Regional Labour Markets Bulletin 2016

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SOLAS
Outline

Introduction

• Changes in relation to the 2015 report
• Selected statistics
  – Output (GVA)
  – Enterprise landscape
  – LMI - demand
    Employment, vacancies, employment projections – (expansion, replacement demand and recruitment requirement)
  – LMI - supply
    Unemployment
    Job ready job seekers
    Education & training
  – Sample of charts for illustration – regional profile (Dublin)
Objective

Aim:
To inform and support decision making process at regional and national level, in the areas of education and training provision, career guidance, and active labour market policies by providing data on demand for, and supply of skills for the 8 NUTS 3 regions in Ireland

Audience/main users:
• ETBs
• Government departments and agencies
  – (e.g. DJEI - Regional Action Plan for Jobs; DES - Regional Skills Fora)
• Career guidance services
## Regional classification: CSO NUTS 3

<table>
<thead>
<tr>
<th>Border (1)</th>
<th>Dublin (5)</th>
<th>Mid-East (4)</th>
<th>Midland (3)</th>
<th>Mid-West (8)</th>
<th>South-East (6)</th>
<th>South-West (7)</th>
<th>West (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cavan</td>
<td>Dublin City</td>
<td>Kildare</td>
<td>Laois</td>
<td>Clare</td>
<td>Carlow</td>
<td>Cork City</td>
<td>Galway City</td>
</tr>
<tr>
<td>Donegal</td>
<td>Dun-Laoghaire-Rathdown, Meath</td>
<td>Longford</td>
<td>Limerick City</td>
<td>Kilkenny</td>
<td>Cork County</td>
<td>Galway County</td>
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<tr>
<td>Leitrim</td>
<td>Fingal</td>
<td>Wicklow</td>
<td>Offaly</td>
<td>Limerick County North Tipperary</td>
<td>South Tipperary</td>
<td>Kerry</td>
<td>Mayo</td>
</tr>
<tr>
<td>Louth</td>
<td>South Dublin</td>
<td>Westmeath</td>
<td></td>
<td></td>
<td>Waterford City</td>
<td></td>
<td>Roscommon</td>
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<td>Monaghan</td>
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<td></td>
<td>Waterford County</td>
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</tbody>
</table>
Gross Value Added (GVA), 2013

<table>
<thead>
<tr>
<th></th>
<th>Border</th>
<th>Dublin</th>
<th>Mid East</th>
<th>Midland</th>
<th>Mid West</th>
<th>South East</th>
<th>South West</th>
<th>West</th>
<th>Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>GVA at Basic Prices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>(Euro Million)</td>
<td>11,093</td>
<td>70,811</td>
<td>12,952</td>
<td>5,936</td>
<td>11,168</td>
<td>12,543</td>
<td>26,961</td>
<td>12,008</td>
<td>163,474</td>
</tr>
<tr>
<td>GVA per person at</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Basic Prices (Euro)</td>
<td>21,445</td>
<td>55,365</td>
<td>24,276</td>
<td>20,923</td>
<td>29,305</td>
<td>25,092</td>
<td>40,384</td>
<td>26,839</td>
<td>35,464</td>
</tr>
<tr>
<td>Indices of GVA per</td>
<td>60.5</td>
<td>156.1</td>
<td>68.5</td>
<td>59.0</td>
<td>82.6</td>
<td>70.8</td>
<td>113.9</td>
<td>75.7</td>
<td>100</td>
</tr>
<tr>
<td>person at Basic Prices</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>(State=100)</td>
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<td></td>
</tr>
<tr>
<td>GVA at Basic Prices (%)</td>
<td>6.8</td>
<td>43.3</td>
<td>7.9</td>
<td>3.6</td>
<td>6.8</td>
<td>7.7</td>
<td>16.5</td>
<td>7.3</td>
<td>100</td>
</tr>
</tbody>
</table>

- GVA – equivalent to GDP; relatively high GVA - a proxy for prevalence of high value activities in a region
- Dublin had the highest GVA/output per person; the Border and Midland regions had the lowest
- Y-o-y increase in GVA in 6 regions; in terms of relative GVA (indices), almost all regions improved their relative position y-o-y (exceptions being the West region and South-West region; however, the S-W remains above the State’s average, the only region apart from Dublin to exceed it)
- Dublin accounted for 43% of the State’s total output in 2013
Regional economic output over time - Indices of Gross Value Added (GVA) per person, by region, 2000-2014* (State = 100)

*2014 figures are estimates
Regional enterprise landscape

Business Demography (refers to 2014)

– active enterprises, by size, in the **private business economy (sectors B-N)**

– in each region, the vast majority of enterprises were micro enterprises (<10 persons engaged); Midland had the highest share of micro enterprises; in all regions above 90% were micro enterprises

– Considering the **No. of persons engaged**, SMEs (<250) accounted for over two thirds (69%) of the total, at the State level; regional variations – Dublin SME share 53% vs. Midland 97%

– Dublin had the biggest share of persons in large enterprises (250 and above engaged)

– While accounting for 1/3 of active enterprises in the State, Dublin accounted for over a 1/2 in ICT; almost 3/5 in financial; and 2/5 in professional activities

– Not comparable with figures presented in the last year Report (e.g. change in methodology / sampling resulting in better coverage re. micro enterprises)
## Selected key points: LM indicators, Q4 2015

<table>
<thead>
<tr>
<th>Region</th>
<th>POP 000s</th>
<th>WAP (15-64) 000s</th>
<th>LF 000s</th>
<th>E 000s</th>
<th>UE 000s</th>
<th>E rate (20-64)</th>
<th>UE rate (15-75)</th>
<th>P rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Border</td>
<td>494.5</td>
<td>304.2</td>
<td>213.6</td>
<td>195</td>
<td>18.6</td>
<td>67.8%</td>
<td>8.7%</td>
<td>56.5%</td>
</tr>
<tr>
<td>Dublin</td>
<td>1,319.5</td>
<td>883.8</td>
<td>660.4</td>
<td>610.4</td>
<td>50.0</td>
<td>72.2%</td>
<td>7.6%</td>
<td>63.2%</td>
</tr>
<tr>
<td>Mid-East</td>
<td>552.6</td>
<td>354.3</td>
<td>255.1</td>
<td>235.8</td>
<td>19.3</td>
<td>71.2%</td>
<td>7.6%</td>
<td>61.5%</td>
</tr>
<tr>
<td>Midland</td>
<td>293.6</td>
<td>187.9</td>
<td>135.4</td>
<td>120.8</td>
<td>14.7</td>
<td>68.2%</td>
<td>10.9%</td>
<td>60.3%</td>
</tr>
<tr>
<td>Mid-West</td>
<td>376.4</td>
<td>238.5</td>
<td>167.1</td>
<td>153.1</td>
<td>14.1</td>
<td>67.8%</td>
<td>8.5%</td>
<td>57.1%</td>
</tr>
<tr>
<td>South-East</td>
<td>510.4</td>
<td>325.7</td>
<td>233.1</td>
<td>205.4</td>
<td>27.7</td>
<td>66.7%</td>
<td>11.9%</td>
<td>58.6%</td>
</tr>
<tr>
<td>South-West</td>
<td>670.7</td>
<td>433.4</td>
<td>306.3</td>
<td>283.9</td>
<td>22.4</td>
<td>68.8%</td>
<td>7.4%</td>
<td>58.1%</td>
</tr>
<tr>
<td>West</td>
<td>433.9</td>
<td>273.9</td>
<td>199.5</td>
<td>178.6</td>
<td>20.8</td>
<td>67.9%</td>
<td>10.6%</td>
<td>58.8%</td>
</tr>
<tr>
<td>Ireland</td>
<td>4,653.6</td>
<td>3,001.8</td>
<td>2,170.5</td>
<td>1,983.0</td>
<td>187.5</td>
<td>69.6%</td>
<td>8.7%</td>
<td>60.0%</td>
</tr>
</tbody>
</table>
Selected key points: LMI (Q4 2015)

• Labour Force and Participation
  – Dublin region had the highest participation rate, at 63.2%, while despite y-o-y improvement, the Border region, at 56.5%, had the lowest; the Mid-West had a rate of 57.1%, the second lowest
  – y-o-y increase in LF in 3 regions; contraction in 4 regions
  – y-o-y increase in participation rates in 3 regions, decline in 3 regions

• Employment
  – y-o-y increase in numbers employed in 4 regions; static in 2; decline in 2 regions
  – three regions (Dublin, Mid-East, and South-West) reached the national employment target rate (c.f. APJ; 69%-71%)

• Unemployment
  – Numbers UE declined in 6 regions, no change in 2 regions
  – UE rate reduced in 6 regions
  – In 3 regions, the rate of UE remained > 1 p.pt. above the average rate for the State
Regional employment and employment growth, year on year (y-o-y)

Employment, Q4 2015 (000s)

- Dublin: 610
- South-West: 284
- Mid-East: 236
- South-East: 205
- Border: 195
- West: 179
- Mid-West: 153
- Midland: 121

State: 1,983.0

Quarter 4 2014 – Quarter 4 2015
(State: 2.3%)

- State: 2.3%
- Midland: 6.2%
- Border: 5.0%
- Dublin: 3.9%
- South-West: 3.0%
- South-East: 0.4%
- Mid-West: 0.2%
- Mid-East: -0.9%
- West: -1.4%

Expert Group on Future Skills Needs
**Region at a glance: Dublin**

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>1,319,500</td>
</tr>
<tr>
<td>Working age (15-64 years)</td>
<td>883,800</td>
</tr>
<tr>
<td>Labour force</td>
<td>660,400</td>
</tr>
<tr>
<td>Participation rate</td>
<td>63.2%</td>
</tr>
<tr>
<td>Employment</td>
<td>610,400</td>
</tr>
<tr>
<td>Employment rate (20-64 years)</td>
<td>72.2%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>50,000</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>7.6%</td>
</tr>
<tr>
<td>GVA per person (€)</td>
<td>55,365</td>
</tr>
<tr>
<td>GVA p.p. index (State = 100)</td>
<td>156.1</td>
</tr>
</tbody>
</table>
Selected key points: Sector of employment

- High value added activities – share of employment in KIS
  - Dublin had the highest share: 25% of employment was in knowledge intensive services – namely, market, high-tech, and financial services (broadly coinciding with ICT, financial, and professional activities); the share also high in the Mid-East (17%)
  - Dublin accounted for over a 1/2 of all employed in the ICT and in financial services, and for 40% of all in professional services in the State
- Public sector (Public admin. & defence, Health, Education) relatively similar in size across regions (approx. ¼ of employment)
Selected key points: Employment Sample: Dublin

Employment by economic sector* (Q4 2015), y-o-y change (%), and Q4 2010 – Q4 2015 change (%) (Dublin)
Selected key points: Employment
Sample: Dublin

Employment by economic sector* (Dublin), Q4 2015

- Wholesale and retail: 83,400
- Health: 76,500
- Financial, insurance, etc.: 51,600
- Accommodation & food: 49,800
- Professional, scientific, technical: 47,800
- Information & Communication: 47,100
- Industry: 47,100
- Education: 45,500
- Other NACE activities: 37,200
- Transportation & storage: 32,900
- Public admin. & defence: 31,300
- Construction: 27,300
- Administrative & support: 27,100
- Agriculture: 2,400

* Excludes ‘not stated’
Selected key points: Employment in manufacturing by technology intensity/type, (%, shares) Q4 2015

- Composition within regions (%)

- West: 45%
  - High-tech: 29%
  - Medium-high: 40%
  - Medium-low: 31%
  - Low-tech: 13%

- South West: 40%
  - High-tech: 36%
  - Medium-high: 45%
  - Medium-low: 29%
  - Low-tech: 13%

- South East: 36%
  - High-tech: 31%
  - Medium-high: 52%
  - Medium-low: 29%
  - Low-tech: 13%

- Mid West: 29%
  - High-tech: 29%
  - Medium-high: 45%
  - Medium-low: 31%
  - Low-tech: 13%

- Midland: 36%
  - High-tech: 29%
  - Medium-high: 45%
  - Medium-low: 31%
  - Low-tech: 13%

- Mid East: 31%
  - High-tech: 29%
  - Medium-high: 45%
  - Medium-low: 31%
  - Low-tech: 13%

- Dublin: 45%
  - High-tech: 29%
  - Medium-high: 45%
  - Medium-low: 31%
  - Low-tech: 13%

- Border: 52%
  - High-tech: 29%
  - Medium-high: 45%
  - Medium-low: 31%
  - Low-tech: 13%
Employment projections by sector – annual projected recruitment requirement*, Dublin

Selected key points: Employment projections/demand
Sample: Dublin
### Region of employment / commuting to work, Q4 2014

<table>
<thead>
<tr>
<th>Region of Region</th>
<th>Border</th>
<th>Dublin</th>
<th>Mid-East</th>
<th>Mid-Land</th>
<th>Mid-West</th>
<th>South-East</th>
<th>South-West</th>
<th>West</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed in same region</td>
<td>81.7%</td>
<td>93.8%</td>
<td>53.5%</td>
<td>71.0%</td>
<td>87.6%</td>
<td>81.9%</td>
<td>93.9%</td>
<td>85.2%</td>
<td>84.0%</td>
</tr>
<tr>
<td>Employed elsewhere</td>
<td>9.4%</td>
<td>3.5%</td>
<td>40.1%</td>
<td>24.4%</td>
<td>5.8%</td>
<td>9.9%</td>
<td>2.3%</td>
<td>9.2%</td>
<td>10.9%</td>
</tr>
<tr>
<td>No Answer</td>
<td>8.9%</td>
<td>2.7%</td>
<td>6.4%</td>
<td>4.6%</td>
<td>6.6%</td>
<td>8.3%</td>
<td>3.8%</td>
<td>5.7%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
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</tbody>
</table>
Relative size - the highest unemployment rates: South East (11.9%) Midland (10.9%) and West (10.6%); each of these regions had a rate of unemployment that was more than one percentage point above the State’s average; the lowest UE rates were in the South-West (7.4%), Mid-East and Dublin (7.6%)

Labour market experience:
- Sizeable share with no previous experience of employment
- In terms of previous sector, construction was the largest (about a fifth; the highest in all but two regions)
- Those previously employed in skilled trades and in elementary occupations were the largest group(s) across all regions; however some regional variation in relative size

Education: large shares of unemployed within each region had attained at most lower secondary education; some regional variation

Age: relatively higher rates of unemployment for those younger than 25 years of age; these rates were particularly high in the West, Midland, and South-East
There were approximately 125,000 job ready job seekers in April 2016

Source: Central Records System of the Department of Social Protection (DSP Client Database)
Almost 95,000 vacancies advertised on DSP Jobs Ireland for the period Jan-Dec 2015

Source: DSP Jobs Ireland
Selected key points - education indicators

- NEET
- Early leavers
- Lifelong learning
- Tertiary attainment (30-34)
Conclusion

- Assisting policy making
  - Relevant indicators and statistics (e.g. skill supply & demand, business landscape, etc.)
  - Regional monitor? (targets from APJ, Ireland’s National Skills Strategy 2025)
  - Assistance to new part of skill identification infrastructure – RSF

- Regional comparison
  - Similarities across regions
  - Differences across regions
  - Benchmarking regions
Conclusion – regional comparison

• Similarities across regions
  – Profile of the Live Register (e.g. age, gender)
  – Profile of unemployed regarding their previous sector of employment and educational attainment
  – Profile of Public Employment Service job seekers
  – Profile of Public Employment Service vacancies

• Differences across regions:
  – Economic profile - GVA/economic output / GVA index per region/per person; high value added activities
  – Knowledge intensive services (KIS) – share of employment
  – Composition of manufacturing employment in terms of technology intensity
  – Share of relatively higher skilled occupations in regional employment
  – LMI - unemployment rate & youth unemployment rate, labour force participation rate, employment rate
  – Prevalence of commuting to [work] across regions
  – Extent of non-engagement (NEET) with the labour market/education & training
  – Tertiary attainment (30-34)
  – LLL
Questions, enquiries, comments to:
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