

Expert Group publishes Update of Employment and Skills in Ireland

(Thursday, 1 July 2010) The Expert Group on Future Skills Needs (EGFSN) today published the 2010 update of the National Skills Bulletin, its annual review of employment and skills in Ireland. This year's Bulletin confirms that during 2009 most labour market indicators deteriorated compared to 2008. However, the report also highlights that employment opportunities and some skill shortages continue to exist despite the recession.

Commenting on the report, Una Halligan, Chairperson of the EGFSN said "The National Skills Bulletin is a compulsory read not just for those involved in policy making, but also for education and training providers, those deciding on education and training choices and their career advisers to provide insight into where career opportunities exist in these difficult times."

Key points identified in the report include:

- During 2009, employment decreased in most sectors of the economy, with the greatest decline recorded in construction, manufacturing, agriculture, wholesale and retail. However, employment increased in the ICT sector, with modest increases also recorded in the transport, food and health sectors. In addition, as a result of the deregulation and the growth of the renewable energy sector, employment increased in the energy sector (electricity and gas).
- In 2009, males, under-25s, early school leavers, non-Irish nationals, residents of the South-East region and construction workers (craft persons and labourers) were at a greater risk of unemployment than their counterparts.
- While in general the supply exceeds the demand, some areas of skill shortage were identified. The shortages relate to a small number of posts and are confined to specialists within an occupation (e.g. electrical engineers with an expertise in high voltage grids); senior personnel (e.g. IT project managers); niche areas (e.g. telesales with fluency in foreign languages) and specific skill mixes (e.g. ICT professionals with business development skills).
- Sourcing of highly skilled workers (e.g. IT, health) from abroad continued during the recession, although the number of new employment permits issued declined by 60% in 2009.
- Recruiters continued to report difficulty in filling specialist roles in the areas of IT, sales, health, finance, engineering and management, despite the decline in the overall number of advertised vacancies.
- Progress toward the National Skills Strategy targets continued in 2009, with the share of third level graduates in the labour force increasing by 2 percentage points to 39% between quarter 4 2008 and quarter 4 2009, making good progress towards the target of 48% by 2020.
- With the exception of professionals, the number of unemployed in each occupational group exceeds the estimated annual recruitment requirement arising from

retirements and other exits from the labour market (estimated at 45,000 annually) and potential short term employment growth.

The National Skills Bulletin 2010 is the sixth annual report by the EGFSN on skills and occupational trends in Ireland. The Bulletin provides a statistical analysis of the employment data for all the main occupations in the economy and draws on this data, and other qualitative information, to identify imbalances in the Irish labour market at occupational level. The report is produced by FÁS on behalf of the EGFSN and draws on the data in the National Skills Database maintained by FÁS.

Today's publication will be followed in coming weeks by the complementary report Monitoring Ireland's Skills Supply: Trends in Education and Training Outputs 2010 which examines the outputs from the Irish education and training system. This report collates data from a variety of sources on the 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). Together, the two publications provide an annual snapshot of the supply and demand for skills in the Irish labour market.

A copy of the National Skills Bulletin can be downloaded from www.skillsireland.ie or www.fas.ie.

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. The work of the EGFSN is managed by Forfás. The research and analysis conducted for the EGFSN is undertaken by Forfás and the Skills and Labour Market Research Unit of FÁS.