

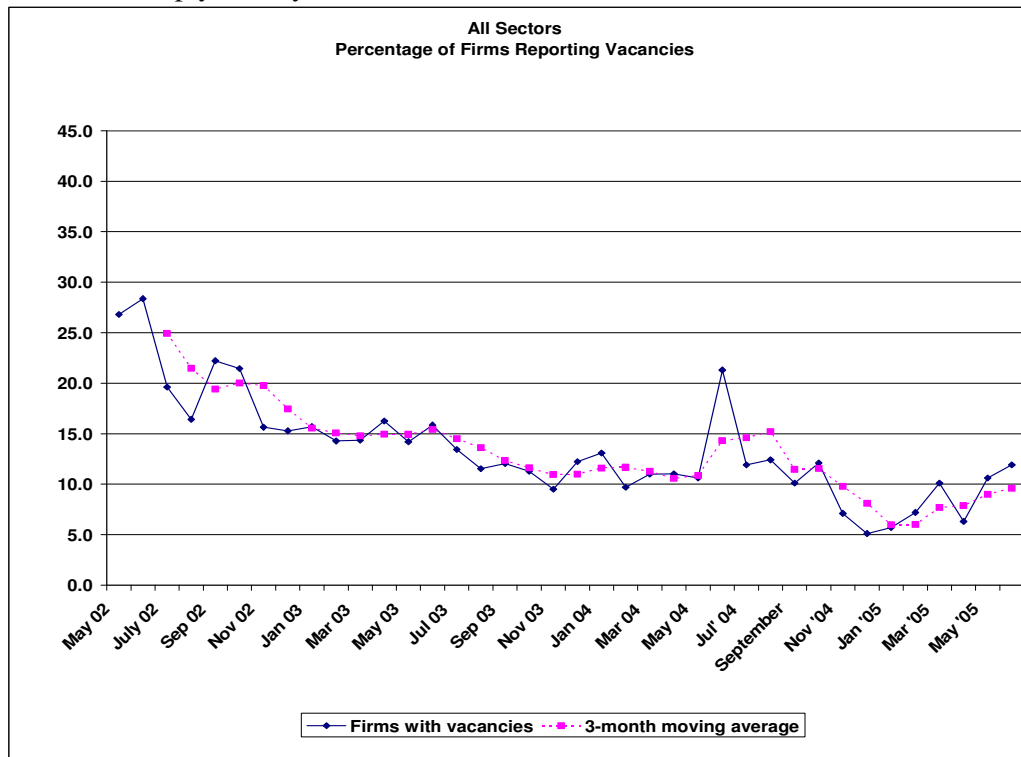


## Employment and Vacancies Survey: April, May and June 2005

### Small Increase in Percentage of Firms Reporting Vacancies

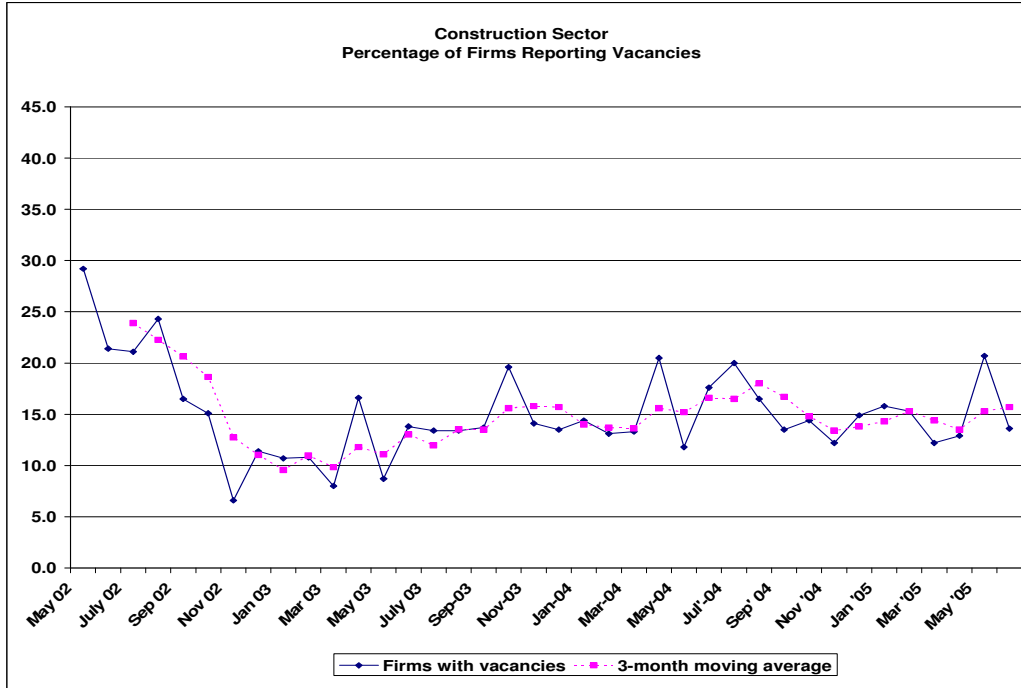
#### All Sectors

The percentage of firms reporting vacancies across all sectors decreased by 4 percentage points in April 2005 falling from 10 per cent to 6 per cent. However, as evident from the graph, the decrease in April proved to be a temporary fluctuation as the figure returned to the upward trend it has been exhibiting since the beginning of this year. In May and June 2005 the percentage of firms reporting vacancies increased relative to the level experienced at the beginning of the year, reaching 11 per cent in May 2005 and 12 per cent in June 2005 compared with 10 per cent in March 2005. As was the case with the previous three months, the increase in economy wide reports of vacancies was driven by increases in the percentage of service sector firms reporting vacancies. The trend exhibited by the percentage of all sector firms with vacancies mirrored that of the service sector percentage. The percentage of retail firms with vacancies remained stable and low for the 3-month period and the percentage of construction and industry sector firms with vacancies increased sharply in May 2005 but declined in June 2005.



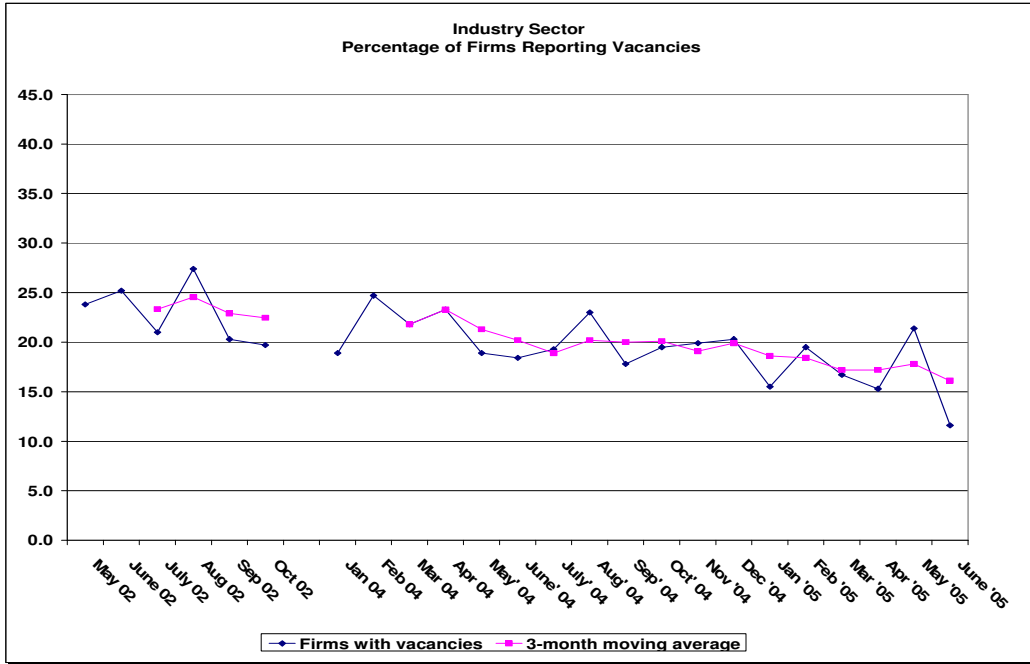
## Construction Sector

The percentage of construction sector firms reporting vacancies increased by one percentage point in April 2005 from 12 per cent to 13 per cent. In May 2005 the percentage of construction firms actively trying to fill vacancies increased significantly to 21 per cent. In the following month the figure fell 7 percentage points to 14 per cent indicating that the sharp increase in April was a temporary fluctuation; the percentage of construction sector firms reporting vacancies has fluctuated around 14 per cent since September 2004 within a range of plus or minus 2 per cent.



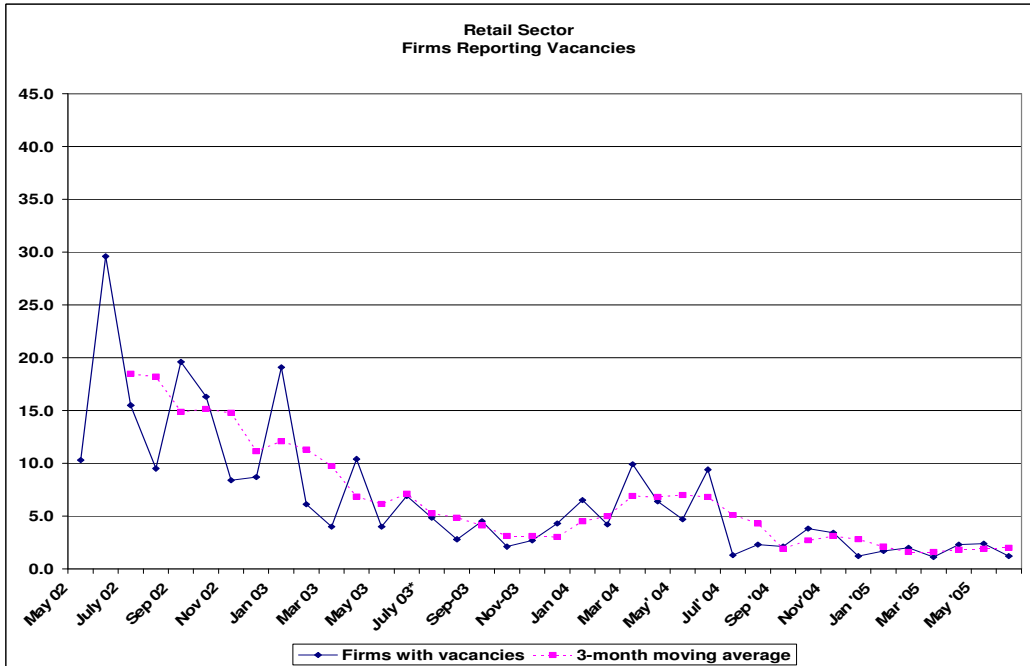
## Industry Sector

Data in relation to the percentage of industry sector firms with vacancies is available for the period from May 2002 to October 2002 and the period from January 2003 to March 2004 but not for the period from November 2002 to December 2003. In April 2005 the percentage of industry sector firms actively trying to fill vacancies decreased from 17 per cent to 15 per cent. In May and June 2005 the figure exhibited a trend similar to the construction sector. The percentage of industry sector firms with vacancies increased from 15 per cent to 21 per cent in May 2005 and subsequently fell to 12 per cent in June 2005, its lowest level for the period considered.



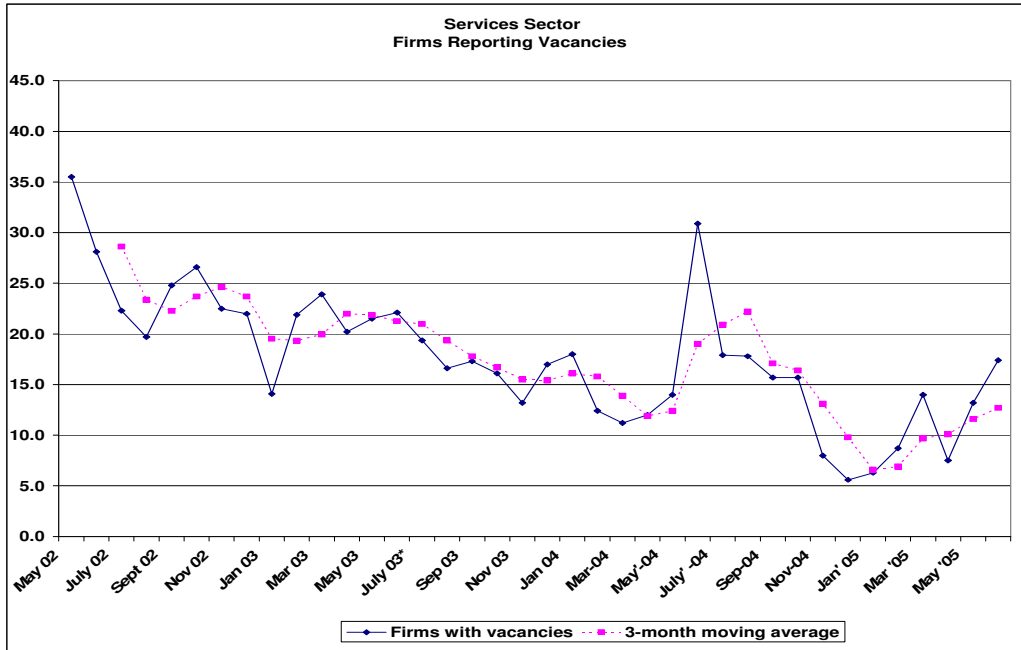
**Retail Sector**

The percentage of retail firms with vacancies remained very low and stable for the period from April to June 2005. The figure increased by one percentage point to 2 per cent in April 2005, remained at that level for May 2005 and decreased to 1 per cent in June 2005. The low level of vacancies in retailing exhibited during the second quarter of the year is consistent with the low levels reported for this sector since December 2004.



## Services Sector

In April 2005 the percentage of service sector firms with vacancies fell 6 percentage points from 14 per cent to 8 per cent. However, the figure increased to 13 per cent in May 2005 and 17 per cent in June 2005. The sharp decline in April was a temporary departure from an upward trend in the percentage of employers in services reporting vacancies since December 2004.



## Difficult-to-Fill Vacancies

Firms are asked if they are experiencing difficulty in filling their vacancies and if so what vacancies are they experiencing difficulty in filling. This provides an indication of the jobs which employers in individual sectors are finding most difficult-to-fill. In the sectors surveyed the construction sector remains the sector reporting the highest percentage of difficult-to-fill vacancies.

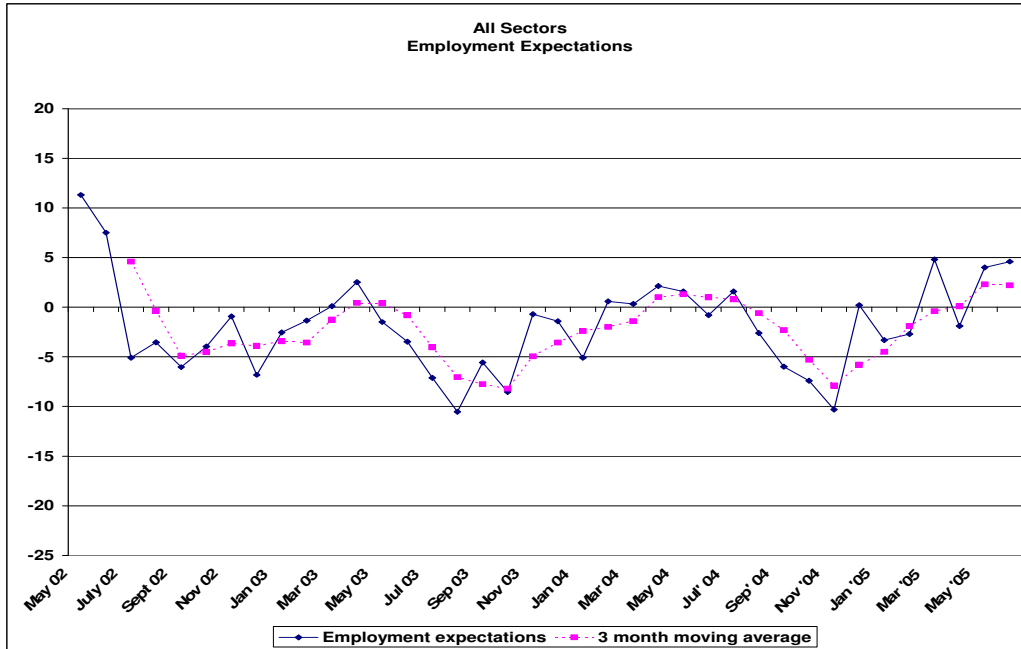
The most frequently cited difficult-to-fill vacancies in June 2005 for the individual sectors were as follows:

- Quantity surveyors and managers in the construction sector
- Quality engineers and managers in the industry sector
- Sales assistants and service managers in the retail sector
- Accountants and drivers in the services sector

## Employment Expectations of Future Employment Remains Optimistic

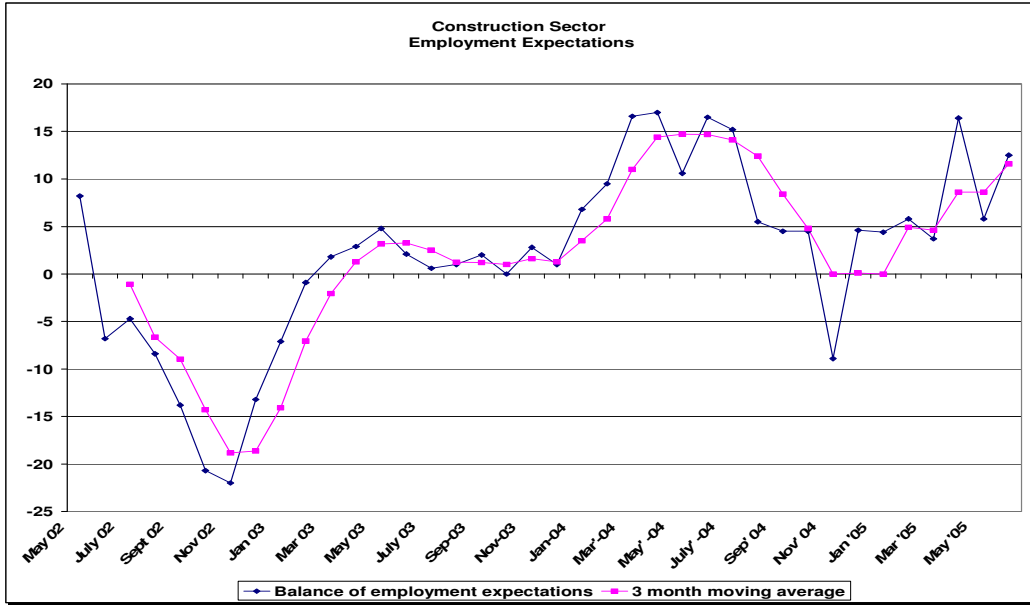
The Net Employment Expectations indicator for all sectors fell from 5 per cent in March 2005 to minus 2 per cent in April 2005 indicating that more employers felt employment levels in their firms would fall rather than rise over the coming months. However, this decrease was followed by an increase of almost the same magnitude in

May 2005 when the indicator increased to 4 per cent. The indicator reached 5 per cent in June 2005 indicating that 5 per cent more firms, across the sectors considered, felt that employment in their firms would increase rather than decrease over the coming months. The trend exhibited by the all sector indicator was influenced by the services and industry sectors which experienced declines in employment expectations in April 2005 but more optimistic expectations in May and June 2005. The Net Employment Expectations indicators for the retail and construction sectors exhibited trends that contrasted with the all sector indicator. The retail sector experienced an increase in April 2005 followed by a decrease in May and June 2005. The construction sector experienced a sharp increase in April, fell back in May 2005 and increased again in June 2005.



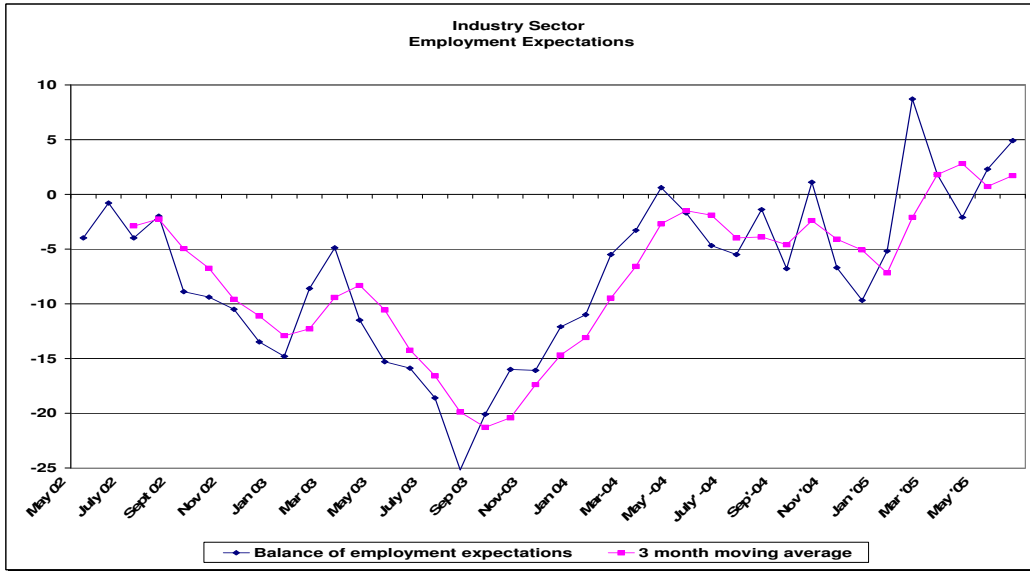
### Construction Sector

In April 2005 the employment expectations of construction sector employers reached their most optimistic level since June 2004. The Net Employment Expectations indicator for the sector increased from 4 per cent in March 2005 to 16 per cent in April indicating that, on balance, 16 per cent more firms in the construction sector felt employment would rise rather than fall in the subsequent months. However, the balance fell to 6 per cent in May 2005 but increased 7 percentage points in June 2005 to reach 13 per cent.



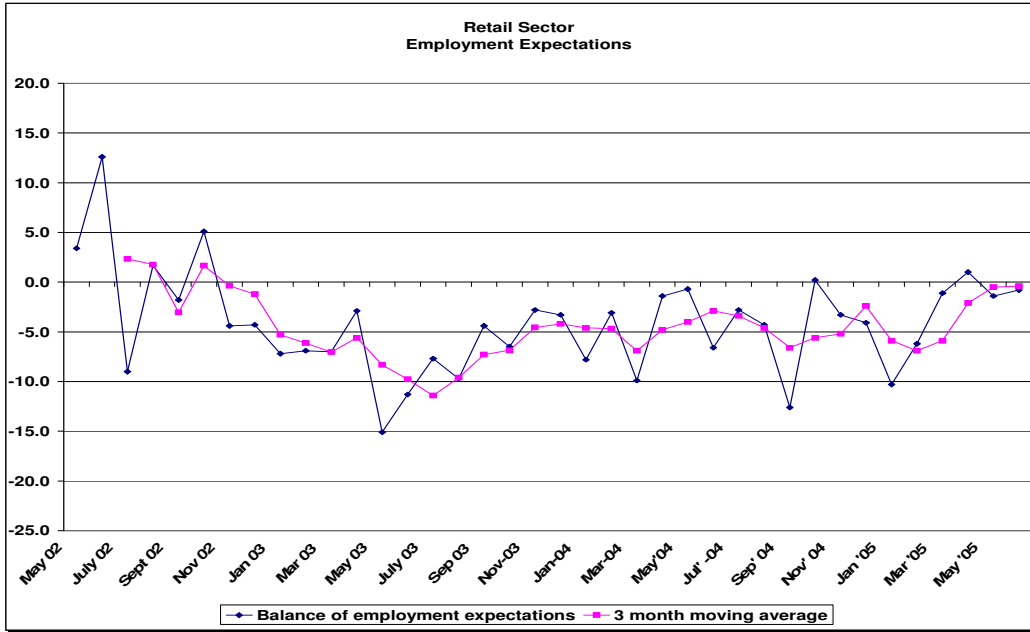
### Industry Sector

The Net Employment Expectations indicator for the industry sector in April 2005 declined 4 percentage points from plus 2 per cent to minus 2 per cent. The indicator improved in the subsequent months increasing 4 percentage points to 2 per cent in May 2005 and a further 3 percentage points to 5 per cent in June 2005. The return of the indicator to positive levels in the second quarter of 2005 indicates more optimism about the employment outlook in industry in the coming months.



### Retail Sector

The Net Employment Expectations indicator for the retail sector increased slightly, by 2 percentage points, to reach 1 per cent in April 2005. This represents the second time since October 2002 that the employment expectations of retail sector employers have been somewhat optimistic. However this optimistic outlook did not



last long as the indicator declined to minus 1 per cent in May 2005 and remained at that level for June 2005.

**Services Sector**

The services sector experienced a sharp decrease in its Net Employment Expectations indicator in April 2005; the indicator decreased 14 percentage points from its level in March to minus 6 per cent. However this sharp increase was followed by an increase of almost the same magnitude in May 2005 as the indicator climbed 13 percentage points to reach 7 per cent. The indicator decreased a little in June 2005 to 6 per cent.

