

DÁIL ÉIREANN

AN COMHCHOISTE UM FHIONTAR, TRÁDÁIL AGUS FOSTAÍOCHT

JOINT COMMITTEE ON ENTERPRISE, TRADE AND EMPLOYMENT

Dé Máirt, 13 Aibreán 2021

Tuesday, 13 April 2021

Tháinig an Comhchoiste le chéile ag 9.30 a.m.

The Joint Committee met at 9.30 a.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Richard Bruton,	Garret Ahearn,
Joe Flaherty,	Paul Gavan,
Paul Murphy,	Marie Sherlock.
Louise O'Reilly,	
Matt Shanahan,	
David Stanton.	

Teachta / Deputy Maurice Quinlivan sa Chathaoir / in the Chair.

**General Scheme of Employment Permits (Consolidation and Amendment) Bill 2019:
Discussion (Resumed)**

Chairman: I thank members and witnesses for participating in this meeting in line with the exceptional measures we have to undertake due to Covid-19. I remind everyone that apart from myself and members of the committee's secretariat, all members and witnesses are required to participate remotely and all members are required to participate from within the Leinster House complex. Apologies have been received from Senator Róisín Garvey.

Today we will continue our pre-legislative scrutiny of the general scheme of the employment permits (consolidation and amendment) Bill 2019. The proposal has been submitted by the Minister for Enterprise, Trade and Employment to the committee for pre-legislative scrutiny. Members will recall that we had a briefing from the Department on the proposal and we have met representatives of IBEC and the Irish Congress of Trade Unions, ICTU, on the issue. To assist the committee in its further consideration of this matter today, I am pleased to welcome Mr. Philip Carroll, chairperson, Mr. Cormac Healy and Mr. Joe Ryan from Meat Industry Ireland, MII. I also welcome Ms Edel McGinley, director, Ms Karina Korotkevica and Mr. Neil Bruton from the Migrants Rights Centre of Ireland, MRCI.

Before we start, I wish to explain some limitations to parliamentary privilege and to the practice of the Houses as regards reference that may be made to others when witnesses are giving evidence. The evidence of witnesses physically present or who give evidence from within the parliamentary precincts is protected, pursuant to both the Constitution and statute, by absolute privilege. However, today's witnesses are giving their evidence remotely from a place outside of the parliamentary precincts and, as such, may not benefit from the same level of immunity from legal proceedings as a witness who is physically present. Witnesses are reminded of the long-standing parliamentary practice that they should not criticise or make charges against any person or entity by name or in such a way as to make him, her or it identifiable, or otherwise engage in speech that might be regarded as damaging to the good name of a person or entity. Therefore, if witnesses' statements are potentially defamatory to an identifiable person or entity, they will be directed to discontinue their remarks. It is imperative that they comply with any such direction.

The opening statements of the witnesses have been directed to all members and to commence consideration of the matter today, I invite Mr. Carroll to make his opening statement on behalf of MII.

Mr. Philip Carroll: Good morning, Chair and members. As the Chairman said, I am accompanied this morning by Mr. Cormac Healy and Mr. Joe Ryan. MII welcomes this opportunity to contribute to the discussion at the committee on the general scheme of the employment permits Bill. MII is a trade association within IBEC, representing the primary meat processing sector. Our membership includes a significant proportion of the total primary processors, though not all, and we do not represent secondary meat processing. Our members' processing facilities are located throughout rural Ireland, and the sector employs 16,000 people directly and many thousands more in linked employment. A typical primary processing plant will generate approximately €100 million in local economic activity and employ 300 people directly.

Employment in the meat sector is based on full-time direct employment and comprises a mixture of Irish and EU employees who represent some 80% of the total workforce. Irish staff continue to represent the single largest nationality. The majority, mainly European nationals,

have worked in Ireland in the years since 2005, after EU enlargement, when a significant number of workers came from central and eastern Europe. The economic downturn here halted the pace of EU migration in the meantime and although the economy recovered, a much smaller number of people came to Ireland and so the meat sector reached the point in 2015 where it lacked sufficient resources to service important export markets.

Through the employment permit scheme, the industry recruited skilled knifemen internationally to fill the resulting vacancies. Although every effort has been made to recruit at home, the reality we faced was that in a recovering economy where the domestic labour market was tight, there was little or no supply capacity available to meet the growing needs of the sector. In 2018, domestic labour sources had dried up to the extent that vacancies for general operatives were unfillable within the EU-EEA economies and the wider agrifood sector, including meat, dairy, and horticulture, secured a permit scheme for general operatives to fill the vacancies. Between 2015 and December 2019, specific quotas of permits - approximately 3,160 in all - were made available for meat processing.

While employment levels have grown rapidly in recent years pre-Covid, labour force participation has not kept pace with current labour demand and Ireland's prime age participation rate had never been higher, reaching 83.5% in 2018. This suggests that longer term, additional sources of labour are needed above what labour market activation can provide. In this context, the meat sector forecast is that international sources of labour will continue to be in demand under the two existing permit schemes available to the sector. The shortages we face are unlikely to abate as we increasingly find that the sector is competing to attract the attention of a reduced pool of resident workers.

Without a permit option to meet the labour needs required in the meat sector, we would put in jeopardy hard-won export business that is now more than ever facing global competitive challenges as we work through the pandemic, the more challenging trading environment arising from Brexit and the need for market diversification to support the wider agricultural and rural economy, which is so reliant on the agrifood business chain.

We welcome the intention behind the proposed changes to permits legislation, which the Department has stated are concerned with increasing its agility and effectiveness while retaining the key policy focus of supporting the economy and the labour market through evidence-based decision-making. Indeed, it was because of evidence-based decision-making that the Department agreed to permits schemes for skilled knifemen and general operatives, both of which have a strong future importance in filling labour and skill gaps in the sector.

The scheme highlights areas where reforms can lead to wider efficiencies, benefiting both the business sector and the permit holder. The proposal to move the operational practices from primary to secondary legislation will better support the responsiveness to changing economic conditions. We welcome the changes proposed to the labour market needs test introducing modern communications and advertising platforms, which will bring a sharper focus on Irish and European jobseekers as their first priority in addition to the tried and tested traditional models. We welcome the intention to deepen the involvement with the Department of Social Protection in the labour market needs test process to maximise opportunities for resident and EEA workers to seek jobs. We have worked extensively with the Department in the past.

Ongoing significant efforts are being made by processors to recruit for these positions, including continuous engagement with local social welfare offices and advertisements in Irish and European Employment Services, EURES, websites and local and national publications. We are

committed to upskilling and retention, a feature of businesses that has hugely contributed to advancement and retention policies. Our members continue to engage in Skillnet programmes as part and parcel of further developing the in-company needs of the sector.

The new processes being introduced to the Trusted Partner and renewal applications will help to alleviate the overall administrative burden of those interacting with the permit system. There are additional IT developments that would improve the permit regime. A further potential improvement would be to address inflexibilities in the permit system that limit and delay the promotion of permit holders.

One of the challenges relating to low-skilled workers that arose during the review of economic migration policy suggested that greater access to such workers through permit arrangements may stifle innovation and automation of certain roles. This is not the case. Where available, the use of modern technology has been adopted; however, primary processing is and will remain a labour-intensive operation. The industry globally and here in Ireland is exploring automation options, and while a future transition to automation cannot be ruled out it is not on the immediate horizon and would be slow in emerging and expensive to deliver, particularly for the smaller-scale plants in Ireland.

Overall, the draft Bill is designed to ensure that Ireland has the capability and agility necessary to adapt to rapid changes in the needs of the labour market as it evolves in the future. As an industry that has an established demand for human resources beyond those we can reach in our domestic economy, we need to have the ability to employ permit holders sourced internationally, maintain our productive capacity, service international markets and support the wider agrifood and rural economy from which our industry's raw materials are sourced.

While our overall preference is still to recruit within the Irish and EEA labour pools, this labour source is not currently available in sufficient numbers, and our sector will have a continuing need to fill vacancies from abroad. Otherwise, we face the risk to businesses and limit their ability to develop new market opportunities for Irish meat products. The draft Bill is, therefore, welcome. The changes being made are good additions to the needs of a modern economy where agility and responsiveness are critical to maintaining our international competitiveness. A supportive legal framework that continues to safeguard the labour market and supports the employment rights of permit holders will be good for the economy and those who work in it. I thank the Chair and members for the opportunity to present MII's views on the draft Bill.

Chairman: I thank Mr. Carroll. I now invite Ms McGinley to make opening remarks on behalf of MRCI.

Ms Edel McGinley: I thank the Chair. I am a director at MRCI. I am joined by Ms Korothevica and Mr. Bruton, who will be helping me with some questions later. MRCI has been working with migrant workers in low-wage and precarious sectors for almost two decades, including across the agrifood, fisheries, childcare, home care, hotel and catering and security sectors. We make this interjection in a context broader than just that of the agrifood sector.

Ireland continues to be very positive for people who migrate here for work although we have seen poor conditions for workers exposed in many sectors of the labour market. In this context, there are three important points we want to communicate to the committee. First, we would like to see this Bill give equal rights and parity to all employment permit holders, similar to those given through critical skill permits. Second, we disagree with the concept of seasonal work permits and temporary work permits that move. If the Government pursues this approach,

it needs to provide measures that allow people to easily transition to longer-term status and other work. We would also like to see a provision in the Bill that allows access to the workplace relations bodies, not just the civil courts, for all workers, including undocumented workers.

Are the committee members comfortable treating migrant workers differently from other workers and differently from each other. The way our system is set up pits people against each other. It believes an IT developer is better than a meat factory worker. The intention of this Bill is to make the employment permit system more responsible and flexible to the needs of the labour market. That is not a bad thing *per se*. However, flexibility with limited rights is dangerous. Our 20 years' experience shows us that limiting rights puts workers in more vulnerable situations, contributes to exploitation, pushes people into irregularity and limits progression, family formation and family reunion.

Throughout the pandemic, essential workers have been picking and packing food and putting it on our tables. Many have cared for loved ones. This Bill was developed in 2019 when times were very different. There is now much more appreciation for essential workers and for the work that people do. We need to ask and answer a number of questions in this regard. Why does this Bill not recognise essential workers? Why are they been treated as less deserving of rights because the consideration is not being given?

Ireland already operates an onerous and complex immigration and labour migration system to manage migration. We have measures to safeguard the prioritisation of Irish and EU workers through tests for labour market needs, some of which will change. Measures are also in place to ensure that the ratio of non-EU workers does not surpass 50% of workforce. Several occupations are deemed ineligible for the purpose of employment permits applications. These are reviewed biannually.

Why do we penalise workers' rights by limiting their mobility? Why are we introducing more temporary arrangements and permits? Arguments against labour mobility - the right to change employer - often centre on protecting employers' interests, particularly in the context of workers leaving soon after arrival and fear of posts remaining vacant, with employers unable to recoup the costs associated with employment permit applications. Our experience shows, however, that when people are treated fairly, workers will stay in work. This means being paid well, having good conditions, including sick pay, feeling respected and being able to progress in their workplaces. All evidence indicates that people who arrive on work permits are not here temporarily, as the system supposes. People come, settle, put down roots and stay.

We have an opportunity now to stop and reflect on our current employment permit system. Is it fit for purpose? Does it do what we need it to do? Is there a better way to safeguard and enhance workers' rights? We believe the Bill is not in favour of workers' rights and runs contrary to them. MRCI's work over the years has shown that migrant workers find it hard to access their family rights, progress in the labour market and access legal redress if they are irregular. None of this will change under the Bill.

We are concerned that the Bill gives the Minister enhanced discretion and powers through the use of regulation. This discretion is not balanced by enhanced and strengthened protections and rights for workers, especially in light of proposals to increase the use of temporary permits. We are deeply concerned that the needs of industry and employers are favoured without a similar level of consideration given to the rights of workers and the protections relating to them.

The Bill needs to give parity to all workers on employment permits by giving gradual mo-

bility to all general employment permit holders, similar to that already in place for critical skills permit holders. In effect this means full access to the labour market after two years, immediate rights to family reunion and the right to work for spouses and partners. This will help to simplify and streamline the employment permits system and negate the need for a range of schemes, regulations and administrative processes.

We are very concerned about the introduction of new short-term temporary permits. It is well documented that when temporary migration systems do not offer safeguards, some employers may take advantage of this power imbalance, creating a vulnerable workforce that are potentially forced into irregularity. If the Bill continues with this approach, then measures need to be put in place to allow people who are recruited temporarily, such as seasonal workers, to transition into longer-term status in other work.

MRCI believes that all work is work. We believe that undocumented migrant workers perform work just like other workers and should be protected by the same rights and regulations as other workers. Consequently, they should have access to the workplace relations bodies, which are the appropriate bodies to deal with this, and not the civil courts. This needs to be amended.

The Bill also references a remuneration review. We caution against an approach that does not meaningfully engage with workers or worker rights representatives. It needs to be strengthened across the legislation. There is also a significant challenge in making a submission with a lack of clarity and detail in the Bill in its entirety. Finally, we see the Bill as creating more layers and not fewer, and it will serve to segregate people. We are not sure what special needs permits would be, for example, or perceived lower-end seasonal work permits. I thank the committee and welcome questions from the members.

Chairman: I remind members, in putting their questions, of the rota system we have and that they should use the raise hand feature in the software if they wish to speak and, just as important, to lower the hand after speaking. The first speaker will be Deputy Louise O'Reilly and she has 14 minutes.

Deputy Louise O'Reilly: As I have used the raise hand feature and have now lowered the hand, I will get a gold star. Good morning to the witnesses. I thank them very much for the evidence they have given. This is a matter in which I have an interest for many reasons, mostly from a workers' rights perspective, as I am sure they appreciate. Some of the witnesses will have seen me speaking before the Covid-19 committee and they know their industry, almost uniquely outside the healthcare sector, was subject to the discussion by that committee. I am sure that was not comfortable for the witnesses and it was not a great place for any industry. Nevertheless, there were submissions to that committee because of outbreaks in factory settings and particularly those disproportionately affecting the workers. We know several plants were closed. The process was helpful as it shone a light on an industry that we might not often think or speak about. It is very welcome that we are having the engagement this morning and we will continue in that.

Mr. Carroll said that Meat Industry Ireland, which he represents, uses this permit system. I say to Ms McGinley that I am not comfortable with migrant workers being treated differently from or less well than any other group, category or type of worker. Of course I am not because that is not right but the law appears to facilitate that. In discussing the law we should be minded to have a discussion on how to improve the law so we can ensure there are more protections for workers. It is a great pity we never seem to have those types of conversation and it is always where worker rights need to be diminished or set aside or where we need to pit one group of

workers against another, which is not the right way to go.

Ms McGinley described the inequalities that exist in the system, as well as low pay and precarious work. Is that her view on the manner in which migrants are treated within this industry?

Ms Edel McGinley: Is that within the meat industry or more generally?

Deputy Louise O'Reilly: It is the meat industry in particular as it is what we are discussing this morning.

Ms Edel McGinley: There is an issue with low pay in general in society and the meat industry is no different in that respect. We are concerned with granting more rights to workers so they can move employment if a better job comes up or they are offered something different that they want to do. We advocate for the elimination of the general employment permit and all work in the State to be looked at in terms of critical and essential skills.

There is a huge number of safeguards in the State already with regard to immigration and labour market needs tests in terms of the 50-50 rule. There are many safeguards already in place but these are not for workers. We want to give workers better rights in the sphere that parliamentarians control, including work permits. We do not have control over the rate of pay that workers get under the employment permit system. It was diminished in the last quota process for this industry. We can give people better family rights and rights in the labour market. We can do that easily at the stroke of a pen in this legislation and we should do that for workers.

Deputy Louise O'Reilly: I have a view that is borne from many years of experience that the best thing any worker can do is join a trade union, and vindicate their rights such as they are through a union and the power of collective action.

I have a specific question on migrant workers who work in the industry that Mr. Carroll represents. In times gone by the meat industry was heavily unionised. I am not certain what the picture is at the moment but there are active trade unions in some of the plants. What is the level of unionisation among workers on the work permit scheme and migrant workers who are employed in the industry?

Mr. Philip Carroll: Right across our sector there is a mix in some areas. As the Deputy will know, there is no statutory obligation for union recognition in workplaces but, nonetheless, right across our sector, there is a mix. Some companies have formal union recognition and others do not. I do not have a particular figure but I do not think, in any plant where there is formal union recognition, there is any difference between the recognition of the workers who are covered by permits as compared with workers who are not.

Deputy Louise O'Reilly: Does Mr. Carroll have evidence to back up his assumption?

Mr. Philip Carroll: No, we have not surveyed our members on that other than we have a knowledge that there is a mix between those who have and who have not got worker representation within meat plants.

Deputy Louise O'Reilly: So it is not something MII would survey. For those of us, particularly those from a workers' rights background but not exclusively, when one considers the industry, as pointed out by Ms McGinley, is characterised by low pay and precarious work one would tend towards the view that it is not a highly unionised sector, particularly for those people at the business end.

With regard to recruiting people domestically and trying to find people to work in these factories under the terms and conditions offered, and I say the following a bit tongue in cheek, has the industry ever tried raising wages? I mean if one tried to live in this State on the type of money that meat plants offer to migrant workers one would find it extremely difficult to build a life, feed a family, put down roots or have any sort of comfort. Mr. Carroll represents a very profitable sector so would it not occur to him that if the wages were better it would stimulate demand among domestic workers to apply for the jobs?

Mr. Cormac Healy: I would like to share some of the response. In terms of the effort that has been undertaken by our members over the years, we have worked closely for many years with them on labour availability. Significant effort is put into prioritising recruitment in Ireland and the EEA, as we have said in our opening statement. Over the years we have worked with the Department of Social Protection, in particular, to mine the live register. All of that work continues to be done. Each and every employer is engaged with the local employment and social welfare offices as well.

Deputy Louise O'Reilly: I apologise for cutting across Mr. Healy but we are tight on time and the Chair is very strict about time. Has the sector considered raising wages to see if it would stimulate demand domestically or did it peg the wages at low hourly rates but did not find people so went outside the country?

Mr. Cormac Healy: First, the Deputy has said that she believes that the industry is based on low wages and low pay. There is a wide range of occupations in the sector and it is unfair to characterise it.

Deputy Louise O'Reilly: We are specifically talking about people on the work permits this morning. That is why.

Mr. Cormac Healy: Wages have increased in the industry. That is for sure. While people may come in at close to the minimum wage as a starting position in a general operative post, there is opportunity to progress as skills and experience progress and that is done.

We are also part of, and operate in, a competitive environment. If we look even at our closest neighbours-competitors, be that Northern Ireland or Great Britain, GB, we are on par or ahead of those in terms of pay rates in this sector.

We have to compete. We export 90% of what we produce. It is important that we maintain our position in those markets for the overall agri-sector and there is a strong level of competition. Pay has increased as part of the overall increase in pay over the years but, equally, there is also a competitive issue.

Our sector will remain a labour intensive sector as well. That is clear. While all-----

Deputy Louise O'Reilly: It was always thus, I suppose, and it will remain. I received a parliamentary question response from the Tánaiste's office regarding the WRC inspections. They revised the figure of 46% non-compliance with WRC inspectors upwards to 48%. In terms of the number of meat processing inspections by the WRC inspectors, 48% of those were found to be non-compliant with employment law and substantial amounts, possibly not when balanced with the profits within the industry but when compared to the earnings of those on low wages, were recovered on behalf of workers that they should have been paid. Does that worry Mr. Healy at all? It would worry me if I was representing that industry. I have to be frank.

Mr. Cormac Healy: It is the manner in which the Deputy has characterised it as well. First, I want to be clear to all members. We stated that our members in MII are open to all and any inspections by the authorities. The Deputy mentioned in particular the WRC. Be it the Health and Safety Authority, HSA, or the permanent presence of the Department of Agriculture, Food and the Marine, we are open to those.

I have seen coverage on the figures the Deputy quoted. Many breaches in that regard are of a technical nature. It is not a suggestion, it is important to point out, that there is any deliberate attempt to flout or undermine the legal rules of the land. Our members are responsible companies. They are a technical breach.

Equally, when this was raised, we looked at inspections that the WRC conducts right across the economy and the level of inspections where breaches or non-compliance were found was at 40% across all inspections.

Deputy Louise O'Reilly: Now come on, Mr. Healy. That is a little like if your brother stuck his finger in the fire and you did as well.

Mr. Cormac Healy: It is not.

Deputy Louise O'Reilly: We are specifically talking about Mr. Healy's industry here this morning and we are not talking about others.

Mr. Cormac Healy: I am specifically answering on that. It is not necessarily out of par. It is important to point out it is not, as far as I am aware across our membership, that anything has gone to prosecution. If matters have been raised, they are addressed and dealt with.

The Deputy mentioned a figure of €180,000 in recovered wages. I accept fully it is important that should be corrected and dealt with but I would point out that is €180,000 over a six-year period where the total wage bill of the sector was more than €2.8 billion.

Deputy Louise O'Reilly: That is without that €180,000. We are looking at small numbers of inspections taking place. For example, in 2015, there were four inspections and four breaches and, in 2016, nine inspections and six breaches. It might be in line with some other industries. From what I have viewed, I do not accept that it is.

Mr. Cormac Healy: The figures suggest it.

Deputy Louise O'Reilly: That does not make it right. I refer to the recovery of that money for some of the lowest paid workers in this State. When we consider the WRC is operating with approximately half the inspectors it should be, the commission is certainly not by a long shot getting into every factory or place that Mr. Healy represents but every time its staff get in and conduct an inspection we see that there are high levels of non-compliance within the sector. It is not a case of the WRC being in every factory because of course it cannot be, but I am referring to situations where it is there. I find it quite disturbing that Mr. Healy has come in here to defend that because those figures are quite shocking. The fact that 48% were found to be non-compliant is not a great advert for Mr. Healy's industry. We completely understand that it is a labour-intensive industry but it does not have to be a byword for precarious work, low pay and for figures like-----

Chairman: I thank the Deputy.

Deputy Louise O'Reilly: It does not do Mr. Healy's industry any favours.

Mr. Cormac Healy: In the context of the fact that the Deputy has raised this - and I have seen it raised elsewhere in recent times - Meat Industry Ireland only represents its members. We carried out a survey of our members in the context of the matter the Deputy raised in recent times. Our membership accounts for probably two thirds of the inspections that have taken place. As I understand it, there has been no non-compliance found from any of them. I do not want a situation where everyone is tarnished with the same brush here. We are also-----

Chairman: I thank Mr. Healy.

Mr. Cormac Healy: We have contacted the WRC in order to meet with its representatives to see if there are anything that can be done. I agree with the Deputy that there is not-----

Deputy Louise O'Reilly: I apologise for interrupting. I know my time is up but I have one very brief question.

Chairman: Go on.

Deputy Louise O'Reilly: Is Mr. Healy suggesting that the figures referred to here relate only to people MII is not representing on the back of a survey it carried out?

Mr. Cormac Healy: I did not say that. I said inspections that have been undertaken. I think the figures the Deputy received suggest that there were 61 inspections in the six-year period. My understanding is that-----

Deputy Louise O'Reilly: Sixty-one in total, that is correct.

Mr. Cormac Healy: -----about two thirds of those relate to inspections carried out with our members. That is the point I am making to the Deputy. For many of those, there was no non-compliance. There was non-compliance with some and those instances were responded to and dealt with. Furthermore, MII has sought a meeting with the WRC to see what further things can be done to ensure there is full compliance.

Chairman: I thank Mr. Healy. Deputy O'Reilly's time is up.

Deputy Louise O'Reilly: This underlines the need for more WRC inspectors.

Chairman: The Fine Gael group is next. Deputies Bruton and Stanton and Senator Ahearn have all indicated. They have 14 minutes.

Deputy Richard Bruton: My first question is for Mr. Carroll. What level of turnover does the industry experience with employees who come in on work permits? This is in the context of the suggestion by MRCI that we should move away from restricting the right of a person on a work permit to move jobs. It is a reasonable request in that if a person is tied to his or her employer, his or her ability to exercise his or her employment rights will be restricted. I would be interested in hearing MII's response to that.

I am interested in whether we should move toward more of a compact when work permits become a significant feature of a sector, such as looking at what percentage of payroll is devoted to upskilling and what number of apprenticeships are taken on in a year. Would MII be up for that?

Turning to Ms McGinley, does she not see a genuine seasonality to some work like fruit picking? Maybe it is not that extensive but there would be some people whom it suits to come

in and do seasonal work and perhaps do so on repeated occasions. Is expecting a full work permit to be granted for someone coming in seasonally not an undue burden on an employer who really wants to get his or her fruit picked or their harvest brought in? Would it be better to talk about repeat seasonality perhaps or some sort of continuity?

On access to the WRC for the undocumented, what is the legal prevention in this regard? Is it that the WRC will not recognise them or a fear that going to the commission will blow a person's cover?

Finally, on an issue Ms McGinley raised, I see things like the right to move employment as an employment right and the right of a spouse to work as an employment right but family reunification gets into a much wider range of issues than are provided for in this Bill or, indeed, by the Department of Enterprise, Trade and Employment. Has the Department of Justice been approached to explore some of these elements of inequity of treatment? I presume it would be the primary Department looking at family reunification.

Mr. Joe Ryan: I will come in on the Deputy's first questions. The turnover of those permit holders in the workforce would be very low. There is some turnover and obviously permit holders can switch employers after a 12-month period. On the Deputy's follow-up question on reducing the 12-month period, the employers go to a great deal of effort in the recruitment process and identifying candidates outside of the EU and EEA market, organising flights and induction programmes. We feel the existing 12-month stipulation is a balanced approach.

The Deputy asked about apprenticeships and, in a wider context, training and development. There are apprenticeships on all members sites in respect of fitters, electricians and refrigeration. In more recent times, there have been apprenticeships for laboratory technicians and logistics. This is something that is certainly being done. In addition to apprenticeships, there is a wide range of other training and development programmes, such as Skillnet programmes on knifing and boning skills or programmes on food safety, hazard analysis and critical control point, HACCP, Lean Six Sigma and IT training, depending on the various roles.

There is a point we might come back to later, which we mentioned it in our opening statement, with regard to progression opportunities for employment permit holders. There are some restrictions and inflexibility in the legislation and system that limit for a period the progression opportunities on the employment permit side. I can come back on this later if the Deputy wants further detail. There are wider training and development opportunities in many roles, be they through in-house training and external providers such as Skillnet.

Ms Edel McGinley: It is good to hear support from Fine Gael for a move to more skills and rights for workers. I will speak about seasonal work and Ms Korotkevica might come in on the WRC and access to legal redress. We do not have a definition of what seasonal work is, how long it is, where it is and where it happens. It is not just in fruit picking but also in tourism, education and many other sectors. We could say there is seasonality in many things. There is a danger that everything can be defined as seasonal so we have to be very careful about this type of approach. We also need to think about the rights of workers, their access to PRSI and pensions, whether there is portability of their social welfare rights and how this is managed. None of this has been communicated to us or thought through as far as I can see.

Many years ago we had a situation where people came on group seasonal work permits. The majority of people became undocumented after those work permits ceased. Everybody we worked with at the time fell out of the system. There is a danger that if we do not provide

transitional measures and work is available for people to access the labour market people will become undocumented, and I can guarantee that Migrant Rights Centre Ireland will be mopping it up. We are trying to look at this from a prevention perspective. We would like to see how we define seasonality. It suits some workers to come and work but that is on a very specific regional basis. Workers who come from Romania and Bulgaria, for example, have the right to work and to mobility, and there is a different set of rights and circumstances. On the other hand, if someone is asked to come from, say, India, Pakistan, Morocco or somewhere else outside the EU, there is a different set of expectations when he or she moves to Europe. We have to understand migration more broadly. We are not in favour of limiting the rights of people but rather of giving them more rights and allowing them to transition into other work. The seasonal work issue needs more discussion and thought and clearer definitions of what it would be and what the transitional measures would look like.

There is a justice issue with family reunification. General employment permits and critical skills employment permits involve different sets of rights. Under the latter, the holder is allowed to bring along his or her family immediately - no questions asked. It is assumed that people are coming here to settle, whereas in the context of the general employment permit, there is an assumption that people are not and it is a temporary system. A general employment permit holder has to wait a year before he or she can apply for family reunification. We know moving with one's family is good and helps the person to settle in, but the person has to be earning a certain amount. There is also the family income supplement threshold whereby the applicant has to be able to demonstrate that he or she can support his or her family. Ms Korotkevica might comment further on that and the WRC.

Ms Karina Korotkevica: I am the drop-in centre co-ordinator with MRCI. I will provide a few comments on access to the WRC for undocumented workers. In 2014, the Employment Permits (Amendment) Act was introduced, certain sections of which allow undocumented workers to bring a claim to the civil courts instead of the WRC. It created problems for migrants, such as navigating the courts process and the cost of legal representation. In a 2019 case, the Labour Court delivered a judgment involving TA Hotels Limited that held that undocumented workers could not seek redress against employers before employment tribunals such as the WRC and the Labour Court, and that the Employment Permits (Amendment) Act 2014 referred undocumented workers to civil proceedings to recover moneys owed from the employer. The court found that these civil proceedings did not include tribunals, only the ordinary courts.

MRCI believes that all workers work and that undocumented migrant workers perform work just like any other worker, and as such should be protected by the same rights and regulations as other workers. Consequently, they should have access to the workplace relations bodies, which are the appropriate bodies to deal with labour disputes, rather than to civil courts. Referring undocumented workers to civil courts instead of to the workplace relations bodies creates a number of access-to-justice concerns. Workers whose legal status has lapsed for short or long periods are effectively barred from accessing justice in employment cases, and workers who cannot afford to go to court or cannot find *pro bono* or other supports cannot seek redress against their employers before the employment tribunals. Furthermore, no free legal aid is available for employment disputes.

Deputy Richard Bruton: I thank our guests for those answers. I apologise for encroaching on my colleague's time.

Deputy David Stanton: This is a fascinating discussion. It is good to see Ms McGinley again and I thank her for attending. I also thank Mr. Carroll and his colleagues. I am very

interested in the training issue he mentioned and MII members' engagement with Skillnet. He referred to "skilled knifemen", a strange term to use. Was he talking about qualifications of some sort or a recognised training certification? Is there an equivalence with apprenticeships, which were mentioned earlier, or whatever? Mr. Carroll might elaborate on that. What kind of skills and experience are required for the various jobs that are undertaken? With respect I ask him to have a look at the Irish Association for Social Inclusion Opportunities, which works with people in Ireland who want to gain employment. I also ask him to look at Open Doors initiative, which I am sure a lot of people here are also aware of. This also works with migrants and people from certain backgrounds who find it difficult to get work. Those are two options that might assist MII in recruiting people who are in the country and looking for jobs. Will Mr. Carroll comment on the changes that are envisaged in advertising? The current advertising is quite awkward, difficult and challenging for everybody.

Ms McGinley mentioned critical skills employment permits and it seems that she would like everyone to be on such a permit and to be treated in the same way. On her issue with family reunification, could she elaborate and tell us exactly what she means? Is she talking about immediate family members and does that include grandparents and grandchildren? If a worker comes to Ireland and his son or daughter comes and he or she is married with children, how far does it go? This is something I came across elsewhere.

Mr. Joe Ryan: I will come in briefly on the first question on skilled knifemen. A knifeman is one of the most highly skilled individuals within a meat plant. He or she has an in-depth knowledge of the butchery trade and is able to debone the carcass into hindquarters, forequarters and the various cuts. It is a highly skilled role that is ultimately able to dictate the efficiency of all the other operations that follow it. One of the courses we organised with Skillnet was a knifing and boning course. That was aimed at upskilling the existing resident workforce that we have. There are various levels to that course, from award to certificate and diploma. There is a mix of practical and educational aspects to that course.

On the Deputy's question regarding the labour market needs test, significant advertising is done via JobsIreland, EURES, our company website, social media and recruitment agencies both in Ireland and across Europe to try to secure labour.

Mr. Neil Bruton: I will take up the Deputy's point about what we want around critical skills employment permits. Essentially he is correct that the pandemic has shown the value of all work, especially essential work. The rights of a general employment permit worker are not the same as someone on a critical skills employment permit. We are essentially asking that people on a general employment permit get full labour market access after two years, which is what someone on a critical skills work permit gets. That will allow people on a general employment permit to access their rights much more easily.

One can technically change employer after 12 months but in reality that is extremely difficult. Someone who is here on a general employment permit may be working on a mushroom farm in a rural isolated setting and English might not be his or her first language. To expect him or her to build a strong enough relationship with a new employer so that the employer will apply for a work permit for him or her in a new job is unrealistic. A simple way we see that people can get better rights is to give them similar rights to those on the critical skills employment permit. That means they will have full access to the labour market after two years.

Senator Marie Sherlock: I thank our guests from MII and the MRCI for attending. MRCI sent in a detailed note with eight recommendations so that is welcome and I thank our guests

for that.

In the limited time available to me, I will ask a number of specific questions of MII. I want to understand the lack of labour supply in that sector better. From 2015 to 2018, there was an unemployment rate of in or around 4%. We know that it will be approximately 10% by the end of this year and there will be elevated unemployment levels next year and the year afterwards. I want to understand the difficulties faced in attracting people into MII's sector. Do they include pay and the working conditions? The witnesses mentioned skills. What is the number of apprenticeships for skilled knifemen, other trained personnel and general operative grades within the sector?

Mr. Cormac Healy: The Senator referenced the 2015-18 period, when there was a significant tightening of the overall labour market. She cited a figure of 4%, but it was more or less moving to full employment.

Senator Marie Sherlock: I am sorry to interrupt, but the live register figures are clear. What precise initiatives did MII's sector take to recruit? I want to hear the numbers in terms of apprenticeships and Skillnet programmes.

Mr. Cormac Healy: I might ask my colleague for the specific numbers. There is an ongoing recruitment effort by plant management in every company. We have undertaken initiatives with the Department of Social Protection. In one initiative, we ran regional job fairs throughout the country and the Department brought people from the live register whom it believed might have the requisite skills, etc. We are constantly engaged with local employment offices and social welfare offices as regards recruitment. We have also engaged with EURES and attended work fairs throughout Europe.

I accept the Senator's point that, as we hopefully come out of the pandemic, unemployment has increased. As we pointed out in our opening statement, though, we must see what the true level of unemployment is in the long term to determine what the availability is. We will continue to prioritise recruitment in Ireland and the EEA, but there are strong competitiveness issues. For example, it is a difficult and challenging working environment and may not be attractive to everyone. We also compete with the construction industry. When that takes off, there may be a draw from our sector. That is the reality that we must contend with, just as our industry does in most EU member states.

I might ask one of my colleagues for specific figures on those who have gone through a Skillnet programme and so on.

Mr. Joe Ryan: The Senator asked about the course for knifemen. I will give her the context. We received 300 or 360 knifemen work permits in 2015. The Skillnet course on knifing and boning started at about that time. I would need to check, but I estimate that approximately 600 people have gone through that course in the past two years. The Senator should bear in mind that every site has a limited number of knifemen. They are not the largest number of personnel in each plant; there are only six or seven knifemen in any one plant.

Regarding wider Skillnet programmes on hazardous analysis and critical control point, HACCP, food regulations, quality control, Lean Six Sigma, sales and so on, hundreds of people go through those courses annually. They are done using a blended model across the food industry whereby companies send three or four people or the courses are run in-house and on-site.

Senator Marie Sherlock: I thank Mr. Ryan. It is important to say that, in light of the efforts

that have been mentioned, there should be no need to go beyond the EU to seek skills. If those efforts are being undertaken as Mr. Healy says they are, there should be no reason the industry cannot recruit in this country, given the scale of unemployment we have had and will have into the future.

A number of weeks ago, an IBEC representative claimed the reason for the low wages and high level of permits in the meat industry was that it was a low-margin sector. What are the margins in the sector?

Mr. Philip Carroll: It is a low-margin sector. There is a narrative, which we have heard already this morning, that it is a highly profitable sector. The sector has high turnover but that does not make it profitable. There is limited public information available around processing margins. CSO data, for example-----

Senator Marie Sherlock: I am sorry to interrupt but my time is limited. I am asking what the margin is. I am aware that the information is limited. That is why I ask the question of the witnesses.

Mr. Philip Carroll: I was coming to answer the question by referencing the census of industrial production which shows the margins are somewhere around 1%. They are very tight margins based on high levels of turnover.

Senator Marie Sherlock: I thank Mr. Carroll. I am aware of that data, which does not break down to the level of the meat industry which he represents. It relates to food processing. There is an issue with regard to disentangling or disaggregating the figures.

I move on to my next question. We have had repeated news reports on the sector engaging in exploitative work practices, including bogus self-employment. Last year, the *Irish Farmers Journal* referred to workers being employed in this country through an employment agency located in another EU member state. Last Sunday, *The Irish Mail on Sunday* referred to workers having to take on fake identities. Why are there employers in the sector that continue to rely on exploitative work practices to recruit and retain workers?

Mr. Cormac Healy: MII will speak on its membership, but as far as our membership is concerned, we are based on full-time direct employment. When this came up in the course of last year we worked with members and we estimated that less than 2% of the overall workforce represented by our members are agency and I think the figure is decreasing. It was higher and it is decreasing. As far as our members are concerned, it is not a route of sourcing employment. We are for full-time direct employment.

To add to what the Chairman said, there are published accounts of meat processors. The narrative that this is a highly profitable sector is too easy. Recently published accounts from various primary beef processors show profit margins of 0.3%, 0.6% or 1%. They were referenced in a recent ICTU report, which is available. In the report, which I understand was published in the past month, profit margins were itemised and shown to be-----

Chairman: Senator Sherlock's time is up. I thank her and Mr. Healy.

Deputy Paul Murphy: I thank MII and the MRCI for their presentations. I think the meat industry presents a good case study where there is quite-----

Chairman: We have lost the Deputy. I think he is on mute.

Deputy Paul Murphy: The meat industry proves the point the MRCI is making that where there is discrimination and different sets of rules for migrant workers, it serves to undermine working conditions and wage rates for all workers. Covid is a good illustration. It has, unfortunately, shone a light on some of the conditions that exist in our meat plants and that is worth looking at further.

I have an overarching question for MII. The rates of Covid in our meat plants are striking. There are 25 open outbreaks at the moment out of 56 meat plants in the State. At times in the past couple of months, the incidences have been higher and more than 50% of meat plants have had open outbreaks. SIPTU has said that 25% of meat plant workers have got Covid-19 at some point in the past year or so, which is also striking. There are, obviously, environmental factors because of the nature of meat plants as workplaces and issues around ventilation and so on but there is strong evidence to suggest that is compounded by poor working conditions which include issues around no sick pay, agency staff, tied accommodation and poor accommodation that is shared by workers. Does MII accept that poor working conditions are a compounding factor in the levels of Covid that we have seen in our meat plants?

Mr. Cormac Healy: I thank the Deputy. He is entitled to his position on the matter but I do not accept the position as he has characterised it. It should be known that an outbreak is categorised as two or more cases which can then somehow be portrayed as a big and major outbreak. The Deputy mentioned a figure of 25%. As I understand it, from the latest figures, there are open outbreaks of Covid but they can be very small. An outbreak is considered open until such time as 28 days have passed.

To show something else in terms of level of exposure to Covid, I will point to the ongoing serial testing programme that is running in our sector. It is important to give members the latest figures on that. More than 165,000 tests have now been carried out in that serial testing across the meat industry, primary and secondary, across 90 sites. The positivity rate in that programme overall, across those 165,000 tests, is coming out at 0.79%. In the current cycle, the positivity rate is running at 0.36%, which is extremely low. It is fair that I point out that this is one of the only areas beyond the healthcare sector in which serial testing has been carried out on an ongoing basis. We are picking up community cases because we are doing serial testing. If one looks at some of the recent community testing that was carried out in pop-up centres, as we have heard on the news in recent times, they were getting positivity rates of 3% to 4%. In the current cycle of testing in meat plants, the positivity rate is 0.36%. There are significant mitigation, control and prevention measures in place and a considerable amount of effort has gone into them. There has been a major focus on the meat industry but the work and effort that has been put in to bring the positivity rate to where it is shows that we are in a credible position. It must also be pointed out that we have ongoing serial testing and are, therefore, picking up community cases that are not necessarily meat plant cases.

Deputy Paul Murphy: The figures I have are from the Health Protection Surveillance Centre, HPSC, from 7 April. Those are the most recently published figures and they state that there are 25 open outbreaks in meat plants. If Mr. Healy has alternative or more up-to-date figures, I would be grateful if he would share them with the committee.

On the substance of the issue, does Mr. Healy accept that the fact that an estimated 90% of workers in meat plants do not have access to sick pay is a factor in the meat plants being a continual issue in terms of Covid?

Mr. Cormac Healy: I do not. Speaking for Meat Industry Ireland, it is the case that ap-

proximately 20% of the workforce represented by our members have sick pay arrangements in place. As we know, in the context of this pandemic, to which there has been a global and national response, sick pay arrangements have been put in place. It is not the case that people do not have sick pay. There is a pandemic illness sick payment in place where companies do not have one.

The HSE can be asked about this and I am sure the committee will take the opportunity to do so. Asymptomatic and positive cases have been a huge feature of this. The data will show that well in excess of 50% of cases have been asymptomatic. The issue is not meat plants. As I said, the HSE pop-up centres tested in the community and found positivity rates of 4%. I heard the HSE commenting on asymptomatic cases. Meat plants are being characterised as being centres of Covid-19. That is not the case. We have put ourselves in a credible position. I believe the HSE would back up that view based on inspections and our ongoing weekly engagement with it on behalf of our members. The positivity rates that are now being found among the workforce in meat plants are extremely low, despite very high levels of cases in the community, as was evidenced in January last.

Deputy Paul Murphy: I do not agree. The evidence will show that one will find a correlation if one maps meat plants and levels of community transmission on to each other. That has happened at multiple stages in terms of the different waves of the pandemic.

Chairman: I thank the Deputy. His time is up.

Mr. Cormac Healy: All I ask is that the Deputy take a look at the HSE-run PCR testing. It is not as if it is a small scheme. Some 165,000 tests have been conducted to date. I just ask that this be reflected on as well.

Deputy Paul Murphy: Absolutely. Is it acceptable that, according to Mr. Healy's own statement, eight out of ten workers in the companies he represents do not have access to sick pay?

Chairman: I am afraid Deputy Murphy's time is up. I am sorry about that.

Deputy Paul Murphy: I might get an answer to that.

Chairman: The next speaker is Deputy Shanahan with seven minutes.

Deputy Matt Shanahan: I thank the Chairman and our guests. I welcome certain aspects of the legislation. We should definitely try to get something done about the seasonal employment permit of between six and nine months. I also welcome the provision of training and innovation, supports and streamlining. I echo one or two of the comments made by other Deputies about increased inspections by the Workplace Relations Commission. I do not believe large industries have anything to fear. The industries I know of certainly do not have anything to fear arising from increased inspections. On a personal level, I favour access to the general labour market after two years. That sets out my stall.

I have a couple of questions for Meat Industry Ireland. Have any of its members considered using rapid antigen testing in the meat factories? I proposed this approach to the Government as a means of opening construction. It should be done proactively in meat factories rather than chasing outbreaks after they happen. Do the witnesses have any comments on that?

On pathways to upskilling for general operatives, piece rates apply to much of the work

done in meat factories, which obviously increases take-home pay. Are specific initiatives in place to allow general operatives to progress into higher paid sectors?

On the issue of competitive pressures and margins, I highlight to other members that an advertisement by a German multiple at the weekend featured two steaks for sale at €3. That might tell people where the competitive pressures are in the meat game. I know the sector very well, having worked in it for a number of years. Is Meat Industry Ireland doing anything to challenge the low-cost sale of meat in the retail sector?

Does Migrant Rights Centre Ireland have any comments on trying to pursue a points-based system for work permits? People should qualify for longer term stays here on the basis of specific skill sets.

Mr. Joe Ryan: In addition to PCR testing which has been used in plants since August, there have been initiatives around antigen testing since October-November. We were involved, through the Department of Agriculture, Food and the Marine and the HSE, in a validation trial of several different antigen test kits. A formal trial kicked off in January and February of one particular antigen test kit which was approved for use in self-swabbing and in asymptomatic settings. That validation programme involved running the antigen test kit alongside the PCR test in plants over those months. Approximately 18,000 people were tested using PCR tests and antigen tests with the results compared to facilitate the HSE and Department of Health approval of that particular antigen test kit for roll-out. The roll-out of that kit has commenced and is being used in plants in addition to the ongoing PCR testing.

On the Deputy's second question regarding training and upskilling, as general operatives come in there are ample opportunities to progress their career into roles such as quality, technical and other food production roles, sales and logistics, it is worth reiterating the point in our opening statement on the inflexibilities in the current permit legislation, which limit and delay the promotion of permit holders. It is worth teasing out in some detail. For EU-EEA staff, there are clear career paths where a worker with skills and initiative can progress in the sector but for permit holders it is limited by the structure of the permit scheme. The promotion of a permit holder, say a meat processor operative, may constitute a material change in their job description *vis-à-vis* the description of their job on the employment permit, which could put the company in breach of the legislation. For example, if a meat processor operative with excellent skills and initiative wants to progress and there is a role available as a team lead or supervisor, the permit holder cannot be promoted into the role as it would be a material change in their job description and there is no available permit for the role of supervisor. That is an immense source of frustration for the employee and also the employer. We ask that the system be examined so that rather than restricting progression, there would be an agreed framework whereby companies may still be compliant with the legislation while allowing permit holders to progress their careers. It is an important point that I am taking the opportunity to raise. Generally, there are a wide range of training and progression opportunities across the industry. I can go into more detail on those or send on details after if the Deputy wishes.

Deputy Matt Shanahan: Will the witnesses address the question on the below-cost selling of meat through multiples. Will the MRCI talk about points advocacy?

Mr. Cormac Healy: The Deputy has put his finger on a key issue for the agrifood sector, which is that food is undervalued. There is a constant pressure on the price that is achievable and the margin, which often leads us to conflict with our primary producers and also raw material suppliers. Legislation on below-cost selling was done away with some years ago. That is

something we think was a retrograde step. There is new legislation on unfair trading practices to be brought into play, which we welcome. In the meantime, we can continue to produce the best product that secures the best customer, and equally and importantly, to continue to drive market access for Irish products so that alternatives and options are available from a customer base perspective.

Chairman: Do the MRCI witnesses want to respond briefly? Their time is up but I will allow them one minute.

Ms Edel McGinley: It is great to hear the support for a move to full access after two years. It might eliminate some of the issues that MII is also raising.

With regard to a points-based system, the position is more complicated than outlined. Our system is a guest or temporary system so it assumes that people are not going to migrate here permanently. A points-based system is about permanent migration. Therefore, we need a discussion on what we actually believe migration to be in Ireland. Is it temporary or permanent? Under the points-based system in Canada, for example, there is permanent residency and points are applied to different sets of skills. That is not the system we have. It is one we could explore but it means a massive, almost ideological, shift in the way we consider migration in Ireland, from a temporary route to a permanent one. We would be in favour of that but it is not something the Department has ever considered. We had a comprehensive review of labour migration two years ago. A new system was never part of that discussion so we are still in a mode that is forever temporary. We want to see a shift towards more permanent migration mechanisms. The critical skills permit assumes people are coming permanently. The general skills permit is temporary.

Chairman: I thank Ms McGinley. I will now move on to round two. The first member who has indicated a wish to speak is Senator Gavan. He has seven minutes.

Senator Paul Gavan: I thank all the parties for their presentations and patience this morning.

I want to start by referring to a report produced by MRCI last November. It is called Working to the Bone. It has a lot of crucial information on working conditions in the meat industry. It states: "This research reveals the systemic culture of poor and dangerous working conditions, with employers who put profit before the health and safety of their workers." It also states: "This sector relies on low wages to make a profit and needs to change to invest in the long-term health and safety of its workforce." It is a truly shocking report. We are talking about work permits. I would be very sceptical about this Government issuing further work permits to a sector that operates in the way described. To be fair to MII, perhaps I should ask its representatives to comment on the report.

Mr. Cormac Healy: I thank the Senator. I am familiar with the report. I do not accept many of the characterisations in it. I wish to make a point that I believe was provided to the committee in evidence in some of its previous hearings. The meat industry, or the agriculture sector, received in 2020 less than 10% of the permits that were issued overall in the country by the Department of Enterprise, Trade and Employment. That was while there was a quota in existence. Any permits that have been made available in the agriculture, meat and horticulture sectors have been quota based; it is not open-ended. Even in a scenario where there were quotas, we got 10% of the permits issued overall. It is not as if we are taking every permit that exists. I do not accept the point made.

As far as we are concerned, the report produced by MRCI does not characterise the working environment or the approach of the companies that we represent, which comprise a large majority of the companies in the primary processing sector. I do not know what way I can say this other than to say we are fully open to every inspection by a competent authority, be it the Health and Safety Authority, HSA, or the Workplace Relations Commission, WRC. We have nothing to hide in that regard. Inspections take place. I believe the figure quoted in the Dáil recently was 300 inspections by the HSA in meat processing plants since last March. We are open to those and we do not have anything to hide in that regard. Our members do not have anything to hide. That is not to say that everything is perfect and that we should not continue to work at issues. All I can say to the Senator is that we do not have anything to hide. We are open to all of those inspections and the more of them that take place the better.

Senator Paul Gavan: It is the results of the inspections that are of such concern, particularly the WRC inspections cited by my colleague, Deputy O'Reilly, which showed that one in two meat factories is consistently failing. I will move on because there is a shortage of time. I want to take up the question put by Deputy Paul Murphy. Does MII think it is acceptable that only 20% of workers are covered by a sick pay scheme within the industry? After all, this was a recommendation of an all-party Oireachtas committee a year ago. I cannot understand the lack of progress on that.

Mr. Philip Carroll: As the Senator knows, he have already made the point that it varies across the sectors and we recognise that. It also varies across the economy. It is not unique to the meat sector that there is no sick pay scheme in each individual operation. It is a matter for individual employers. We recognise and will engage with the process. I know the Tánaiste has announced proposals in this regard and there is an expectation that heads of a Bill will be produced shortly. From an MII perspective, we do not have any objection to that. We welcome the notion that such legislation might come into place. It cannot simply be a stand-alone Bill but it needs to be worked through. We need to see the detail around it and how it is structured and organised. It is also important that once that legislation comes to the Oireachtas, it needs to be considered in the context of the overall costs to the industry. We equally believe that it needs to be part of a discussion around the commission on taxation and social welfare. All of those elements need to be brought into that process to elucidate how that particular proposal will come forward. As a matter of principle, however, this is not a sector that has any objection to that type of legislation being introduced, once we have full sight of the detail.

Senator Paul Gavan: Mr. Carroll is clearly saying that MII is not prepared to act ahead of anything the Government might want to do, which is disappointing.

Mr. Philip Carroll: As a legislative process is about to commence, that is the way which we will want to engage with it.

Senator Paul Gavan: Mr. Carroll has made that point but I am conscious of time so I apologise and I do not wish to be rude. The rate of pay for general operatives on work permits is €22,423 per annum. Is that not an appallingly low rate of pay for the hard and back-breaking work that meat factory workers engage in?

Mr. Cormac Healy: It is a threshold that is set for those general operative permits. There is also a rate of €27,500 set for the skilled knifeman permits. I said earlier that this pay is comparable with starting points for general operatives coming in. There are opportunities within the sector to progress in pay rates, both in experience and skill. The Senator holds that view but I have to go back to the point that we are competing. We are comparable with our nearest

neighbours and competitors in Northern Ireland and Great Britain, as I described them. That is the environment in which we must also compete in supplying product to the same customers.

Senator Paul Gavan: There is a reason I hold that view. When I was a trade union official trying to organise meat factory workers, I found on each occasion that once we organised with activists, they were summarily fired, not once or twice but several times.

In the short time I have left, I want to ask the MRCI for its reaction to MII's rejection of its Working to the Bone report?

Ms Edel McGinley: We did this report with workers. It contains the voices of workers and their experiences and it was conducted over a period of time. We stand over the report and we talk to workers. The big issue for us in the report is that there were persistent and consistent health and safety issues. Today's discussion is not about that issue but we do have an ask for this committee. We have made recommendations in the report to set up a joint committee between this committee and the Joint Committee on Agriculture and the Marine to look at this report, to advance the recommendations of the Special Committee on Covid-19 Response and to have a different forum where there would be political oversight for that. That would have to be led by this committee in the setting up of a joint committee to examine it further, which would be a very welcome outcome, even from today's meeting.

In terms of some of the other-----

Chairman: I am sorry but Ms McGinley's time is up. If she wants to send a note to us about the joint committee she is suggesting, I would appreciate that. I call Senator Garret Ahearn.

Senator Garret Ahearn: I thank the witnesses. I come from the town of Cahir in Tipperary, with which Mr. Healy will be familiar. It is a town with a high percentage of non-nationals who are predominantly working in the meat factory just outside Cahir. It has challenges, like every workplace, including a number of those that have been brought up today. However, it is important to highlight some of the good work that is done. There is huge engagement between the meat factory and the community in Cahir in terms of integration and bringing people together. It is important to acknowledge that does happen and that it is not all bad things. There is a lot of employment there for non-nationals but also for Irish people.

A number of speakers brought up Covid outbreaks. It is important, when we talk about outbreaks, that we do not blame people. It is quite easy to blame some workplaces for outbreaks but we do not do it for schools or hospitals where outbreaks happen. The important thing is whether the industry acts properly when outbreaks happen and the witnesses might give an answer on that. Are there protocols in place? Have they always been in place in order that when outbreaks occur in factories, the right measures are taken on the back of that?

The witnesses spoke briefly on serial testing and PCR. This is something that those who are critical of the industry have been calling for every workplace to do. Mr. Healy gave figures of a positivity rate of 0.36%, whereas it is about 3% nationally at present. How long has that been in place for workers and how has it been going since then? It is something we are hoping a lot of other workplaces will bring in.

I have a question for Ms McGinley with regard to critical skills, an issue also raised by Deputy Stanton. It makes total sense for critical skills to be redefined after the last year. We have seen front-line workers who might not have been perceived as front-line workers, as Mr. Bruton said in his contribution, and people who work in the meat industry are a typical example, in

that they kept people fed over the last year. With regard to family reunification, how will that process start? How is it done in the critical skills sector and is that exactly how the witnesses would like it to be done in this sector?

Mr. Cormac Healy: I will respond to those points. First, I thank the Senator for recognising the positives around meat plants in local areas. They are major economic drivers. Our members' plants are located throughout rural Ireland. They are not within the M50, they are in small towns and rural areas throughout almost every county in the country, and in many towns they are probably the main employer and the main driver of economic activity. It is good to hear that being recognised.

The Senator asked about the position on Covid protocols. From the get-go of this pandemic in March and April of last year, the industry had to put and was putting protocols in place. This was when we were all learning about Covid, as a country and as a world, and the industry put many controls and mitigation measures in place at that time.

As we progressed through last summer, the HSE developed specific guidelines for the processing sector. These continue to be updated, implemented and checked by virtue of Health and Safety Authority, HSA, inspections. We also have a permanent Department of Agriculture, Food and the Marine presence in our plants while they are in operation. Those guidelines continue to be implemented.

On testing and timing, the HSE-led serial testing programme, which is using the PCR test, has been running nationally since the end of August last year. Monthly cycles of testing are carried out. The programme covers between 90 and 95 primary and secondary processing plants across Ireland. As I said, almost 165,000 tests have been completed, with a positivity rate over the full period of 0.79%. In the most recent cycle, the rate stands at 0.36%.

Senator Ahearn is right. I try to point out on behalf of the sector, because it is an issue on which we are focused, that community testing in pop-up centres is showing positivity rates of close to 4%. This testing is comparable because it involves a mix of the population, not just those who may believe they have symptoms. The meat industry has put itself in a credible position in respect of this and that view would be backed up by the HSE. The ongoing testing in our plants means we are also picking up community based positive results. Our testing is picking those up.

As the Senator said, there is considerable discussion of rapid testing. Deputy Shanahan mentioned it also in the context of the construction industry. We engaged with the Department of Agriculture, Food and the Marine and the HSE in pilot evaluation of rapid antigen tests throughout January. A significant volume of work was carried out on those and the authorities, the HSE in particular, were satisfied that these tests could be used. As has been described, rapid antigen testing is a further control against Covid-19. It has been rolled out in recent weeks across plants, which are still doing the PCR testing with the HSE but at intermittent stages along the way. If there are any concerns, rapid antigen testing can be deployed to get a quick result. If there is a concern about an individual, he or she can be taken out of the site or the situation as quickly as possible. That is the purpose of rapid antigen testing. It is just a further tool to mitigate against Covid.

Chairman: I thank Mr. Healy. The Senator's time is up. The next person is-----

Ms Edel McGinley: Perhaps Ms Korotkevica and Mr. Bruton could respond on family

reunion.

Ms Karina Korotkevica: Family reunification is one of the biggest pain points of employment permit holders and among the main queries we see in the drop-in centre. When general employment permit holders want to bring their family members such as spouses and children here they first need to wait at least 12 months while they are on the current work permit. It usually takes two years to prove that they have the same level of income, their salary is stable and nothing is going on in their current place of employment. A strict income threshold is applied. The permit holder needs to earn a minimum of €30,000 a year to bring a spouse here and if he or she wants to bring dependent children here, an additional threshold is applied in line with the past family income supplement rates. Even if someone is successful in bringing his or her spouse here, the spouse will be granted a stamp 3 visa, which is a dependency stamp, and is not allowed to work. In other words, the work permit holder is the only one working in the family and the only one sponsoring the family. That is extremely difficult for the workers, especially those working in meat factories, when they need to pay rent, buy food, pay school and other bills. To compare them with the critical skills of work permit holders, their spouses are entitled-----

Chairman: I thank Ms Korotkevica.

Ms Karina Korotkevica: -----to family reunification under the stamp 1G, with full access to employment.

Senator Marie Sherlock: I support Migrant Rights Centre Ireland's call for labour market mobility to be associated with employment permits in future. I utterly reject the current situation whereby workers on permits here are treated like a second class of worker when compared with other employees in terms of their access to the Workplace Relations Commission. Under head 6 in the more detailed document, a concern was expressed that companies based outside the State may use intercountry transfer permits to circumnavigate the requirements in this country. I would be grateful if Ms McGinley would go into more detail as to the intercountry transfer permit system and specific concerns.

Ms Edel McGinley: The intercountry transfer system works fairly well. Again, the heads of the Bill are not clear. It must be the minimum wage and the heads of the Bill lack detail. We are concerned that, again, there is a race to the bottom and that the minimum wage would be seen as the threshold for employment, not a higher rate of pay. It is hard for me to comment, as the Bill lacks a lot of detail in general.

A bigger thing for us is the discretionary nature of the Bill, that is, moving things from primary to secondary legislation and the lack of political oversight this entails. If this legislation goes that way, then we must protect workers because there will be very little political oversight after this Bill is enacted. Consequently we need, right now, to give workers as many rights as possible. In order to have flexibility, one needs rights so that, essentially, is the Bill.

Senator Marie Sherlock: My second question is directed to the representatives of Meat Industry Ireland. The Labour Party produced a Bill on sick pay last September. Obviously we strongly believe that every worker should have access to paid sick leave in this country. While I welcome that Meat Industry Ireland is not opposed to the introduction of paid sick leave, with all of the attention on the sector in recent months it is astonishing that the sector has made no proactive move to extend the coverage of paid sick leave to more workers in advance of legislation.

Mr. Carroll made reference to concerns about tax issues, welfare issues and costs in terms of the legislation. Can he elaborate on those concerns please?

Mr. Philip Carroll: I do not think I necessarily raised concerns about them. The reality is that we do not have an indication at present as to what that Bill might look like or its structure. I wish to emphasise that while we have sick pay schemes in individual companies, it is a matter for those individual commercial companies to decide whether they may make any adjustments to the current arrangements now, in advance of a Bill. My principal point is that we need to understand the parameters of the Bill. We have talked here about margins in our sector and affordability. We need to understand how that Bill is designed, what its scope will be, what the potential costs associated with that will be and how those costs are to be shared. I mentioned that in the context of looking at the commission of taxation on social welfare, which is something that is planned. Rather, I mean that a commission on taxation is planned. We need to do it in the context of that. This is not to suggest that the legislation should be delayed in any way because these things can happen in parallel, but we need to have that understanding of what the cost-sharing would be and what the burden of such a sick pay scheme would be in terms of the capability of sectors to pay for that scheme.

Senator Marie Sherlock: I have a specific question on the costs. If a worker falls ill at the moment, is there replacement cover put in place for him or her? I am really interested when I hear employers talk about the costs associated with sick pay. Is it the case that other workers must cover the person who is ill or is the replacement cover put in place?

Mr. Philip Carroll: In the nature of any workplace, I do not think it is a case that where somebody is on sick leave for a day or two or even for a week that there would not be capacity in any organisation to fill critical staff vacancies that occur. It is no different to when people go on annual leave. It is not always the case that people are replaced for the period when they are on annual leave. Therefore, I do not think that is a particular concern that arises in the case of meat plants or not that I am aware of, at least.

Senator Marie Sherlock: I thank Mr. Carroll. That is a very welcome clarification because, from my perspective, it is important to understand that when temporary cover is not put in place, a company just continues to pay the worker as if he or she were there even when he or she is out sick.

Chairman: Deputy Stanton has seven minutes.

Deputy David Stanton: I thank the Chairman. I may not use all of it. When MII advertises for workers outside the EU or EEA, what sort of reaction has it typically got in the last while? Has it been oversubscribed or undersubscribed? My second question is how many people with permits are working in the industry? Mr. Carroll referred to 16,000 direct employees. Between 2015 and 2019, the industry had 3,160 work permits. How many are there at the moment? That seems to be a rolling figure so can MII give us an idea of the position. Also, from which countries do these workers typically come? Mr. Ryan or somebody else mentioned orientation so can the MII representatives give us an overview of what kind of supports they provide to workers when they come here? Given what the MRCI representatives said earlier, when people come here they may not have the language or know the culture and so forth, so does MII give them some kind of supports in that regard?

Ms McGinley mentioned family reunion. Does MRCI envision something similar to what is involved with particular skills and will the representatives elaborate on that and what is meant

by it? On seasonality, would MRCI agree that there are some workers who want to come here on a seasonal basis but who do not want to be here all year round and maybe want to go back to their families for several months a year and be here for work at other times? The representatives might comment on that.

Mr. Joe Ryan: The Deputy's first question was about advertising at European level. There would be significant advertising done with the EURES database first and then via recruitment agencies based across Europe. In the context of various submissions we have done in seeking permits, we have put in detailed, evidence-based submissions and company case studies which outline and give detail on the types of recruitment activities across Europe. It would be the EURES databases, social media, recruitment agencies and prior to now it would have been attendance at job fairs. Obviously, in the past 18 months Covid has greatly reduced the number of workers who are prepared to travel but even pre Covid we would have seen a significant shortage in the number of people coming in. As European economies started to prosper themselves as well, fewer and fewer people were willing to travel and, therefore, that is what led us eventually to seek employment permits.

Regarding the number of people currently here on permits, the last quota we got was in December 2019 of 1,000. All releases so far have been via a quota system. Adding to the previous allocations and quotas, I would say the total allocation, quota-wise, is about 3,100 since 2015. Of those, I would say 2,700 or 2,800 are *in situ*. Covid has delayed a number of people coming in over the past 12 months.

There was another question on location. I presume the question relates to the permit holder rather than the EU staff. In terms of permit holders, it varies, but the principal nationalities are probably Brazilian, Chinese, Vietnamese, Ukrainian and Kosovan. Those countries are the principal locations and while the staff are not unique to those countries the largest volumes probably come from them. I think they were all the questions Deputy Stanton had for me.

Deputy David Stanton: What kind of reaction does MII get when it advertises outside the European Union and the EEA? Is it oversubscribed or undersubscribed? Are there a lot of applicants?

Mr. Joe Ryan: When we advertise outside of the European Union there are a lot of applicants. As companies do not have bases outside of Europe, we avail of locally based recruitment agencies to assist in the process. Pre-Covid, the companies would have travelled to the countries themselves to take part in the selection process.

The other question Deputy Stanton asked me related to the integration of permit holders when they come into the country. There is a wide range of different activities in that regard. One is assistance where required to source accommodation, arrange flights and travel, get people set up and provide assistance with PPS numbers and bank accounts, introduce them to their co-workers and provide a buddy system, especially if they are of the same nationality, arrange transport, and brief them on the locality. Within the plant environment all the material and standard operating procedures, SOPs, are translated into the relevant languages that are applicable on-site so that staff are fully up to speed as soon as possible on all health and safety requirements, production requirements and customer specifications, etc. There are regular ongoing engagements with the HR representatives, of which there are some on every site, to make sure that people are settling in. There are numerous other company-specific initiatives whereby national holidays are recognised, among other initiatives. There is a wide range of integration activities because ultimately it is in the company's interests that people are happy in their role

and in the locality.

Mr. Neil Bruton: I will respond to Deputy Stanton's question on critical skills and family reunification. It is quite simple: basically at the moment if one has critical skills, one's spouse can come immediately and he or she gets a stamp 1g, which allows him or her full access to the labour market. That is what we want for general employment permit holders too, but at the moment they have to wait a full year and then they have to apply and meet certain criteria and testing to bring a spouse. When the spouse eventually comes, he or she has no access to the labour market. That is the change we want to see for all employment permit holders.

I will quickly bring in my colleague, Ms Korotkevica, who wants to speak about illness benefit, which was raised by the previous speaker.

Chairman: I apologise, but the meeting has run out of time. Two speakers have indicated and they can come in if they want but they only have two minutes each.

Senator Paul Gavan: I will be very quick. I am concerned about a comment made by Mr. Healy. The figures from SIPTU indicate that 25% of people, 3,850 of those working in these factories, have contracted Covid. Does he accept that figure?

Mr. Cormac Healy: I do not accept that figure. I do not know the basis for it or the background to it but I do not accept that figure. We are engaged with the HSE on an ongoing basis on behalf of members. We are very much focused on the positives that are being identified through ongoing, comprehensive serial testing-----

Senator Paul Gavan: I apologise for interrupting Mr. Healy but I have only one minute left. There was a very disturbing report in the *Irish Mail on Sunday* relating to widespread abuse of employment law in the sector. Does Mr. Healy have any comment to make on those revelations?

Mr. Cormac Healy: As I said earlier, we and the members we represent are open to all and any inspections from the relevant authorities.

Senator Paul Gavan: With respect, that is not good enough. I am asking Mr. Healy to comment on the revelations.

Mr. Cormac Healy: I am commenting on what we are doing. We have nothing to hide and are open to all inspections. Anything related to undocumented workers or falsifying documents is illegal, is not condoned and should be investigated. What I am saying, with due respect, is that we are open, as employers and responsible companies, to all and any inspections.

Senator Paul Gavan: That is a disappointing response but I am out of time.

Chairman: Deputy Shanahan is next and has two minutes.

Deputy Matt Shanahan: I welcome Mr. Healy's comments regarding inspections, to which I alluded earlier. I ask the witnesses from MII share to the information gleaned from the rapid antigen test pilot programme with me and the committee.

In respect of the overall beef market, in the context the abolition of milk quotas there has been quite a ramp up in milk production and consequently in beef capacity. Does MII intend to revisit the issue of below-cost selling of meat? Has it looked at any initiatives to try to arrive at an open-book price for meat and to get Retail Ireland members to agree not to sell below cost?

Perhaps something could be done in this area in conjunction with Government. I recently asked the Government to consider reintroducing the beef exceptional aid measure, BEAM, scheme which is needed for farmers. Would MII support that?

Mr. Cormac Healy: Absolutely, we would support that. The Deputy referenced an open-book approach. Our aim and that of our members is to work with the best customers possible and to develop a 52-week per year relationship so that we can have an open-book price but it is not possible in all circumstances. Obviously, we are exporting 90% of what we produce so even with initiatives in that regard in the home market, domestic retail only accounts for 6% or 7% of our overall beef output. We are dependent on export markets and trying to develop those best customers. In the context of EU work on farm-to-fork, an issue that needs to be highlighted more is the true value of food.

Chairman: I thank Mr. Healy and Deputy Shanahan. Our time is up and unfortunately, due to Covid, we must be strict about the amount of time we spend in the Chamber. That concludes our consideration of these matters and I thank the representatives from Meat Industry Ireland and the Migrant Rights Centre Ireland for their participation and for assisting the committee in its examination of the Bill. The committee will give further consideration to this matter as soon as possible. Our next meeting is scheduled for 9.30 a.m. on Tuesday, 20 April. I thank members and witnesses for their attendance and participation under really difficult circumstances. I hate having to curtail speakers but unfortunately it is necessary under Covid-19 restrictions.

The joint committee adjourned at 11.29 a.m. until 9.30 a.m. on Tuesday, 20 April 2021.