



## **Review of the Occupations Lists for Employment Permits**

# Joint submission to the Department of Enterprise, Trade and Employment by the Irish Universities Association (IUA) and Ibec Public Sector calling for targeted action to remove barriers to employment of non-EEA graduates of Irish universities and higher education institutions.

## 1. Introduction

The Irish Universities Association (IUA) and Ibec Public Sector welcome this opportunity to make a joint submission to the Department of Enterprise, Trade and Employment (DETE) consultation on the Review of the Occupations Lists for Employment Permits. While we recognise that the scope of this review is to ascertain further areas of critical skills and labour needs across the Irish economy, it is also an important opportunity to highlight the increasing pool of international graduate talent in Irish higher education as a valuable - yet so far under-utilised - resource which can contribute to meeting these critical skills needs.

This short submission aims to inform the work of DETE and the Interdepartmental Group on Economic Migrant Policy in their work to ensure that a diverse, inclusive, and skilled workforce flourishes in Ireland.

## 2. International non-EU Students in Ireland

The draft International Education, Research, and Innovation Strategy<sup>1</sup> sets out ambitions that Ireland should be the country of choice for the brightest scholars from around the world. This reflects the value that international students, researchers, and staff can bring to strengthen the academic excellence of our third level sector, to diversify our communities on and off campus, and enrich our intercultural experiences. International students, researchers and staff are actively contributing to

<sup>&</sup>lt;sup>1</sup> The Strategy opened for consultation in February 2022, but has not yet been published. More information available at: https://www.gov.ie/en/consultation/26324-international-education-research-and-innovation-strategy-public-consultation/

our knowledge economy and are engaged as active global alumni further enhancing Irelands' footprint, influence, and presence on the world stage. Ireland's social and economic success has been crafted through the recognition that our people are our greatest asset, and that to unlock their talent and potential requires an inclusive and internationally attractive higher education sector.

As well as these knowledge, social and cultural benefits, Indecon<sup>2</sup> found that international students in IUA universities contributed €336 million to the Irish economy alone in 2017/18. This figure does not take account of the contribution of those students who stay post-study or the contributions that parents, family, and friends make during their time visiting Ireland. Indecon further found, in a review of the last International Education Strategy<sup>3</sup>, that international education contributed a total of €2.36 billion to the Irish economy over the lifetime of the strategy. This exceeded the target set by Minister Bruton of €2.1 billion under that strategy<sup>4</sup>. Overall, it is clear that international students and graduates should also be rightly viewed as part of Ireland's talented human capital and active contributors to our social and economic success to date. A joined-up approach to the potential of our international students and graduates in expanding the Irish workforce and meeting critical skills needs across all sectors will likewise support and enable the university sector to continue to attract these high potential international students across a range of critical skills areas.

#### 3. Existing Visa and Immigration Arrangements

Currently Ireland's Third Level Graduate Programme aims to incentivise high performing students to come to study in Ireland, to remain on after their studies and to meet identified skills gaps (including foreign languages) in the economy. It allows Irish-educated non-EEA graduates to remain in Ireland after their studies for a period of 12 months to seek graduate level employment and, subsequently, to apply for either a general employment permit, a critical skills employment permit or a research hosting agreement. This permission, termed Stamp 1G, may be extended to a total of 24 months for graduates of Masters (NFQ Level 9) and PhD (NFQ Level 10) programmes.

https://www.iua.ie/wp-content/uploads/2019/08/Indecon-Independent-Assessment-of-the-Economic-and-Social-Impact-of-the-Irish-Universities\_full-report-4.4.19.pdf

https://www.gov.ie/pdf/?file=https://assets.gov.ie/215949/cbf7a270-db5a-4717-9507bb97a8d14e06.pdf#page=null

<sup>&</sup>lt;sup>2</sup> Indecon International Economic Consultants (2019). *Independent Assessment of the Economic and Social Impact of Irish Universities*. Irish Universities Association. 4 Apr. [online]. Accessed here:

<sup>&</sup>lt;sup>3</sup>Indecon International Economic Consultants (2020). *International Education Strategy Review*. Department of Further and Higher Education, Research, Innovation and Science. 11 Dec. Accessed here:

<sup>&</sup>lt;sup>4</sup> Department of Education and Skills (2016). Irish Educated, Globally Connected, an International Education Strategy for Ireland 2016-2020.

The Stamp 1G visa programme has been a critical factor in growing Ireland's international student population as part of successive government international education strategies<sup>56</sup>. However, it should be noted that Ireland's stay-back visa programme compares poorly to similar schemes in other jurisdictions. For example, in the UK, students from both Bachelor and Masters programmes can stay for up to two years to find suitable employment. Canada offers eligible international students a 3-year post-graduation work permit for Bachelor and Masters programmes, while Australia offers 2 years for Bachelor, 3 years for Masters and 4 years for PhD programmes. The Australian Government recently announced an additional 2 years to existing post study work rights for selected degrees in areas of verified skill shortages. If efforts to address short to long term skills and labour gaps are to be successful, Irish employment permits schemes must compete effectively with a range of other advanced English-speaking economies for international graduates.

In the IUA submission on the review of Ireland's International Education Strategy, it was recommended that cross-departmental collaboration between DFHERIS, DOJE, and DETE was a much-needed aspect of ensuring fit-for-purpose delivery of visa and immigration systems, and to maximise migration and inward mobility policies for international student recruitment and retention in areas of strategic national interest. Intrinsically linked to this effort is the need to further strengthen the alignment of economic, employment, and skills policies with higher education and international student recruitment. This coordinated effort would support engagement with enterprise and enterprise representative organisations to increase awareness of the processes and promote the benefits of hiring Ireland's international graduates.

#### 4. Addressing Ireland's skills needs

In 2021/22, the non-EU international student cohort (excluding GB) within the IUA's eight member universities constituted 16,804<sup>7</sup> out of the 22,027<sup>8</sup> international students enrolled across the entire higher education sector. More recent data, as yet unpublished by HEA, shows that these numbers have since grown further, demonstrating the strategic importance of IUA member universities in attracting international talent and the sector's ability to recover from the negative effects of the

<sup>&</sup>lt;sup>5</sup> Department of Education and Skills (2016). Irish Educated, Globally Connected, an International Education Strategy for Ireland 2016-2020.

<sup>&</sup>lt;sup>6</sup> Department of Education and Skills (2010). Investing in Global Relationships 2010-2015.

 <sup>&</sup>lt;sup>7</sup> Higher Education Authority. Statistics: Overall Trends in Graduates A [online]. Accessed at: <a href="https://public.tableau.com/shared/J2MZ7FH6H?:display\_count=n&:origin=viz\_share\_link">https://public.tableau.com/shared/J2MZ7FH6H?:display\_count=n&:origin=viz\_share\_link</a>
<sup>8</sup> Higher Education Authority. Statistics: Overall Trends in Graduates A [online]. Accessed at:

https://public.tableau.com/views/KeyFactsandFigures202122/EnrolmentTrendsA?:language=en-US&:embed=y&:embed\_code\_version=3&:loadOrderID=0&:display\_count=y&:origin=viz\_share\_link

Covid-19 pandemic on international student mobility. Furthermore, overall postgraduate enrolments remain a much higher proportion of the non-EU student population (44.4% of international students in 2021/22 compared with 21.5% in the general student population). Non-EU students proportionally are also generally older than the general student population. In 2020/2021, 49% of all international students were over the age of 24 and the median age of graduation was 25 years old<sup>9</sup>. These students and graduates are at an opportune time in their studies and careers to contribute to growing skills gaps across our economy.

The top disciplinary areas for non-EU international enrolments across the sector in 2021/22 were business, administration and law (16.8%), health and welfare (25.1%), ICT (10.5%), and engineering, manufacturing and construction (12.4%). Arts and humanities 12.8%), natural sciences, mathematics and statistics (9.4%), social sciences, journalism and informatics (which includes economics) (5.9%), also produce significant numbers of graduates. There is, consequently, a strong alignment between the programmes international student enrolments in and the occupation categories outlined in the critical skills list. For example, according to figures directly provided by the HEA, as of 2021/22, there were 4,425 students enrolled on Medicine programmes<sup>10</sup> whose qualification would qualify them for Critical Skills Employment Permits under SOC-4 2211 "Medical practitioners". If we are to meet the needs of the economy and the public good, it is essential that we make every effort to hold on to these students while we have them.

The Graduate Outcomes Survey demonstrates that 71.3% of international taught master's graduates, compared to 93.6% for Irish-domiciled graduates, are employed in Ireland nine months after graduation. At undergraduate level, these figures are 64.5% and 94% respectively, demonstrating that for those who choose to study in Ireland from abroad, there is a high probability that they will wish to work in Ireland for a period of time post-study. Opportunities to further entice these graduates to remain are of paramount importance in the current climate of skills pressures and uncertainties. <sup>11</sup> Given the relatively small number of graduate entrants to the workforce from the international student population, and the high level of skills needs required at present and for the foreseeable future, it is clear that changes to the employment permits system would not disadvantage Irish/EU workers and jobseekers or impact the existing principle of community preference in migration policy.

<sup>&</sup>lt;sup>9</sup> Higher Education Authority (2022). Info-Byte: International Students. July 2022. Accessed at: https://hea.ie/assets/uploads/2022/03/2022-Info-Byte-International-Students-Final.pdf

<sup>&</sup>lt;sup>10</sup> Specifically, students enrolled on programmes which fall under ISCED Code 0912.

<sup>&</sup>lt;sup>11</sup> Higher Education Authority. Statistics: Overall Trends in Enrolments A [online]. Accessed at: https://hea.ie/statistics/data-for-download-and-visualisations/key-facts-figures/

The Skills Forecast for Ireland (OECD, 2023, p.16) shows that Ireland has a greater need for high level qualifications (at NFQ Levels 6 to 8) than the EU average. These are the NFQ Levels which our universities actively provide through intensified local and national links with enterprise and the public sector, to increase the supply of work ready talent, including through the IUA MicroCreds initiative where 300 short quality-assured university courses, co-developed with enterprise partners, are now available through a single portal for employers and employees seeking to reskill and upskill<sup>12</sup>.

The OECD Skills Forecast further noted that: "The scale and pace of change globally is such that Ireland's skills ecosystem is now required to take a leap forward. People will need to leave education with the skills needed not only to meet the needs of the labour market and society of today but for those of tomorrow as well. Adults will need opportunities to upskill and reskill to perform new tasks in their existing jobs, assume the duties of new jobs and adapt to new modes of work, behaviour, consumption and participation in society. Firms will have to adopt more creative and productive ways of using their employees' skills, and robust governance structures will be needed to ensure that reforms are sustainable."

International non-EU graduates can also play a greater role in this effort; however, the attractiveness of the current opportunity is not sufficient to increase that pipeline to meet growing pressures on both the public and private sector workforce demands.

Arguably the Critical Skills Occupation Lists need to evolve to recognise the ever-increasing skills pressures across all sectors, rather than the narrower focus on specific job specifications and professional occupational profiles, many of which no longer reflect rapidly growing employment areas in an advanced knowledge economy such as Ireland. Growing demands on key sectors include the increasing need for research personnel, the need for digital skills to meet digital transformation needs, the ability to embed sustainability practices and shift towards a green economy, as well as the need for transversal skills in management and leadership highlighting the advantages of taking a nimbler approach to enable all of our graduates to play their part. Fresh approaches to enabling and encouraging international graduates to seek employment in Ireland can open the opportunity to achieve positive outcomes for these wider economic and social aims.

<sup>&</sup>lt;sup>12</sup> https://microcreds.ie/

#### 5. Barriers for Employers

The current system of employment visa requires that employers of non-EU graduates, who seek to move from a 1G visa or a researcher hosting agreement to a Critical Skills permit, must readvertise these roles. This adds unnecessary recruitment, training and other costs, as well as potential periods of vacancy in critical areas. These existing barriers may be creating a chilling effect on the recruitment of international graduates and researchers for employers. In a time of significant skills shortages, it makes no sense to have to readvertise already filled positions while the labour market is constrained.

The IUA has made sustained efforts to encourage DoJ on this point in order to implement more efficient, effective and fair processes available for international non-EU students and graduates. At present, however, these barriers continue to conflict with the both the aims of our universities, and those of the government's international education strategy, to attract and retain this talent. Without effective reforms of the system, the full potential of Ireland's international student population will remain underutilized.

As well as reforms to the employment permits system for international graduates, there should be a wider recognition of the need to promote Ireland as a destination for post-study work. The numbers of non-EU graduates that Ireland produces represents only a fraction of the labour and skills needs that this country requires in the medium-term. The Indecon review of the international education strategy illustrated the growing number of students accessing a Stamp 1G visa and concluded that this 'may also have played a part in meeting the skill needs as identified by business.' (pg. 27) However, Indecon further highlight the lack of available information to analyse the link between graduate visas and skills needs. In preparing this submission, the lack of data on the number of Critical Skills permits issued to individuals who previously held a Stamp 1G became apparent. Further analysis of the role of non-EU graduates in fulfilling skills needs is required as a matter of urgency if we are to better serve our strategic skills needs across both public and private sectors.

Removing barriers to employment for non-EU graduates and more widely promoting the benefits of recruiting them should be a key part of the migration policy agenda and meeting Ireland's skills needs. Higher education can play a role in increasing employer engagement and awareness regarding international graduate recruitment.

#### 6. Recommendations

- Reform the overall system to improve access to Stamp 1G visas for international non-EU students in Ireland and increase the time limits for post-study work to at least two years for undergraduate students and three years for postgraduate students, in order to enable us to compete with other jurisdictions.
- Remove Barriers for non-EU graduates and their employers to access critical skills employment permits, including a streamlined application to convert a Stamp 1G to a Critical Skills Employment Permit while in-role.
- Improve cross-sectoral and cross-governmental collaboration (particularly between DFHERIS, DoJ, DETE and higher education institutions) to increase international graduate employment in Ireland, including promotion of the reformed 1G and other schemes.
- Improve data collection and graduate tracking on the use of existing employment permit schemes to better understand the attractiveness of Ireland as a post-study working destination.

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The **Irish Universities Association** is the representative voice of Ireland's research intensive, enterprise engaged, public universities.

A unit of Ibec, Ireland's largest business and employers' representative body, **Ibec Public Sector** exists to support and advance the interests of Ireland's public sector organisations, including our universities and other higher education institutions.

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