Migration Policy

Overview

Immigration is a new experience for Ireland. In a short space of time, the proportion of non-nationals in the population has reached the level found in other advanced countries. The effects of migration have been broadly positive. It has increased economic activity, enhanced skills and widened the range of services available. To date, there has not been much evidence of the negative effects to which migration can give rise. However, the exploitation of some migrants is a real problem and migration can create a range of other anxieties. Indeed, experience of other countries shows that positive short-term effects are no guarantee that migration will work out well in the long run. To make a success of migration Ireland must connect the elements of its migration policy more closely and factor the integration of migrants more fully into mainstream policies.
Key Facts

Migration: the Numbers

Since 1987, there has been a fivefold rise in inward migration to Ireland and around 80,000 people now migrate to Ireland annually.

The 2006 Census suggests that there are now around 400,000 non-Irish nationals in the Republic, which represents 9.4 per cent of the total population. Information on the composition of this population must await subsequent publication of the 2006 census.

An indication of the composition of the non-Irish population aged 15 and over is shown in the accompanying pie-chart. Around 30 per cent are estimated to be from the new member states that joined the EU in 2004, often referred to as the EU 10. It is striking that the estimated number of immigrants from the new member states is two and a half times the number from the rest of the EU (excluding the UK). The speed and scale of the response by nationals of the new member states to opportunities in Ireland’s economy have been remarkable.

Channels of Legal Migration

- **Total Migration**
  - **Employment-based**
    - Work Permits
    - Work Visas/Authorisation
    - Business Permits
    - Working Holiday Visas
  - **Not Employment-based**
    - Students
    - New Asylum Applications
    - Dependents
Channels of Entry
In understanding migration to Ireland, it is crucial to distinguish between people from the European Economic Area (EEA) and other nationals. Nationals of EEA countries, as long as they can prove that they are economically self-sufficient, have unrestricted access to Ireland for employment and other purposes such as study. Existing data shows that EEA nationals now constitute the bulk, around 85 per cent, of inward migration to Ireland. For those outside the EEA, entry to Ireland is regulated through a number of channels as shown in the figure opposite.

Work permits are the main legal route of entry to employment for non-EEA nationals. They grant permission for a named employer to employ a named individual in a specified position. The number of work permits increased dramatically from the mid-1990s, peaking in 2003. With the enlargement of the EU, a more restrictive approach to work permits has been adopted and their significance has declined. The number of new applications by people seeking asylum in Ireland increased sharply over the mid-1990s and peaked in 2002. Since then there has been a substantial fall in applications. Family reunification is becoming an increasingly important channel of entry for non-EEA migrants although there are no published data on the numbers being admitted.

Economic Impact
The vast majority of migrants in Ireland are involved in the economy. CSO data suggest that almost 73 per cent of people aged over 15 not having Irish nationality are in the labour force.

Research suggests that from 1993 to 2003, migration increased both the overall size of the economy (total GNP) and average living standards (GNP per head). Many migrants had education and skills. Their arrival improved competitiveness, increased employment and boosted GNP. This led, in turn, to an increase in low-skilled employment and lower unemployment. It also helped to moderate the gap between the earnings of high-skilled and low-skilled workers.

In the buoyant economic conditions that have prevailed, large-scale migration has coincided with significant growth in earnings across the Irish economy. The average increase in hourly earnings was 6.4 per cent in 2004 and 5.8 per cent in 2005 (ESRI estimates). Strong earnings growth appears to have continued in recent years across most sectors, including those that have attracted considerable migration such as hotels and catering.

Large-scale migration has also coincided with continued low unemployment. Participation in the workforce has been rising—including among those with low levels of formal education—and employment of Irish people has shown continued strong growth in the economy as a whole and across most sectors. One exception to these trends is that surveys of school leavers one year after leaving school show an increase in unemployment. On balance the evidence suggests that there has not been significant displacement of Irish people.

The Migrants’ Experience
Many migrants work in jobs that do not reflect their level of education. In this respect, there are parallels between Ireland’s experience of emigration in the 1980s and immigration to Ireland today.

There is evidence that the employment of migrant workers has, in many instances, not conformed to the labour standards which Irish society considers acceptable. In some instances, exploitation may begin before the migrant arrives in Ireland and be continued by agencies located outside Ireland. Migrants may be pressured to sign away part of their future earnings before leaving home and to pay exorbitant fees for the cost of the journey. The extent of exploitation of migrants is not known.

Illegal Migration and Undocumented Status
Internationally, the pressures on irregular migration have continued to grow in recent years. Illegal or irregular migration is undoubtedly present in Ireland and other countries. The view of the IOM consultants is that illegal work is likely to be more pervasive than illegal entry. People may enter legally but subsequently acquire irregular status by, for

1 The EEA consists of the EU plus Norway, Iceland and Lichtenstein. Switzerland is not part of the EEA but Swiss nationals have the same access rights as EEA nationals. References in the text to EEA nationals should be understood to include Switzerland.
example, continuing beyond the period of their work permit or student visa. The extent of irregular migration is unknown.

In recent years, Ireland has passed a number of laws aimed at combating illegal immigration. The lack of hard data or any systematic evidence makes it difficult to assess the extent to which Ireland’s current immigration and employment laws are actually enforced.

Demographic Effect
Migration is one of the main factors shaping Ireland’s demographic trajectory. In the past decade, over half of the growth of population was due to migration. Over the next decade, the CSO projects an increase in the population of between 437,000 and 686,000. Immigration could contribute from 150,000 to 300,000 of this.

Migration, Culture and Identity
Migration can have significant effects on culture, identity and social interaction. Large-scale migration to Ireland is too recent to discern effects on national identity and social cohesion. International experience suggests that successful integration is most likely where there is economic growth and widespread employment opportunities. Positive social effects are more likely where the host population has a confident attitude to globalisation and the future, and where there is social interaction between migrants and the native population. Public policy also has a role, governing migration in a clear and transparent way, adapting services and combating racism.

Uncertainties
Although we know a lot about recent migration, we remain uncertain about some of the facts, many of its economic and social effects and its future scale:

- We do not know how much migration is temporary, nor the long-term pattern of migration to Ireland from an enlarged EU.
- We do not know how effectively migrants will progress to jobs that reflect their education.
- We remain uncertain about the impact of migration on the distribution of wages in recent years.
- Both the scale of irregular migration and the incidence of exploitation of migrants remain uncertain.

Consequently, we remain uncertain about the effect of migration on Ireland’s long-run growth and prosperity.

‘However difficult it might be to accept a large number of poorer countries into the EU, the enlargement of 2004 was unavoidable on moral, political and economic grounds.’

LEARNING FROM IRISH EMIGRATION IN THE 1980S

In 1991, a Council study explored the economic and social implications of emigration from Ireland in the 1980s. It found that, unlike previously, those who left in the 1980s were predominantly skilled, with most leaving after a substantial period in the Irish labour force. Despite this, a large number ended up migrating to jobs significantly below their potential. It is now recognised that such ‘occupational underachievement’ entails several losses: for the migrants themselves, the host economy and the sending country. It also raises the prospect that weaker members of the host-society’s workforce may be ‘bumped down’ or out of the labour force.

The study also established that some 15 per cent of those who emigrated were highly vulnerable. They tended to be young males from urban areas with low educational attainment who emigrated with little preparation and quickly found themselves in difficulty. Homelessness, alcoholism and conflict with the law were the most visible signs of failed integration.

Applying the Lessons
The Irish authorities should inform governments, public bodies and NGOs of the sending countries about the lessons learnt from the Irish experience. Intending migrants should be informed of the requirements for success in Ireland’s labour market. It should be ensured that migrants receive their full entitlements in Ireland, with additional support from their home countries.

The 1991 study also recognised that high levels of emigration by skilled people, without return, would be a major long-term loss to the Irish economy. This may also be the case for countries in Central and Eastern Europe who are experiencing similar significant out-migration of skilled workers and graduates.
Core Insights

1. Pressure for migration—legal and illegal—is an unavoidable feature of the emerging world order to which all societies and states must respond.

International migration has emerged as a key feature of the current period of globalisation. Changes in geo-politics increased migration in the past two decades. Although it is difficult to predict aggregate trends, immigration to Europe from Africa looks set to increase and overall levels of migration are likely to continue at a high level.

2. The enlargement of the EU was a moral, political and economic imperative.

A remarkable feature of the EU—of major historical significance to Ireland—is its willingness to extend membership to an increasing number of European states and peoples.

The collapse of the Soviet Union in 1989 confronted both the newly-freed countries of Central and Eastern Europe and the European Union with new opportunities and new risks. The peoples of Central and Eastern Europe saw membership of the Union as necessary to secure their democracy, political stability and prosperity. However difficult it might be to accept a large number of poorer countries into the EU, the enlargement of 2004 was unavoidable on moral, political and economic grounds.

The countries of Central and Eastern Europe are unusual in that their levels of education are much higher than in countries at comparable income levels. Because of our booming economy and decision to open our labour market in 2004, Ireland attracted a disproportionate share of this mobile, relatively educated, workforce.

3. Migration can enhance economic and social progress and prosperity, but this is not inevitable.

Migration can have a profound effect on a country’s progress. It can increase the scale of economic and business activity and stimulate innovation through skills, creativity and diversity. Skilled migrants play an important role in delivering improved public services, upgrading infrastructure and augmenting the pool of researchers. Migrants who undertake low-skilled work can contribute to releasing people for higher-skilled work.

However, these positive effects are not inevitable. Migration is most likely to enhance Ireland’s economic and social development when it:

- supports an upgrading of the economy, skills and work;
- is characterised by mobility and integration, rather than segmented labour markets and social separation;
- is combined with enhancement of social participation and protection; and
- is associated with a narrowing of income distribution.

Conversely, the Council believes that migration is unlikely to contribute to Ireland’s economic and social strategy if it is driven by demand for labour at low levels of wages and conditions, or if migrants are confined to low-skilled, traded, sectors that are highly cost-sensitive. These are among the conditions in which migration is likely to actually lower GNP per head in Ireland and widen inequality in incomes.

4. Integration of migrants is one of the main factors determining the overall success or failure of migration.

While many countries have used migrant labour to meet labour shortages, few European countries have achieved successful long-term integration into economic, social, cultural and political life. This is especially the case with low-skilled migrants or those perceived to be very different.

International experience shows that where migrants are denied access to work, or where they are segmented to particular (often vulnerable) sectors, they can fail to integrate, with negative consequences for both themselves and the host society in the long term. In past decades, Germany and the Netherlands used migration of low-skilled workers to fill vacancies, but were anxious to minimise the effect on relatively low-earning natives. The very policies adopted to achieve this, and other aspects of their approach to migration, meant
that migrants were poorly integrated into the economy and society and eventually became marginalised.

5. Labour market effects of migration are similar to free trade.
There is similarity between the labour market effects of migration and of free trade. Both bring new workers into competition with Irish workers. The economic and labour market effects of Ireland’s dramatic recent experience of migration are modest in comparison to the extension of free trade experienced over the past four decades.

6. Migration has the potential to undermine the rule of law.
It can weaken the ability of the state institutions to define, control and monitor who resides in Ireland. It can create situations in which some people are vulnerable to exploitation. It can weaken trust in the ability of public institutions to ensure the rule of law, which tends to become a self-fulfilling prophesy.

Basic Policy Orientations

1. Ireland needs to clarify its approach to migration, focusing simultaneously on three broad goals.

- Economic and social development;
- The rule of law; and
- Integration.

These broad goals might support—and, in turn, be supported by—over-arching principles and ideals.

First, policies for migration should promote the achievement of a successful society in Ireland. NESC’s idea of a successful society is summarised in the box below.

Second, migration and migration-related activity should enhance and not erode the rule of law. This requires that government define legal channels for those allowed to come to Ireland and define the terms on which some of them become citizens. It requires that government, acting with others, devise information systems and policies to minimise irregular migration, prevent undocumented status and combat migration-related crime. Public institutions must provide individuals and organisations with protection against these risks.

Third, people coming to Ireland, to settle for a short period, should be appropriately integrated into Irish society. We discuss the integration challenge below.

2. ‘Migration Policy’ should be defined broadly.
Ireland’s ‘migration policy’ should not focus only on the channels of entry and eligibility for services. Making a success of migration also depends on labour market policies, labour standards, social policies, measures to ensure the integration of migrants and quality public administration (see below). In many respects, migration increases the need to address existing policy challenges more than it creates entirely new ones.
3. We urgently require a ‘whole-of-government’ approach to migration.

The three goals of migration policy, outlined above, are interdependent and all departments must take some responsibility for each of them. This challenges Ireland’s public policy system to:

- Build a widely-shared understanding of the role of migration in Ireland’s long-term economic and social development;
- Achieve a whole-of-government approach to a range of cross-cutting issues;
- Ensure that the integration agenda is mainstreamed in the service-delivery departments; and
- Create information systems which support these objectives.

The Council recommends that government now create institutional arrangements to achieve these tasks.

4. Control of standards is more effective than control of entry.

There is a fear that immigration will undermine a range of standards within the domestic economy and society. It is useful to distinguish between the risk that individual migrants will be treated badly and the possibility of a dynamic process that undermines standards across the Irish economy or society.

International experience suggests that the maintenance and enhancement of standards within the economy and society is a more effective way of preventing such a negative dynamic than seeking to prevent the arrival of migrants themselves. It does this, in part, by reducing demand for labour at unacceptably low levels of wages or conditions, and reduced demand will tend to reduce supply. This means that legal, administrative and other means for setting and monitoring standards should be included in a comprehensive migration policy for Ireland.
Four Elements of Migration Policy

Within the basic policy orientations outlined above, NESC sees four key elements of migration policy.

1. Policy on EU Migration and Enlargement

As a member of the EU, Ireland is committed to free movement within the Union and Community Preference regarding employment. The Council endorses this approach.

The EU’s newest members are Romania and Bulgaria. Living standards in both countries are well below those of current member states. Clearly this poses a challenge, for the Union as a whole and for each member state. Notwithstanding the requirements of free movement, Ireland has the right to apply transitional arrangements, which may restrict the access of Romanians and Bulgarians to the Irish labour market for a number of years. In deciding on this matter, a number of factors should be taken into account:

- Prevailing conditions in the Irish labour market;
- The economic benefits and political capital that accrued to Ireland from the decision not to impose restrictions in 2004; and
- Transitional arrangements may have more impact on the composition of migration than its total level.

The Council recommends that the social partners should be consulted in advance of the Government decision on this issue.

2. Policy on Migration from Outside the EU

The Council welcomes the Government’s proposed introduction of an Irish ‘green card’ for high-skilled workers, with the right to be accompanied immediately by a spouse and the prospect of permanent residence after two years.

The Council supports current Government policy, articulated since EU enlargement in 2004—that low-skilled workers should be sourced from within the EU. In light of this it welcomes the reduction in the number of new work permits being issued. However, despite this policy shift, low-skilled migration from outside the EU is likely to continue, with family reunification representing the primary channel of entry.

The Council believes that the active recruitment of low-skilled migrants from outside the EU should be limited and that it should take place through high-quality programmes. Recruitment of migrants for low-skilled, low-paying, cost-sensitive and vulnerable sectors should be avoided. NESC recommends that migrants engaged in low-skilled work should, on certain conditions, have the opportunity for education and training.

The attraction of students from outside the EEA must be consistent with a well-articulated international education policy. NESC welcomes the move to restrict the right to work to students who are completing full-time courses of at least one year’s duration that lead to a recognised qualification. However, these new measures do not appear to be effective. The Council is concerned that, up to now, student visas and work permits have not been coordinated.

Family reunification is potentially the largest source of migration to Ireland from outside the EU. There are anomalies and inequities in the ease with which people legally resident in Ireland can be joined by family members who are non-EEA nationals. The Council urges further discussion and development of policy in this area.

3. Labour Standards and Labour Market Policy

Core labour standards and employment rights are integral to the Council’s unified view of economic and social development. Framed correctly, legally-binding labour standards are not a burden, but are supportive of economic success and business performance. While the creation of employment across the skill spectrum is a genuine part of Ireland’s economic and social progress, jobs that are reliant on low standards are not.
The labour issues thrown up by migration and globalisation can put employers and unions in uncharted territory. National social partnership can be a critical support in finding a constructive approach. Experience shows that partnership with government helps the partners to demonstrate that their actions serve not only their legitimate self-interest, but also wider social objectives.

The new social partnership agreement, Towards 2016, contains a commitment to build a ‘new compliance regime’. The Council endorses this approach.

A central argument of this report is that labour market policy, in key areas, is one of the most important policy responses to migration. The success or failure of migration depends on how well the labour market works for both migrants and Irish citizens. Migration increases the urgency of raising the productivity of people at work and raising the share of the population in employment. There is a danger that the ready availability of migrants could reduce pressure to raise the skills of the resident population and tackle the obstacles to the participation of Ireland’s most marginalised citizens, including those seeking to move from welfare to work.

4. Integration Policy and the Adaptation of Social Policy

One of our core findings is that integration of migrants is one of the main factors determining the overall success or failure of migration. Ireland’s relatively successful early experience of migration does not guarantee that migrants will integrate sufficiently into Irish society or the Irish economy.

In its report for NESC, the International Organization for Migration says ‘Ultimately, for integration to succeed migrants will have to be seen as potential assets and not as charitable works or temporary aids to facilitate labour adjustment. This will require going beyond the NPAR’s asylum-inspired approach. Anti-racism measures can, at best, produce tolerance, which is undeniably important. But such measures are unlikely to produce integration, which cannot be achieved or compelled through sanctions. For integration to occur, support will need to be built on a widely shared vision of how integration might contribute to a dynamic secure and socially-cohesive Irish future. The creation of such a vision would provide the basis for stakeholder alliances and would permit the development of coherent plans. In the absence of such a vision, policy will remain fragmented and integration will be impaired’.

What do we mean by integration? At a minimum, social and economic integration requires that immigrants:

- Be able to communicate well in the language of the host community;
- Be economically independent and able to find work commensurate with their abilities and qualifications;
- Have access to critical services — housing, transportation, health and education;
- Obey the law, respect democratic institutions, pay taxes and participate in the political process; and
- Seek to develop an empathy with the society they are joining.

While government must play a leading role, successful integration hinges on a vibrant civil society. The main approach to integration should be adaptation of mainstream policies and services, rather than the creation of separate services for migrant groups. Language competency should be a cornerstone of integration policy.

Migration poses two challenges to social policy: increased scale and more diversity. These differ in each service area—education, health, housing, social welfare, policing and justice. As shown in the table overleaf, each sector must identify the importance of increased scale and greater diversity. There are some issues that arise in all areas. These include improving the collection and use of data, enhancing the ability of staff to deal with a diversity of users, understanding the particular vulnerabilities of migrant women in the migration-integration process and providing the public with better information on service entitlements and standards.
Conclusion

Ireland’s transition from a history of emigration to being a country of strong immigration marks an important threshold in its long-term economic and social development. Our conviction that a century and a half of net emigration weakened the country’s progress, suggests that immigration can play a role in building a successful society in Ireland. But international experience shows that this is not inevitable. To make a success of immigration requires effective government policies, a negotiated international order such as the EU, innovative firms and civic associations, an open culture and, most of all, a shared understanding that migration can contribute to a prosperous and inclusive Ireland.

Adapting Social Policy to Migration

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What is the International Organization for Migration?

The Geneva-based, International Organization for Migration (IOM) was established in 1951 and is the principal intergovernmental organisation in the field of migration. Its mandate is to help ensure the orderly flow of international migrants, promote international co-operation on migration issues, aid in the search for practical solutions to migration problems, and contribute to international solidarity by providing humanitarian assistance to people in need. It has conducted applied research for governments, UN agencies and the European Union on a wide-range of subjects related to migration. For further information see www.iom.int

In 2002, it carried out a study—International Comparative Study of Migration Legislation and Practice—for the Department of Justice, Equality and Law Reform. In 2004, NESC asked it to study the economic and social aspects of migration to Ireland. In carrying out this study, the IOM engaged the services of the Chair of the University of California’s Comparative Immigration and Integration Programme (Professor Philip L. Martin), the senior labour market economist at Oxford University’s Centre on Migration, Policy and Society (Dr. Martin Ruhs), the former Director-General in the Canadian Department of Citizenship and Immigration (Mr. Meyer Burstein) and an Irish researcher on social policy (Dr. Pauline Conroy). It also organised two policy workshops in Dublin in April 2005 to hear the views of those most profoundly interested in, and affected by, immigration.
The IOM Perspective

Some Key Issues for Policy Makers identified by IOM

1. A statement of strategic goals?
The question facing Ireland is no longer whether to accept migration, but rather how to manage migration more effectively to enhance the positive while minimizing the negative. The Irish government should develop an explicit policy statement that provides guidance for employers, unions and civil society regarding Ireland’s overall approach to immigration. The government should lead a balanced and informed public debate about the reasons for migration, and explain how it will manage the costs and benefits of migration.

2. Who will manage migration?
There is currently no clearly defined lead agency to develop migration policy and coordinate efforts to manage migration within government. Given the recent fall in the number of asylum seekers, the government has an opportunity to shift resources to the migration sector, without necessarily increasing government expenditures. In order to promote greater policy coherence, mechanisms should be established to promote greater inter-departmental committee coordination. Consideration should be given to the establishment of an inter-departmental entity within the government.

3. Temporary or permanent migration?
Ireland is still considering to what extent today’s migrants are to be considered as temporary workers or immigrants who are expected to settle.

Ireland could develop an immigrant status that entitles selected migrants to long-term working and residence rights in Ireland. Such a measure could help Ireland to become a more attractive destination for highly-skilled workers.

4. How to foster integration?
There already exists a latent capacity to mobilize support for integration in Ireland. This capacity will need to be nurtured as the capacity of the NGO sector to provide services is still relatively weak. If Ireland’s integration programmes are expanded, they should include all categories of immigrants. For integration to succeed, governments, unions, employers, and NGOs will need to work together to develop an effective partnership. The capacity of local government agencies, unions and NGOs to plan, organize and deliver integration services will need to be enlarged.

Integration of migrants into the host society is likely to be a key determinant of whether migration will be a success or failure in Ireland in the future.

5. How to manage the benefits of migration for all?
Although there is little evidence that immigration is significantly lowering wages or raising unemployment for local workers, the potential for immigration to generate adverse labour market impacts is likely to increase significantly during an economic downturn. Better enforcement of employment laws for all workers is likely to ensure that migrants do not undercut natives by accepting lower wages and worse working conditions. Such measures will benefit both migrants and local workers. Sanctions must be enforced more effectively against employers who illegally employ migrant workers or exploit workers with work permits or students in employment, to protect all migrant workers and prevent the growth of irregular migration.

Concluding Remarks
Ireland has largely benefited from immigration in recent years. The extent to which Ireland will continue to benefit from immigration will depend on a broad range of factors, including economic conditions and the socio-economic profile of migrants. Much will also depend on policy and how migration is managed. Properly managed, migration can sustain Ireland’s economic growth and generate many other benefits. Immigration coupled with successful integration strategies is likely to make Irish society more tolerant and, ultimately, more resilient and adaptive.
Recent NESC Reports

Report No. 116, 2006
Managing Migration in Ireland: A Social and Economic Analysis

Report No. 115, 2006
Migration Policy

Report No. 114, 2005
NESC Strategy 2006: People, Productivity and Purpose

Report No. 113, 2005
The Developmental Welfare State

Report No. 112, 2004
Housing in Ireland: Performance and Policy

Reports are available at a cost €15 (€5 for students) with additional P&P costs. They may be obtained from:

National Economic and Social Council,
16 Parnell Square, Dublin 1
or
the Government Publications Sales Office,
Sun Alliance House, Molesworth Street, Dublin 2

Reports are also downloadable from www.nesc.ie

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