



Job Opportunities in the Down-Turn

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Job Opportunities in the Down-Turn: Summary

The Irish economy is in the middle of a major down-turn with unemployment having doubled to 11% in the last year, employment falling and redundancies at record levels. There may not be enough jobs for everyone in the next few years and unemployment will rise further. However, there will still be some jobs, and it is useful to be able to identify areas with better prospects both in the short and medium-term. FAS' Planning and Research Department has analysed a number of sources of data and these lead to the conclusions presented in this report. We will continue to monitor the situation during the coming months and up-date this report as necessary¹. This summary contains the main points of the full report.

Demand from Labour Turnover

Even during a slow-down, there is always a demand for recruits in occupations employing large numbers of people where labour turnover is an on-going feature. Six main areas in Ireland are

- Sales Assistants (i.e. shops)
- Clerical (office work, accounts)
- Caring (health care, child care, elder care)
- Catering (Chefs, waiters, fast food)
- Hairdressing
- Security (shops, office, factories)

Growth Areas because of the Down-Turn

As people cut-back on spending, some products and services are likely to experience increased demand. Likely areas of growth are:

¹ In particular, the National Skills Bulletin 2009 (forthcoming), produced by FAS SLMRU for the Expert Group on Future Skills Needs, will provide detailed information on all main occupations in the Irish economy.

Growth Areas in the Down-Turn

| | |
|---|---|
| Repairs and Maintenance (Clothing & Footwear, Electrical Goods, Home DIY, Motor Vehicles) | Green Energy (e.g. Solar Panels, Heat-Pump Installer, Bio-mass Boiler Installer, Insulator, Smart Building systems) |
| Vegetable/Fruit Gardening | Fast-food |

Start Your Own Business

The lack of jobs is likely to lead to an increased number of persons becoming self-employed. This trend is likely to arise across a range of occupations from construction, repairs and maintenance, personal services, office and business services. To support this development, Start Your Own Business training may be a relevant option for many redundant workers who have gained experience working in (now) down-sized areas including construction professionals, managers and craftspersons.

Skills and Labour Shortages

At present, there are few areas of skills or labour shortages. Any shortages are now confined to areas for persons with third-level qualifications and specific expertise and work experience. Thus, there is not a shortage of recent graduates, but rather persons with suitable experience. The main occupations identified as being in short supply are:

Occupations in Short Supply

| | |
|--|---|
| Health (e.g. Doctors and Nurses) | Software Engineers (with experience in networks and specific software applications (e.g. Java). |
| Accountants (with expertise in regulation, compliance and risk) | Actuaries |
| Marketing Managers (with considerable experience) | Technical Sales Representatives with knowledge of particular products/services |
| Scientists (highly qualified and experienced professionals and technicians) | IT specialists with fluent foreign language skills |
| Engineers (experienced design and process engineers for manufacturing sub-sectors) | |

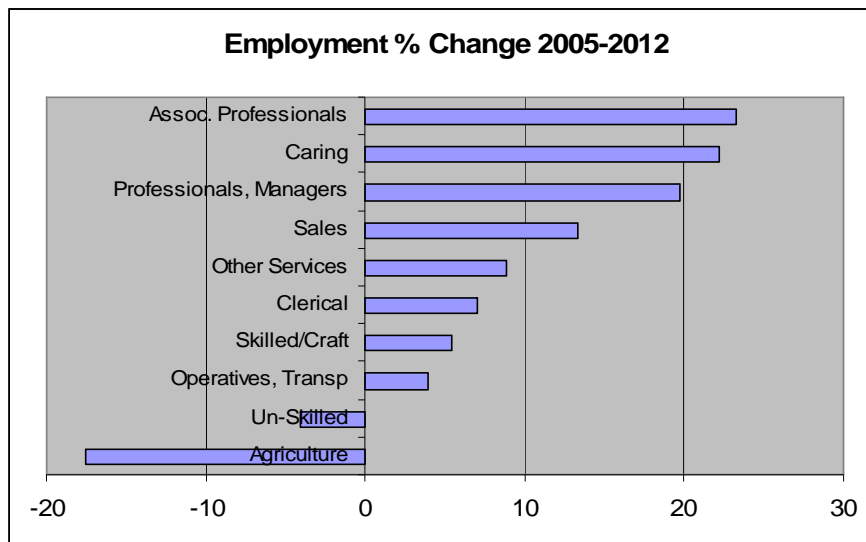
Longer-Term Demands

While prospects for the world economy are very uncertain at present, if we assume that the world and Ireland will eventually return to the previous economic growth path then there is a widespread consensus on the main sectors and occupations that will grow in the future. The fastest growth areas will be in occupations requiring third-level qualifications (professional and associate professional jobs) and in services such as caring and sales.

Relatively high growth is expected for engineering, computing, scientific, medical, legal and financial professionals. In relation to services, the fastest growth areas are likely to be for care workers (for childcare and elder care).

It is important to emphasise that while many fast-growing jobs will require third-level qualifications, the National Skills Strategy for Ireland still expects that half of the workforce in 2020 will have below third-level qualifications.

Another more general trend is that towards occupations requiring combined skills from a number of disciplines, as well as ones requiring a strong element of soft and generic skills.



Source: Occupational Employment Forecasts 2012, FÁS/ESRI Report No. 12, 2007.

USA Projections

Projections from the USA and other countries suggest broadly similar patterns to Ireland. In terms of the number of jobs created, large occupations dominate such as nurses, retail sales, clerical, caring and catering. Teachers, IT workers and truck drivers are also forecast to create many additional jobs. Some of these same jobs are among the fastest growing in percentage terms – particularly in software, health and caring. It may also be interesting to note some more unusual growth occupations in the US including vets and gambling workers as well as social-type workers/counsellors for substance abuse, mental health and family issues.

Conclusions

The analysis presented in this report is intended to provide guidance in terms of job opportunities during the down-turn. It is important to emphasise that in all job areas in the short-term there will be an over-supply of potential recruits, so that not all suitable persons will be able to find a job in their chosen occupation. Equally, however, there is unlikely to be any occupation for which no recruitment will take place. Thus, there will always be some job openings in any chosen occupation, so that for someone committed to a particular occupation then support towards achieving that goal should not be excluded. However, the information in this report may be helpful in advising persons who do not have a clear direction, and who may be helped by better understanding the prospects for different occupations.²

² See also Career Directions for information on a large number of occupations; www.careerdirections.ie

Job Opportunities in the Down-Turn

Introduction

Persons providing career or job advice and planners of education and training courses are interested in information on job opportunities in the short and medium term. Clearly, the number of job opportunities has declined rapidly over the last year. Employment fell by 4.1% in the fourth quarter of 2008 compared to 2007 and unemployment rose by 70%. The number of vacancies notified to FÁS in 2008 declined by about 44,000 and has declined further in the first months of 2009. Nevertheless, vacancies continue to occur due to expansion in some companies and replacement of those who leave their jobs for one reason or another. FAS' Planning and Research Dept. continues to monitor developments, drawing on its own and other sources, on a regular basis. This report provides information currently available from a number of sources as well as some more longer-term perspectives³. Given current uncertainties, however, such longer-term projections must be treated with great caution.

1 The Short-Term Position

Clearly, the current short-term outlook for employment is very poor. While the downturn in Ireland originated in the construction sector, the problems of the financial and banking sector worldwide have led to major cut-backs in lending and spending across the globe. Consumers have reduced spending across the range of goods and services and businesses have seen their turnover decline. Investment has been cut-back. To date most of the impact in Ireland has been on the private sector but the Government is now taking major actions to reduce its projected Budget deficit. This includes restrictions on public sector spending on services and staffing which will impact on public sector employment numbers in 2009 and the next few years.

Despite this gloomy outlook, there will still be some job openings during the next year, largely due to labour turnover and a (relatively small) number of start-ups and expansions. This first part of the paper highlights some of these areas.

³ Further information on detailed occupations will be available in the National Skills Bulletin 2009 (forthcoming), produced by FAS' SLMRU for the Expert Group on Future Skills Needs.

1.1 Vacancy Statistics

The FAS Skills and Labour Market Research Unit (SLMRU) regularly extracts data from three vacancy sources; FAS' own information on employer notifications (the FAS Job-Bank), the Irish Jobs.ie web-site and the Irish Times. Information from these sources are down-loaded and coded to a standard classification system (SOC). The results for 2008 have now been analysed to identify the most commonly-notified vacancies and these are reported in Table 1, which indicates the percentage of all vacancies made up by the various occupations cited. The table also indicates the total number of persons employed in these occupations at the end of 2008.

In terms of managerial and professional occupations, 5% of all vacancies advertised in the Irish Times and 6% of all IrishJobs.ie notified vacancies were for marketing managers. This occupation also appeared regularly in FÁS vacancy data. Civil/mining and software engineering vacancies were both frequently advertised in the Irish Times and on IrishJobs.ie, although not in FÁS.

Eleven percent of all vacancies advertised in the Irish Times were for accounts and wages clerks. Within this occupation, job titles advertised included accounts payable, finance assistant, fund accountants and payroll administrators.

Computer programmers/analysts were advertised in all three vacancy sources. Specific job titles for computer analysts included: IT Helpdesk, software engineer, systems analyst and technical support.

Technical and wholesale sales representatives had the highest proportion of FÁS vacancies at 7%; job titles for this occupation included sales representatives, business developers and licensing representatives. This occupation also appeared regularly in vacancies advertised by both the Irish Times and IrishJobs.ie. Finally, sales assistants continued to remain regularly in demand with 5% of FAS vacancies.

Table 1
Principal Occupations Cited in Vacancy Surveys (%), 2008

| | Q4 2008 Employment | Irish Times | Irish Jobs.ie | FÁS |
|--|-------------------------------|--------------------|--------------------------|------------|
| Managers & Professional Occupations | | | | |
| Production and works managers | 18,000 | 4% | 3% | - |
| Marketing etc. managers | 21,000 | 5% | 6% | 2% |
| Other financial managers | 23,000 | 3% | 3% | - |
| Civil/mining engineers | 12,000 | 4% | 1% | - |
| Software engineers | 9,000 | 2% | 4% | - |
| Associate Professional & Clerical Occupations | | | | |
| Computer analyst/programmers | 18,000 | 2% | 5% | 3% |
| Underwriters, claims assessors and analysts | | 4% | 2% | - |
| Accounts and wages clerks, other financial clerks | 27,000 | 11% | 5% | 1% |
| Other clerks (n.e.s.) | 66,000 | 3% | 4% | 6% |
| Sales & Services Occupations | | | | |
| Chefs, cooks | 23,000 | - | 1% | 5% |
| Technical and wholesale sales representatives | 23,000 | 2% | 4% | 7% |
| Sales assistants | 123,000 | - | 3% | 5% |
| Total | 2,052,000 | 40% | 41% | 29% |

*The Irish Times vacancy data was only available for the period May to December 2008. IrishJobs.ie data for 2008 excludes both July and August data.

Source: FÁS SLMRU Skills Database.

Table 2 presents the number of posts advertised in FAS in the first five months of 2008 and 2009 by broad occupational category. Overall, the number of notified posts fell by 55% between the two periods. The two largest categories of jobs were sales (sales assistants) and hotel/catering. Clerical workers, care workers and other service workers (e.g. security and cleaners) were also in relatively large demand. At the higher end there were vacancies for service/sales managers, health professionals and associate health professionals, and other associate professionals (including performing artists).

Table 2
Number of Posts advertised in FÁS by broad occupational group,
Jan – May 2008 - 2009

| Category | Jan-May 2008 | Jan-May 2009 |
|---|---------------------|---------------------|
| General managers | 120 | 60 |
| Production managers | 170 | 100 |
| Financial/admin managers | 190 | 70 |
| Service/Sales managers | 1,800 | 1,020 |
| Health/Education professionals | 670 | 670 |
| Science/engineering professionals | 250 | 160 |
| Other professional workers | 240 | 80 |
| Health associate professionals | 1,100 | 490 |
| Science/engineering associate professionals | 1,700 | 730 |
| Transport associate professionals | 60 | 0 |
| Other associate professionals | 1,810 | 1,850 |
| Skilled metals/engineering workers | 2,670 | 950 |
| Skilled building workers | 1,180 | 280 |
| Skilled production workers | 810 | 380 |
| Clerical workers | 5,180 | 1,630 |
| Health/care service workers | 3,170 | 1,530 |
| Hotel/catering workers | 8,270 | 3,570 |
| Sales workers | 8,040 | 4,090 |
| Transport workers | 1,540 | 430 |
| Other service workers | 6,300 | 2,760 |
| Agricultural and related workers | 790 | 340 |
| Other production workers and operatives | 2,820 | 710 |
| Total | 48,880 | 21,900 |

Source: FÁS SLMRU Skills Database.

To obtain a further insight into the current position we have compared the number of vacancies (at a more detailed occupational level) notified to FAS in the three months to January 2009 and January 2008. (We have only included larger occupations where such notifications averaged more than 50 per month.) Table 3 shows those occupations for which vacancy notifications fell by more than 50% over the 12 months and those which did relatively better.

Table 3
Change in Vacancy Notifications to FAS, Nov-Jan 2007/8 and 2008/9

| More than 50% fall in Notifications | Less than 50% fall in Notifications |
|---|--|
| Merchandisers | Mechanical plant drivers/operatives |
| All other labourers and related workers | Technical and wholesale sales representatives |
| Marketing etc. managers | Other childcare and related occupations |
| Childcare and related | Hairdressers, barbers |
| Accounts and wages clerks, other financial clerks | Nurses |
| Drivers of road goods vehicles | Welding trades |
| Care assistants and attendants | Electricians, electrical maintenance fitters |
| Chefs, cooks | Collector salespersons and credit agents |
| Bar staff | Butchers, meat cutters |
| Other clerks | Authors, technical writers, journalists |
| Computer analyst/programmers | Other teaching professionals (e.g. TEFL, fitness instructors, crèche managers) |
| Security guards and related occupations | |
| Waiters, waitresses | |
| Caretakers | |
| Sales assistants | |
| Counterhands, catering assistants | |

Source: FÁS SLMRU Skills Database

1.2 FAS Recruitment Agency Survey

Another indication of demand for recruits is the FAS Recruitment Agency Survey which is carried out every six months. Surveys were carried out in September 2008 and April 2009. The extent of shortages continues to fall, but the surveys found that, despite the down-turn, there were still areas where recruitment agencies had difficulty finding suitable candidates. The job titles most frequently mentioned in the surveys are presented in Table 4.

It should be emphasised that there is no shortage of persons with suitable formal qualifications (e.g. recent graduates). However, some recruitment agencies were having difficulty finding persons with experience or knowledge of particular aspects of the work. Thus, there was not a shortage of persons with IT qualifications in general, but rather persons with experience with networks or particular software applications (e.g. Java). The same point applies to managers, sales representatives, scientists, engineers, accountants and nurses as outlined in the table below.

Table 4
Job Titles Reported as Difficult to Fill

| Job Title | Particular Skills/Experience if any |
|-----------------------|--|
| Software Developers | Highly skilled individuals in software development with competencies and experience in networks, project management and specific software applications (e.g. Java) |
| Sales Representatives | Specialised sales representatives with experience and skill-sets relating to technical or specific product knowledge (e.g. medical reps) or language skills. |
| Accountants | With expertise in regulation, compliance, risk |
| Nurses | Nurses with particular specialisations |
| Engineers | Various types of engineers, including quality control, manufacturing, pharmaceutical and mechanical design engineers |
| Scientists | Chemical scientists, laboratory chemists and lab technicians (in particular for energy-related projects) |
| Managers | Experienced managers in specific areas such as marketing, finance and retail |

1.3 Work Permits

A further indicator of labour market demand can be derived from looking at recent Work Permit data. Table 5 presents information on the number of Work Permits issued as Employment Permits or Green Cards. A total of 806 permits were issued in Jan-April 2009; a considerable decline compared to the 2,176 issued in the same period in 2008. The main occupations for which permits were issued over the period are included in Table 5. Seventy percent of the Work Permits were Employment Permits. These are issued either in cases where employers have been unable to source suitable labour within the EEA or where an existing Work Permit holder changes employer. Green card permits (238) are issued in areas of skills shortage or high pay level.

Table 5
New Work Permits Issued January-April 2009

| Occupations | Employment Permit | | Green Card | | Total |
|---|-------------------|------------|------------|------------|------------|
| | Jan-Apr 08 | Jan-Apr 09 | Jan-Apr 08 | Jan-Apr 09 | Jan-Apr 09 |
| Medical practitioners | 97 | 155 | 9 | 1 | 156 |
| Chefs, cooks | 184 | 71 | 1 | 0 | 71 |
| Nurses | 40 | 4 | 333 | 66 | 70 |
| Software engineers | 35 | 41 | 83 | 25 | 66 |
| Computer analyst/programmers | 32 | 15 | 81 | 18 | 33 |
| Care assistants & attendants | 62 | 27 | - | 1 | 28 |
| Chartered & certified accountants | 19 | 4 | 33 | 12 | 16 |
| Other associate professional & technical occs. | 21 | 8 | 12 | 7 | 15 |
| Marketing etc. managers | 16 | 6 | 21 | 8 | 14 |
| Butchers, meat cutters | 63 | 14 | - | 0 | 14 |
| Other managers | 16 | 7 | 8 | 7 | 14 |
| Professional athletes, sports officials | 25 | 13 | - | 0 | 13 |
| Accounts & wages clerks, other financial clerks | 13 | 5 | 20 | 7 | 12 |
| Other farming occupations | 59 | 11 | - | 0 | 11 |
| Occupational & other therapists | 18 | 10 | 9 | 1 | 11 |
| Management consultants & business analysts | 10 | 5 | 19 | 6 | 11 |
| Other financial managers | 9 | 3 | 20 | 6 | 9 |
| Computer systems managers | 1 | 2 | 13 | 6 | 8 |
| Production & works managers | 12 | 2 | 18 | 3 | 5 |
| Drivers of road goods vehicles | 30 | 1 | - | 0 | 1 |
| Other | 459 | 164 | 275 | 64 | 228 |
| Total | 1,221 | 568 | 955 | 238 | 806 |

Source: DETE.

1.4 Job Opportunities through Labour Turnover

Job opportunities arise for various reasons; to fill new jobs in new or expanding companies and to replace labour turnover due to retirement, sickness, maternity leave, emigration, promotion or moving to another job either in the same occupation or to another occupation. In current circumstances labour turnover is likely to be the main generator of job opportunities. Thus, it is useful to estimate the likely level of labour turnover. This, in turn, will drive replacement demand – assuming, of course, that persons who leave are replaced.

Precise information on labour turnover in Ireland is not available⁴. FAS has previously estimated a figure of 17%⁵. This is similar to figures for the UK and a survey in Ireland conducted nearly ten years ago (US figures are much higher at 40% p.a.). However, it is likely that the rate will be lower during the downturn as persons are less likely to want to give up their employment and there will be less new job creation that would attract persons to move jobs. The rate is also likely to vary across different occupations. Thus, for example, the latest UK survey found that the average rate for services workers was 17% whereas the rate for administrative and secretarial staff was 13%⁶. Given the large uncertainty about the likely rate in Ireland at present, we shall simply reduce the 17% rate to 10% and use it for all occupations in our calculations. The 10% rate has been applied to the numbers employed in each occupation in 2007 to provide an estimate of annual labour turnover for each occupation. The results are presented for all significant occupations in Appendix 1. (Readers interested in particular occupations are referred to Appendix 1.) For occupations where wastage is estimated as exceeding two thousand per annum, the figures are presented in Table 6 below. In general, it is fair to assume that these occupations will continue to have vacancies even during the current down-turn.

For example, there are around 200,000 persons working as sales assistants or associated jobs in retail. These will provide a continued supply of job openings (probably 20,000 p.a.). The same applies to clerical jobs, where the two specific

⁴ Note that for some purposes labour turnover is calculated to exclude job changes within the same occupation (e.g in the National Skills Bulletin 2008, FAS/EGFSN). However, if we wish to estimate total job openings in a period then all changes that give rise to new recruitment should be included.

⁵ Employment Services Market Share 2007, R Sen, 2008.

⁶ Recruitment, retention and turnover survey, CIPD, 2008.

occupations listed below (numerical and other clerks) amount to 130,000 employees and have an estimated wastage of 13,000 p.a. Farmers and teachers are other large occupations but in their cases, despite wastage, the particular conditions of entry may make job openings harder to access. The same applies to craftspersons and other workers in construction where normal wastage may lead to relatively small levels of recruitment as the sector continues to decline. Other large areas where jobs are likely to be available are care workers and catering. It may be noted, too, that two occupations which were reported as being in shortage above, nurses and marketing managers, employ large numbers of persons and require new recruits on a regular basis to cover for labour turnover.

Table 6
Estimates of Labour Turnover for Larger Occupations (thousands)

| Occupation | Employed 2007 | Annual Wastage |
|---|----------------------|-----------------------|
| Sales assistants | 131.8 | 13.2 |
| Farm owners and managers | 90.8 | 9.1 |
| Teaching professionals | 87.3 | 8.7 |
| Other occupations in sales and services | 75.4 | 7.5 |
| Road transport operatives | 73.9 | 7.4 |
| Numerical clerks & cashiers | 67.5 | 6.8 |
| Other clerks | 64.7 | 6.5 |
| Nurses and midwives | 55.9 | 5.6 |
| Electrical/electronic trades | 46.2 | 4.6 |
| Care assistants etc. | 44.6 | 4.5 |
| Carpenters & joiners | 43.4 | 4.3 |
| Other occupations in construction | 41.3 | 4.1 |
| Sales representatives | 40.1 | 4.0 |
| Secretaries, personal assistants etc. | 39.4 | 3.9 |
| Accountants & tax experts | 38.7 | 3.9 |
| Financial and office managers | 35.7 | 3.6 |
| Civil Servants, (Admin. Grades) | 33.4 | 3.3 |
| Literary, artistic and sports professionals | 31.7 | 3.2 |
| Metal and Fitting Trades | 28.3 | 2.8 |
| Production managers in industry | 27.2 | 2.7 |
| Chefs, cooks | 24.9 | 2.5 |
| Waiters, Waitresses | 24.2 | 2.4 |
| Bar staff | 23.4 | 2.3 |
| Builders, building contractors | 23 | 2.3 |
| Other transport and machinery operatives | 21.7 | 2.2 |
| Warehousemen/women | 21.6 | 2.2 |
| Scientific technicians | 21.4 | 2.1 |
| General managers and administrators | 20.6 | 2.1 |
| Hairdressers, beauticians etc. | 20.6 | 2.1 |
| Marketing etc. managers | 20.2 | 2.0 |
| Vehicle trades | 19.7 | 2.0 |

Source: Estimates based on SLMRU data.

1.5 Outlook for Selected Sectors

The following sections present some more qualitative information derived from various sources, including the work of the Expert Group on Future Skills Needs. They represent the current and short-term outlook for various sectors.

Life Sciences Sector

The Life Sciences sector is one of the sectors expected to be least affected by the global downturn, especially in healthcare-related sectors such as medical devices and pharmaceuticals, due to continuing ageing populations in the US and Europe. There is considerable consolidation happening within the industry at present. This could lead to job losses in Ireland but rationalisation can also present opportunities for Ireland to compete and attract new higher value-added functions.

Skills shortages continue to persist within the sector - in areas such as translational medicine and healthcare manufacturing. There is also a significant need for chemists with chemical engineering skills and vice versa, which is hugely important to the biotech industry and molecular processing. It is not sufficient that chemists and chemical engineers work together – a single person with expertise in both disciplines is often required. Soft skills and innovation skills are all highly relevant. There may also be opportunities for those with educational attainment at Leaving Certificate level currently working within the life sciences industry to be developed to team-leader positions.

ICT Sector

ICT manufacturing is in decline in Ireland and is highly unlikely to provide large-scale employment opportunities in Ireland in the future. The types of skills identified in the EGFSN's High Level ICT Skills study remain relevant.⁷ They are the types of skills demanded by employers now and into the future i.e. software and electronic

⁷ Future Requirement for High-Level ICT Skills in the ICT Sector, EGFSN, 2008.

engineers, web-based occupations and electronic design. High-level mathematical and technical skills are required.

New overseas ICT investment into Ireland will be primarily around online services provision, technical support, software engineering, and web-hosting. The emphasis for many companies is on customer retention, so customer relationship management, networking, sales and marketing skills remain highly relevant. Foreign language skills are also particularly important to these companies. Native foreign language skills are estimated to be required for approximately 30% of positions. Foreign language skills are required by software engineers, as often services are delivered in real time over the phone. The most prominent languages required are German, French, Italian and Scandinavian.

In terms of indigenous ICT companies, given the move away from one-off IT products to provision of IT services, many indigenous companies need to adapt to managing new revenue streams and business models. Product management skills are in short supply. There is often a good depth of technical knowledge within indigenous companies. However, there is sometimes little awareness of how to relate that knowledge to consumer needs. Sales and marketing skills are an issue for many indigenous IT companies.

International Financial Services

The situation in this sector is very problematic at present. However, the insurance sector seems to be holding up despite persistent uncertainties in financial markets, particularly in areas such as life assurance and re-insurance. Other sectors such as asset management, leasing and hedge funds are also holding up in terms of employment levels. Within international financial services, the main skills shortages continue to be for actuaries, accountants, risk management, corporate compliance, soft skills, language skills, IT skills (especially for R&D functions), sales and marketing. Persons with experience suitable for supervisory positions within fund management have continued to be difficult to find.

Construction

Overall, the employment outlook for the construction sector is quite bleak. The most severe contraction in the industry, however, will be in the new residential market and the commercial market. There is a significant level of activity in the house repair and maintenance market – much of it driven by the sustainability agenda and, in particular, the extension of energy rating to the existing housing stock from January 2009. This has created employment opportunities for energy rating assessors and craft workers with the skills to install sustainable heating systems, ventilation systems and insulation. Specifically, FAS has run, or is planning to run, training courses in the following areas:

- Gas safety and installation
- Sustainable energy (solar thermal installer, heat-pump installer, bio-mass boiler installer)
- Building Energy Rating Assessor
- Wind Turbine developer/installer
- Solar Panel, Photovoltaic Installers
- Insulators
- Smart Building systems installers
- Passive House building

While the capital investment projects in the National Development Plan will be at a smaller scale than originally planned, they will still generate some level of activity in civil engineering over the next few years. These projects will create employment opportunities in the areas of waste management, site assessment, water treatment and habitation management. There will also be some opportunities for Irish contractors to successfully tender for projects overseas. This is particularly the case in the UK market. There are a number of very significant projects in the UK, such as the London Cross-Rail project, which offer the prospect of employment opportunities for Irish workers.

Environment

Environmental industries and technologies have significant opportunities now and in the future. The US renewable energy programme could provide opportunities for Irish companies in terms of exports.

Clothing

Within indigenous manufacturing, the clothing sector is under considerable pressure. While many of the manufacturing operations have moved overseas, functions such as design, intellectual property and logistics have been retained in Ireland. Skills issues have been identified in areas such as negotiation, branding, group purchasing and product sourcing.

Food

Within the food sector, there are particular difficulties around negative perceptions by graduates of careers in the sector. There are often irregular and long hours in the food sector that turn many people off. There is a lack of 'home grown' managers in the food sector. There are also specific issues such as a lack of cost experience within manufacturing firms, which could be essential in helping management with understanding strategic unit costs. Companies are trying to expand their export markets beyond the sterling area but are finding it difficult to find people with logistics skills, an appropriate foreign language, the ability to negotiate and a willingness to live abroad. This encompasses both marketing managers and logistics managers.

Ecology

With regard to ecology, some companies who specialise in this area complain that there are very few graduates who can identify flora and fauna. This is an area of expanding opportunities because, due to EU and national legislation, all projects associated with the physical environment have to have 'ecology audits' before the project is accepted by Government. There is also a continuing expansion in areas of 'habitat importance' and these have to be regularly monitored by people with the appropriate skills and knowledge.

Other Sectors/Areas

The Print and Packaging industry is under considerable pressure at present, and depends highly on the UK market. A protracted strong euro-sterling exchange rate could lead to considerable unemployment in this sector over the coming year.

Many professional services closely linked with the construction sector such as architecture, real estate and conveyance are experiencing significant employment losses. Some months ago, the Law Society of Ireland advertised for a Careers Development Adviser to help solicitors that have become unemployed, primarily due to the property downturn.

The retail and tourism sectors are two large employers that are facing severe problems at present. Accommodation providers, car hire companies, coach operators, visitor attraction managers, retail outlets and language schools all expect decreases in activity in 2009. Hoteliers and B & B providers in particular reported reduced staffing needs in the Fáilte Ireland *Tourism Barometer* December 2008.

1.6 Sectoral Developments in the Irish Economy in the Short-Term

In this section we highlight, based on informal knowledge and comments, areas of the Irish economy and how they are likely to be affected by the down-turn. Our hope is to identify areas which may be less affected and hence offer better prospects for jobs.

As has been reported in various sources, consumers will be spending less and more conservatively. This should represent a positive factor for persons engaged in repairs and maintenance whether this be shoes, clothes, cars, electronic equipment etc. It will also be positive to second-hand shops and other second-hand purchases (e.g. e-Bay).

Pawnbroking is likely to increase, as is debt-collection. Unofficial money lending is likely to increase. There has been a reported increase in people engaged in door to door selling and distributors as this represents a cheap way for companies to try to increase sales and for unemployed persons to obtain some paid work.

An emphasis on lower-cost foods has already seen benefits for shops such as Aldi and Lidl and take-away restaurants are doing better than medium-range sit-down ones. Similarly, off-licences are doing better than pubs. There have been reports that basic and traditional foods are finding increased popularity. There should be continued employment in food processing businesses (e.g. meat factories). Gardening, especially ‘grow your own vegetables’, is on the rise.

Cost-saving is likely to also help to drive the move to energy efficiency in the home, which will in any case be strengthened with the new rules about home energy rating. Thus, there should be a reasonably strong demand for insulation and other efficiencies in the home. The decline in new house purchases will hit furniture and furnishings as well as the purchase and installation of white goods. DIY will, all things being equal, increase in importance as householders carry out their own repairs and maintenance.

Car sales have fallen rapidly and it is likely that there will be a move towards smaller, more energy-efficient, cars. Second-hand car sales are likely to rise relative to new car sales and ‘amateur’ repairs and maintenance by car owners will also increase.

The position with holidays and travel is unclear. At present holiday prices are being discounted at home and abroad and air fares are low. However, air travel has declined and airlines are cutting-back on less profitable routes. The last two poor summers in Ireland will increase the motivation to holiday abroad. However, some families will probably decide that they can not afford to go overseas. Second and third overseas vacations will probably be reduced. All this could lead to an increased demand for cheaper, Irish-based, holidays.

An area likely to face reduced demand is private schools – particularly if third-level fees are re-instated. One could also expect a reduction in demand for out-of-school activities for children (piano lessons, swimming etc). Also, as unemployment rises, the demand for child-care and creches is likely to fall (empty crèche places have already been reported). One might speculate, too, that luxury health and beauty treatments and spas will face reduced demand – even though they will probably reduce prices considerably. Watching TV and surfing the Web will probably increase.

Dealing with the personal and social consequences of rising unemployment will be a feature of the next few years. Apart from the obvious increased need for staff at dole offices and Employment Services Offices in FAS, there will also be an increased demand for family counsellors and similar social workers. Mental health professionals, substance abuse counsellors and various specialist health professionals remain in demand. However, whether this demand results in any jobs is unclear given the constraints on the public purse (which is often the funder of such services).

In general, persons employed either directly or indirectly by the Government are likely to be affected over the coming years by restraints on public expenditure and staffing embargos. These will particularly affect those on short-term or temporary contracts which may not be renewed. It will also reduce very significantly openings for recent graduates and school-leavers who might, otherwise, have expected to obtain employment in the public service. For example, over the last few years there has been very considerable employment growth in the education and health sectors. However, recruitment in these sectors is now restricted.

Some products are still selling well – low energy light bulbs and flat screen TVs for example.

Many unemployed persons will consider starting their own businesses. This may increase the demand for training in this area and there may also be an increase in related small business supports (e.g. business incubation centres).⁸

1.7 Conclusions

This section has aimed to highlight areas where jobs are likely to be available during the next year despite the downturn. Skills shortages are now confined to areas of specific expertise and experience (typically for graduates). Occupations in the health and ICT sectors are relatively strongly in demand. There is also an on-going demand for accountants (with expertise in compliance, regulation, risk) and experienced marketing managers. Sales representatives with particular technical skills or experience are also in demand.

⁸ There is, of course, a danger that additional self-employed persons will simply take work away from existing businesses without any increase in overall activity.

There will also be a continued demand for persons for jobs in occupations employing large numbers of people where labour turnover is a continued feature. These are sales assistants, clerical, caring, hairdressing, security and catering. Labour turnover is a characteristic of all occupations so even small occupations will have some vacancies during the next year.

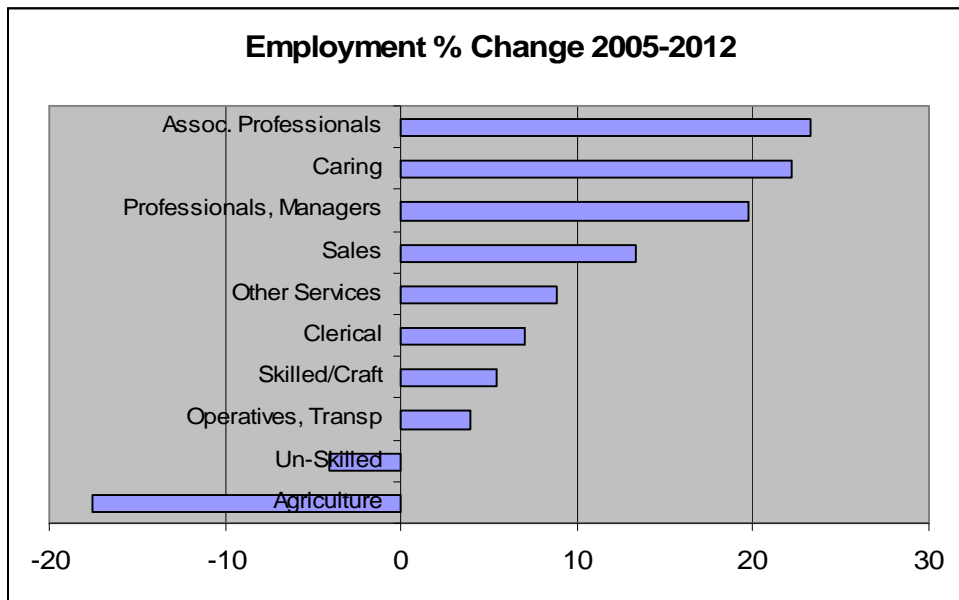
2 Longer-Term Prospects

While the focus of this report is on short-term job openings, it may be useful to summarise the research that has been carried out over the last few years on longer-term prospects. Given the volatility and uncertainty at present, it may seem foolish to do so. There is also a danger that previous projections have all been based on an assumption of 'business as usual'. If this assumption turns out to be incorrect, then the outlook could be very different from that described here. This section presents results from the most recent FAS/ESRI occupational employment forecasts and forecasts from the US Dept of Labor of growth occupations.

2.1 FAS/ESRI Occupational Employment Forecasts

The consensus long-term outlook is that all developed countries, including Ireland, will be moving towards a knowledge-based economy. Agriculture will continue to fall in importance, manufacturing will remain important, but only in high value-added areas, and services will become steadily more important. In broad occupational terms, the expectation is that professionals and associate professionals will grow rapidly, as will also persons employed in sales and personal services. Agricultural and un-skilled manual workers will decline and skilled manual and operatives will remain broadly in the middle (see Figure 1).

Figure 1



Source: FAS/ESRI Report No. 12, 2007.

A consequence of these changes is that the fastest growth in demand will be for persons with third-level qualification and there will be a decline in demand for persons with no or poor qualifications. The Irish National Skills Strategy, indeed, proposed that the qualification mix should change significantly so that by 2020 nearly half of the labour force should have third-level qualifications.

The latest FAS/ESRI employment projections for different occupations were published in 2007⁹. Projections were made on both a high and low growth scenario. However, in retrospect, even the low growth scenario is too optimistic. Nevertheless, the picture of relative occupational growth is probably still broadly correct in the longer-term. The results are presented in Table 7 in descending order of forecast growth. Thus, professionals, especially IT professionals, were forecast to have a high growth rate. Equally, occupations linked to health and caring were also forecast to grow rapidly. At a more even rate of growth were sales, managerial and clerical occupations while operatives and un-skilled workers were expected to decline.

⁹ FAS is currently working with the ESRI to up-date the forecasts. However, new forecasts will not be produced until later in 2009.

Table 7
Forecast Employment Growth by Occupation 2005-2012

| | % Increase |
|--|-------------------|
| Business/Finance/Legal Professionals | 39 |
| Software Engineering Professionals | 37 |
| Computer Associate Professionals | 32 |
| Care Assistants | 22 |
| Childcare and Related Services | 22 |
| Health Associate Professionals | 22 |
| Health Professionals | 21 |
| Science Professionals | 20 |
| Managers | 19 |
| Science Associate Professionals | 19 |
| Catering Associate Professionals | 17 |
| Non-Software Engineering Professionals | 17 |
| Proprietors in Services | 15 |
| Engineering Associate Professionals | 15 |
| Sales Assistants | 14 |
| Educational Professionals | 12 |
| Sales Agents | 11 |
| Wood Craft Workers | 8 |
| Skilled Building Workers | 7 |
| Clerks/Typists/Telephonists | 7 |
| Fitters and Mechanics | 7 |
| Electricians, Electrical Fitters | 5 |
| Drivers | 4 |
| Catering Occupations | 2 |
| Food/Drink/Tobacco Operatives | 2 |
| Metal/Engineering Craft Workers | -1 |
| Transport Workers excl Drivers | -2 |
| Army/Gardai/Prison Officers etc. | -2 |
| Unskilled Manual | -4 |
| Metal/Engineering Operatives | -6 |
| Printers | -8 |
| Clothing/Textiles Workers | -9 |
| Clergy | -14 |
| Agricultural | -18 |
| Electrical/Electronic Operatives | -22 |

Source: FÁS/ESRI Occupational Employment Forecasting Report No. 12 Low Growth Scenario

2.2 US Department of Labor Forecasts

It is also interesting to consider research in other countries. The US Dept. of Labor publishes every two years detailed occupational forecasts. Two interesting analyses of this information are the 30 fastest growing (%) occupations and the 30 occupations which will create the largest number of new jobs. Table 8 summaries this data.

In terms of the number of jobs created, large occupations dominate such as nurses, retail sales, clerical, caring and catering. Teachers, IT workers and truck drivers are also forecast to create many additional jobs. Some of these same jobs are among the fastest growing positions in percentage terms – particularly software, health and caring. It may also be interesting to note some more unusual growth occupations in the US including vets and gambling workers, as well as social-type workers/counsellors for substance abuse, mental health and family issues.

**Table 8
Forecast Fast Growing Occupations in the USA**

| Fastest % Growth | Highest Number of Additional Jobs |
|--|--|
| Network systems and data communications | Nurses |
| Personal and home care aides | Retail salespersons |
| Home health aides | Customer service representatives |
| Computer software engineers (applications) | Combined food preparation and serving workers, including fast food |
| Veterinary technologists and technicians | Office clerks, general |
| Personal financial advisors | Personal and home care aides |
| Makeup artists, theatrical and performance | Home health aides |
| Medical assistants | Post-secondary teachers |
| Veterinarians | Janitors and cleaners, except maids and housekeeping cleaners |
| Substance abuse and behavioural disorder counsellors | Nursing aides, orderlies, and attendants |
| Skin care specialists | Bookkeeping, accounting, and auditing clerks |
| Financial analysts | Waiters and waitresses |
| Social and human service assistants | Child care workers |
| Gaming surveillance officers and gaming investigators | Executive secretaries and administrative assistants |
| Physical therapist assistants | Computer software engineers (applications) |
| Pharmacy technicians | Accountants and auditors |
| Forensic science technicians | Landscaping and groundskeeping workers |
| Dental hygienists | Elementary school teachers, except special education |
| Mental health counsellors | Receptionists and information clerks |
| Mental health and substance abuse social workers | Truck drivers |
| Marriage and family therapists | Maids and housekeeping cleaners |
| Dental assistants | Security guards |
| Computer systems analysts | Carpenters |
| Database administrators | Management analysts |
| Computer software engineers (systems software) | Medical assistants |
| Gaming and sports book writers and runners | Computer systems analysts |
| Environmental science and protection technicians, including health | Maintenance and repair workers |
| Manicurists and pedicurists | Network systems and data communications analysts |
| Physical therapists | Food preparation workers |
| Physician assistants | Teacher assistants |

Source: Occupational Employment Outlook, Dept. of Labour, US.

2.3 Conclusions

While prospects for the world economy are very uncertain at present, if we assume that the world and Ireland will eventually return to the previous economic growth path then there is a widespread consensus on the main sectors and occupations that will grow in the future. These will include scientific, medical, legal and financial professionals and a range of personal services. While many jobs will require third-level qualifications, forecasts for Ireland still expect that half of the workforce in 2020 will have below third-level qualifications. Areas in current short supply such as computers and medical are expected to have strong growth. Another more general trend is that towards occupations requiring combined skills from a number of disciplines as well as ones requiring a strong element of soft and generic skills.

Appendix 1

Employment and Estimated Labour Turnover by Occupation

| Principal Occupations | Numbers employed 2007 | Wastage at 10% p.a. |
|---|--------------------------|------------------------|
| | ('000) | ('000) |
| Managers | | |
| General managers and administrators | 20.6 | 2.1 |
| Production managers in industry | 27.2 | 2.7 |
| Marketing etc. managers | 20.2 | 2.0 |
| Purchasing managers | 1.6 | 0.2 |
| Advertising & PR managers | 3.5 | 0.4 |
| Personnel managers | 6.4 | 0.6 |
| Computer systems managers | 9.3 | 0.9 |
| Financial institution and office managers | 35.7 | 3.6 |
| Transport managers | 4.4 | 0.4 |
| Stores managers | 4 | 0.4 |
| Warehousing managers | 3.1 | 0.3 |
| Farm owners and managers | 90.8 | 9.1 |
| Hotel & accommodation managers | 6.6 | 0.7 |
| Restaurant & catering managers | 10.1 | 1.0 |
| Publicans, innkeepers & club stewards | 5.8 | 0.6 |
| Entertainment/sports managers | 2.7 | 0.3 |
| Travel agency managers | 2.4 | 0.2 |
| Other managers and administrators | 15.4 | 1.5 |
| Professionals | | |
| Chemists | 1.5 | 0.2 |
| Biological scientists | 5 | 0.5 |
| Physicists & other natural scientists | 3.7 | 0.4 |
| Civil/mining engineers | 12.7 | 1.3 |
| Mechanical engineers | 4.7 | 0.5 |
| Electrical engineers | 4.1 | 0.4 |
| Electronic engineers | 2.8 | 0.3 |
| Software engineers | 9.1 | 0.9 |
| Chemical engineers | 1.4 | 0.1 |
| Design & development engineers | 1.5 | 0.2 |
| Planning & quality control engineers | 2 | 0.2 |
| Other engineers & technologists n.e.c. | 5.7 | 0.6 |
| Medical practitioners | 11.4 | 1.1 |
| Pharmacists/pharmacologists etc. | 3.4 | 0.3 |
| Dental practitioners | 1.8 | 0.2 |

| | | |
|---|------|-----|
| Veterinarians | 1.4 | 0.1 |
| Teaching professionals | 87.3 | 8.7 |
| Legal professionals | 10 | 1.0 |
| Accountants & tax experts | 38.7 | 3.9 |
| Actuaries, economists, statisticians | 1.5 | 0.2 |
| Business analysts | 6.4 | 0.6 |
| Architects and town planners | 7.2 | 0.7 |
| Building, mining and other surveyors | 2 | 0.2 |
| Librarians, archivists & curators | 2 | 0.2 |
| Other professional occupations | 12.2 | 1.2 |
| Associate Professionals/Technicians | | |
| Scientific technicians | 21.4 | 2.1 |
| Draughtspersons | 2 | 0.2 |
| Quantity surveyors | 3.8 | 0.4 |
| Computer analyst/programmers | 14.7 | 1.5 |
| Ship/aircraft officers incl. Air traffic controllers | 2.4 | 0.2 |
| Nurses and midwives | 55.9 | 5.6 |
| Medical radiographers | 1 | 0.1 |
| Physiotherapists | 2.2 | 0.2 |
| Medical technicians, dental auxiliaries | 1.9 | 0.2 |
| Occupational & therapists n.e.c. | 5.6 | 0.6 |
| Other health associate professionals n.e.c. | 3.7 | 0.4 |
| Underwriters, claims assessors and analysts | 10.8 | 1.1 |
| Personnel, industrial relations officers | 1.9 | 0.2 |
| Matrons, houseparents, welfare, community & youth workers | 9.3 | 0.9 |
| Literary, artistic and sports professionals | 31.7 | 3.2 |
| Careers guidance advisors | 1.5 | 0.2 |
| Vocational, industrial trainers | 6.1 | 0.6 |
| Admin/Clerical | | |
| Administrative/clerical officers and assistants in civil service | 33.4 | 3.3 |
| Numerical clerks & cashiers | 67.5 | 6.8 |
| Filing & records clerks | 9.4 | 0.9 |
| Other clerks | 64.7 | 6.5 |
| Warehousemen/women | 21.6 | 2.2 |
| Secretaries, personal assistants etc. | 39.4 | 3.9 |
| Receptionists & telephonists | 18 | 1.8 |

| | | |
|---|------|-----|
| Computer & other office machine operators | 3.4 | 0.3 |
| Skilled Workers | | |
| Bricklayers, masons | 16.2 | 1.6 |
| Roofers, slaters, tillers, sheeters, cladders | 7.7 | 0.8 |
| Plasterers | 13.8 | 1.4 |
| Builders, building contractors | 23 | 2.3 |
| Scaffolders, riggers, steeplejacks | 2.7 | 0.3 |
| Floorers, floor coverers, carpet fitters, tillers | 3 | 0.3 |
| Painters & decorators | 13.1 | 1.3 |
| Other construction trades n.e.c. | 8.3 | 0.8 |
| Metal machining, fitting & instrument making trades | 28.3 | 2.8 |
| Electrical/electronic trades | 46.2 | 4.6 |
| Plumbers, heating & related trades | 17.1 | 1.7 |
| Other metal forming, welding & related trades | 14.4 | 1.4 |
| Vehicle trades | 19.7 | 2.0 |
| Textiles, garments and related trades | 4.7 | 0.5 |
| Printing and related trades | 7.9 | 0.8 |
| Carpenters & joiners | 43.4 | 4.3 |
| Wood working trades | 5 | 0.5 |
| Food preparation trades | 9.6 | 1.0 |
| Personal and Security Workers | | |
| NCOs and other ranks in the armed services | 5.6 | 0.6 |
| Police officers | 12.1 | 1.2 |
| Fire service officers | 2.6 | 0.3 |
| Prison service officers | 3.5 | 0.4 |
| Security guards | 16.8 | 1.7 |
| Chefs, cooks | 24.9 | 2.5 |
| Waiters, waitresses | 24.2 | 2.4 |
| Bar staff | 23.4 | 2.3 |
| Travel & flight attendants | 2.9 | 0.3 |
| Care assistants etc. | 44.6 | 4.5 |
| Dental nurses | 2.6 | 0.3 |
| Nursery nurses and playgroup leaders | 85 | 0.9 |
| Educational assistants | 12.3 | 1.2 |
| Other childcare & related occupations | 13.5 | 1.4 |
| Hairdressers, beauticians etc. | 20.6 | 2.1 |
| Domestic staff and related occupations | 17.5 | 1.8 |
| | | |

| | | |
|--|-----------------|--------------|
| Sales | | |
| Buyers, brokers etc. | 4.5 | 0.5 |
| Sales representatives | 40.1 | 4.0 |
| Sales assistants | 131.8 | 13.2 |
| Operatives and Un-skilled | | |
| Food, drink and tobacco operatives | 16.8 | 1.7 |
| Textiles and tannery process operatives | 1.3 | 0.1 |
| Chemicals, paper, plastic and related process operatives | 11.8 | 1.2 |
| Metal making and treating process operatives | 1.8 | 0.2 |
| Metal working process operatives | 1.7 | 0.2 |
| Assemblers/lineworkers | 17.6 | 1.8 |
| Other routine process operatives | 13.1 | 1.3 |
| Road transport operatives | 73.9 | 7.4 |
| Other transport and machinery operatives | 21.7 | 2.2 |
| Other plant and machine operatives nec | 18.4 | 1.8 |
| Other occupations in agriculture, forestry and fishing | 16.3 | 1.6 |
| Other occupations in mining and manufacturing | 14.8 | 1.5 |
| Other occupations in construction | 41.3 | 4.1 |
| Other occupations in transport | 5.9 | 0.6 |
| Other occupations in communications | 12.2 | 1.2 |
| Other occupations in sales and services | 75.4 | 7.5 |
| | | |
| All Occupations Included Above | 1982.7 | 198.3 |
| All occupations | 2,118.70 | 211.9 |

Source: National Skills Database employment data (from QNHS Q2) with labour Turnover of 10% p.a.