National Skills Bulletin 2010

Expert Group on Future Skills Needs
July 2010
Objectives

• Provision of statistical record on labour market indicators:
  – national level
  – sectoral level
  – occupational level
  – regional level

• Indication of skills shortages
National labour market: Labour market status, Q4 2009

Population 4,472,300

- Children (<15) 950,700
- Working age population (15-64) 3,020,200
- 65 and older 501,400

- In employment full time (ILO) 1,444,100
- In employment part time (ILO) 401,800
- Not in employment 1,174,300
- In employment (ILO) 42,300
- Not in employment (ILO) 459,100

- Unemployed 267,000
- In search of full time work 247,300
- In search of part time work 19,700

- Inactive 907,200
- Student 304,700
- Home duties 330,100
- Other 210,200
- Retired 62,300

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National labour market: Change between 2008 and 2009

- Deterioration in all indicators
  - Labour force declined (-54,000)
  - Employment declined (-170,000)
  - Labour market participation declined (-1.6 percentage points)
  - Unemployment increased (+120,000)
  - Net migration turned negative (-7,800)
• Of 1.89 million in employment:
  – 46% females
  – 78% full-time
  – 40% younger than 35
  – 42% third level graduates
Employment growth by sector
Q4 2008 – Q4 2009

- Construction: -40%
- Agriculture: -35%
- Manuf.: -25%
- Retail/Wholes.: -20%
- Prof. services: -15%
- Admin.: -10%
- Education: 0%
- Other: 5%
- Financial: 10%
- Public admin.: -10%
- Health: -5%
- Transport: -5%
- Accommodation/food: 0%
- ICT: 5%

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Employment by broad occupation
2009

- Professionals: 247
- Clerks: 245
- Managers: 243
- Services: 243
- Craft: 210
- Associate Prof: 194
- Sales: 170
- Labourers: 156
- Operatives: 142
- Farmers: 79
Regional employment
Q4 2009

- Dublin: 550
- South-West: 273
- Mid-East: 235
- South-East: 194
- Border: 189
- West: 186
- Mid-West: 153
- Midland: 108
Employment growth by region
Q4 2008 - Q4 2009

South-East: -12%
Border: -12%
Mid-West: -9%
South-West: -8%
Dublin: -7%
Midland: -7%
West: -6%
Mid-East: -6%
### Unemployment by region:
#### South-East - greatest risk of unemployment

<table>
<thead>
<tr>
<th>Region</th>
<th>Q4 2009</th>
<th>Q4 2008 - Q4 2009</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Border</td>
<td>28.9</td>
<td>+9.1</td>
<td>13.3%</td>
</tr>
<tr>
<td>Midland</td>
<td>18.3</td>
<td>+6.1</td>
<td>14.4%</td>
</tr>
<tr>
<td>West</td>
<td>26.5</td>
<td>+6.1</td>
<td>12.5%</td>
</tr>
<tr>
<td>Dublin</td>
<td>66.9</td>
<td>+23.1</td>
<td>10.8%</td>
</tr>
<tr>
<td>Mid-East</td>
<td>30.3</td>
<td>+14.0</td>
<td>11.4%</td>
</tr>
<tr>
<td>Mid-West</td>
<td>25.2</td>
<td>+9.4</td>
<td>14.2%</td>
</tr>
<tr>
<td>South-East</td>
<td>36.2</td>
<td>+15.0</td>
<td>15.7%</td>
</tr>
<tr>
<td>South-West</td>
<td>35.1</td>
<td>+14.8</td>
<td>11.4%</td>
</tr>
<tr>
<td>Total</td>
<td>267.4</td>
<td>+97.6</td>
<td>12.4%</td>
</tr>
</tbody>
</table>
Labour market participation by region: Lowest participation in the Border region

<table>
<thead>
<tr>
<th>Region</th>
<th>Q4 2008</th>
<th>Q4 2009</th>
<th>Percentage point change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Border</td>
<td>59.7%</td>
<td>55.2%</td>
<td>-4.5</td>
</tr>
<tr>
<td>Midland</td>
<td>61.5%</td>
<td>60.1%</td>
<td>-1.4</td>
</tr>
<tr>
<td>West</td>
<td>63.3%</td>
<td>61.7%</td>
<td>-1.6</td>
</tr>
<tr>
<td>Dublin</td>
<td>64.7%</td>
<td>63.5%</td>
<td>-1.2</td>
</tr>
<tr>
<td>Mid-East</td>
<td>66.0%</td>
<td>65.8%</td>
<td>-0.2</td>
</tr>
<tr>
<td>Mid-West</td>
<td>61.9%</td>
<td>60.9%</td>
<td>-1.0</td>
</tr>
<tr>
<td>South-East</td>
<td>62.2%</td>
<td>59.0%</td>
<td>-3.2</td>
</tr>
<tr>
<td>South-West</td>
<td>61.1%</td>
<td>59.9%</td>
<td>-1.2</td>
</tr>
<tr>
<td>Total</td>
<td>62.9%</td>
<td>61.2%</td>
<td>-1.7</td>
</tr>
</tbody>
</table>
• Decline in the total number of vacancies
• Greatest decline in the construction related vacancies
• The highest number of vacancies for
  – IT (developers, testers, engineers, administrators and tech. support)
  – Managers (marketing, production, financial, sales, catering)
  – Accounting and other clerks
  – Technical sales representatives
• The share of vacancies for permanent full time positions declined
Recruitment Agency Survey Results

• Demand remains weak, with signs of increase in recruitment activity

• Difficult to fill vacancies exist in the areas of ICT, management, science, engineering, healthcare, sales and finance

• Issues with the supply of Irish candidates:
  – Lack of language skills
  – Lack of relevant experience
  – Preference for permanent posts (slow take-up of temporary positions)
  – Labour mobility (geographical and intra-occupational)
  – Job on offer not attractive

• Most difficult to fill vacancies filled by non-Irish candidates
## Estimates of annual job openings: Unemployment greater than annual recruitment requirement

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Replacement*</th>
<th>Expansion**</th>
<th>Recruitment requirement</th>
<th>Unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers</td>
<td>2,000</td>
<td>-2,000</td>
<td>0</td>
<td>&lt;1,000</td>
</tr>
<tr>
<td>Managers</td>
<td>-2,000</td>
<td>5,000</td>
<td>3,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Professionals</td>
<td>7,000</td>
<td>9,000</td>
<td>16,000</td>
<td>11,000</td>
</tr>
<tr>
<td>Assoc. prof.</td>
<td>5,000</td>
<td>5,000</td>
<td>10,000</td>
<td>11,000</td>
</tr>
<tr>
<td>Clerks</td>
<td>8,000</td>
<td>5,000</td>
<td>13,000</td>
<td>22,000</td>
</tr>
<tr>
<td>Craftpersons</td>
<td>4,000</td>
<td>7,000</td>
<td>11,000</td>
<td>71,000</td>
</tr>
<tr>
<td>Services</td>
<td>8,000</td>
<td>7,000</td>
<td>15,000</td>
<td>22,000</td>
</tr>
<tr>
<td>Sales</td>
<td>7,000</td>
<td>7,000</td>
<td>14,000</td>
<td>19,000</td>
</tr>
<tr>
<td>Operatives</td>
<td>0</td>
<td>3,000</td>
<td>3,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Labouers</td>
<td>5,000</td>
<td>5,000</td>
<td>10,000</td>
<td>69,000</td>
</tr>
<tr>
<td>Total</td>
<td>44,000</td>
<td>52,000</td>
<td>96,000</td>
<td>267,000</td>
</tr>
</tbody>
</table>


**Based on the assumption of the full economic recovery beyond 2010 as per the FÁS/ESRI Occupational Employment Forecasts 2015
Shortages: Science

- High calibre niche area R&D scientists (chemists, biologists etc.), managers (clinical trials, supply chain etc.), animal nutritionists, science technicians (prototyping/development), regulation experts and multidisciplinary experts (e.g. bio-convergence, blend of science and business etc.)

- Drivers of future demand:
  - Expected strong global demand for pharmaceuticals, bio-technology products and medical devices
  - Government commitment to advance job creation in science related areas
  - The green agenda
  - Bio-convergence
  - Move to higher value added but less labour intensive activities
Shortages: Engineering

- Mechanical design and innovation, process (pharmaceutical industry, medical devices, water purification), quality control, validation (pharmaceutical and medical devices sectors), wind energy and high voltage electrical engineering skills

- Drivers of future demand:
  - Automation and leaner processes
  - Improvements in power generation, transmission and management of energy
  - The green agenda
Shortages: ICT

- Senior software developers (JAVA, SQL, C++, .net, VB6, Search Engine Optimisation (SEO), PHP), IT security experts, network experts and IT project managers

- ICT skills instrumental in future economic growth
Shortages: Business and finance

- Actuaries, risk experts, business analysts, senior claims handlers, fund specialists and senior accountants with specific skills (e.g. regulation, MiFID – Markets in Financial Instruments Directive)

- Drivers of future demand
  - Regulatory changes
  - Product innovation
  - Risk management
Although job opportunities in the public healthcare sector remain limited due to funding issues, there are shortages of:

- medical practitioners (general practitioners, non-consultant hospital doctors and specialist doctors (e.g. consultant radiologists))
- advanced nursing practitioners (theatre nurses, and those specialising in radiology, diabetes, renal medicine and midwifery)
- senior therapists: occupational and speech and language; physiotherapists in niche areas e.g. paediatric disability
- medical radiographers (e.g. sonographers, mammograhers etc.)
- dentists (orthodontists)
- clinical psychologists
Shortages: Transport

- International supply chain managers – experienced individuals with IT skills, forecasting skills, familiarity with material requirements planning (MRP) and master production scheduling (MPS), enterprise resource planning, global team management, proficiency in foreign languages.
Shortages: Marketing and sales

- Experienced marketing managers with specific industry and product knowledge
- Multilingual telesales/customer care workers with IT skills
- Experienced sales representatives with specific product or technical knowledge (e.g. medical sales and technical sales).
National Skills Strategy:
Progress made; further improvements needed

2005 2006 2007 2008 2009 2020

Lower secondary or less Upper secondary/FET Third level

29% 27% 26% 24% 21% 7%
40% 40% 39% 39% 40% 45%
32% 33% 34% 37% 39% 48%
• Of 270,000 unemployed:
  – 71% is male
  – 68% is 25-54; 25% under 25
  – 47% holds upper secondary or FET qualification
  – 82% is Irish national
  – 31% was previously employed in construction
  – 27% is a craftperson; 26% labourer
Labour market segments with the highest unemployment rate Q4 2009

<table>
<thead>
<tr>
<th>Labour market segment</th>
<th>Unemployment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>16%</td>
</tr>
<tr>
<td>&lt;25s</td>
<td>26%</td>
</tr>
<tr>
<td>Holders of less than upper secondary qualifications</td>
<td>18%</td>
</tr>
<tr>
<td>Non-Irish</td>
<td>16%</td>
</tr>
<tr>
<td>South-East region</td>
<td>16%</td>
</tr>
<tr>
<td>Construction sector</td>
<td>38%</td>
</tr>
<tr>
<td>Labourers</td>
<td>32%</td>
</tr>
<tr>
<td>National unemployment rate (Q4 2009)</td>
<td>12%</td>
</tr>
</tbody>
</table>
Sourcing from non-EEA countries

- 60% annual decline in new employment permits to 3,600
- Of the total new permits issued:
  - One in two was an employment permit
  - One in five was a green card
  - One in five was a spousal permit
  - One in ten was an intra-company transfer or a training placement
- Most new permits issued for the healthcare, ICT, services and catering sectors
- Most new permits issued to doctors, nurses, chefs and IT professionals