaps the most compelling human instinct, apart from procreation, is the human instinct to make a better life for one's family when there is no opportunity at home.

So, when we discuss the welfare and rights of migrant workers it is too easy to forget the families and communities they leave behind, as so many of our own people have done for generations. Therefore, as we put in place protections for our 'migrant workers', we must aim our foreign policy work towards a fairer world order; including the prevention of population displacement and refugee flows. This will be done by way of enlightened foreign policy and development cooperation.

Our current model of aid is widely acclaimed, helping to build sustainable economic development in poor countries. We focus on the poorest of the poor in the poorest regions of the world. Wars, chronic poverty, and lack of opportunity produce mass movements of people seeking refuge and economic opportunity.

Refugees have separate protection under our domestic legislation and under the Geneva Convention. Sadly in Ireland, migrants and refugees have become interchangeable and blurred terms. Many refugees are indeed economic migrants and because our system was un-evolved for economic migration, the asylum system has been swamped and abused by those seeking a better life.

A modern, progressive migration system is well overdue and must be separate in process and policy from asylum. We have been playing catch-up but it is now beginning to take shape. As it does we must see around corners, and put in place measures to integrate and

make welcome the new arrivals. This doesn't happen by chance; it is a function of Government policy.

Because we are starting late compared to the rest of Europe, we can have the benefit of others hindsight. We have a small population by any standard although our population has risen above 4 million for the first time since 1871. Our birth-rate is above the EU average and our inward migration is steady and healthy given our needs.

This demographic change poses challenges in housing, education and health. Right across all Departments, wise people should be planning for the best outcomes. In terms of integration many, indeed most, will become Irish citizens. My view is that we should emulate the US rather than the UK in terms of integration. These newcomers must in time feel proud to be Irish, although also proud of their own former countries. Integration need not mean absorption and abandonment of their culture. But their allegiance must be to Ireland; I would not like to see large ethnic groups living in a parallel world within Ireland.

We have seen the dangers pose by fundamentalist Islam in the United Kingdom. We must be vigilant in this regard, and avoid the ghetto-isation of ethnic and religious groups, where grievance and disconnectedness with Ireland and our institutions can ferment.

Irish Americans and other ethnic groups in the US are first and foremost Americans, swearing allegiance to that great country, yet never relinquishing their ethnic identity and race memory. I want the new Irish to cleave to our nation - to enjoy the benefits or our new prosperity and opportunity. This outcome must be offered and planned for.

Now.