

Migration and the Irish Labour Market

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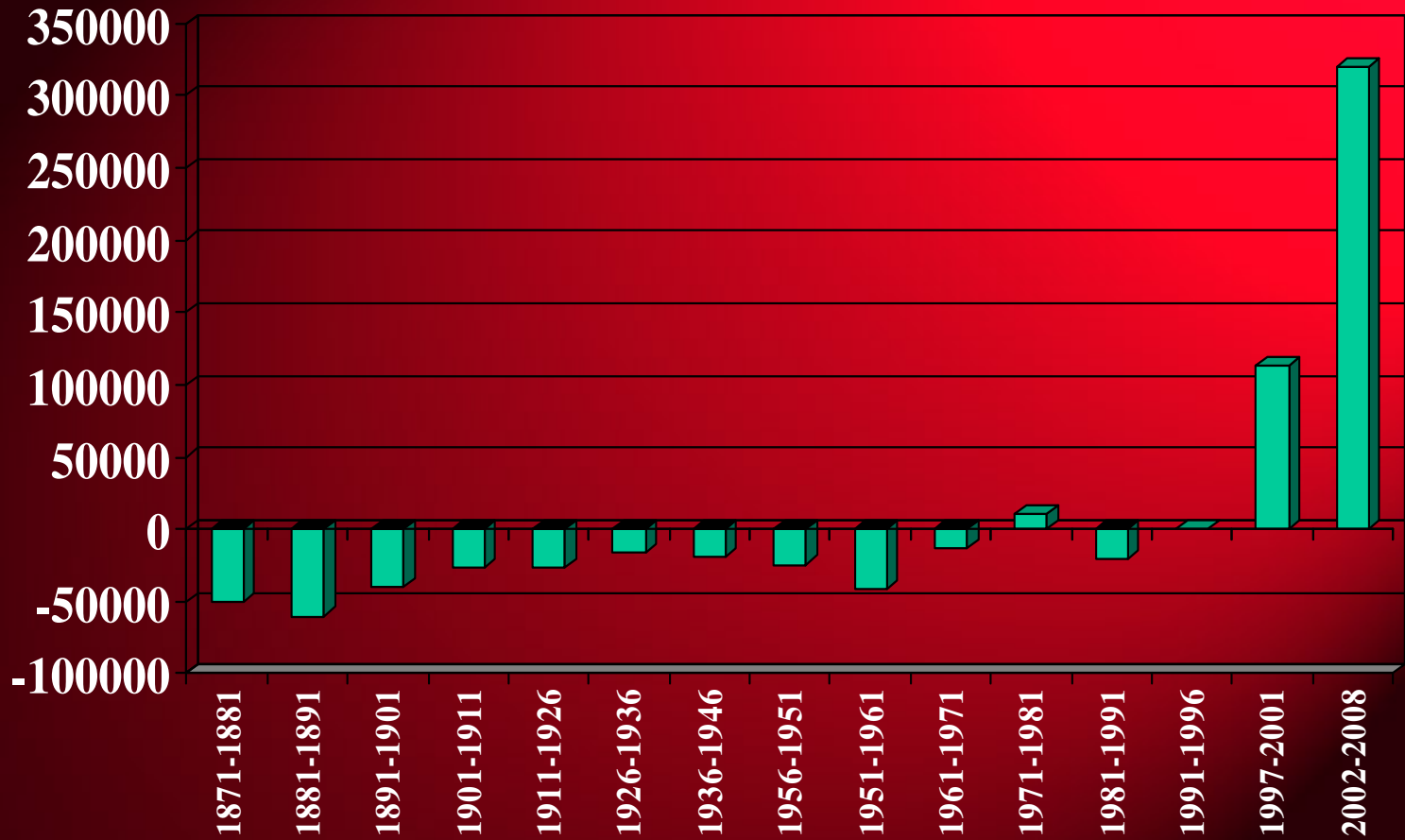
Economist

FAS

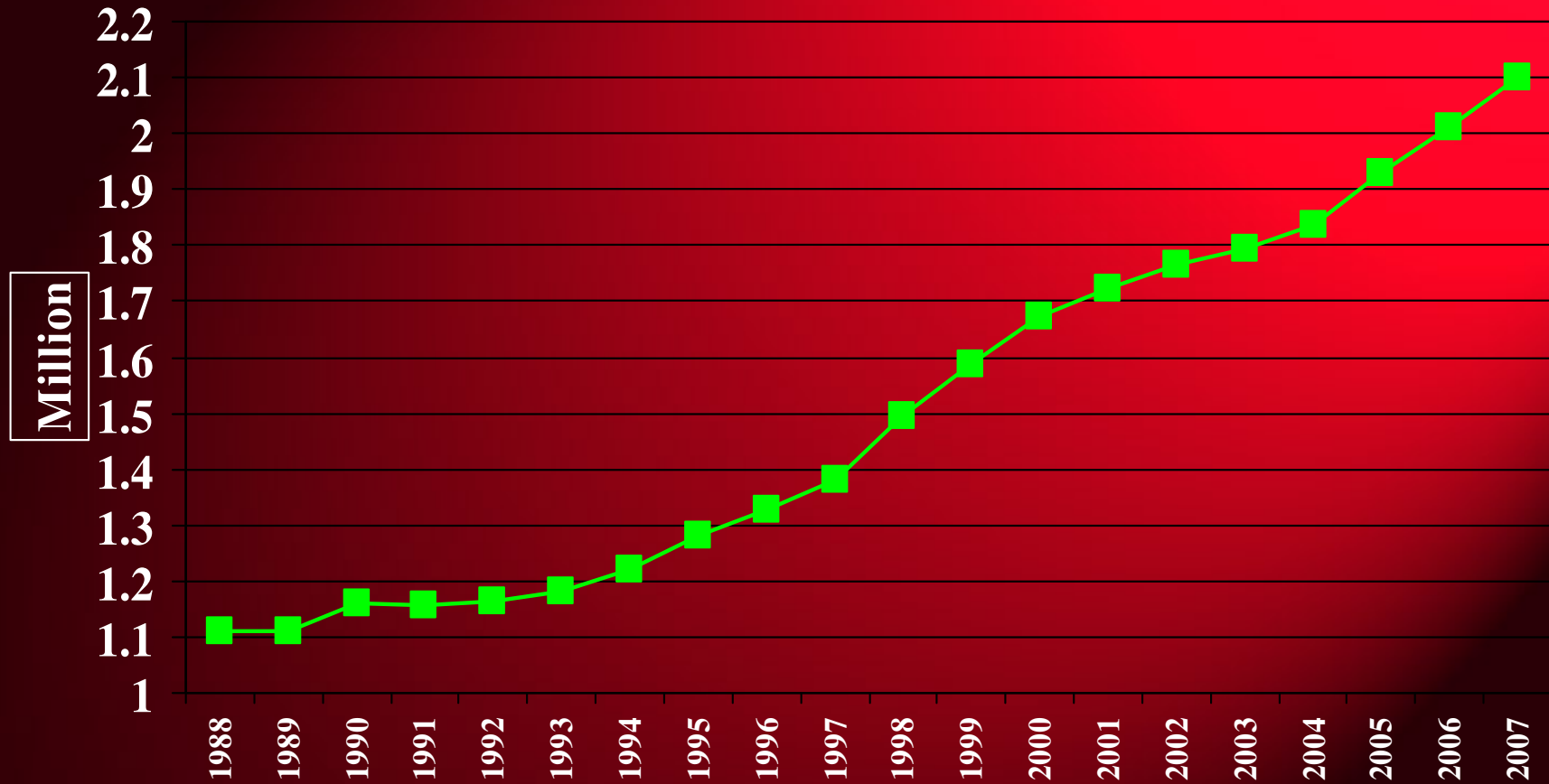
Overview

- Overview of Migration/Labour Market History
- Current Migration Policy
- Identifying Skills Shortages
- Current Challenges

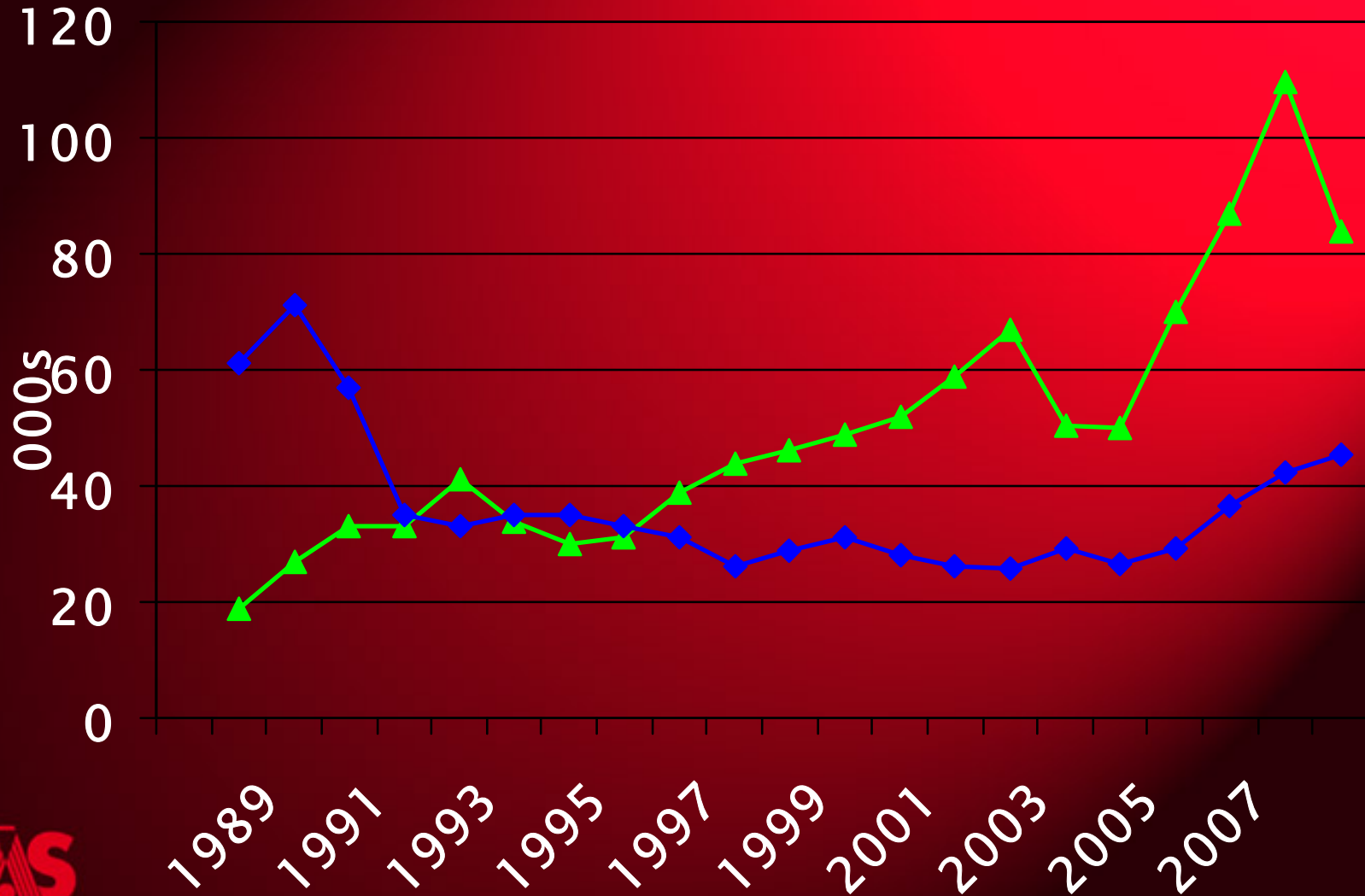
The Irish Experience



Irish Employment 1988-2007



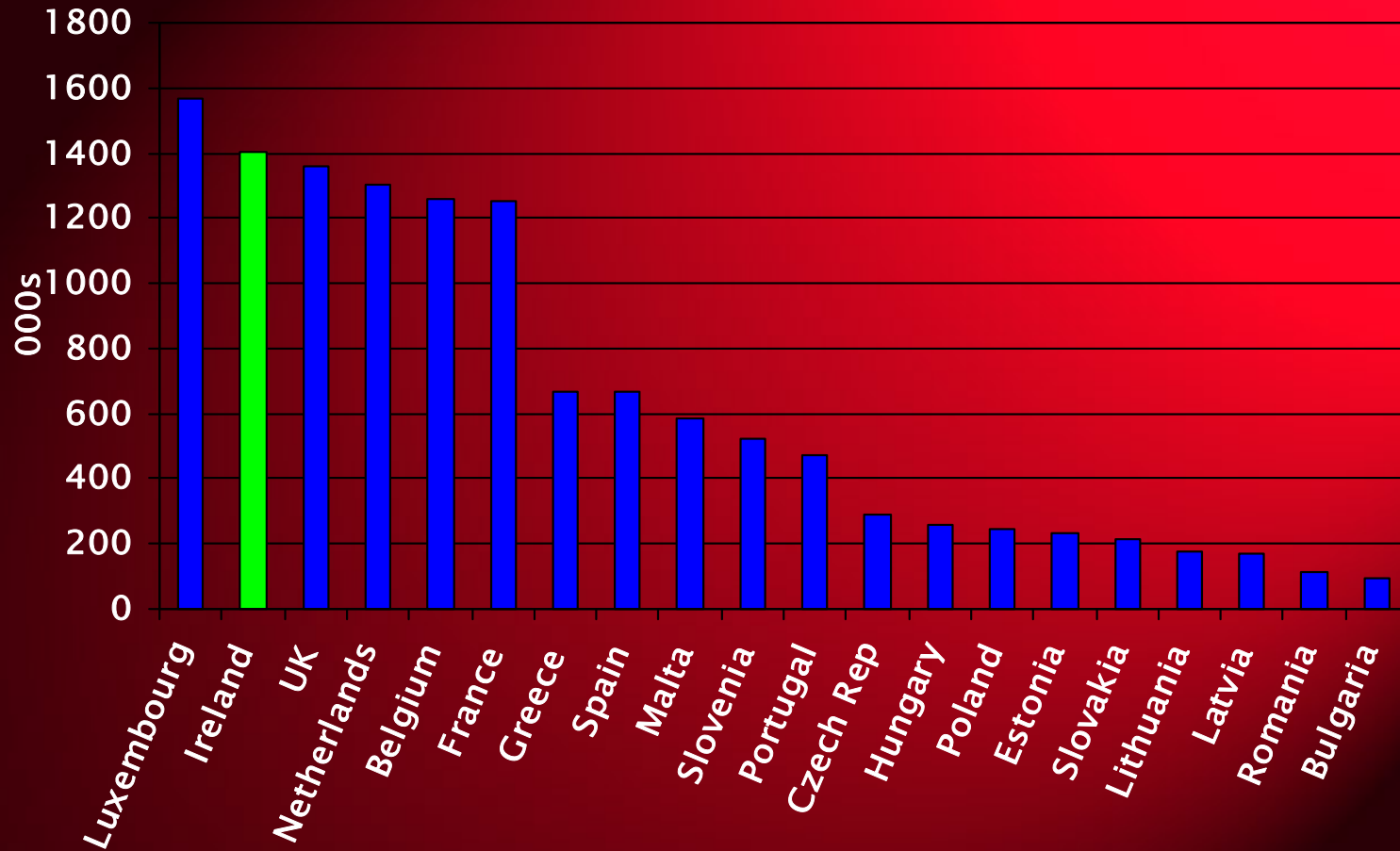
Gross Migration Flows 1989-2008



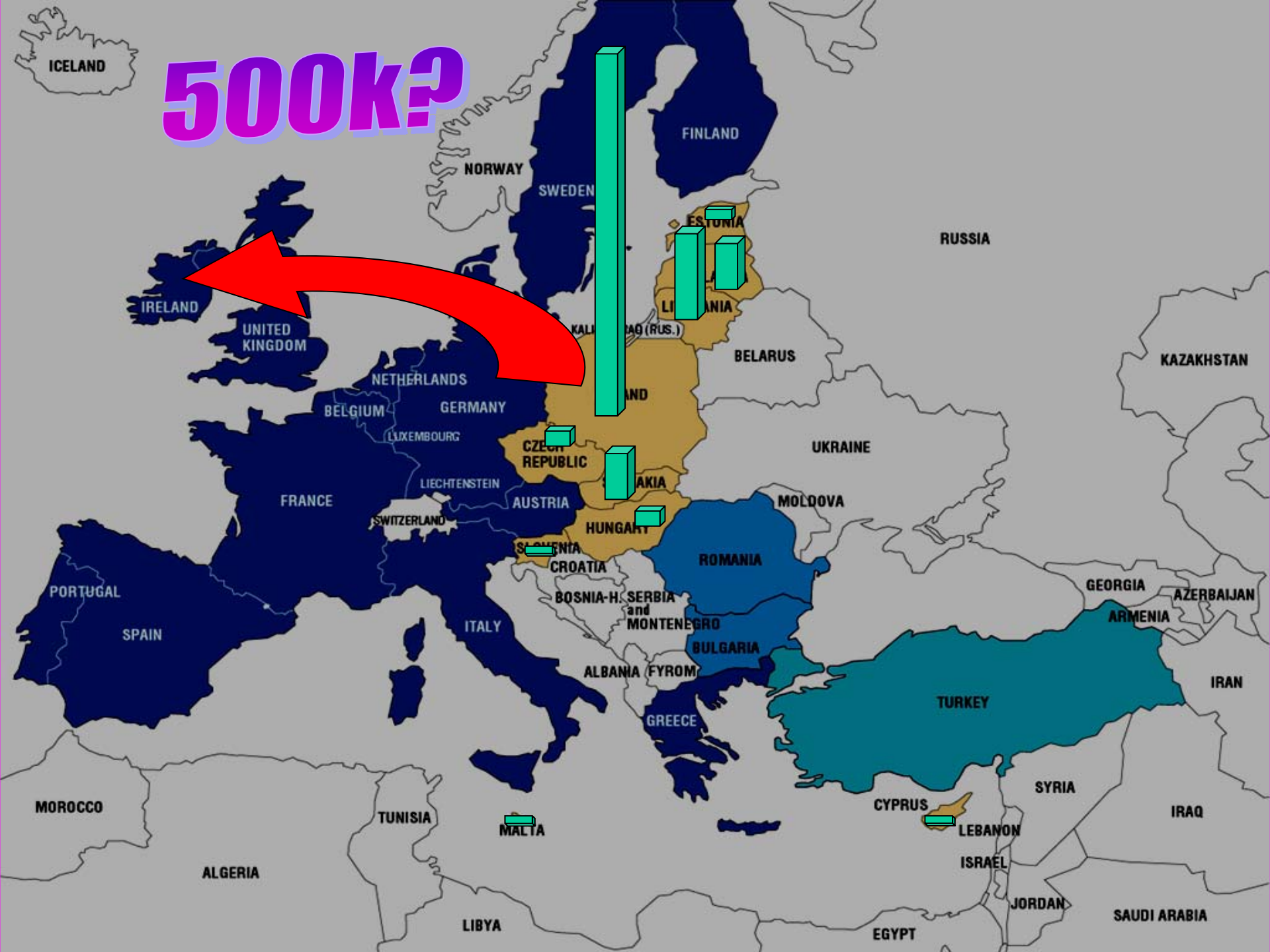
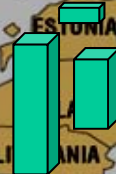
Nationality of non-Irish in employment, 2005-2008

	2005	2008
UK	24.5%	16.4%
Rest of EU 15	14.0%	10.7%
EU 10	31.8%	47.8%
Rest of the World	29.7%	25.2%

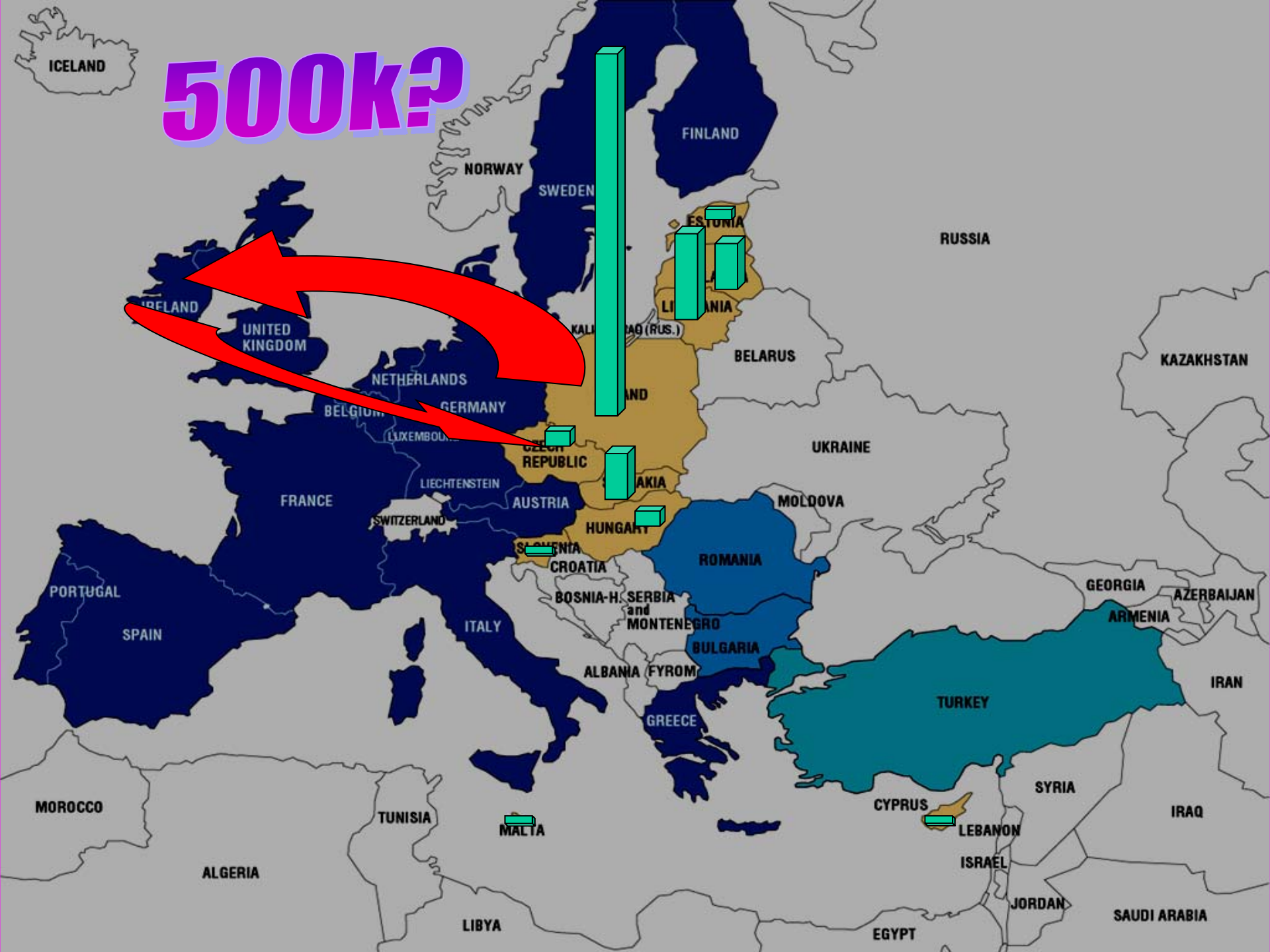
Minimum Monthly Salary in the EU



500k?

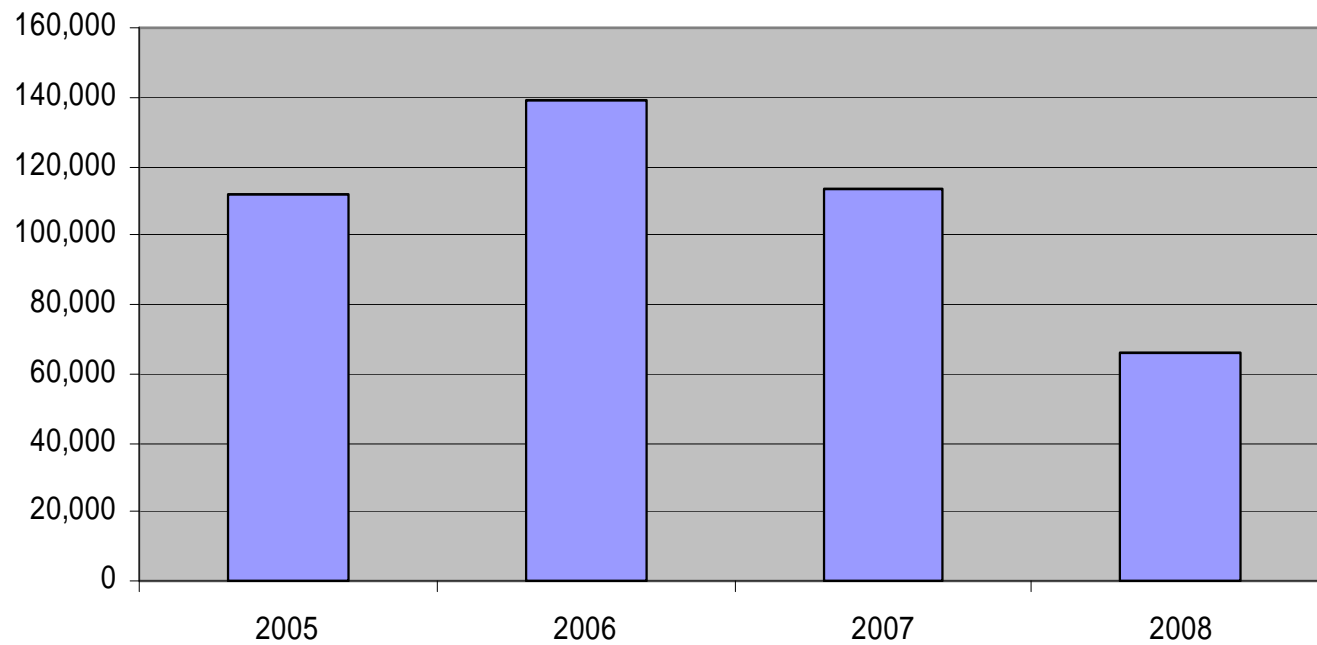


500k?



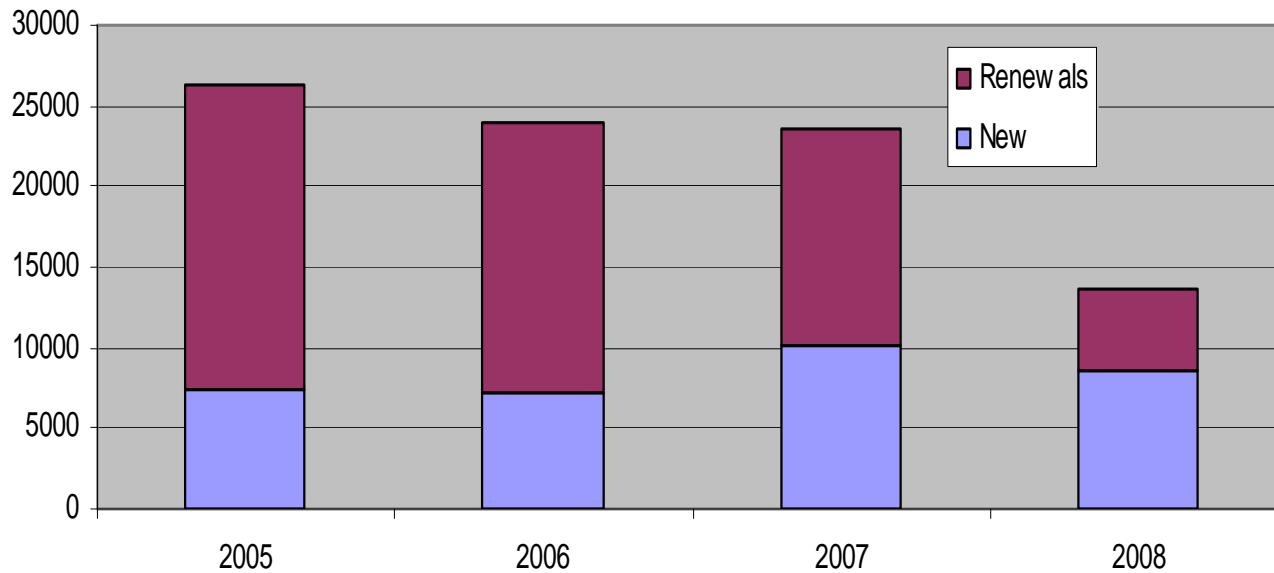
Post-enlargement migration trend

Figure 1.9: PPSN issued to EU10 Nationals 2005-2008



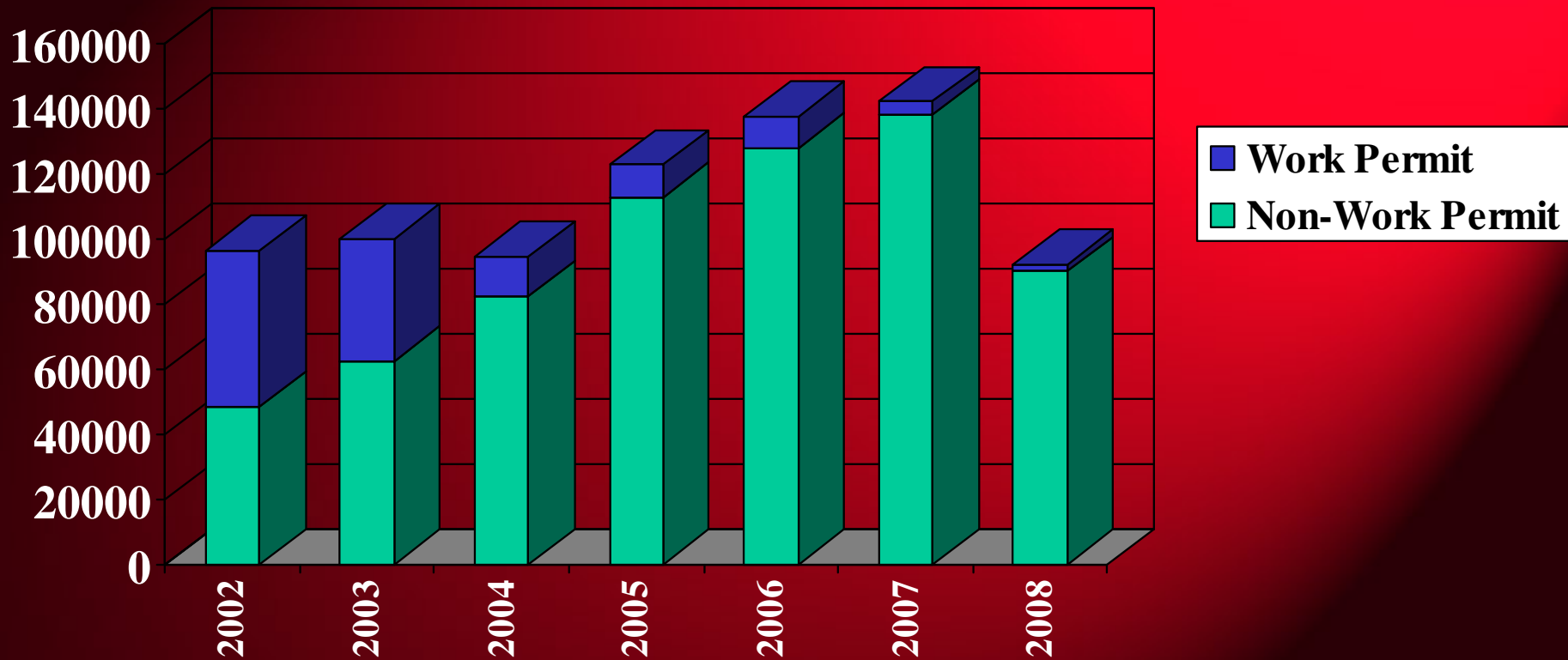
Post-enlargement Work Permit trend

Figure 1.10: Work Permits Issued to Non-EU25 Nationals 2005-2008

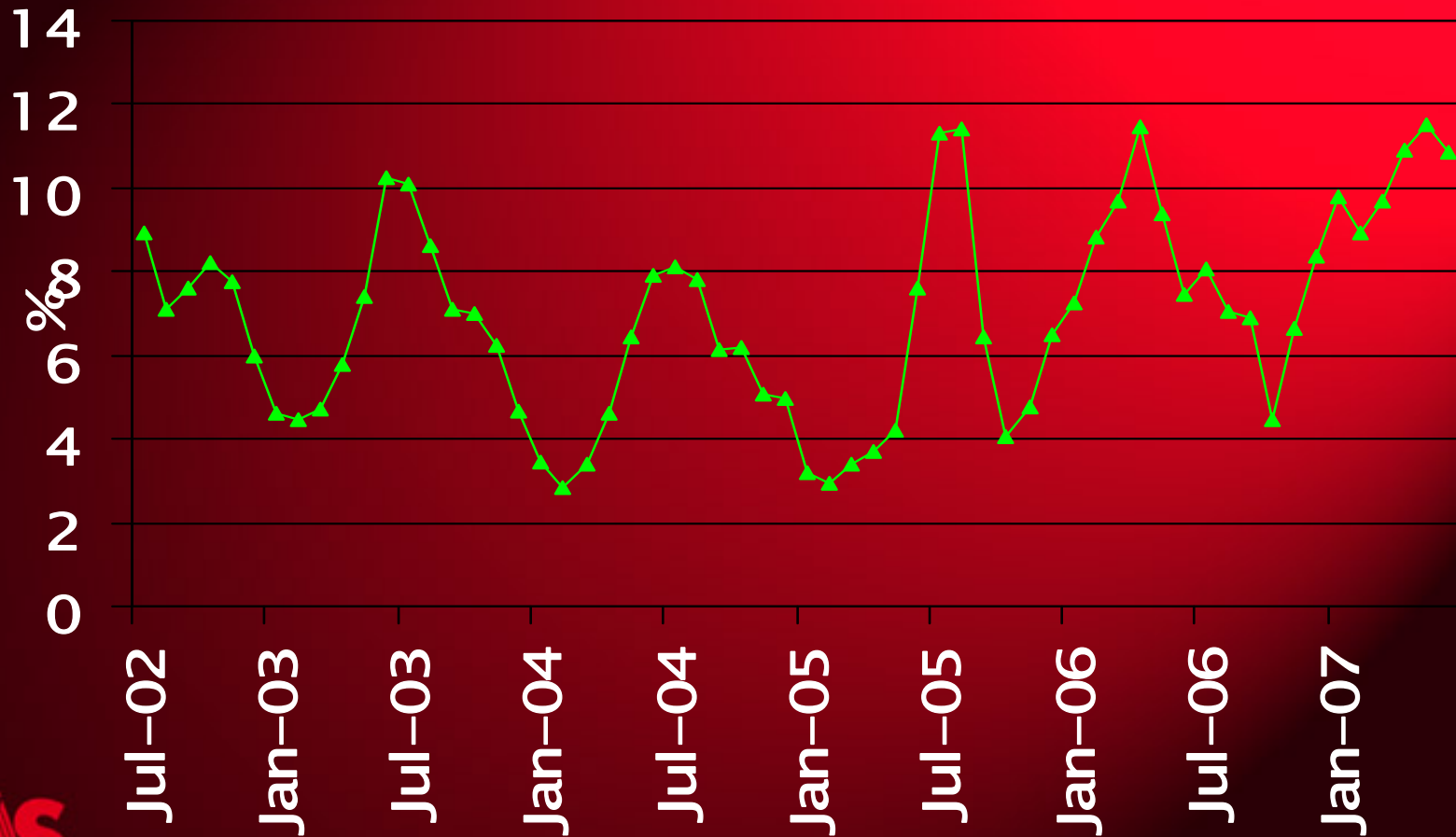


Labour demand has been strong until recently.....

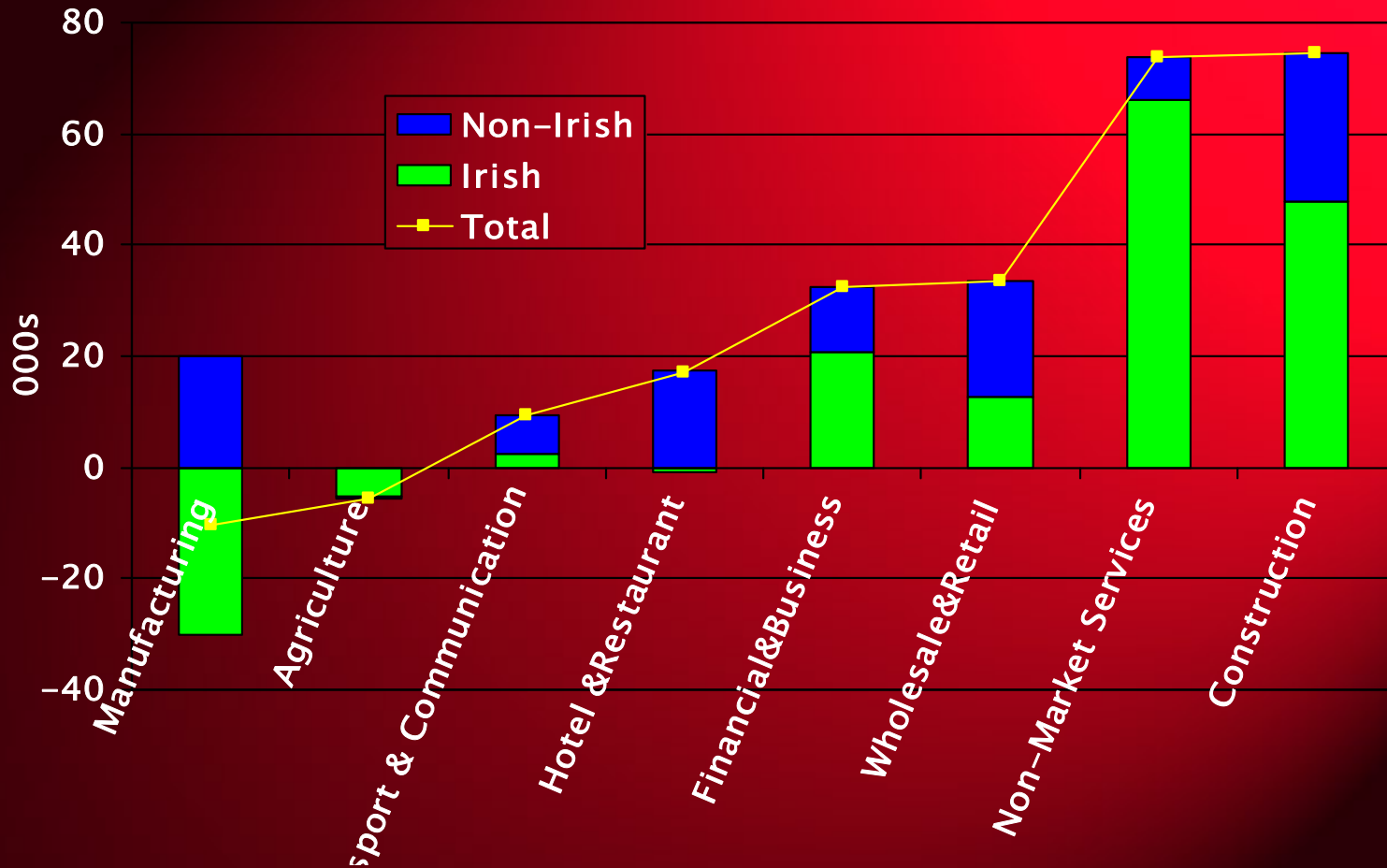
FAS Vacancies 2003-2008



.....but shortages were bearable



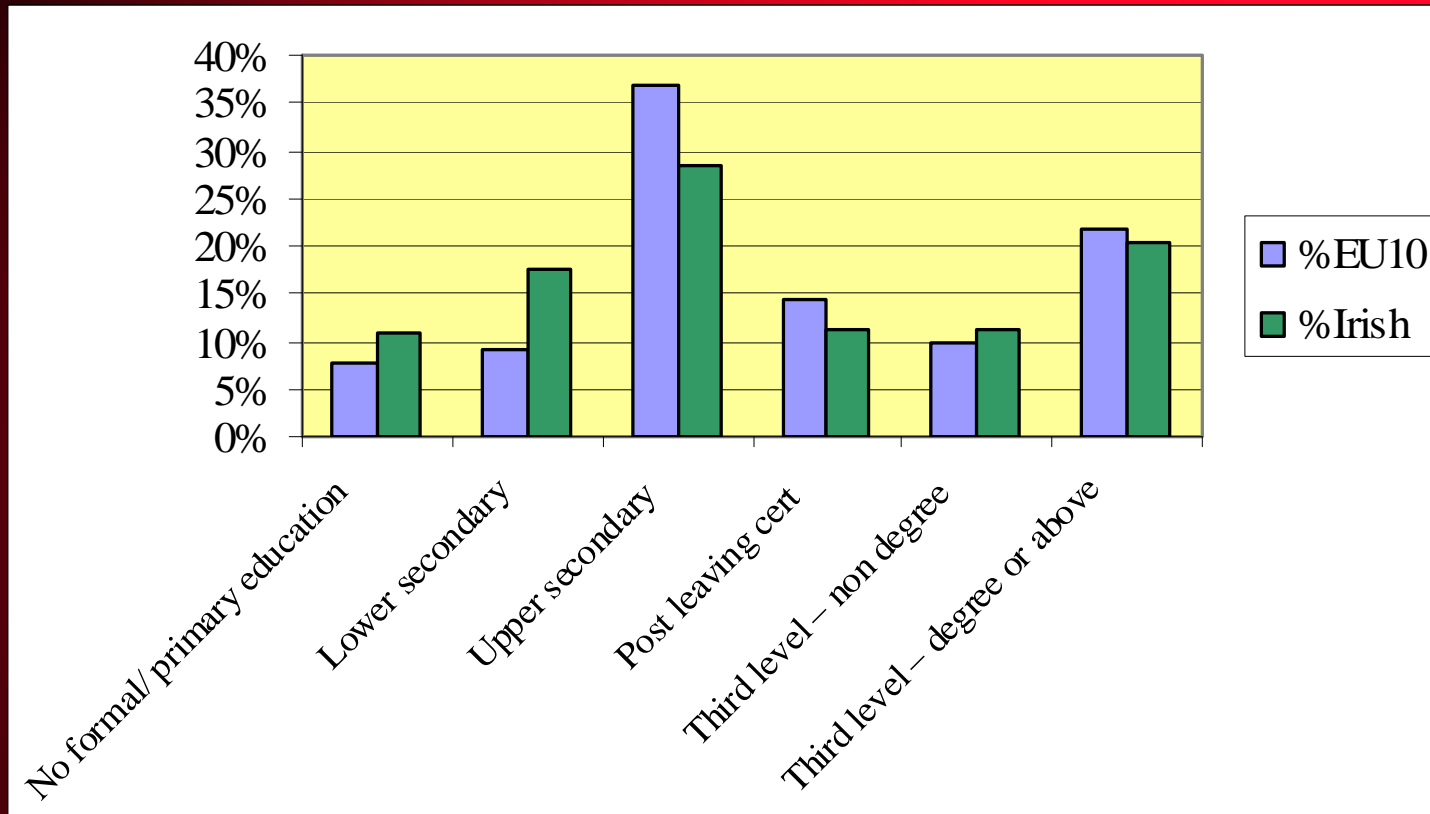
Sectoral Employment Growth by Nationality Since Enlargement



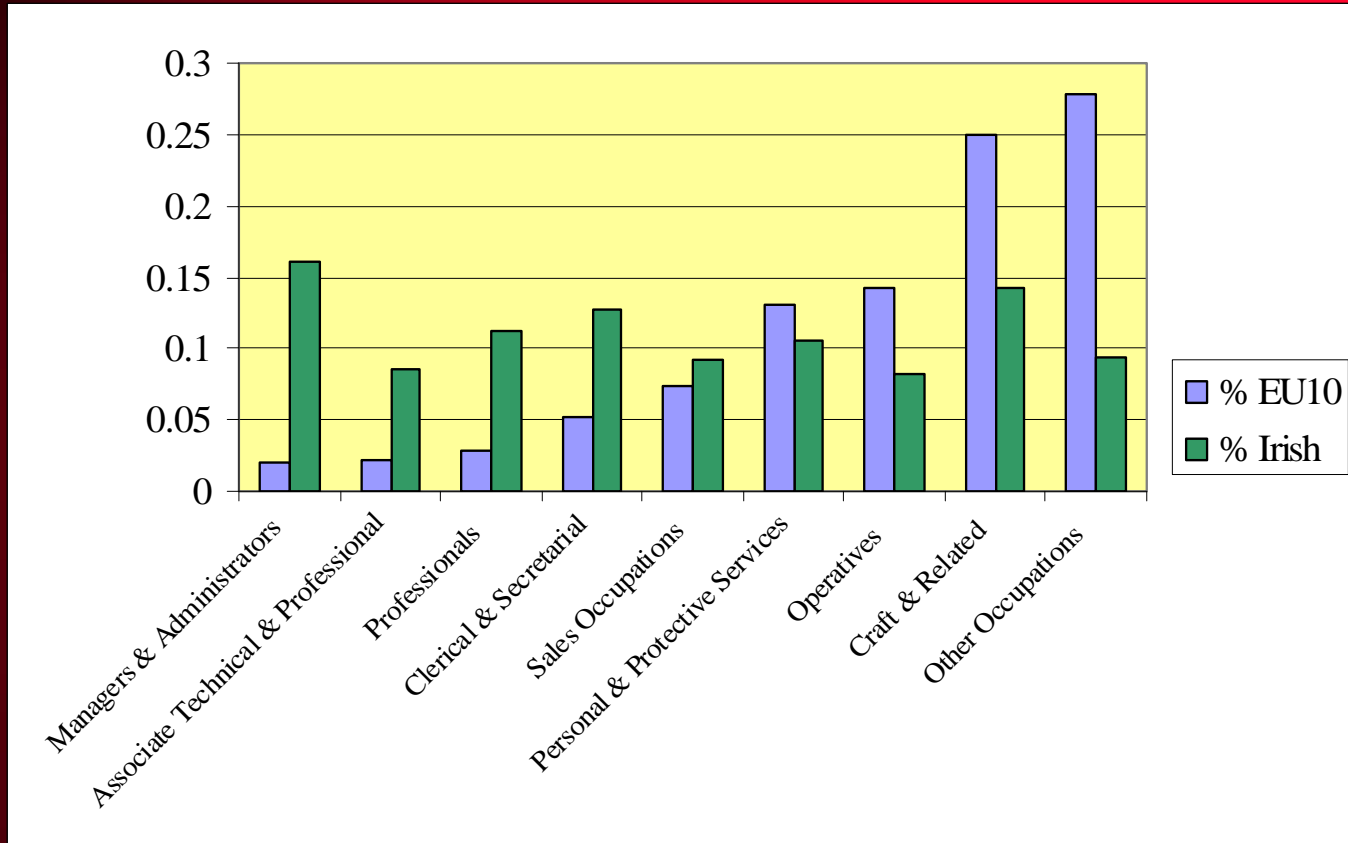
Policy Context

- Ireland currently possesses a relatively open and ‘laissez faire’ system of economic migration compared to its European counterparts.
- In general, a sufficient pool of potential migrant labour exists within the EU to meet Ireland’s skills requirements at the lower end of the skills continuum.
- The 12 new EU accession countries offer the best potential for Ireland in attracting labour at the lower end of the skills continuum.
- The pool of labour available from within the EEA region which is likely to migrate to Ireland contracts significantly at the higher end of the skills continuum.

Educational Profile



Occupational Distribution



Ireland's Migration Policy 1

- 3 Different Streams

1. Migrants from the EU25: Entitled to live and work freely in Ireland.

- Ireland, the UK and Sweden were the only countries to allow EU10 migrants to work without restrictions

- Community Preference principle requires employers to attempt to fill vacancies using workers from within the EU prior to looking for workers from outside



2. Migrants from Bulgaria and Romania: ‘Transitional restrictions’ imposed on labour market access

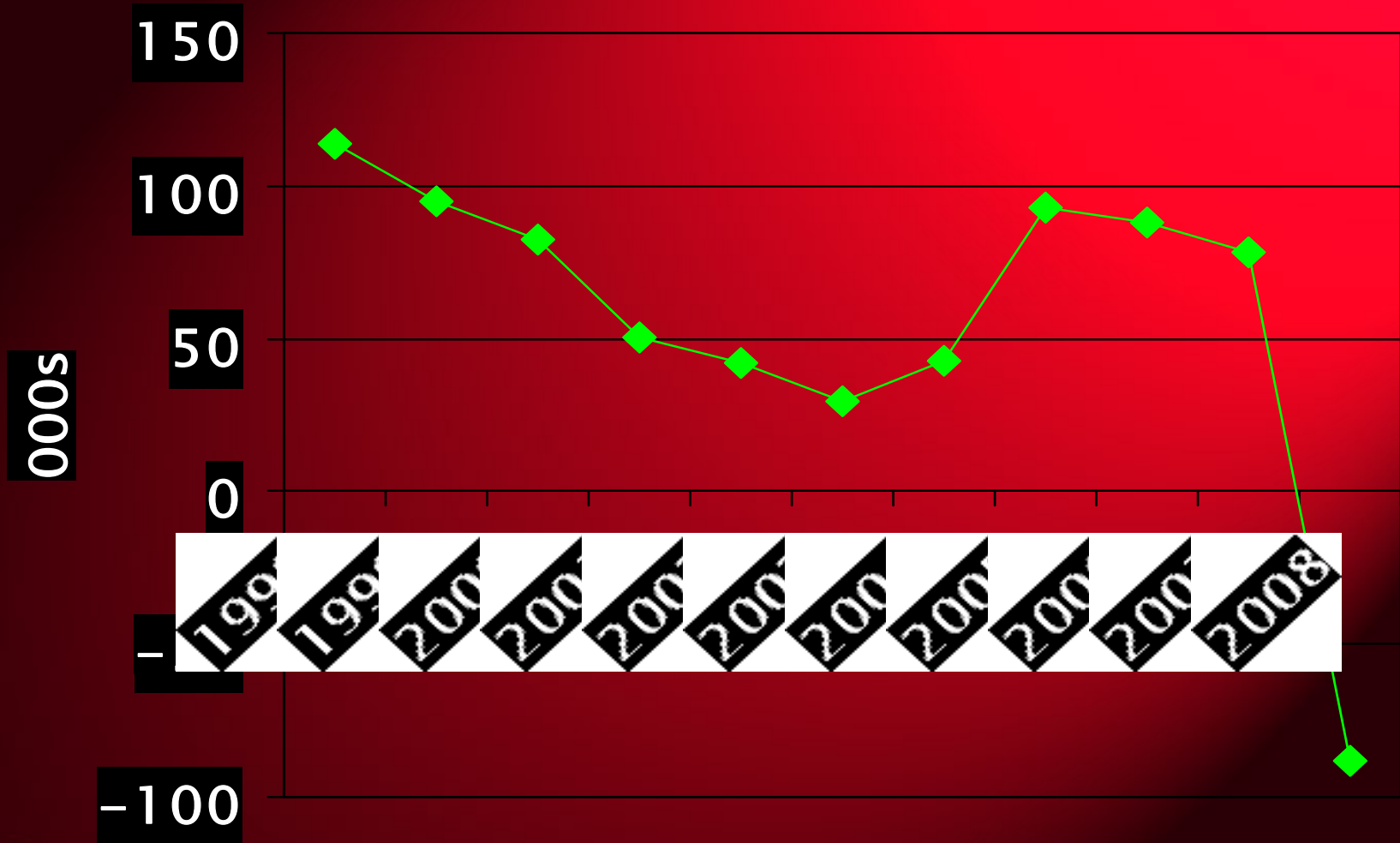
Ireland's Migration Policy 2

3. Migrants from Outside of EU27 and the EEA: Require either a permanent Green Card or a temporary Work Permit
 - Green Cards: The Green Card Scheme is designed to facilitate migration to Ireland for occupations where high level strategic skills shortages exist
 - Work Permits: A Work Permit is a temporary employment permit issued to the employee, which permits his or her employment in the State by the employer in the occupation specified on the permit

Identifying Shortages

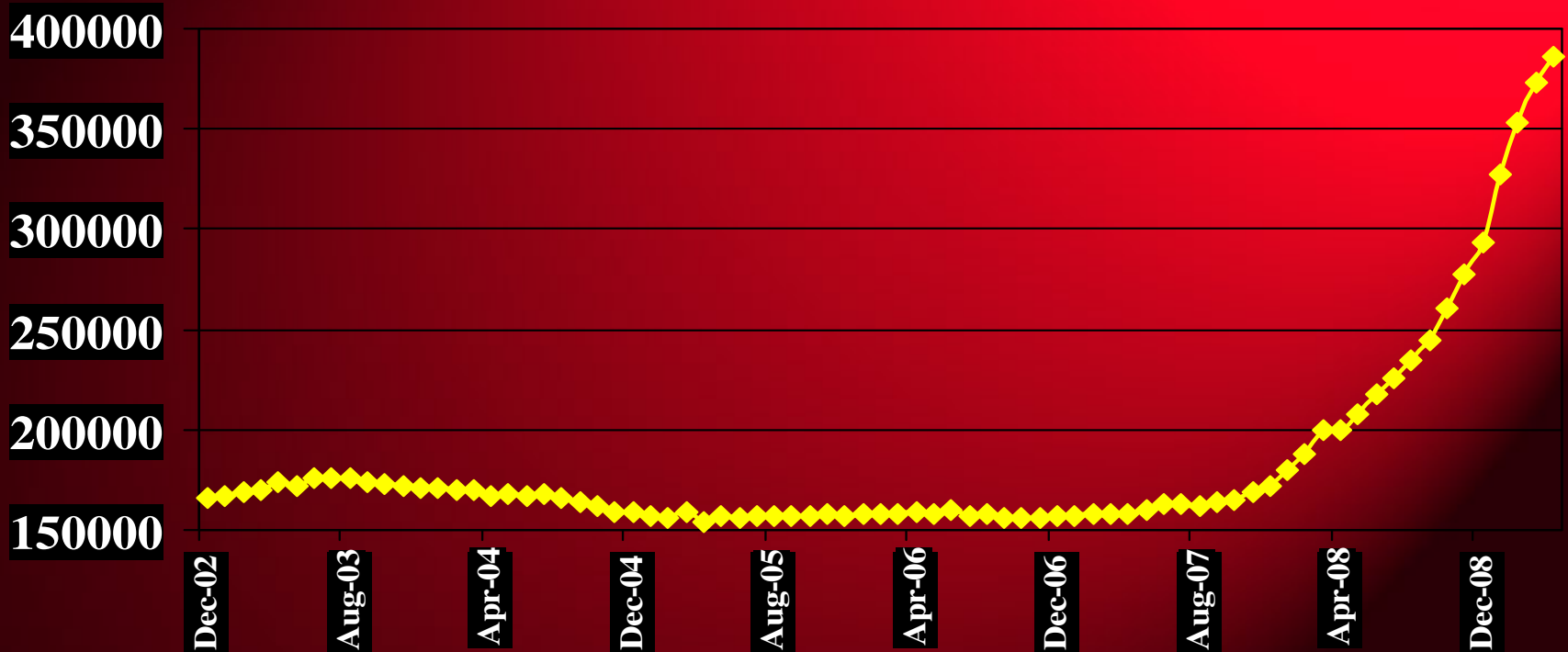
- Shortages can be broadly characterised as skill shortages and labour shortages
- Shortages identified using National Skills Database
- However, very few shortages currently exist within the Irish labour market (some IT professionals and health professionals). These shortages can be broadly characterised as skill shortages and labour shortages
- Work permit list \ labour market test have been shortened to reflect this

Employment Growth 1998-2008

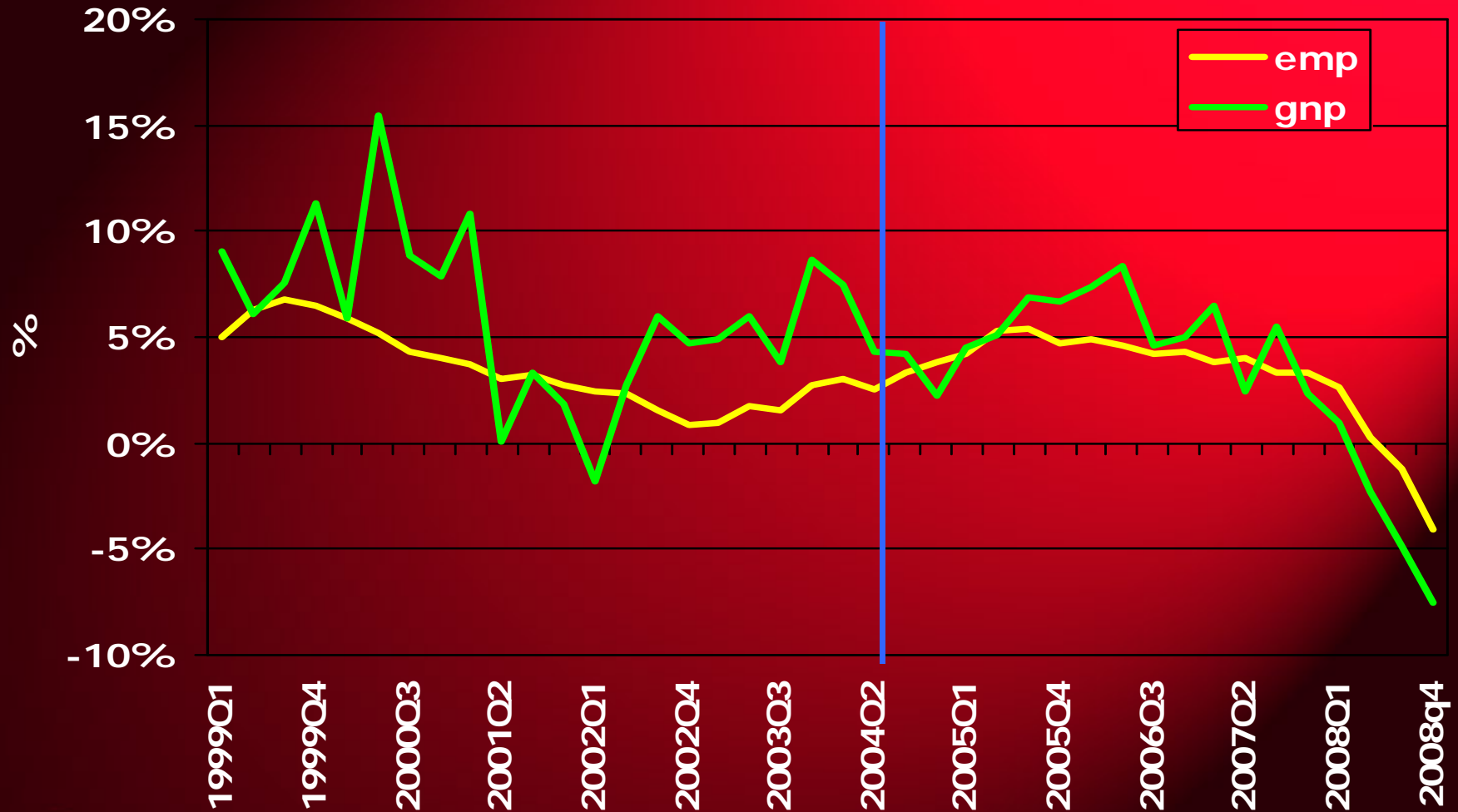


Unemployment Rising Rapidly

Live Register



Economic and Employment Growth



Still Some Shortages...

Work Permits January	
Total	501



Absorption is being tested

Live Register	Non-Irish Nationals
Apr-07	20,000
Apr-08	32,000
Apr-09	78,000

Conclusions

- *Recent migration experience has been unprecedented*
- *Migration has kept shortages at a manageable level and complemented Irish skills set*
- *Until recently absorption has not been a problem*
- *System needs to be responsive*
- *Perhaps we would have been more cautious?*

Thank you!

