

WORKING PAPER

**IRELAND: PRECARIOUS EMPLOYMENT IN THE CONTEXT OF THE
EUROPEAN EMPLOYMENT STRATEGY**

Julia S. O'Connor

This chapter sketches the contours of precarious employment in Ireland in the first decade of the new millennium and assesses its nature, causes and consequences over the past decade and a half of concentrated economic, social and demographic change. As an open economy and liberal welfare state within the European Union that has explicitly targeted foreign direct investment, Ireland provides a particularly interesting field within which to examine precarious employment. The analysis unfolds in five sections. Following an outline of the essential elements of precarious employment, the second section briefly situates the current Irish labour market in the context of the past decade and a half of economic, employment, social and demographic change and, since 1997, Ireland's adherence to the European Employment Strategy. The third section describes prevalent forms of precarious employment in Ireland. The following section points out that the groups most strongly represented historically in precarious employment, that is, women and young people, are now joined by male and to a lesser extent female migrant workers. It links this development to the confluence of labour market demand in the context of changing patterns of migration, particularly within the European Union. The concluding section considers the implications of the analysis of developments in the Irish context for forging comparative analysis of precarious employment, pointing in particular to the role of migration within the EU and 'the changing geography of

production' (Krugman 1997: 51) not only in its positive but also in its negative manifestations.

PRECARIOUS EMPLOYMENT: A NEW PHENOMENON OR BACK TO THE FUTURE?

Precarious employment is usually juxtaposed with the standard employment relationship (SER), which is characterized as full-time, regular, open-ended employment with a single employer. The SER is secure and has standardized working hours, guaranteeing a regular income; it provides pension cover and ill health and unemployment protection via social security systems geared towards wage earners.¹ According to the European Industrial Relations Dictionary, 'atypical' employment, 'which is the result of the disintegration of the standard employment relationship,' refers to the emergence of new forms of work involving part-time, casual, fixed-term, self-employed, independent or home workers (European Foundation n.d). It may also include on-call and zero hour contracts, hiring through temporary employment agencies and freelance contracts. But the terms 'non-standard' or 'atypical' employment are broad ones that may cover a range of employment situations, some of which are well-paid and secure, for example independent professionals and self-employed tradespeople. Furthermore, nominally standard employment may encompass employment relations of varying quality, some of which are characterized by elements of precariousness.

Definitions of precarious employment typically identify the absence of employment security and some go a little beyond this description. The definition used in this chapter

characterizes precarious employment more broadly as entailing the *absence* of three elements that characterize the traditionally conceived SER: a) employment security; b) income security; and c) social protection, ensuring secure and long-term maintenance of income for the individual and her/his dependants and/or the ability to purchase the associated services on the market. The combination of these elements indicates that the problem of precariousness is much broader than insecure employment. Because long-term security in economically developed countries is linked typically to an employment relationship, we must think in terms of the precariousness, or not, of the individual's social situation and that of her/his dependants. Furthermore, two crucially important factors need to be taken into account if we are to identify precarious employment and appreciate its intensity and implications. First, the labour market and social policy context within which insecure employment occurs determines its consequences. For example, a context characterized by an active labour market policy committed to transition security and a social protection system attuned to labour market failure are not conducive to precarious employment. Second, the social consequences of precarious employment are quite different depending on the social location of the individuals concerned (see Clement *et al.*, this volume). Consider the difference in social and economic implications for a student in a precarious employment situation for a short period of time and for an adult who, because of skill level, employment experience or the demands of his or her household situation, is confined to precarious employment situations. I have in mind the labour market restrictions on individuals due to caring demands in the context of the limited openings for worker-centred flexible work arrangements in most standard employment contracts. This situation is likely to be acute for some lone parents. These two issues underscore a key factor in precarious

employment: the absence of security alternatives for individuals affected, in terms of both the labour market and immediate and long-term income needs.

Precarious employment is not a new phenomenon. Much trade union struggle during the first half of the twentieth century was directed to reducing the uncertainty of workers in relation not only to employment tenure and securing social protection in the event of unemployment, ill health and ageing but also to the control of the conditions within work. These are precisely the challenges that characterize precarious employment in the current period. Before outlining the phenomenon as it is evident in Ireland at the start of the twenty-first century, it is important to situate Irish labour market policy in the EU context.

THE IRISH LABOUR MARKET — CHANGE AND DEVELOPMENT IN AN EU CONTEXT

Ireland has gone through dramatic economic and demographic change over the past decade and a half, and these changes are strongly reflected in the labour market.² Its population increased from 3.4 million in 1990 to 4.2 million in 2006. From an historical pattern of emigration, Ireland has, since 1996, become a net migration country and had a net migration rate of 11.4 per 1,000 population in 2005 compared to an EU15 average of 4.2 per 1,000. These changes were accompanied by an employment rate increase for the population aged 15–64 from 52 per cent in 1990 to 68 per cent in 2005, including an increase in the female rate from 36 to 58 per cent. Service sector employment increased considerably over the period and accounted for 66 per cent of total employment in 2005,

comprising 87 per cent of female and 52 per cent of male employment (European Commission 2007a).

Like all other EU Member States, Ireland has prepared annual National Action Plans on Employment between 1998 and 2004, and National Reform Programmes since 2005, in accordance with the European Employment Strategy, in particular the Employment Guidelines. Member States' policies are examined yearly through a Joint Employment Report developed by the European Commission and the Council of the European Union. The Commission may propose, and the Council may adopt, recommendations to individual Member States. The Action Plans and the Council recommendations focus strongly on improving the employment rate through increased participation of under-represented groups, particularly women and people aged 55–64. These reports stress the central role of flexibility as the underlying principle that will ensure the achievement of these objectives and the enhancement of EU competitiveness.

In setting full employment as an EU objective, the Lisbon Council (Council of the European Union 2000) identified increasing the total employment rate from an average of 61 to 70 per cent and the female employment rate from an average of 51 per cent to 60 per cent as a goal for 2010. Despite significant cross-national variation, some progress towards meeting these objectives was made in the EU15 by 2005. From an employment rate for the 15–64 age group that was below the EU average in 1997, particularly for women, Ireland reached a rate that was above the EU average for the 15–64 age group in 2005, and its employment rate for those aged 55–64 was above both the EU average and the 2010 target (O'Connor 2005).

What about the quality of employment? The concept of quality in employment achieved prominence at the Lisbon Council, with its emphasis on not only more but better jobs. Between 1995 and 2000, high-skill non-manual occupations—professionals, technicians, managers and senior officials—accounted for over 60 per cent of the jobs created in the EU15. Despite this expansion, it is recognized that the creation of both higher- and lower-quality jobs is a characteristic of the knowledge-based economy in the EU and elsewhere (European Commission 2001a: 65). The *Social Policy Agenda*, issued in 2000, identified ‘the promotion of quality as the driving force for a thriving economy, more and better jobs and an inclusive society’ (European Commission 2000: 13). The issue of quality was explicitly addressed by the European Commission (2001b) in *Employment and Social Policies: a framework for investing in quality*, which identified ten dimensions of quality in work including intrinsic job quality; skills, lifelong learning and career development; gender equality; and flexibility and security.³ While information on some of these indicators is not available, the issue of quality has been taken up in annual *Employment in Europe* reports. The 2001 report identified job quality as ‘a relative concept regarding a job-worker-relationship’ for which there is no single composite indicator (European Commission 2001a: 65). Using data from several sources throughout the 1990s on job security, access to training and career development, and hourly wages, the report identifies four types of jobs: jobs of good quality, jobs of reasonable quality, low pay/productivity jobs and dead-end jobs (European Commission 2001a: 74). In 2000, three-quarters of all jobs in the EU15 fell in the good (38 per cent) or reasonable quality (37 per cent) categories. ‘Reasonable quality jobs’ have decent

pay/productivity and either relative job security *or* employer-provided training and career prospects, while ‘good quality jobs’ have all three characteristics.

The quarter of jobs considered of low quality includes 17 per cent described as ‘low pay/productivity’ (below 75 per cent of the country-specific median hourly wages, but offering some job security *or* career prospects) and 8 per cent in the ‘dead-end’ category (offering neither job security nor employer-provided training and half of them having low pay). Marked differences were evident across countries in the distribution of the different categories of jobs. For example, Luxembourg, Germany and the UK had at least 20 per cent of their workforce in low pay/productivity jobs. Spain and Greece had at least 20 per cent of their workforce in dead-end jobs, while Portugal and Ireland had at least 10 per cent in such jobs.

Both women and young people were more likely to be in low pay/low productivity jobs, and the gender earnings gap was greatest in these jobs. There is no evidence that the situation has changed in the intervening period. For example, the 2007 report on equality between men and women identified a significant and stable gender pay gap in EU countries. In 2005, it averaged 14 per cent in the EU15. The gap ranged from 5 per cent to 22 per cent, and it was 11 per cent in Ireland (European Commission 2007b).

It is sobering to conclude this section with a statement in a European Commission press release in November 2006 launching consultations on the Green Paper on *Modernizing Labour Law to Meet the Challenges of the 21st Century*:

Fixed term contracts, part-time work, on-call and zero hour contracts, hiring through temporary employment agencies and freelance contracts have become an established feature of the European labour market, accounting for 25% of the workforce. At the same time there is a growing gap between those looking for work, those in non-standard, sometime precarious contractual arrangements on the one hand (so-called ‘outsiders’), and those in permanent, full-time jobs on the other (the ‘insiders’).

(European Commission 2006c)

PRECARIOUS EMPLOYMENT IN IRELAND

In Ireland, precarious employment is spread between workers employed directly by employers and, increasingly, workers with indirect relationships to the user employer. These are overlapping categories, that is, workers in the latter category – temporary agency workers, workers employed by sub-contractors and workers in outsourced employment – may also be part-time, have fixed-term, on-call or zero hours contracts. I discuss each of these forms of precarious employment, highlight the hidden enclaves of precariousness within standard employment contexts and briefly discuss the phenomenon of undeclared work as a potential source of precarious employment.

Part-time work

The definition of what constitutes part-time work varies cross-nationally as does the quality of such work, as measured by employment protection legislation and whether it

is characterized by employment interruptions. Long part-time work, characterized by weekly hours closer to the full-time standard, tends to be associated with greater security and better conditions (O'Connor *et al.* 1999: 73–7). While a majority of part-time jobs in the EU15 are of relatively good quality and a majority of part-time workers continue in part-time status one year later, ‘transition rates into unemployment are significantly higher than for full-time workers’ (European Commission 2001a: 11). The female-to-male ratio in part-time employment was 4.7:1 in the EU15 in 2005, when 36 per cent of employed women, compared to less than 8 per cent of employed men, were in part-time employment. The ratio in Ireland was 5.2:1 in 2004, when 32 per cent of women and 6 per cent of men were in part-time employment. While occupational breakdowns are unavailable, evidence from trade unions and labour market analysts indicates that service workers, such as cleaners, retail sales and hotel and catering staff, are the most likely to be in lower quality part-time work in Ireland and these sectors are disproportionately female.

Apart from the statistics available periodically through the Quarterly National Household Surveys, there is little detailed information on part-time work in Ireland. Thirty-two per cent of employed women classified themselves as part-time workers in 2005; less than 1 per cent of these classified themselves as underemployed in the sense that the respondent was ‘looking and available for another job and has explicitly stated that the hours worked currently are “too few”’ (CSO 2007: 29 and Table 1).⁴ Thirty-three per cent of employed females worked fewer than 30 hours per week, comprising 19.5 per cent who worked 20–9 hours, 10.5 per cent working 10–19 hours, and 3 per cent working 1–9 hours. In 2004, 12.3 per cent of women in part-time work in Ireland

identified themselves as in involuntary part-time work. This is below the EU15 average (15.7 per cent) and only four EU15 countries have lower rates.⁵ This relatively low rate reflects the preference of some parents for parental child care (see also O'Reilly *et al.*, in this volume). Given gender relations and the reproductive bargain, 'parental' means 'mother' (see Gottfried, and Vosko and Clark, this volume). For other parents it likely reflects a rational choice of short working hours to facilitate child-care in the context of the high cost of non-familial child care in Ireland.

The *Protection of Employees (Part-Time Work) Act 2001* implements the 1997 EU Directive on part-time work (Council Directive 97/81/EC of 15 December 1997). It eliminates the threshold of more than 8 hours per week for recognition as a part-time worker specified in earlier legislation. By including pay-related issues, the Irish legislation goes further than the Directive. Although opposed by employers, occupational pensions are included in the scope of the Irish legislation. Part-time workers whose normal hours constitute at least 20 per cent of the normal hours of work of a comparable full-time employee have a pro-rata entitlement to pension scheme participation. Data on compliance with the legislation and on the percentage of part-time workers outside the coverage of the pay-related element of the legislation are not available; the latter could be substantial because of the sole employment of part-time workers in an enterprise, the absence of an occupational pension system or short hours (see Burri, this volume, on the Dutch case).

Fixed-term contracts

The percentage of the employed labour force in fixed-term contracts decreased from 10 per cent of total employment in 1995 to less than 4 per cent in 2005 - a decrease from 8 per cent to 3 per cent for men and from 12 per cent to 4 per cent for women. The EU Directive on fixed-term work, agreed in 1999 (Council Directive 1999/70/EC of 28 June 1999) and subsequent Irish legislation were the subject of considerable debate between employers and unions and probably influenced employment contract practice even before the legislation took effect in July 2001.⁶

Fixed-term contracts were slightly more common for women than for men in most EU15 countries, including Ireland, in 2005, and migrants were more likely to be in such contracts in all EU15 countries except Austria. The migrant share was at least 50 per cent greater in Ireland, the UK, Greece, Spain and Finland (ETUI-REHS 2008: 41).

Fixed-term contracts vary enormously in quality, but the European Labour Force Survey indicates an increase in reported involuntary take-up in the EU from 37 per cent of all fixed-term contracts in 2001 to 48 per cent in 2004. In contrast to the decline noted for 1995-2005, an increase in fixed-term contracts in Ireland was evident by 2007 (ETUI-REHS 2008: 38); this is likely to be associated with the downturn in the economy and may also be involuntary. A link between fixed-term contracts and the business cycle has been suggested by the European Commission (2006b).

The objectives of the Directive on Fixed Term Work (EU Council Directive 1999/70/EC) are to: 'improve the quality of fixed-term work by ensuring the application of the principle of non-discrimination' (relative to comparable permanent workers); and remove discrimination from fixed-term workers where such exists by establishing 'a

framework to prevent abuse arising from the use of successive fixed-term employment contracts or relationships' (EUR-Lex n.d). The Irish legislation, the *Protection of Employees (Fixed-Term Workers) Act 2003*, dates from 2003, but it had effect from 10 July 2001, the target date specified when the Directive was ratified. The legislation includes a provision relating to the pay and pensions of fixed-term employees, although this was not obligatory under the Directive.

Outsourced and sub-contracted work

Outsourced and sub-contracted work of varying quality has a long history in Ireland in the commercial office cleaning sector and in construction. Recently it has surfaced in its more precarious manifestation in enclaves within otherwise standard employment locations.

Outsourcing in sectors such as cleaning has grown over the past few decades, not only in the private but also in the public sector. Employees in contract cleaning are predominantly, and increasingly, female; women made up 76 per cent of such employees in 1996 and 82 per cent in 2002 (Collins and Vecci 2005: 6). It is estimated that 40 per cent of Irish contract cleaners are union members and, while the majority are covered by Employment Regulation Orders,⁷ there is an unknown number of employees of small and unregulated operators, some of which are characterised by dubious tax, social insurance and Health and Safety standards (Collins and Vecci 2005: 9).

Sub-contracting is widespread in the construction sector, but this work is generally well-paid and usually unionized. A controversy in this area involving immigrant labour from Poland was made public in October 2007. This involved workers hired by a Turkish sub-contractor (ZRE) working for a UK subsidiary (Lentjes UK) of a German environmental technology company (Lentjes GmbH). Lentjes UK were sub-contracted by the semi-state Electricity Supply Board (ESB) to refurbish one of its plants. The facts that emerged were that the workers were not paid for 6 weeks and then lost their jobs when ZRE lost the contract and claimed bankruptcy. The ESB, whose standard terms and conditions of contract require that all contractors comply fully with national employment legislation, said it had met all its obligations, including giving proper payments to Lentjes UK, which contracted ZRE. The permanent employees on the site, represented by the Technical Engineering and Electrical Union, threatened to strike, which would have put electricity supplies nationally at risk. The dispute was resolved when Lentjes UK sub-contracted a British firm, employing British workers, to replace ZRE. Through negotiations between the ESB, the contractors and sub-contractors, the workers were paid what they were owed and were offered jobs by the new British contractor and in Turkey by ZRE (*EIROOnline* 2007). This is a good illustration of the vulnerability of migrant labour in a situation of multiple sub-contracting and the possibility of masking enclaves of precarious employment within a sector with otherwise high labour standards.

A similar kind of masking is evident in the following situation, which is not strictly speaking a sub-contracting situation but involves contracting by a state agency -- the National Roads Authority -- with a large multinational construction company with its

headquarters in Turkey, which had and continues to have legitimately won contracts with the Irish Government for infrastructural development. It involved 250 Turkish general operatives employed on a Dublin construction site by Gama Construction that also employed on the same site and on good pay and conditions other Turkish workers and Irish unionized workers. In February 2005 it was revealed in the Dáil (Irish Parliament) that the Gama general operative workers were being paid from €2.2–3.00 an hour with no paid overtime, despite working up to 80 hours per week. At the time the Irish minimum wage was €7.00 per hour and Gama stated its rate for general operatives was €12.96 per hour. The Labour Inspectorate Report was forwarded to the relevant prosecutorial bodies but not made public because the company sought judicial review and an injunction was granted by the High Court. This was appealed to the Supreme Court by the Department of Enterprise, Trade and Employment, but the report had not been made public by mid-2008. Nevertheless, the following facts emerged: these workers were living in company accommodation and at one stage in the dispute they withdrew their labour and were refused food by the company; the company admitted underpayment but attributed this to employee error; a bank account in the name of 2000 present and former workers, of which the workers were not aware, was located in a bank in the Netherlands. Through protracted negotiations between the Irish Government, the bank and the company, the money was eventually transferred to worker accounts in an Istanbul bank (Dáil Eireann 2006).

Temporary agency workers

Traditionally, agency work was seen by employees as a source of temporary employment between full-time standard employment positions, and was used by companies either as a stop-gap measure in times of short-term heavy demand or as a cover for periods of absence by permanent employees. In Ireland, it was typically used in the clerical, administrative or information technology areas. Precise figures on temporary agency work in Ireland are not available but there are strong indications that it is a growing phenomenon. For example, in its study of temporary agency work in the enlarged EU in 2006, the European Foundation pointed to a 68 per cent increase in temporary agency work placements in Ireland between 2002 and 2003 (European Foundation 2007). The Central Statistics Office (CSO) estimated that there were 27,000 temporary agency workers employed in Ireland in the first quarter of 2005, representing about 2 per cent of the workforce (CSO 2005). For several reasons this is probably an underestimate. First, agencies are reluctant to provide up-to-date figures, and the relevant government department has not published figures on placements for temporary workers since 1999. Furthermore, the identity of the employer is not always clear. For some legislation the user company is deemed to be the employer even in circumstances where the worker is paid by the agency. A further complication in identification of numbers is the fact that some agencies are based abroad, particularly elsewhere in the EU.⁸

Despite the difficulties of getting exact information, Services, Industrial, Professional and Technical Union (SIPTU), the largest trade union in Ireland, estimates that the use of agency workers has increased considerably since 2005 and is now closer to 5 per cent

of total employment, which was the figure for the UK in 2006, which reflected an almost doubling of its 2002 figure of 2.6 per cent (TUC 2007, SIPTU 2007: 4).

The increase in numbers of temporary agency workers reflects a broadening of the sectors in which they are utilized. In Ireland, these now include construction, retail, distribution, transport and logistics, food processing, hotel and hospitality services (SIPTU 2007). Temporary agency workers are also widely used in seasonal agricultural work. Services relying substantially on temporary agency work also include health and social care services. Common to all of these sectors is a high labour component, seasonality and/or the need for flexibility.

Temporary agency work became a public issue with a high profile case in the shipping sector in 2005. This involved a privatized former semi-state company which re-flagged three ferries to Cyprus. Irish labour law does not apply on ships under foreign flags even when they operate exclusively from Irish ports -- the ferries in question operated between Ireland and Wales and between Ireland and France. Irish Ferries stated that it was changing its crew structures to international norms to bring it into line with its competitors. This involved replacing one third of its permanent workforce with 543 Latvian workers recruited by an agency in Cyprus, which with Latvia became an EU member in 2004. Despite sit-ins and widespread public support and protest, the final agreement replaced the permanent workers (who received publicly subsidized redundancy payments) with the Latvian workers at the minimum Irish wage per hour. This case gives rise to concern about the more widespread displacement of directly employed staff, even when unionized with good, negotiated conditions. It has been

associated with pressure by SIPTU, the union involved, and the Irish Labour Party for an EU Directive to combat 'social dumping' in the ferries sector and this has been supported by the International Transport Workers' Federation (ITF) (*EIROnline* 2005).

Undeclared work and black-market labour

In October 2007, the EU Commission issued a paper recommending that Member States should reduce taxes on labour, increase control of cross-border firms and remove labour market barriers to immigrants in order to reduce black market work (European Commission 2007c). The paper emerged from public consultations on labour law reform as outlined in the 2006 Green Paper (European Commission 2006a). In its 2007 paper the Commission argues that remunerated work in the black market absorbs up to 20 per cent of GDP in some countries, particularly Italy, Spain and Portugal. As contributory factors it identifies both the growing demand for household and care services as a result of the EU's ageing population and the increase in jobs on more flexible terms, and it also points to the 'ease of setting up cross-border groupings of enterprises', as national bodies are not yet equipped to monitor their accounting and tax receipts. A Commission survey showed that apart from household services, which represent a central component of black-market work across the EU, black-market work is also evident in seasonal activities; the construction sector, where part of wages are often paid in cash; and amongst students, the self-employed and unemployed people. Some of this black-market activity may involve involuntary participation by people with no other employment option and, in this guise, may be categorized as precarious employment. The Commission's proposals centre on the reduction of taxes on labour

and red tape. It is noteworthy that the paper acknowledges the absence of accurate data on the shares of undeclared work of illegal immigrants and workers from new Member States in the EU15. It points to the persisting restrictions by Germany, France, Austria, Belgium and Denmark on the mobility of workers from the ten 2004 accession states and argues that these may provide an incentive for undeclared work (European Commission 2007c). It is noteworthy that, with the exception of high-skilled jobs, restrictions on workers from Romania and Bulgaria, which became EU members in 2007, are in force in all EU15 countries except Sweden and Finland (Dülffer 2007).

Despite the absence of strong data, there are some indications that undeclared work may be on the increase in the domestic, retail and catering areas. A Domestic Workers Support Group has been formed, under the aegis of the Migrant Rights Centre, for those who work in private homes as carers or childminders and also do cleaning and housekeeping work. This group is campaigning with the Irish Congress of Trade Unions (ICTU) and SIPTU for the establishment of a Joint Labour Committee which would set out terms and conditions to regulate domestic work. While some of these workers may be EU citizens who have full employment rights (with the exception of those from Bulgaria and Romania), and some have been brought to Ireland through the employment permits system, others from outside the EU may have entered under the aegis of language schools.

In summary, the exact dimensions of the several forms of precarious employment in Ireland cannot be specified due to data deficiencies. These are compounded by inadequate enforcement of existing laws and policies, most acutely reflected in the

under-resourcing of the Labour Inspectorate up to 2008. They are also linked to inadequate legislative protection, which is most obvious in the area of employment agency legislation.

WHO IS IN PRECARIOUS EMPLOYMENT?

A clear theme emerging from the previous analysis is the over-representation of women and migrant workers in precarious employment. These are not mutually exclusive categories, and they often overlap with the category of young workers. While women and young workers have been traditionally over-represented in poor-quality service work, migrant workers are a relatively recent addition to the Irish labour force, and it is this latter group that I focus on in this section. Male and female migrant workers are represented not only in service work, but in agriculture and low quality work enclaves within otherwise good-quality employment locations.

High growth of the Irish economy and a shortage of Irish workers for particular jobs created a demand for a large number of migrant workers over the past decade. Inflows of migrants more than quadrupled from 17,200 in 1987 to over 70,000 in 2005, when Ireland had the second highest net migration rate in the EU15 at 11 per cent. Migrants made up 10 per cent of the labour force and employment in 2006 (CSO 2007). Only Ireland, the UK and Sweden offered immediate, unrestricted labour market access to the ten new EU Member States in 2004, and this has been associated with a considerable increase in immigration from these countries.

The average immigrant in the Irish labour market is young and highly educated (Barrett *et al.* 2006). However, in contrast to the 1990s, when the bulk of immigrants had high levels of certified skills, there has been a substantial increase in immigrants lacking such skills since 2000 (IOM 2006: 22). Furthermore, in a study conducted for the National Economic and Social Council in 2006, the International Organization of Migration (IOM) points to problems with the regulatory framework for migration, including the low level of safeguards for the employment of local workers. It evidences the tolerance of failure of the 'labour market test,' that is, 'the mandatory requirement for local employers to search for local workers before making a work permit application for a non-EEA [European Economic Area] national' (42). It notes that in late 2002, the majority of work permits were for unskilled occupations for which, based on the evidence of the national training authority (FAS), there appeared to be labour available locally. There was, however, no evidence of displacement among Irish workers, although there was evidence of their replacement in sectors such as manufacturing and hospitality, where 'non-national labour has been required to replace Irish workers' who have moved to other sectors (McCoy 2006). While precise figures are unavailable, many migrant workers are employed in jobs below their skill levels, and migrant workers are over-represented in sectors with low levels of protection and remuneration.

Until 2004, migrant workers required employer sponsorship. This system continued for non-EEA migration up to 2006, when the *Employment Permits Act* came into force.

This Act provided for a green card system for highly-skilled occupations, a work permit system for a restricted list of occupations with salaries up to €30,000 per annum, and an intra-company transfer scheme. The majority of migrants to Ireland from 2004 to 2007

were from within the European Union; this reflects a significant increase from 2004 of migrants from the Eastern European and Baltic accession countries.

The problems encountered by sub-contracted and temporary agency migrant workers have been the subject of considerable media coverage, union protest and parliamentary debate, as noted above, and did inform some elements of negotiations for the national agreement between the social partners and the government in 2006. This framework agreement, covering 2006–15, includes a substantial section on employment rights (Government of Ireland 2006). It provided for an Office of Director of Employment Rights, incorporating the Labour Inspectorate with an increase from 31 to 90 inspectors. A Director was appointed in 2007 and the Inspectorate was close to reaching its target size in mid-2008. The agreement also committed to a code of practice for the employment of workers in private homes and provided for legislation regularizing the status of employment agencies through an agency code of practice and through establishing conditions for the granting of a licence. Yet the government and employer representatives refused to go beyond introducing procedural measures relating to the organization and operation of agencies (SIPTU 2007: 8). This situation will change due to the surprise agreement in June 2008 by EU labour ministers on a Directive on Agency Workers and its adoption by the European Parliament in October 2008. The Directive mandates that agency workers will normally receive the same pay and conditions as permanent employees from the first day of work (European Commission 2008). A flexibility clause negotiated by the UK means that the Directive will apply to agency workers in the UK only after 12 weeks of employment. EU Member States have up to three years to adopt the Directive.

CONCLUSION: IMPLICATIONS FOR COMPARATIVE ANALYSIS

Ireland is an exceedingly open economy and is located in an increasingly competitive environment, both for exports and for the attraction and maintenance of foreign direct investment, which it has explicitly targeted since the 1960s (O'Connor 2007). The advantages of the globalization of production, in particular what Krugman (1997: 51) has referred to as 'the changing geography of production,' reflected in the decreased influence of transportation costs and the increased dependence on communication, has contributed to Ireland's belated economic success. But this changing geography of production is also associated with the rapid growth of occupations defined by low levels of socially recognized skills and increasing use of outsourcing of services. It must be asked: to what extent have policy choices over the past several decades in Ireland contributed not only to high-skilled employment and enhancement of the value chain but also to poor-quality employment without sufficient protection to ensure the long-term maintenance of income for the individual and her/his dependants? Furthermore: to what extent have labour standards kept pace with employment growth and increasing diversity?

Labour market developments and policy responses in Ireland are influenced by its location within the EU. Important influences include the numerous Directives aimed at enhancing labour market equality. In addition, the EU emphasis on greater labour market flexibility to enhance international competitiveness, particularly vis-à-vis the US, and its recent commitment to flexicurity, are key contextual factors. The term

‘flexicurity’ was initially used to describe the successful combination of flexibility and security in the Danish and Dutch labour market policies in the 1990s. It now has a more general connotation, and the European Commission identifies flexicurity regimes recognizing that flexicurity is not just about the labour market, it is also about the interaction of labour market policies and institutions with other institutions (European Commission 2007a: 125–98). Flexicurity principles ‘aim to combine, within an appropriate social insurance model, sufficiently flexible work contracts with effective policies to support labour market transitions and lifelong learning’ (European Commission 2006b: 75). This is the principle, but the practice must take place in the context of vastly different labour market and social policy institutional contexts across the European Union. Ireland is somewhat of a hybrid in terms of its employment regime, in that it combines a relatively low level of employment protection regulation, an active labour market policy, and a high level of labour mobility and external flexibility (see Muffels *et al.* 2002). In tandem with this institutional framework, it has a liberal welfare state regime (O’Connor 2003). In addition to inadequate data, a pervasive theme running through analysis of precarious and poor-quality employment in Ireland is the failure to enforce regulations for the protection of workers in some areas. However, recent changes have been made to strengthen enforcement of rights and Ireland has gone beyond the minimum requirements in the transposition of the Directives on part-time work and on fixed-term workers.

The analytical foundation of this analysis is the recognition that the phenomenon of precariousness is far broader than insecure employment. Precarious employment is characterized by the absence of employment security, economic security and social

protection. This means that it is not merely an immediate short-lived experience but has long-term consequences for the individual concerned and her/his dependants. The implications are that a range of factors have to be taken into account in the analysis of precarious employment and that comparative analysis is highly complex (on the importance of the temporal dynamics of precarious employment, see Fuller, this volume). The Irish situation indicates that labour market and social protection choices are influenced by the degree of economic openness and by supranational institutional membership. In terms of social location and demographic characteristics, the Irish situation illustrates the persistent over-representation of women and young people in precarious employment. The recent addition of migrant workers is associated with the economic development and associated labour market demands in Ireland as well as with push factors in recent EU accession countries.

In conclusion, rather than broad cross-national comparisons of the range of forms of precarious employment we should think in terms of comparative case studies, pursuing nuanced analyses of the consequences of economic, employment and social policy regimes for the level and range of precarious employment, the change over time in those regimes, and the change in the supranational and international context within which they operate.

NOTES

¹ Standard employment was never universal. Even in the heyday of the breadwinner-homemaker family model of work and care, a significant minority of the working population, in particular women workers, was outside the remit of standard employment contracts.

² Ireland's GDP per capita expressed in terms of purchasing power standards (pps) was 75 per cent of the EU15 average in 1990 and 128 per cent in 2005; it was 115 per cent of the EU27 average in 1997 and 149 per cent in 2007 (European Commission 2004; Eurostat 2008) or about 10 per cent above the EU average when Gross National Income (GNI) in pps is used.

³ The other dimensions are: inclusion and access to the labour market; social dialogue and worker involvement; work organization and work-life balance; health and safety at work; diversity and non-discrimination and overall work performance.

⁴ This definition is based on a question relating to the respondent's satisfaction with his/her current hours and is used in all CSO publications since the March-May 1998 Quarterly Household Survey (CSO 2007: 29). Underemployment is different from 'involuntary part-time work' as used, for example, in the European Labour Force Survey, which refers to 'inability to find a full-time job' as the reason for part-time work.

⁵ The EU15 countries with lower percentages are: Austria (7.9 per cent), Luxembourg (6.4 per cent), the UK (5.1 per cent) and the Netherlands (3.1 per cent) (Eurostat 2008). The 2007 figure for Ireland was 7.9 per cent.

⁶ A similar decrease occurred in the UK and to a lesser extent in Finland and Denmark (European Commission 2007a).

⁷ These Labour Court orders are binding on all those in the class or group to whom they apply. They give effect to the minimum rates of pay and conditions of employment agreed by Joint Labour Committees (JLCs), which are statutory bodies with union and employer members and an independent government appointed chairperson. A JLC can be established in a sector where there is no collective agreement and where trade union representation is weak.

⁸ The 1971 Act is acknowledged by all sides to be irrelevant in the present context. A White Paper in 2004 promised legislation in 2007. It is anticipated in early 2009.

REFERENCES

Barret, A., Bergin, A. and Duffy, M (2006) 'Characteristics and labour market impacts of immigrants in Ireland', *Economic and Social Review*, 37(1): 1–26.

Collins, G. and Vecci, A. (2005) 'Proximity and cooperation?' paper for Regional Studies Association Conference, Aalborg, February 2005. Online. Available HTTP: <<http://www.regional-studies-assoc.ac.uk/events/aalborg05/collins.pdf>>.

Council of the European Union (2000) *Employment, Economic Reform and Social Cohesion: towards a Europe based on innovation and knowledge*, Brussels: Lisbon European Council Conclusions.

CSO [Central Statistics Office] (2005) *Quarterly National Household Survey Quarter 2*, Dublin: Central Statistics Office. Online. Available HTTP: <<http://www.cso.ie>>.

-- (2007) *Quarterly National Household Survey Quarter 2*, Dublin: Central Statistics Office. Online. Available HTTP: <<http://www.cso.ie>>.

Dáil Eireann (2006) Parliamentary Debates, Official Report — Unrevised, Thursday, 23 March 2006. Online. Available HTTP: <<http://debates.oireachtas.ie/DDebate.aspx?F=DAL20060323.xml&Node=1704#N1704>> (accessed 20 October 2008).

Dülffer, M (2007) 'Free Movement for Workers in the EU', *Euro/topics*, 25 January. Online. Available HTTP: <http://www.eurotopics.net/en/magazin/wirtschaft-verteilerseite-neu/migration_2007_11/hintergrundtext_arbeitnehmerfreizuegigkeit_2007_01/> (accessed 20 October 2008).

EIROnline (2005) 'Irish Ferries dispute finally resolved after bitter stand-off' *EIROnline* 2005/12. Online. Available HTTP: <<http://www.eurofound.europa.eu/eiro/2005/12/feature/ie0512203f.htm>> (accessed 30 August 2008).

-- (2007) 'Polish workers secure jobs and back pay after dispute at electricity plant' *EIROnline* 2007/11. Online. Available HTTP: <<http://www.eurofound.europa.eu/eiro/2007/11/articles/ie0711029i.htm>> (accessed 30 August 2008).

ETUI-REHS [European Trade Union Institute for Research, Education and Health and Safety] (2008) *Benchmarking Working Europe 2008*, Brussels: ETUI-REHS and ETUC.

EUR-Lex (n.d.) Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP. Online. Available HTTP:

<<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31999L0070:EN:HTML>> (accessed 30 August 2009).

- European Commission (2000) *Social Policy Agenda*, Brussels: Communication from the Commission.
- (2001a) *Employment in Europe 2001*, Luxembourg: Office of Official Publications of the European Communities.
- (2001b) *Employment and Social Policies: a framework for investing in quality*, Brussels: Communication from the Commission.
- (2004) *The Social Situation in the European Union 2004*, Luxembourg: Office of Official Communications. Online. Available HTTP: <http://ec.europa.eu/employment_social/social_situation/socsit_en.htm>.
- (2006a) *Green Paper on Modernizing Labour Law to Meet the Challenges of the 21st Century*, Brussels: Communication from the Commission.
- (2006b) *Employment in Europe 2006*, Luxembourg: Office of the Official Publications of the European Communities.
- (2006c) 'Commission launches open debate: modernizing labour law to meet the challenges of the 21st century', press release, 22 November. Online. Available HTTP: <<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1604>> (accessed 20 October 2008).
- (2007a) *Employment in Europe 2007*, Luxembourg: Office of the Official Publications of the European Communities.
- (2007b) *Equality between Women and Men – 2007*, Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Online. Available HTTP:

<<http://www.lex.unict.it/eurolabor/en/documentation/com.htm>> (accessed 20 October 2008).

-- (2007c) *Stepping up the Fight against Undeclared Work*, Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Online. Available HTTP:

<http://ec.europa.eu/employment_social/news/2007/oct/undeclared_work_en.pdf> (accessed 20 October 2008).

-- (2008) 'Commission strongly welcomes today's political agreement on working time and working conditions for temporary agency workers', IP/08/912. Brussels, press release. Online. Available HTTP:

<<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/912&format=HTML&aged=0&language=EN&guiLanguage=en>> .

European Foundation (n.d) *European Industrial Relations Dictionary*. Online. Available HTTP:

<<http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/index.htm>> (accessed 30 August 2008).

-- (2007) *Temporary Agency Work in the European Union*. Online. Available HTTP:

<<http://www.eurofound.europa.eu/ewco/reports/TN0408TR01/TN0408TR01.pdf>> (accessed 30 August 2008).

Eurostat (2008) Eurostat database. Online. Available HTTP:

<http://epp.eurostat.ec.europa.eu/portal/page?_pageid=2513,1,2513_58284777:2513_58284985&_dad=portal&_schema=PORTAL#DISS> (accessed 30 August 2008).

Government of Ireland (2006) *Towards 2016 Ten-Year Framework Social Partnership*

Agreement 2006–2015, Dublin: Stationery Office. Online. Available HTTP:

<http://www.taoiseach.gov.ie/attached_files/Pdf%20files/Towards2016PartnershipAgreement.pdf>.

IOM [International Organization for Migration] (2006) *Managing Migration in Ireland:*

a social and economic analysis, Dublin: NESF. Online. Available HTTP:

<<http://www.nesc.ie/publications.asp>> (accessed 20 October 2008).

Krugman, P. (1997) 'Good news from Ireland: a geographical perspective', in A.W.

Gray (ed.) *International Perspectives on the Irish Economy*, Dublin: Indecon.

McCoy, D. (2006) 'Flexible labour market key to our competitiveness', *LRC Review*, 6:

11–12.

Muffels, R., Wilthagen, T. and van den Heuvel, N. (2002) *Labour Market Transitions*

and Employment Regimes: evidence on the flexibility-security nexus in

transitional labour markets, discussion paper FS I 02–204, Berlin:

Wissenschaftszentrum für Sozialforschung.

O'Connor, J.S. (2003) 'Welfare state development in the context of European

integration and economic convergence: situating Ireland within the European

Union context', *Policy and Politics*, 31(3): 223–40.

-- (2005) 'Employment-anchored social policy, gender mainstreaming and the open

method of policy coordination in the European Union', *European Societies*, 7(1):

27–52.

-- (2007) 'Social innovation and institutional change in Ireland in the late 20th century',

in R. Heiskala and T.J. Hämäläinen (eds) *Structural Adjustment and Economic*

Performance, Cheltenham: Edward Elgar.

O'Connor, J.S., Orloff, A. and Shaver, S. (1999) *States, Markets, Families: gender, liberalism and social policy in Australia, Canada, Great Britain and the United States*, Cambridge: Cambridge University Press.

SIPTU [Services, Industrial, Professional and Technical Union] (2007) *Justice for Agency Workers*, Dublin: SIPTU.

TUC [Trades Union Congress] (2007) *Agency Workers: counting the cost of flexicurity*, London: TUC.