

PRESS RELEASE

## **Expert Group reports show snapshot of Ireland's skills supply and demand**

### **Over a million movements of individuals between employment, unemployment and inactivity in 2012**

**(MONDAY 15 JULY 2013)** The Expert Group on Future Skills Needs today published two reports which together provide a snapshot of the current supply and demand of skills in Ireland. *Monitoring Ireland's Skills Supply: Trends in Education and Training Outputs 2013* is the Expert Group's report on the supply of skills to the Irish labour market and the *National Skills Bulletin 2013* provides a review of employment trends, job opportunities and demand for skills.

An analysis of the labour market in the *National Skills Bulletin 2013* estimates that over a million movements of individuals between employment, unemployment and inactivity took place in 2012, including frequent changes of both occupations and employers right across the skills levels. This points to the flexibility of the Irish labour market and opportunities for jobseekers, but also to the difficulties facing lower skilled people in securing sustainable employment.

In 2012, the ICT field was the strongest segment of the Irish labour market. The demand for ICT skills was illustrated in numerous vacancies, which spanned managerial, professional, technician, skilled trade and sales/customer care roles.

A detailed analysis of the economic status of Ireland's graduates in the skills supply report found that young adults with a level 8 honours degree qualification or higher were more likely to be in employment than their counterparts with level 6/7 qualifications (higher certificate/ordinary degree).

Speaking on the publication of the reports, Ciaran Cannon TD, Minister for Training and Skills commented "The two reports published today paint a detailed picture of the supply and demand of skills in the Irish labour market. They serve as a valuable tool in advising Government on the current and future skills needs of the economy and anticipating any mismatches between skills supply and demand. The Government continues to prioritise, in collaboration with enterprise, education and training for jobseekers to progress to employment in areas of current and future skills demand. The new SkillsPlus portal highlights where employers can access the pipeline of skilled, job-ready recruits from these programmes including Springboard, Skillnets, the ICT Conversion programme, Momentum and JobBridge."

Una Halligan, Chairperson of the Expert Group on Future Skills Needs (EGFSN) said "There continues to be an excess supply of labour. Shortages are primarily confined to niche skill areas and in most instances remain of low magnitude; this year's bulletin highlights the persistence of skills shortages in the areas of ICT, high tech manufacturing (especially bio-pharma and medical devices), agri-food, sales, marketing, business, finance and healthcare. Multilingual skills are a key aspect of some of these shortages. For example, shortages of multilingual IT technicians, finance accounts

managers, marketing associate professionals, financial administrators and some supply chain related occupations exist.

“Worth noting is the continuing emphasis by employers on the importance of work experience. Recruiters are not only looking for appropriately qualified staff but also employability skills gained through work placements.”

### Demand - Key Findings

- **General labour market situation:** Some labour market indicators for 2012 point towards improvements in the Irish labour market (decline in the unemployment rate and increase in employment), however, challenges continue to exist with a further contraction of the labour force and a lower participation rate, as well as persistently high unemployment rates for certain segments of the labour market (e.g. persons previously employed in skilled trades and elementary occupations, younger age cohorts and persons with low education attainment)
- **Dynamics of the labour market - transitions**
  - It is estimated that, during 2012, there were over a million transitions between employment, unemployment and economic inactivity, as well as between and within occupations.
  - The analysis points to the flexibility of the Irish labour market, but also to the difficulties facing lower skilled persons in securing sustainable employment.
  - Individuals’ effort to migrate from lower quality jobs is illustrated by some inter-occupational movement upwards along the occupational scale, as well as by a large share of transitions from lower skilled occupations (e.g. sales assistants, elementary occupations) to education.
  - Frequent changes of employers were found across the skills scale: amongst professionals, the highest level of intra-occupational movements were found in ICT (particularly for programmers and software developers) and in the public sector (teachers and nurses). Amongst other occupational groups, the highest level of intra-occupational transitions was amongst sales assistants, waiters, construction labourers, clerks, kitchen assistants, chefs and child-minders.

### Supply - Key Findings

- There were approximately 217,000 awards made to learners in Ireland in 2011/12 spanning all levels of the National Framework of Qualifications; this represents an increase on the 211,000 recorded in 2010/2011
- Almost 43,000 people received a major award in further education and training
- There were more than 59,000 awards made in the higher education and training sector; they included:
  - Approximately 14,000 higher certificates/ordinary degrees (NFQ 6/7)
  - More than 27,000 honours bachelor degrees (NFQ 8)
  - More than 16,000 postgraduate certificates/diplomas and master degrees (NFQ 9)
  - More than 1,400 PhDs (NFQ 10)

- The field of health and welfare had the largest number of awards with almost 27,000, spanning all levels of the NFQ
- Promising signs for computing at higher level with a 25% increase in the number of graduates at level 8, continuing the upward trend in computing graduate numbers observed last year; strong growth in CAO acceptances and enrolments for computing courses suggest that this trend will continue in the medium term.
- Where do Graduates Go?: While the number of young adults (aged 25-29) in the population declined between quarter 4 2009 and quarter 4 2012, the number of young third level graduates (NFQ 8 and above) maintained a steady level; this pattern was also observed for those in employment. In contrast, the number of young adults holding level 6/7 qualifications in the population and in employment declined sharply (by more than a third); this was due to a number of factors including, among others, more school leavers choosing level 8 courses over level 6/7, unemployment and migration.

**ENDS**

### **About the EGFSN**

The Expert Group on Future Skills Needs (EGFSN) advises the Irish Government on current and future skills needs of the economy and on other labour market issues that impact on Ireland's enterprise and employment growth. It has a central role in ensuring that labour market needs for skilled workers are anticipated and met and provides guidance to Springboard, market activation calls in areas of future skills needs and conversion programmes. The work of the EGFSN is managed by Forfás. The research and analysis conducted for the EGFSN is undertaken by the Skills and Labour Market Research Unit of FÁS and Forfás.

### **Notes to Editors**

The *National Skills Bulletin 2013* is the ninth annual report on skills and occupational trends in Ireland. The bulletin draws on data on employment, vacancies, job announcements and immigration and other qualitative information held in the National Skills Database to identify imbalances in the Irish labour market at occupational level.

*Monitoring Ireland's Skills Supply: Trends in Education and Training Outputs 2013* examines the outputs from the Irish education and training system. This report provides data from a variety of sources on education and training outputs in all sectors of the formal education system in Ireland (primary, post-primary, further education and training, and higher education) across the ten levels of the National Framework of Qualifications (NFQ).

Both reports are produced by the Skills and Labour Market Research Unit in FÁS on behalf of the EGFSN. Together, the two publications provide an annual snapshot of the supply and demand for skills in the Irish labour market. Copies of the *National Skills Bulletin 2013* and *Monitoring Ireland's Skills Supply: Trends in Education and Training Outputs 2013* can be downloaded from the EGFSN website [www.skillsireland.ie](http://www.skillsireland.ie)