

destination Dublin: how to set expats up for success in Ireland's growing tech hub

When web retail giant Amazon announced in June 2018 that it would be adding more than 1,000 new jobs in Dublin, it continued the trend of multinational talent flowing into Ireland's capital and largest city.

Amazon already had a major presence in Dublin prior to the expansion announcement. Companies such as Google, eBay, Facebook and Twitter also have hubs here, which has led many observers to anoint Dublin as the tech capital of Europe, even ahead of traditional powerhouse London.

What's happening in Dublin is happening across Ireland. A low corporate tax rate (12.5%) and generally welcoming environment have spurred many global corporations to expand operations into the country. In fact, eight of the top 10 software companies, 13 of the top 15 medical tech companies and 20 of the top 25 financial services companies in the world have all put down roots in Ireland.¹ With this comes plenty of opportunities for expatriate assignments, as these leading companies look to get their top talent where it's needed.

A global mobility manager for a multinational company with a presence in the country said that Dublin has "grown quite quickly" as an expat destination. However, she noted that there are unique challenges with moving talent here that companies like hers need to address. In this report, we look at some of the critical considerations for both employers and expats when it comes to mobility in Dublin and across Ireland.

Irish immigration is on the rise

With the influx of new jobs into Ireland, as well as a decreasing unemployment rate in the country, more and more multinational companies have been looking across borders for talent. This has led to an uptick in immigrations — roughly 128,000 people from outside the European Union lived legally in Ireland at the end of 2017, up from 115,000 just one year earlier.²

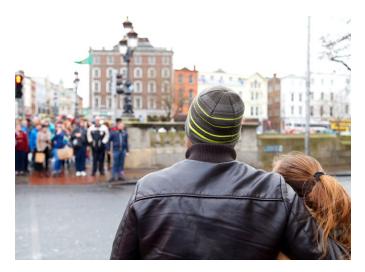
The immigration process in Ireland largely revolves around where someone is coming from and how long they'll be staying. Expats coming from elsewhere in the European Economic Area (this consists of European Union members plus Iceland, Liechtenstein and Norway) or from Switzerland generally don't need a visa to enter Ireland because of the single market agreement that allows free movement of citizens.

Outside of the single market, the nationality shown on an



expat's passport or travel document as well as the length of visit determines visa requirements. Some nationalities require a visa to enter Ireland, while others do not. Ireland divides visas into short stay ("C") and long stay ("D") categories. C visas are for stays of less than three months, while D visas cover stays longer than that.

Expats and their partners who are staying in Ireland for more than three months must register with the local branch of Garda National Immigration Bureau (GNIB) and obtain an Irish Residence Permit (IRP) card. The IRP card generally needs to be renewed every year. It's crucial to have an active work permit and an active residence permit to maintain the right to work and reside in Ireland.



Additionally, non-EEA entrants to Ireland who are looking to work must apply for an employment permit through the Department of Business, Enterprise and Innovation. Permits are based on the type of work the individual will be doing. For example, the Critical Skills Employment Permit is for engineers and IT professionals, among others. A General Employment Permit also exists to cover a broader range of occupations. The wait time for a new permit is generally eight to 12 weeks.

Partners and spouses traveling with an expat on assignment can apply for a Dependant/Partner/Spouse Employment Permit, but only if the expat has a Critical Skills Employment Permit. This is important to note, because spouses and partners of expats holding other permit types will have to apply for their own employment permit if they also want to work. And even those who are eligible for the Dependant/ Partner/Spouse Employment Permit must receive a job offer for their right to work to kick in, and it can take up to three months for the permit to be processed.

It is advised to have a thorough understanding of this complete process before relocating to Ireland, to ensure that there aren't any missteps along the way.

demand puts stress on temporary housing market

Because of Dublin's success attracting companies such as Amazon and Google, the temporary housing market here has seen demand outpace supply in recent years, as desirable jobs have driven the need for expat housing. Not surprisingly, costs have risen roughly 5 to 10 percent in the past year as well.

In this kind of market, expats are advised to act quickly when presented with options. Waiting too long can very easily mean missing out on a preferred choice.

Temporary housing providers report that a one-bedroom unit generally goes for between €140 and €210 per night (\$165 to \$247 USD), while two-bedroom options range from €155 to €250 (\$182 to \$294 USD) on average. Many options include weekly housekeeping as part of the cost.

Demand isn't expected to dip anytime soon, which means that rates figure to steadily increase in the coming years.

rental market feeling the strain, too

Temporary housing is, of course, temporary, meaning newcomers to Dublin will have to wade into the regular housing market. For many expats, this means looking for a rental instead of something to own, as they'll likely be returning to their home country and don't want to get tied down.

The increasing popularity of alternatives such as Airbnb for short-term needs combined with a lack of new developments has led to a shortage of good quality housing and rising rents. In Dublin, average rent jumped to \leq 1,875 (\leq 2,202 USD) per month in 2018, up 12 percent from the previous year.³



Not surprisingly, rental prices in Dublin are higher than they are in the rest of the country. Steep prices, combined with limited availability, have led many newcomers to consider room-sharing options. Of course, rental markets are constantly changing, and expats arriving in Dublin may want to work with a rental agency, especially if they're unfamiliar with the area. As a rule of thumb, a rental agent's fee is likely to be around one month's worth of rent, though specific costs vary.

One important thing to note with rental properties in Dublin is that most of them come furnished. This can reduce the impact of high rental costs somewhat, as a renter won't need to buy and move furniture. This also means that companies that offer extensive household goods benefits to expats may want to switch gears with their Dublin-bound employees. Instead of offering a benefit that many of these employees won't want or even need, companies can find better ways to use their mobility budgets.

Expats who might be in Dublin on a longer-term or potentially permanent basis could consider buying a home as an alternative to the rental market. Prices have come down since the global recession burst the Irish property bubble last decade, so now is a more advantageous time to buy than pre-recession. For those looking to avoid busy city life, there are good deals to be had on rural homes, though of course commute times into Dublin will be higher from these locations.

a changing school system with Catholic roots

Children in Ireland — including the children of expats — are entitled to free primary and post-primary education through the public school system, which is great news to families moving to the country for work.

However, things can get tricky in Dublin due to supply and demand. Schools often fill up quickly, and when this happens, children are put on a waiting list. Families that arrive outside of normal school registration periods can be at a disadvantage because all the open spots might already be gone.

Expats who need to find schools for their children are

encouraged to begin the registration process as early as possible, generally as soon as they know where they'll be living within the city.

In addition to the public schools, other options exist in Dublin, including a handful of well-regarded international schools that are generally attractive to expat families. However, these also fill up quite quickly and can have lengthy waiting lists. Some expats will enroll their children in a public school while waiting for a spot in an international school to open up.

Relocating families are ultimately encouraged to cast a wide net in their school search and to remain patient, which can be easier said than done for expats eager to get school situations figured out.



Public schools generally teach in English, while international schools offer a wider array of languages. Public primary and secondary schools are also mainly owned and operated by the Catholic church, despite receiving government funding. Over the years, these schools often gave preference to Catholic children over non-Catholic children when enrollment got tight, though legislation enacted in 2018 now prohibits schools to give preference based on religion.

Despite this change, these schools will likely continue to incorporate the Catholic faith into day-to-day student life. While parents can opt to remove their children from religious curriculum, the faith-based structure can still be unappealing to expat families of different religious backgrounds. Secular options exist but not nearly to the degree of Catholic schools.



Dublin is a desirable home — but an expensive one, too

Dublin is generally considered a good place to live — AIRINC placed the city 10th in its latest rankings of 150 global cities according to lifestyle.⁴

However, Dublin ranked just 61st in financial attractiveness, which takes into account both salary considerations as well as cost of living. Dublin also came in as the 32nd most expensive city in the world according to Mercer's 2018 cost of living rankings, which puts it right around locations such as Sydney, Milan, Paris and Los Angeles.⁵ Expats moving to the Irish capital should be prepared for the high costs that come with living in a major international city.

As mentioned earlier, rental prices in the city center can be steep. Many people who live here keep daily costs lower by driving infrequently or not at all. Instead, residents use a combination of buses, commuter trains and light rail to get around. Buses are generally the most popular of these modes. Dublin Area Rapid Transit (DART) trains serve north-south traffic along the city's coast and the newer Luas light rail system provides additional options.

While ample transportation choices exist, Dublin residents can sometimes run into challenges getting from one quadrant of the city to another, and it's recommended to give plenty of time for travel and to know your route in advance. A regional 20-year plan calls for further investment into Dublin's public transportation infrastructure, including expansion of the Luas system, which should help expats navigating the area.

Those who do plan on using these modes regularly can purchase a Leap Card, which gives users access to reduced fares and also allows them to store money to quickly pay for rides. Day-to-day items cost about what you'd expect for a city of Dublin's size. Food, clothes, entertainment and other expenses are generally higher than in the surrounding country, so expats would be wise to figure out their budgets and plan accordingly before relocating.

Living outside of Dublin is of course an option to cut down on some of these costs, and the public transportation system does make it possible to get into the city on a regular basis with proper planning, but many expats choose to live closer to their Dublin workplace despite the price tag.

In short, while mobility into Dublin can be complex, the city is generally welcoming to expats and has been a good home for many multinational companies.

Like with many things, proper planning can make a world of difference, and companies sending employees to Dublin should consider the city's unique challenges when putting together relocation packages for their expats.



For more on the expatriate experience, check out our report <u>"Exploring Expat Mental Health: The</u> <u>True Cost of Humans on a Mission."</u>

citations

1. IDA Ireland, <u>"Why Invest in Ireland?"</u>

2. Ireland Department of Justice and Equality, "<u>Immigration in Ireland</u> <u>Annual Review 2017."</u>

- 3. Daft.ie, <u>"The Daft.ie Rental Price Report."</u>
- 4. AIRINC, "Global 150 Cities Index."
- 5. Mercer, <u>"Cost of Living City Ranking."</u>

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