



**Chambers Ireland Submission to the
Department of Enterprise, Trade and
Employment on the Review of the
Occupations lists for Employment Permits**

August 2023



About Chambers Ireland

Chambers Ireland, the voice of business throughout Ireland, is an all-island organisation with a unique geographical reach. Our members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

In September 2019, our network pledged to advocate for and support the advancement of the Sustainable Development Goals and, in 2023, we were appointed to be an SDG Champion as part of the 2023- 2024 SDG Champions Programme. Accordingly, we use the Goals as a framework to identify policy priorities and communicate our recommendations, and we have a particular focus on five of the goals encompassing decent work and economic growth (SDG 8), sustainable cities and communities (SDG 11), advancement in gender equality (SDG 5), viable industries, innovation, and infrastructure (SDG 9) and progress in climate action (SDG 13).¹ The most relevant Sustainable Development Goals for this consultation are Decent Work and Economic Growth (SDG 8), and Industry, Innovation, and Infrastructure (SDG 9).

¹ The Chambers Ireland SDGs. Available at <https://chambers.ie/sustainable-development-goals/>



Chambers Ireland's Perspective

The Irish Economy is growing rapidly and, as the only predominantly English-speaking country in Europe, it has a lot of opportunities ahead to continue to grow and transform its economy. However, Ireland has to take crucial steps in the right direction to remain competitive and create a conducive environment for skilled labour to work. For the Irish economy to experience this growth and expansion, it is going to require a large number of workers, of varying skillsets. However, businesses are facing many challenges to hire and retain skilled workers. This includes navigating through historic challenges like Global economic uncertainty, geopolitical instability, inflation, growing ESG expectations, supply chain challenges, and a global talent scarcity.

The post-pandemic labour markets have demonstrated extraordinary resilience throughout Europe with low unemployment and growing talent shortages.

In July, we surveyed our members across the country about the skill shortages that they were facing. And according to the SME Skills Gap survey we found that almost nine out of the ten respondents are facing significant challenges recruiting skilled employees.

This is also supported by research carried out by the ManpowerGroup, a leading global workforce solutions company. They found that across Ireland 81% of employers report difficulty in filling roles and this a 17 year high for Ireland.

In our research we found that out of the 400 respondents, 95% of micro-businesses, 85% of small-businesses and 78% of medium-businesses were experiencing skills gaps. More than half of the small businesses have found front office/customer-facing roles difficult to fill, while for two-thirds of medium-sized firms, management positions are the most difficult to fill. Almost 70% of micro businesses are finding it difficult to recruit for administrative/office support roles and 60% are struggling to employ technically qualified personnel.

One of the ways to deal with this issue is to hire talent from beyond the borders and 64% of Irish employers are open to doing that. However, the state has to make it easier to hire talent and enable them to receive their respective permits faster. It should also add broader category

of roles to be able to get a permit and work in Ireland. Our members are calling on the government to simplify the permitting and visa process. There should be a single application process for both, and we need fewer, broader permits, not new classes of them.

We welcome the increased resources that the Department of Enterprise, Trade and Employment have allocated to permits, but this needs to be coordinated with quicker, more flexible visa processing within the Department of Justice.

As our economy is growing, we see that our infrastructure and services are struggling to keep up with the increasing demand. To build the extra capacity we need, it is important that we make Ireland an easier place to come to work. We are no longer as attractive a place to migrate to as we used to be, and we must make sure that bureaucratic processes are not putting up extra barriers to attracting talent.

We acknowledge the Government's establishment of the Working Group in December of last year, which was to report to the Government within six months in relation to the operational, policy and legal objective of the implementation of a single permit process and the Single Permit Directive. The group would also prepare an implementation plan and associated timeframes for consideration by the Government. This process should be expedited, and the single permit process should be rolled out as soon as possible.

We therefore welcome the opportunity to contribute to this consultation. And we recommend that the critical skills and ineligible lists for visas and permits should be reviewed more frequently in response to the changing needs of the labour market.



Questions

Name of firm/organisation and contact details:
(Please ensure you include a contact email address for queries)

Chambers Ireland

Contact: Aishwarya Patil
Policy and Research Associate
aishwarya.patil@chambers.ie

Please describe the main activity, sector and characteristics of the organisation making the submission [not required for Government Department/State Bodies]

Chambers Ireland is a business representative organisation.

Complete the below table.

For an occupation to be included on the Critical Skills Occupations List a relevant degree qualification or higher is required. Add more rows to the table where required

No.	Occupation Title	SOC code	Inclusion on IOL	Removal from IOL	Inclusion on CSOL	Removal from CSOL	Remain as is
1	Other managers in other services not elsewhere classified (includes Betting shop manager, Graphic design manager, Library manager, Plant hire manager, Production manager)	1259		x			
2	Sales administrators	4151			x		
3	Office managers	4161			x		
4	Office supervisors	4162		x			
5	Company secretaries	4214			x		
6	Personal assistants and other secretaries	4215		x			
7	Receptionists	4216		x			



8	Electrical fitters	5241		x			
9	TV, video, and audio engineers	5244		x			
10	Head Chef	5434			x		
11	Sous Chef	5434			x		
12	Chef de Partie	5434			x		
13	Commi Chef	5434			x		
14	Sales and retail assistants	7111		x			
15	Retail cashiers and check-out operators	7112		x			
16	Customer service managers and supervisors	7220		x			
17	Production Managers and Directors	112					x
18	ICT Professionals	113					x
19	Health and Social Services Managers and Directors	118					x
20	Engineering Professionals	212					x
21	Information Technology and Telecommunications Professionals	213					x
22	Health Professionals	221					x
23	Business, Research and Administrative Professionals	242					x
24	Architects, Town Planners and Surveyors	243					x
25	Quality and Regulatory Professionals	246					x
26	Health Associate Professionals	321					x
27	Design Occupations	342					x
28	Sales, Marketing and Related Associate Professionals	354					x

Based on the survey carried out by us, we recommend that the above roles should be removed from the Ineligible Occupation list and added to the Critical Skills Occupation respectively. We further suggest that the roles in the employment categories listed above should continue to remain on the Critical Skills Occupation List.

Please provide an overview of the challenges faced by your business/sector, i.e., extent of labour and/or skills shortages; the impact and consequences for your business/sector if labour demands are not achieved

Our members have expressed concerns surrounding the work permit process in Ireland. At present, the process is very complicated and difficult to navigate. The types of permits need to increase and there should be a broader class of permits available to apply for. There also needs to be a single system for Visas and permitting which is integrated and streamlined as soon as possible. This should make it easier and more appealing for businesses, particularly SMEs, to hire people who need permits.

There are skill shortages across many different sectors including hospitality, sales, marketing, administration, IT and technical professions and, in some cases, the talent shortage is so severe that companies have had to let go of additional business and expansion opportunities. Some companies have also been unable to fulfill commitments made by them due to the lack of technicians/professionals required to carry out the tasks. This has occurred even in cases where the roles have been advertised for over a year.

Similarly, the hospitality sector that has year-round business has suffered immensely as a result of labour shortages. While business in the hospitality sector has reached pre-pandemic numbers, staffing has shrunk severely. This is putting pressure not only on the businesses but also the workers who have to work under extreme pressure as they need to carry out additional duties. This is impacting the quality of business and labour productivity.

Please provide any general information that you feel is pertinent in relation to your industry, e.g., wage ranges for occupations where shortages occur, whether the perceived shortage is general to the occupation or only occurs at specific levels of experience, or for very specific expertise.

According to the SME Skills Survey carried out by Chambers Ireland, we found that 95% of micro-businesses, 85% of small-businesses and 78% of medium-businesses were experiencing skills gaps. Certain vacancies remain difficult to fill as many companies are looking for two key elements when hiring: candidates with specific industry skills or qualifications and relevant experience.

Small and medium-sized businesses are finding it particularly difficult to employ IT professionals with specific skills. Roles for software developers, mobile web developers, IT engineers, AWS roles, QA specialists, software testers, IT developers and cybersecurity are especially difficult to fill. For employers looking to hire IT professionals, the average time to fill roles is 30 days, compared with 22 days for sales roles, according to HRLocker.

More than half of the small businesses surveyed have found customer-facing roles difficult to fill, while for two-thirds of medium-sized firms, management positions are the most difficult to fill. Technical sales, vendor managers, CRM roles with European languages and marketing experts who can lead product and brand management are all needed and difficult to find in the current economy.

Almost 70% of micro businesses are finding it difficult to fill administrative roles and 60% are struggling to employ technically qualified personnel.

To bridge these gaps employers are offering more flexibility, increasing wages, considering new talent pools like mature workers, offering joining bonuses and reducing qualification requirements.



Wider economic factors may have an influence on such occupational shortages. For example, are the labour/skills shortage or surplus impacting productivity, innovation, or competitiveness? Please provide evidence.

According to a 2021 survey by Hays Ireland, half of Irish-based employers said that the ongoing labour shortages are negatively impacting their business. Almost 40% of firms have expressed that staff shortages have undermined their ability to deliver key projects, while 30% claimed that it has stalled their plans for expansion. 20% of employers suggested that the recruitment challenges are impacting their profitability and revenue. Our members have expressed other challenges that have occurred due to skill shortages including low employee morale, adverse impact on business development, decline in the quality of customer/client service, reduced innovation/creativity and increasing absenteeism due to stress.

At a more macro-level, it is well documented that the Irish economy has rebounded strongly from the pandemic and Irish employers understandably want to capitalise on this growth and position themselves for further expansion. Therefore, it is imperative that we don't lose out on these opportunities any further and identify meaningful solutions within the permitting system in Ireland.

Please provide information on any demonstrated industry commitment to training and industry initiatives to enhance domestic/EEA recruitment that you are aware of, specifically:

What steps are being taken by industry and employers in the short term and long term to address this shortage?

Employers in Ireland are upskilling and reskilling their current workforce, planning on filling new and permanent roles as quickly as possible, and investing in more technology to automate processes. Some employers are willing to bring in more contract or temporary roles. Apart from



that, they are offering more flexibility in hours and location of work, increasing salaries, considering new talent pools like mature workers, offering joining bonuses, reducing qualification/experience requirements and prioritising automation for select tasks/processes.

Are you aware of initiatives by the sector to upskill the resident population or plans by industry representatives to engage with education and training providers in ensuring that the sector's skills needs are met?

Yes, our members regularly participate in upskilling/reskilling drives and summits. These are also sometimes organised by our chamber members across the country. Such drives include apprenticeship and graduate programs. Our members also engage with Skillnet Ireland on the various upskilling programmes offered by them. Our members also hire students through their relationships with colleges and universities for internships, apprenticeships, and graduate programmes.

Are there education and training initiatives and programmes? If yes, why is the graduate output not sufficient to meet your sector's needs, e.g. quality of graduates? quantity? geographic mobility?

There are various education and training opportunities throughout Ireland. A review of the Human Capital Initiative (HCI) education programme has found that it is running slightly ahead of projections with more than 23,000 students engaged in over 1,000 specialist courses around the country. This has come after targets set in the National Skills Strategy 2025.

The quality of graduates and Irish universities are also meeting and exceeding targets. However, graduate output is not sufficient to meet sector needs due to various reasons. For instance, the demand for workers is much higher than the supply of graduates each year. Even though the gap



is reducing, Irish workers are migrating to other locations in the EU and beyond due to better cost-of-living and housing conditions. Geographical mobility is also an issue where either workers are unwilling to move away from their homes or they are reluctant to relocate to bigger cities due to housing scarcity and high rents.

Please provide information on the efforts made by your business/sector to recruit qualified Irish/EEA job seekers, i.e., campaign reach, duration, outcomes etc.

Our members use a wide variety of recruitment processes including job websites like LinkedIn, Jobs.ie, Indeed, Irishjobs.ie, JobsIreland.ie, monster.ie, publicjobs.ie, engaging with recruitment agencies, recruitment fairs at universities, recruitment through graduate programmes, onsite adverts, and employee referrals.

Our members adhere to the 50-50 composition rule for hiring EEA and non-EEA employees. To recruit Irish/EEA job seekers, our members use the graduate programmes and internships, they form relationships with universities to recruit graduates and post-graduates. They also take part in various job and career fairs like Jobs Expo Dublin, Student Jobs Fair, STEM Women Graduate Careers Event, Construction Job Expo etc. Apart from that, they also advertise the roles on the websites listed above, as well as Eures.