

Q1. Any personal information, which you volunteer to this department, will be treated with the highest standards of security and confidentiality, strictly in accordance with GDPR. However, please note the following: The information provided in the submission form may be shared with relevant government departments and State organisations during the review process The department will publish the outcome of the review and list the submissions received under this consultation on its website As information received by the department is subject to the Freedom of Information Act, such information may be considered for possible release under the FOI Act. The department will consult with you regarding such information before making a decision should it be required to disclose it If you wish to submit information that you consider commercially sensitive, please identify that information in your submission and give reasons for considering it commercially sensitive

I acknowledge the above

Q2. Name of organisation/representative body/individual/firm

Cork Chamber

Q4. Are you submitting this response as a(n)

Employer Or Employee/Permit Holder Or Employer Representative Body Or Employee Representative Body Or Government Department or Agency Or Other

Employer representative body

Q5A. (If per Q4 an employer or employee/permit holder)

How many people are employed in your business/place of work?

10 or fewer / 50 or fewer / 250 or fewer / More than 250

Q5B. (If representative body or govt department)

Approximately how many people are employed in the industry you are representing in this submission?

Answer must be a number

130,000

Q6. Please describe the main activity and characteristics of the firm/organisation/sector making the submission (This is not required for Government Department/State Bodies)

MAX 3000 Characters

Cork Chamber is the leading voice for business in the Cork region, representing 1,200 members, together employing 130,000 people throughout the City, County, and region.

Members come from a broad range of sectors, including agri-food, biopharma, healthcare, education, research, international financial and business services, information and communications technology, tourism, and renewable energy.

Cork Chamber is focused on advocating for developments identified by business members and employers, as well as priorities to meet current, medium term and future economic growth needs.

Q7. Please provide a brief overview of your sector. Including: importance to the economy; recent and projected growth of the sector; national or sectoral strategies/actions; types of occupations in the sector.

MAX 3000 Characters

Cork Chamber represents 1,200 members, employing 130,000 people throughout the city, metropolitan area, and county. We have a diverse membership from a wide range of industries, each of which face unique challenges and have unique opportunities.

Q8. Please provide details of the types of roles for which you or your members access the Employment Permit System.

MAX 3000 Characters

As Cork Chamber's members come from a wide range of backgrounds and industries, the roles for which they access the Employment Permit System are equally varied and cover a broad range of sectors.

Q9. Please provide an overview of the impact of the Roadmap on your sector/members to date

MAX 3000 Characters

The Q3 economic trends survey¹ of Cork Chamber members identified skills availability as the top threat to business growth, ahead of energy costs or the availability of housing.

Some 45% of respondents have vacancies advertised, with 44% of those saying they are finding it difficult to fill them, i.e., the post has remained open for three months or longer since it was advertised.

Additionally, almost two-thirds (63%) of respondents reported no change in employee numbers, with 12% reporting a decrease and, crucially, 50% said that a shortage of specialist skills was the top barrier to filling vacancies.

The responding businesses represent a broad range of sectors: Life Sciences & Manufacturing (11%), Agriculture, Food & Drinks (5%), ICT & Digital Economy (4%), Tourism, Hospitality, Retail & Leisure (12%), Culture, Arts, Community & Media (7%), Built Environment (14%) Education & Training (2%), Services (including Financial) (36%), Transport, Energy & Maritime (7%), Health (2%).

These findings are backed by the most recent Eurochambres Economic Survey, which included input from Irish businesses facing challenges. Some 26% highlighted high labour costs as a key barrier to success, and 21% identified a lack of skilled workers as the most pressing issue.

Q10. What are the specific challenges your business/members/sector has faced as a consequence of the January 2024 MAR increase?

MAX 3000 Characters

Cork Chamber members are continuing to report shortages in specialist skills. The Chamber's Q3 economic trends data shows a shortage in specialist skills as the primary issue identified by members in terms of preventing economic growth.

While most have not seen a decrease in employee numbers (12% of members reported decreases in staff count), a large number have reported issues in finding staff to fill open positions.

Some 45% of respondents have vacancies advertised, with 44% of those saying they are finding it difficult to fill them, i.e., the post has remained open for three months or longer since it was advertised.

¹Cork Chamber Quarterly Economic Trends, Q3 2024: <https://www.corkchamber.ie/wp-content/uploads/2024/10/Eco-Trends-Q3-2024-V3-B.pdf>

The respondents to the survey came from a wide range of industries, including: Life Sciences & Manufacturing (11%), Agriculture, Food & Drinks (5%), ICT & Digital Economy (4%), Tourism, Hospitality, Retail & Leisure (12%), Culture, Arts, Community & Media (7%), Built Environment (14%) Education & Training (2%), Services (including Financial) (36%), Transport, Energy & Maritime (7%), Health (2%).

One of the respondents to the most recent economic trends survey said they “will be forced to let employee [sic] go due to non-EU or Ukraine passport holders not being allowed to have a work permit for retail, hospitality or horticulture and making minimum salary €34000.”

Q11. Please describe any benefits of the Roadmap on your sector to date. For example, on recruitment and retention of non-EEA workers, improved quality of life in Ireland?

MAX 3000 characters

It is important to recognise the positive impact migrants have on Ireland’s economy and society. Migration increases the number of working-age people which is increasingly important given Ireland’s ageing population.

Additionally, Ireland currently has an unemployment rate of 4.1%, with many of Cork Chamber’s members identifying challenges in filling vacancies.

Migrant workers bring skills and experience that are needed in this tight labour market and, as noted by the department’s own review of the Minimum Annual Remuneration rates, the participation of migrant workers in high-skilled roles supports research and innovation which adds to Ireland’s prosperity and competitiveness. Migrants also bring cultural diversity and richness which greatly benefits Irish society.

It is important to note that economic migration should not be regarded as a mechanism for “cheap labour” but rather the import of talent to support enterprise and enhance society.

Q12. What challenges do you anticipate you/your business/members/sector will have with future MAR threshold increases as set out in the Roadmap?

MAX 3000 Characters

The potential increase of the base pay requirement for critical skills visas with a degree to €44,000 is a particular concern. This would be an extraordinary increase from the 2023 threshold of €32,000 and will severely impact the ability of certain businesses to fill the graduate roles they are already struggling to recruit for in a very challenging labour market.

While we acknowledge the importance of ensuring fair wages and opportunities for all workers, we are apprehensive about the potential consequences of such a significant threshold increase. It is our firm belief that this proposed abrupt rise in salary requirements could inadvertently deter companies from recruiting graduates from overseas to address skill shortages.

This scenario may result in a significant challenge for consultancies and other businesses seeking to bridge skill gaps from outside the European Economic Area (EEA). We fear that such a measure may price certain employers out of the market and hinder their ability to access essential talent pools. It is imperative that any adjustments made to the employment permit system ensure a balanced approach that does not disadvantage local hiring practices, particularly at the graduate level.

Approximately 29,000 were issued in 2023, according to the Solas National Skills Bulletin issued in November 2024, with professional occupations accounting for 61% of all new permits issued. Over three quarters (78%) of new permits issued in 2023 were for persons with third level qualifications (undergraduate and postgraduate qualifications combined).

Additionally, the proposed increase in the threshold for General Employment Permits above the current rate of €38,000, after a €6,000 increase was implemented in January, is of concern. While we acknowledge the positive steps taken to expand the eligibility of occupations for employment permits, we remain cautious about the potential ramifications of disproportionate salary requirements.

We share the sentiment expressed by many employers within our network that the proposed salary thresholds for 2025 may exceed market rates for numerous eligible occupations, thus imposing financial burdens on businesses. Consequently, despite access to the employment permit system, employers may find themselves hesitant or even unable to utilise it effectively.

It must also be noted that inward migration of skills is absolutely key to the goals and the population projections of Ireland 2040. In the Southern Region, the National Planning Framework plans for up to 380,000 additional people and Cork will be home for 60% of these people. Cork will also host 135,000 new jobs. It is clear that to meet this ambition, diversity and the attractiveness of our region will be key.

Q13. If you have an alternative proposal for the continued implementation of sustainable fair MAR increases for Employment Permit holders, please provide details?

MAX 3000 Characters

Cork Chamber and its members understand the importance and requirements of the Critical Skills Visa and the associated occupations list. Specific qualifications, experience and skills are required for the proper functioning of the economy. However, the requirement to recruit from outside the EEA is critical for business continuity and survival.

Mobility for workers contributes to the dynamism of the Irish economy and Ireland must remain an attractive destination for migrant workers. Increased income thresholds threaten the ability of some workers to choose Ireland as their destination for work in comparison with other nations.

Quality of life factors including, a dearth of accommodation, childcare and public transport connectivity all influence migrant workers decisions and erode Ireland's competitiveness as destination of choice.

It is for this reason among others that Cork Chamber continually champions urban living and regeneration. If we cannot create an attractive internationally competitive environment our position of economic strength will be severely challenged.

EEA workers on work permits have played and will continue to play an important and positive role in the Irish economy. Their experience and often first interactions with the state through the visa system should be constructive. In turn, employers availing of the Critical Skills Employment Permit must continue to meet the challenge of up-skilling, lifelong learning, and maximising the potential of all in the workforce.

We urge careful consideration of the new roadmap for increasing salary thresholds within the employment permit system and urge the Government to keep the current salary threshold for Employment Permits for Critical Skills with a degree.

Q14. Are the Roadmap's forthcoming MAR thresholds in line with average wages for Irish or EEA nationals in your sector? If not, please provide further details of average wages for Irish or EEA nationals in your sector.

MAX 3000 Characters

No relevant comment to make.

Q15. Are there any wider economic factors that may have an influence on your ability to meet the future requirements of the Roadmap?

MAX 3000 Characters

The latest economic trends survey conducted among members of Cork Chamber identified a range of economic factors that could undermine their ability to meet future requirements. These include inflationary pressures; costs associated with housing and further increases in wages associated with other staff members.

One respondent said, “Housing, employment market competitiveness and cost of living increases are the biggest challenges.”

Another identified the costs of raw materials to be a factor in “driving up the price of many products.”

Another said additional costs were “eroding margins and threatening the viability” of their business.

They said, “The costs to my business due to the additional bank holiday, paid sick leave, increased wages and PRSI, auto pension enrolment and high energy and material costs are all to blame.”