

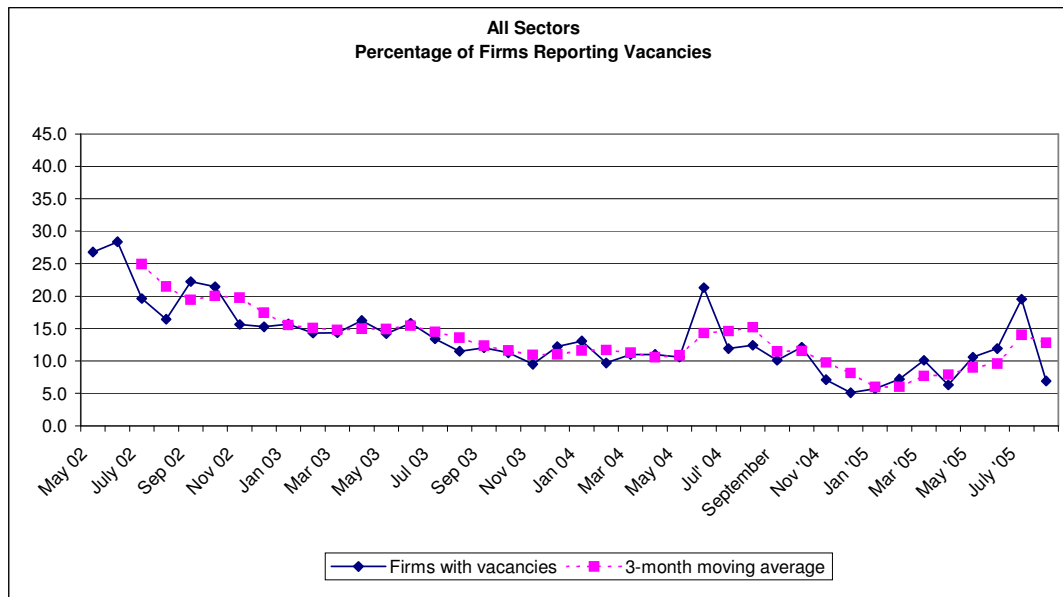


## Employment and Vacancies Survey: August 2005

### Significant Decline in Percentage of Firms with Vacancies

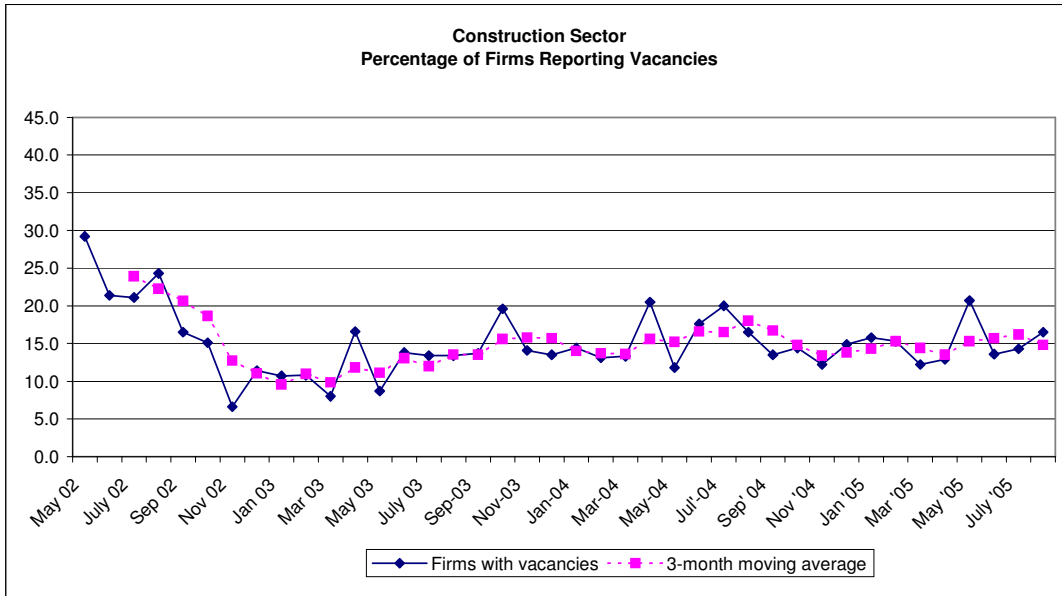
#### All Sectors

The percentage of firms reporting vacancies fell by 12 percentage points from 19 per cent in July 2005 to 7 per cent in August 2005. This dramatic fall represents a deviation from the positive trend the indicator had exhibited since the beginning of 2005, which culminated in it reaching its highest level in over a year last month. The significant decline in economy wide vacancies was predominantly driven by the services sector. The percentage of service sector firms with vacancies fell a considerable 20 percentage points in the month of August. The retail sector also experienced a decline in the percentage of firms reporting vacancies. However, the decline in the percentage of retail sector firm with vacancies, at 3 percentage points, was not as significant as that of the services sector. Both the industry and construction sectors experienced slight increases of 3 and 2 percentage points respectively in the percentage of firms reporting vacancies.



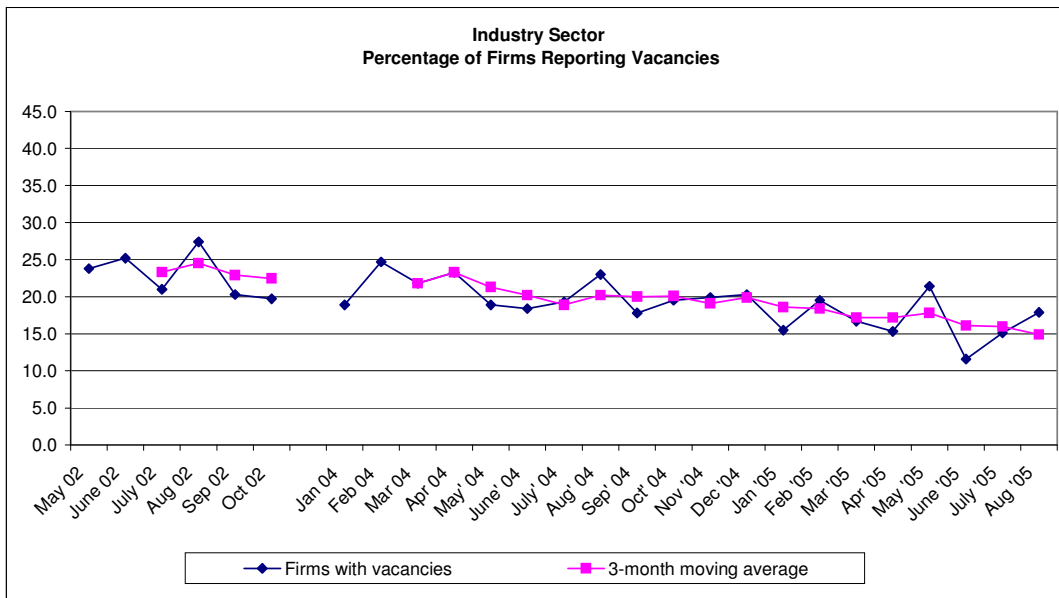
#### Construction Sector

The construction sector experienced a slight increase in the percentage of firms actively trying to fill vacancies from 14 per cent in July 2005 to 16 per cent in August 2005. Despite a big increase in May 2005 the percentage of construction sector firms with vacancies has been fairly stable remaining within plus or minus 2 percentage points of the 14 per cent mark since September 2004.



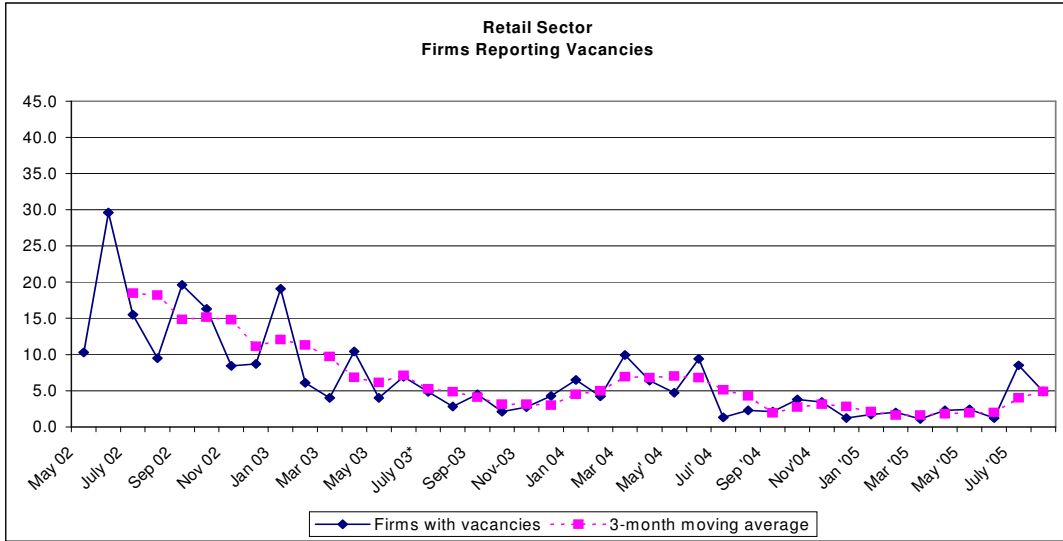
### Industry Sector

The percentage of firms in the industry sector who were trying to fill vacancies increased by 3 percentage points from 15 per cent in July 2005 to 18 per cent in August 2005. The percentage of industry sector firms with vacancies has, therefore, been increasing since reaching a low point of 12 per cent in June 2005.



### Retail Sector

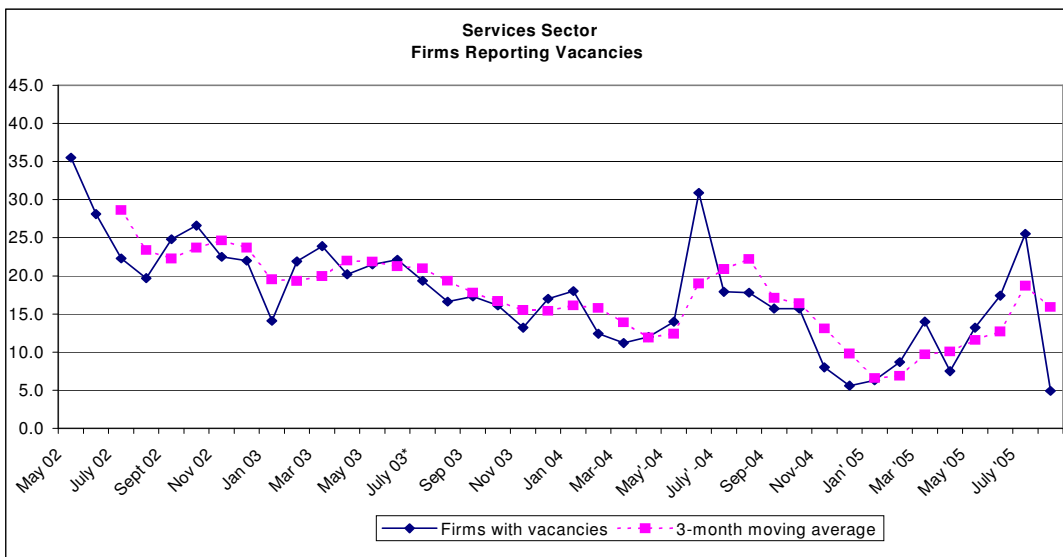
The percentage of retail sector firms with vacancies to fill decreased slightly to 5 per cent in August 2005 after jumping 7 percentage points in July 2005 to over 8 per cent. In the year prior to July 2005 the percentage of retail firms with vacancies had



been relatively low and stable remaining close to the 1 per cent mark for the majority of the period.

### Services Sector

The percentage of service sector firms reporting vacancies fell dramatically by 20 percentage points to hit its lowest level for the period considered. Data for August 2005 indicates that only 5 per cent of service sector firms were actively trying to fill vacancies. This compares with a figure of 25 per cent in the previous month. The percentage of service sector firms with vacancies had been increasing since the beginning of 2005 and has been driving the upward trend in economy wide vacancies. This dramatic fall in August represents a significant fluctuation from the positive trend exhibited since the beginning of the year and has led to a significant fall in the figure for all sectors combined.



## Difficult-to-Fill Vacancies

Firms are asked if they are experiencing difficulty in filling the vacancies they have and what these vacancies are. This provides an indication of the jobs which employers are finding most difficult-to-fill. In the sectors surveyed employers in construction have consistently reported a higher percentage of difficult-to-fill vacancies than employers in the other sectors. Data for August 2005 shows that the great majority of construction sector firms with vacancies reported difficulties in filling their vacancies.

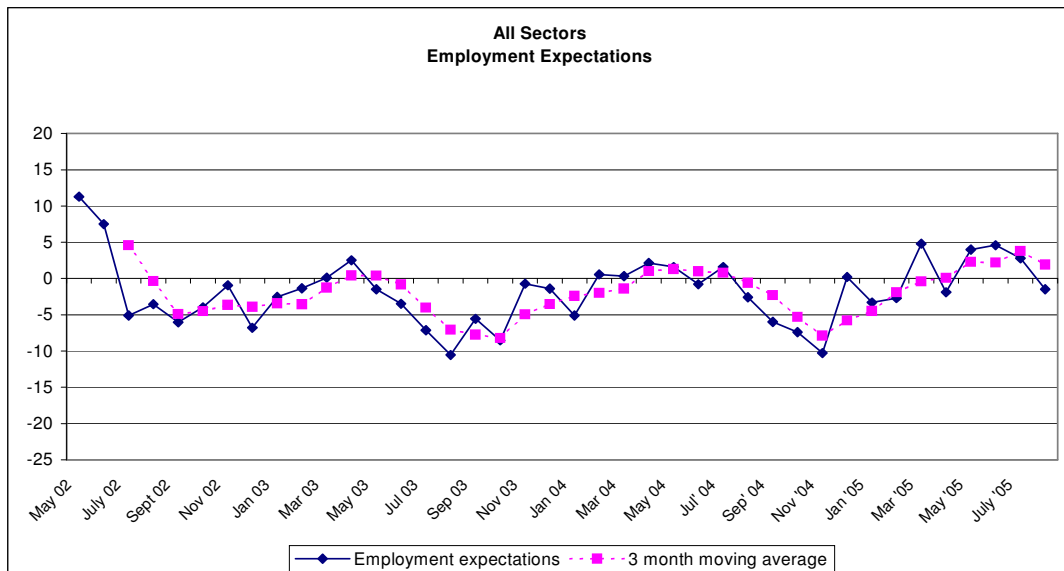
The most frequently mentioned difficult-to-fill vacancies in August 2005, for the various sectors, were:

- quantity surveyors in the construction sector
- sales representatives and managers in the industry sector
- sales agents and managers in the retail sector
- managers and qualified accountants in the services sector.

## Employers Expect Employment Levels to Fall Rather than Rise

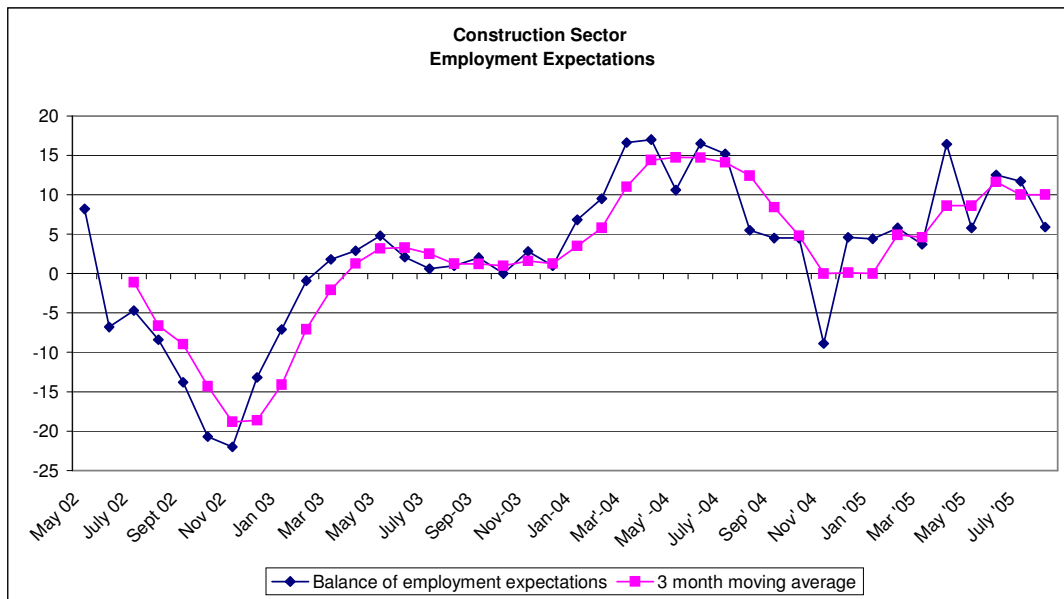
### All Sectors

More employers across all sectors feel that employment levels in their firms will fall rather than rise over the coming months. The all sector Net Employment Expectations indicator fell to minus 1 per cent in August 2005. This indicates that, on balance, 1 per cent more firms feel employment levels will fall rather than rise in the near future. This decline in employer expectations across all sectors was reflected in the more pessimistic outlook of construction and service sector employers. Both of these sectors experienced a decline in their respective Net Employment Expectations indicators. Both the industry and retail sectors experienced an improvement in employer sentiment. However, the overall outlook of employers in the retail sector was negative and employers in the industry sector are anticipating no change in employment levels in the near future



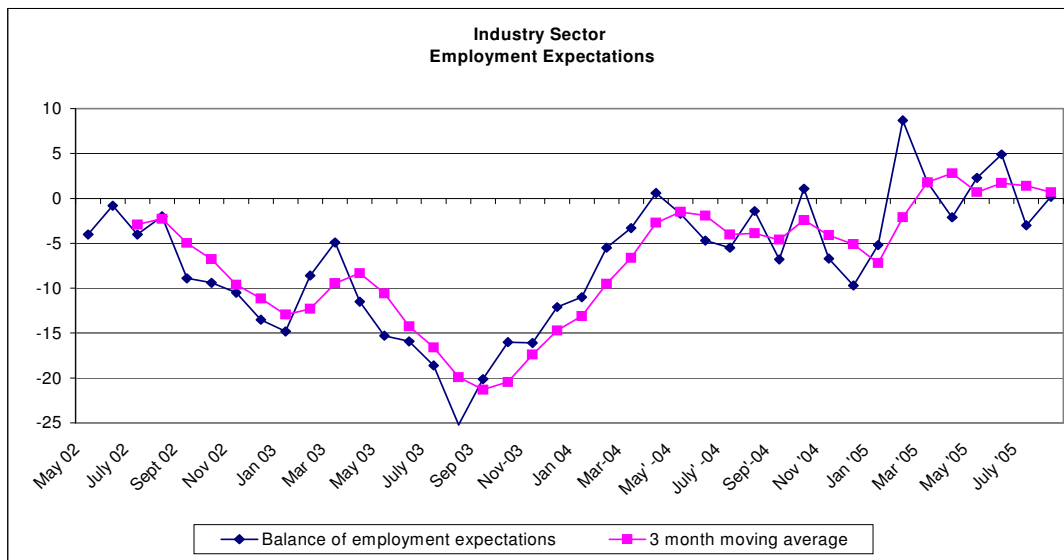
## Construction Sector

The construction sectors Net Employment Expectations indicator declined by 6 percentage points in August 2005 but remained positive. Six per cent more construction employers feel that employment levels in their firms will rise rather than fall over the coming months. This compares with a figure of 12 per cent in July 2005. This decrease represents a reversion to levels experienced at the end of 2004 and the beginning of 2005.



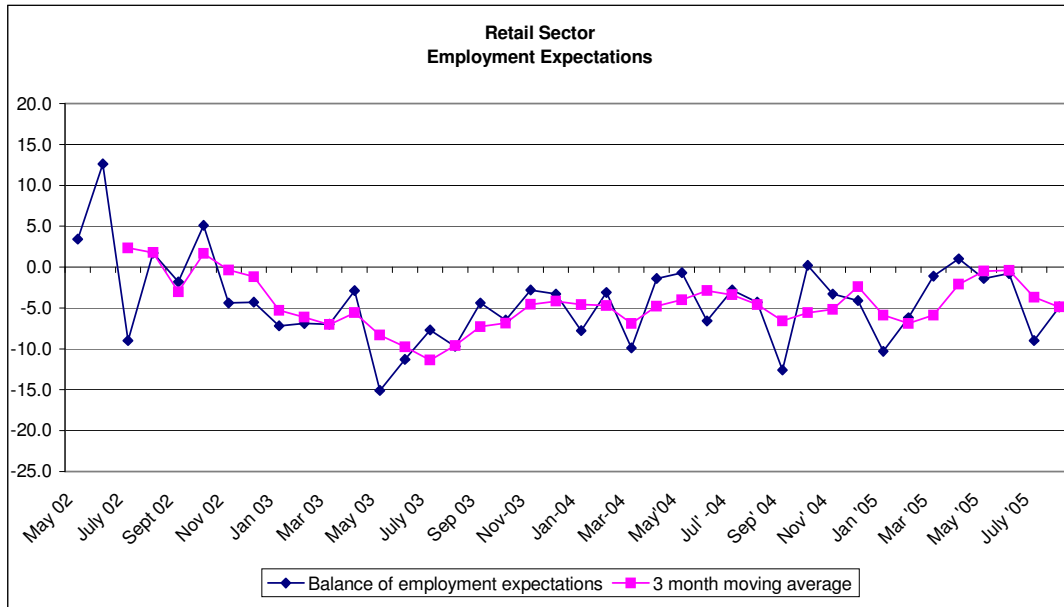
## Industry Sector

The Net Employment Expectations indicator for the industry sector improved in the month of August 2005 climbing 3 percentage points from minus 3 per cent in July 2005 to zero per cent. This indicates that, on balance, employers in the industry sector are anticipating no change in employment levels in their firms over the coming months.



## Retail Sector

The expectations of employers in the retail sector improved but remained pessimistic in August 2005 with 5 per cent more firms indicating that they expect employment levels to fall rather than rise in the near future. This compares with a figure of minus 9 per cent in July 2005. The Net Employment Expectations indicator has been predominantly negative for the retail sector since November 2002.



## Services Sector

Employer sentiment regarding future employment levels in the services sector deteriorated significantly in the month of August 2005. The Net Employment Expectations indicator for the sector fell 12 percentage points to minus 5 per cent. This indicates that 5 per cent more service sector firms are anticipating a decrease rather than an increase in employment levels in the upcoming months.

