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**Barriers facing ethnic minority entrepreneurs
(EME) in Ireland
Submission to the EMERGE Equal Project**

**National Consultative Committee on Racism and
Interculturalism (NCCRI)**

June 2005

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1. Introduction

Ireland has always been a diverse society, however in recent years increasing diversity and immigration have given profile to concerns relating to experiences of discrimination by minority ethnic groups, including the Traveller community. There are different forms of discrimination in Irish society which must be taken into account when considering the barriers facing minority ethnic entrepreneurs. This submission will seek to highlight the problem of racism and discrimination, as well as consider specific barriers facing minority ethnic entrepreneurs in Ireland.

The National Consultative Committee on Racism and Interculturalism (NCCRI)¹ welcomes this opportunity to contribute to the development of the pilot action programme being developed by the EMERGE partnership. Active participation by Black and minority ethnic groups, including the Traveller community is a key part of promoting an intercultural society; not least through participation in the labour market.

Promoting interculturalism has been identified as a priority for the Irish government, particularly through the recent publication of the National Action Plan against Racism (NPAR). An intercultural approach seeks to overcome all inequality experienced by minority ethnic groups, and the barriers facing minority ethnic entrepreneurs must be examined in this context.

Consequently this submission is divided into three main parts. The first considers the context of cultural diversity in Ireland and highlights the different forms of racism which minority ethnic groups experience. The second part provides a brief outline of some of the barriers specifically facing minority ethnic entrepreneurs, while acknowledging that these concerns are not unique to entrepreneurs but act as barriers to more general labour market participation. The final part outlines the recently launched NPAR; the NPAR provides a framework for addressing the barriers experienced by all minority ethnic groups, including entrepreneurs.

This submission represents a preliminary indication of the issues of concern to the NCCRI, however we would be happy to contribute further to the development of the EMERGE partnership.

2. A Profile of Cultural Diversity in Ireland

A more complete profile of cultural diversity in Ireland is now available through analysis of data from the 2002 Census of Population than was previously possible. The 2002 Census provides information on national origin, Travellers, religious diversity and inward migration to Ireland. The inclusion of a comprehensive ethnicity question in future Census of Population should provide a more complete picture of ethnic diversity in Ireland.

¹ The National Consultative Committee on Racism and Interculturalism (NCCRI) was established in 1998 as an independent expert body focusing on racism and interculturalism. The NCCRI is a partnership body which brings together government and non-government organizations, and is core funded by the Department of Justice, Equality and Law Reform. Further information is available from www.nccri.ie.

2.1. Nationality

National diversity in Ireland has increased significantly in recent years, mainly due to inward migration. There are five main regions of origin for non-Irish nationals living in Ireland. These are the UK and other EU countries (3.4% of the total population), Asia (0.5%), African (0.5%), non-EU European countries (0.5%) and the United States (0.3%).

2.2. Traveller Community

Travellers are the largest minority ethnic group in Ireland comprising around 24,000 people or 0.6% of the total population. Travellers have a distinct culture and way of life that is reflected in customs, their tradition of nomadism and the importance of the extended family. As with Roma and Travellers throughout Europe they face particular hostilities and discrimination.

2.3. Religious Diversity

Between 1991 and 2002, the number of Muslims in Ireland quadrupled to 19,000, primarily due to inward migration. Over the same period, the number of Orthodox Christians in Ireland grew from 400 to over 10,000 mainly reflecting inward migration from eastern European countries some of which are now members of the European Union. There is a long established Jewish community in Ireland dating back to the nineteenth century and associated with larger urban areas including Dublin, Belfast, Cork and Limerick. The Sikh and Hindu religions are also increasingly part of the rich mix of religious diversity in Ireland.

2.4. Migration

Throughout most of its recent history, Ireland has consistently been a country where emigration exceeded immigration, with the exception of the 1970s and the most recent intercensal period 1996-2002 (see Table 1).

Table 1: Average Annual Estimated Net Migration (Inward Less Outward) Per 1,000 Population, 1926-2002 (CSO)

Intercensal Period	Per 1,000 Population
1926-1936	-5.6
1936-1946	-6.3
1946-1951	-8.2
1951-1956	-13.4
1956-1961	-14.4
1961-1966	-5.7
1966-1971	-3.7
1971-1979	4.3
1979-1981	-0.7
1981-1986	-4.1
1986-1991	-7.6
1991-1996	-0.5
1996-2002	6.8

Though a high proportion of those migrating to Ireland in recent years are returning Irish nationals, the increase in inward migration in the 1990s has been a major contributor to the broadening of cultural diversity in Ireland. Migrant workers, and students from

outside the European Economic Area have come to Ireland in increasing numbers. This has been a direct consequence of skill and labour force shortages in recent years and the proactive efforts by Irish companies and colleges to recruit people for work and study purposes.

2.4.1. Labour Migration

Much of the recent increase in cultural diversity in Ireland is as a consequence of migrant workers coming to Ireland. The Organisation for Economic Co-operation and Development recently concluded that migrant workers have played an important role in contributing to sustained economic growth in Ireland, a view that is also supported by the Economic and Social Research Institute. The main countries of origin for migrant workers have been Latvia, USA, Philippines, Czech Republic and Poland. Almost 40% of migrant workers coming to Ireland in 2002 were from new EU countries, such as Poland, Latvia and the Czech Republic. Table 2 provides a break down of the number of migrants given permission to establish businesses in Ireland between 2000 and 2003.

Many migrant workers want to work in Ireland for relatively short periods of time before returning home or finding work elsewhere. Others will make Ireland their home and will apply for long-term residency and citizenship.

Table 2: Non-nationals who are self-employed in Ireland, 2000-2003. Source: Department of Justice, Equality and Law Reform

Year	No. of business permission applications granted
2000	88
2001	135
2002	104
2003 to end of August	87

2.4.2. Refugees and Asylum Seekers

In 2003 there were 7,939 asylum applications to Ireland, compared with over 11,600 in the previous year. The main countries of origin for asylum seekers in Ireland in 2003 were Nigeria (39.4%). Romania (10.2%), DR Congo (3.2%), Moldova (3.0%), and the Czech Republic (2.4%).

2.5. Profile of the Different Forms of Racism in Ireland

Racism is a complex and multi faceted concept, ranging from small, everyday acts of discrimination, through the barriers and omissions that may be inadvertently established at an institutional level, to acts of threatening behaviour and violence. The different forms of racism include:

- Racism experienced by Travellers on the basis of their distinct identity, nomadic tradition and culture
- Racism experienced by recent migrants, which includes migrant workers, refugees, asylum seekers
- Racism experienced by ‘people of colour’ and visible minority ethnic groups, including black people on the basis of their skin colour and ethnic and/or national identity, irrespective of their legal status

- Racism experienced by Jewish and Muslim people in the form of anti-Semitism and Islamophobia
- The intersection between racism and other forms of inequality, including the inequality that can be experienced by women, people with disabilities, gay and lesbians, older and younger people or on the basis of family status.

Racism is a multifaceted issue that can range from acts of snubbing and exclusion through to discrimination, the creation of barriers that can emerge at all levels in public and private institutions, to acts of threatening behaviour and violence. In an Irish context, there are four main manifestations of racism that can be summarised as follows:

- Discrimination
- Assaults, threatening behaviour, and incitement
- Institutional/systemic forms of racism
- Labelling.²

3. Barriers facing minority ethnic groups

3.1. *Racism and discrimination*

In May 2001 the National Consultative Committee on Racism and Interculturalism (NCCRI) established a system for recording incidents related to racism in Ireland. Incidents can be forwarded by non-governmental organisations on behalf of the victims, including key organisations working with Travellers, refugees, asylum seekers and migrants. Other incidents have been reported directly to the NCCRI by victims. It is important to emphasise that this procedure is confidential and an individual does not need to give their personal details.³

There is evidence which suggests that minority ethnic groups, both as entrepreneurs, as well as more generally in the labour force, face experience of racism and discrimination. In its last report from May 2004 to October 2004 the NCCRI recorded the following incidents:⁴

- A Pakistani national made a complaint about institutional racism that he was experiencing as his business was suffering due to the fact that none of his international students could obtain student visas and he was subjected to harassment by the GNIB.
- An African refugee reported ongoing racist verbal harassment and threats by his colleagues at his workplace. He reported it to his supervisor and manager and they said that there is nothing that can be done.
- In May it was reported in the Irish Independent that a “Lotto winner” allegedly spat at an African taxi driver and called him ‘a black bastard’. Garda had witnessed the verbal abuse. The newspaper also reported in May an incident

² National Action Plan against Racism, p. 57.

³ For further information see: <http://www.nccri.ie/incidents-about.html>

⁴ NCCRI (2004) Reported Incidents Relating to Racism, May – October 2004, available at: <http://www.nccri.ie/pdf/incidents-may-oct04.pdf> (21.06.05)

where a woman was fined for verbal racial abuse to a doorman at a pub in Dublin.
(Media report)

Media reports at the end of 2004 noted a series of attacks on a minority ethnic business in Cork.

The Star reported in October that a man was fined after he made racist and threatening remarks to a foreign fast food worker. It was reported in the Irish Examiner in the same month that four men from the west of Ireland passed racist comments before assaulting a pub bouncer on Christmas Eve 2003. The men were being charged under the Non-Fatal Offences Against the Person Act for assault in the Circuit Criminal Court. (Media report) In its Annual Report 2004 the Equality Tribunal noted that there was a 46% increase in Employment Equality cases on grounds of race in 2004.⁵ However direct experiences of racism and discrimination are one of many barriers facing minority ethnic groups in the labour market.

3.2. *Work permit system*

In the past the NCCRI has highlighted its concerns regarding the nature of the work permit system. The current system by which the employer holds the work permit, undermines labour market mobility and can lead to experiences of discrimination and exploitation. Migrant workers who wish to establish businesses in Ireland must apply to the Minister for Justice, Equality and Law Reform for special permission (see Table 2 above). Consequently the current immigration regulations can act as a barrier to migrant workers who wish to move from being in employment to establishing businesses and becoming employers in the Irish context.

A key challenge for minority ethnic groups in establishing their own businesses has been access to information on the full range of requirements for gaining permission. The NCCRI has noted cases of EME who have lacked clear information on what is required of them.

3.3. *Access to vocational training and education*

In addition to experiences of disadvantage and discrimination, minority ethnic groups face additional barriers in accessing vocational training and further education in Ireland. In particular migrant workers are not entitled to access services such as FAS, and some minority ethnic groups face prohibitive fees in accessing higher education. The educational needs of minority ethnic groups in Ireland should be addressed in a way which encourages career progression and entrepreneurship.

4. National Action Plan against Racism (NPAR)

We must ensure that our society does not indulge baseless prejudice but rather promotes the need to maintain communities where we can live in

⁵ See: http://www.equalitytribunal.ie/htm/press_releases_publications/2005/200605.htm

harmony with our neighbours and take full advantage of the many opportunities that diversity brings.⁶

On 27 January 2005 the Government launched ‘Planning for Diversity: The National Action Plan Against Racism’. Copies of the Plan are available from the Equal Status Unit in the Department of Justice, Equality and Law Reform, or from the web at: www.justice.ie.

The NPAR originates from commitments given by Governments at the United Nations World Conference Against Racism in South Africa in 2001. The decision to develop the NPAR was further reaffirmed in the Social Partnership Agreement for 2003-2005. The emphasis throughout the Plan is on developing reasonable and common sense measures to accommodate cultural diversity in Ireland. The overall aim of the NPAR is to provide strategic direction to combat racism and to develop a more inclusive, intercultural society in Ireland based on a commitment to inclusion by design, not as an add-on or after thought and based on policies that promote interaction, equality of opportunity, understanding and respect.

The Plan was informed by a twelve-month public consultation process, overseen by a national steering group established under the aegis of the Department of Justice, Equality and Law Reform which involved a wide range of key stakeholders from Government bodies, the social partners and broader civil society, including cultural and ethnic minorities.

The Plan outlines an intercultural framework which will underpin the overall approach to its implementation. The Framework is summarised in Table 1.

Table 3: Summary of the Intercultural Framework underpinning the NPAR

Protection:	Effective protection and redress against racism
Inclusion:	Economic inclusion and equality of opportunity
Provision:	Accommodating diversity in service provision
Recognition:	Recognition and awareness of diversity
Participation:	Full participation in Irish society

While the Plan does not specifically refer to the barriers facing EME, it provides an overall framework which will promote interculturalism and overcome the barriers facing all minority ethnic groups, including entrepreneurs.

5. Immigration and residence consultation

In April 2005 the Department of Justice Equality and Law Reform published a consultation document on the development of an immigration and residence framework in Ireland; section 7 of the discussion document deals with self-employment. The main proposals are:

⁶ Mr. Michael McDowell, TD, Minister for Justice Equality and Law Reform at the launch of the National Action Plan against Racism, 27 January 2005, <http://www.justice.ie/80256E01003A02CF/vWeb/pcJUSQ693DQE-en> (28 January 2005)

- The Minister should have the power to set out in secondary legislation schemes for entry for self-employment purposes.
- A possible scheme should be considered for individuals with innovative business ideas but without capital.
- Penalties should be set for individuals who start businesses without the relevant permission.

The Document outlines that in practice, the main areas in which business permission applications have been received in recent years were in the following sectors:

- ethnic restaurants,
- information technology,
- artists/writers,
- chiropractors, and
- translators.

When granted, permission is initially for a period of twelve months with the possibility of a longer period being granted upon renewal. The criteria to be met in order to obtain business permission are as follows:

- the proposed business must result in the transfer to the State of a minimum capital of €300,000;
- employment must be created for at least two EEA nationals in a new project or employment maintained in an existing business;
- the proposed business must add to the commercial activity and competitiveness of the State;
- the proposed business must be a viable trading concern and provide the applicant with sufficient income to support him/herself and any dependants without seeking public funds or paid employment for which a work permit would be required;
- the applicant must hold a valid passport or national identity document and must be of good character.

Some exceptions to these criteria apply. In general applications for business permission should be made while the applicant is outside the State, but may also be made where the person is legally resident for other purposes.

The issue of entry and residence of third country nationals for the purpose of self-employment was addressed in the European Commission proposal for a Directive on entry and residence for employment or self-employment. It is also part of the consultation process launched by the recent Commission green paper on economic migration.

The discussion document notes that there is anecdotal evidence that some people are operating businesses in Ireland without obtaining the Minister's permission. The legislation should underline the need for such permission and provide penalties for operating without such permission. There is a need for co-ordination between public services bodies dealing with the issue of company formation to ensure that the requirements of business permission are being complied with by those seeking to establish companies in Ireland.

The NCCRI is concerned that the proposed provisions are implemented in a way which facilitates EME in a manner which is consistent with the government's commitment to fostering an intercultural society. In particular provision of adequate information to those seeking permission to establish a business in Ireland is of central importance.

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