

Enabling dual careers in the global workplace

26 November 2019

Joint Committee on Business, Enterprise and Innovation Leinster House Dublin 2 D02 XR20

<u>Written submission from Permits Foundation on the General Scheme of an Employment Permits</u> (Consolidation and Amendment) Bill.

Dear Members of the Joint Committee on Business, Enterprise and Innovation,

On behalf of Permits Foundation, thank you for the opportunity to provide feedback on the General Scheme of an Employment Permits (Consolidation and Amendment) Bill.

In our submission, we focus on the issue of direct employment access for dependants of highly-skilled mobile employees and raise four key points.

Permits Foundation:

- 1. Highlights that <u>direct</u> employment access for dependants of highly-skilled mobile employees both supports and is compatible with the objectives and guiding principles of the recent Review of Irish Economic Migration Policy.
- 2. Welcomes the recent change in government legislation which now enables spouses and partners of Critical Skills Employment Permit (CSEP) holders or of Researchers in the State on a Hosting Agreement, to access the Irish labour market via Stamp 1G, without the need to obtain an employment permit. With the corresponding removal of reference in the Employment Permits (Consolidation and Amendment) Bill to the Dependant/Partner/Spouse Employment Permit (DPS EP), we suggest that attention should be paid to any dependants, such as working age children, who would no longer be covered by either the DPS EP or Stamp 1G and so would have their employment access removed.
- 3. Recommends that direct work authorisation be extended to the small number of spouses and partners of intra-company transferees (Intra-CTs), currently not covered by the recent change in legislation. We encourage cross departmental attention to this issue.
- Recommends that authorisation for CSEP and Intra-CT spouses and partners include access to both employed and self-employed work, in line with international best practice. We encourage cross departmental attention to this issue

About Permits Foundation

<u>Permits Foundation</u> is an independent, not-for-profit organisation campaigning globally to improve work permit regulations to make it easier for partners of mobile staff to gain employment during an international assignment. Permits Foundation is supported by more than <u>forty international companies</u> and <u>organisations</u>.

Concern about partner employment is one of the main reasons why employees turn down or cut short an international assignment. Our extensive surveys show that countries that allow family members to work freely, are more attractive to the global highly-skilled talent pool that goes hand-in-hand with international investment and development.¹

Permits Foundation therefore welcomed the March <u>announcement</u> made by Ministers Humphreys and Flanagan whereby spouses and partners of Critical Skills Employment Permit holders would now access the Irish labour market under Stamp 1G, without having to obtain an employment permit. We applaud the positive collaboration between the Department of Business Enterprise and Innovation (DBEI) and the Department of Justice and Equality (INIS) that helped bring about this recent policy change.

Permits Foundation's key recommendation: Intra-CT spouses and partners

When making the announcement that CSEP spouses and partners can now directly access work, Minister Humphreys stated that "we need to offer an attractive range of benefits to both the highly-skilled job applicants and their families. We are talking about a small group of people here but this small change will make a big difference in terms of Ireland's offering to both investors, and international talent.

Given the sound rationale behind this argument, we would like to alert the committee to the fact that direct employment access is not currently available to the small number – estimated at around 315² - of spouses and partners of intra-company transferees, also predominantly educated to degree stage or higher. The Review of Economic Migration Policy did recommend that the DBEI conduct an analysis of Intra-Company Transfer Employment Permit with a view to extending employment access to dependants here.³ We are not aware if any such review is underway.

We know from our research that HR managers place great value on the transfer of knowledge, skills and technology from Intra-CTs which provides regular refreshment and upgrading of human capital in the host country employment market, boosting the economy and providing additional tax revenues, something that has a long-term value. Partner employment prospects can make or break an Intra-CT assignment, yet at present, these spouses and partners are not encouraged to work in Ireland nor do they have access to State resources. If allowed to work, they would benefit the economy through their fiscal contribution and improved family spending pattern, a factor increasingly relevant to families making the decision to relocate to cities with a high cost of living (such as Dublin). We therefore recommend that the DBEI and INIS look to include ICT spouses/partners e.g. under Stamp 1G.

With regard to the proposed Employment Permits (Consolidation and Amendment) Bill.

We are keen to avoid any gaps in Ireland's immigration policy that might arise from the deletion of reference to the Dependant/Partner/Spouse Employment Permit in the Employment Permits (Consolidation and Amendment) Bill, notably those dependants previously covered e.g. eligible dependent unmarried children, who are not authorised to receive Stamp 1G. Families move as a unit. Given the small numbers affected, we do think that the benefits of maintaining this group's work authorisation, outweigh any reasons for removing their access to the labour market and would better serve the objectives of the Economic Review.

¹ See Annex to this letter

² From the figures cited in the Economic Review, in 2017, Ireland issued 881 Intra-CT permits. From our experience around 65% of transferees bring family members of whom around 55%, or 315, might be looking for employment or self-employment We therefore envisage no negative impact on Irish/EEA employment opportunities (principle 1 of the Economic Review's seven guiding principles).

³ Recommendation 5.17 of the <u>Review of Economic Migration Policy</u>

Self-employment

Finally, we recommend that spouse and partner work access include self-employment. Of the <u>35</u> countries identified by Permits Foundation (including the UK, EU, US, Canada, Brazil) that have legislated to allow direct work access for dependants, Ireland is notable for the fact that partners and spouse work authorisation does not extend to self-employed activities. We request that the committee look into whether any regulations attached to the legislation could address this anomaly as it would help to make the Irish labour market more responsive, innovative and agile, without impacting the local workforce.

In conclusion

Permits Foundation welcomes direct work authorisation for CSEP spouses and partners under Stamp 1G. We request that the committee support our recommendation that the Stamp 1G also include ICT spouses and partners and encourage cross departmental attention to this issue. We are concerned that with the removal of the Dependant/Partner/Spouse Employment Permit some dependants previously covered will lose employment rights. Should direct employment and self-employment access be enabled for both CESP and ICT dependants, it would bring Ireland in line with international best practice, meet the seven guiding principles cited in the Economic Review, helping to address skills shortages and boost net contribution, innovation and legislative efficiency.

We thank the committee for the opportunity to provide feedback and remain at your disposal should you have any follow-up questions. We provide a summary of our key findings, links to our surveys and previous submissions to the government in annex to this letter.

Yours faithfully,

Gill Gordon,

Chair Permits Foundation

Annex: Permits Foundation Research

Our research shows that assured family access to employment is a key factor in attracting and retaining talent. For example, in our survey of over 3300 expatriate partners accompanying employees in 200 companies, almost 60% said they would be unlikely to relocate to a country where there would be difficulties getting a work permit.

Further evidence from our international surveys:

- 96% of highly skilled families say that countries that enable partners to work are more attractive destinations.
- 70% of partners said that their own employment was important in the decision to relocate.
- 51% of employers reported that employees have turned down international assignments due to partner employment concerns.
- 21% of employers reported that assignees returned home early for the same reasons.
- 80-90% of partners of highly qualified employee are graduates, including around half with a master's degree or higher.
- Partners who are working are more likely to report a positive impact of working on integration, health or well-being and family relationships than partners who are not working.

Our individual surveys

The <u>Permits Foundation Brexit Survey</u> (June 2018) -This survey looked at the impact of Brexit on EU citizen employees, with a focus on family members during the transition phase and beyond. It was completed by HR and mobility managers in 74 companies, research institutes and universities in the UK. The report includes several policy recommendations to the UK Home Office.

The Impact of Removing the Unrestricted Right of Dependants to Work in the UK (2015) - This survey of 1063 expatriate employees was created in response to a review of the UK's Tier 2 visa route by the independent Migration Advisory Committee (MAC) as part of a UK Government drive to reduce immigration levels. The government decided against making a change.

<u>International Mobility & Dual Career Survey</u> (2012) – Permits Foundation surveyed over 177 leading global organisations (employing almost 7.5 million between them) to look at the challenge of dual careers and its potential impact on business success, with some very compelling findings.

<u>International Survey of Expatriate Spouses & Partners</u> (2008) – This survey examines the views of 3,300 expatriate spouses and partners in 117 host countries including the EU, and provides evidence that a lack of employment opportunities adversely affects global mobility of international employees.

Previous Permits Foundation letters and submissions to the Irish Government:

<u>Permits Foundation feedback on the Review of Economic Migration Policy</u> (February 2019)

Permits Foundation response to the Public Consultation for Economic Migration Policies (April 2018)