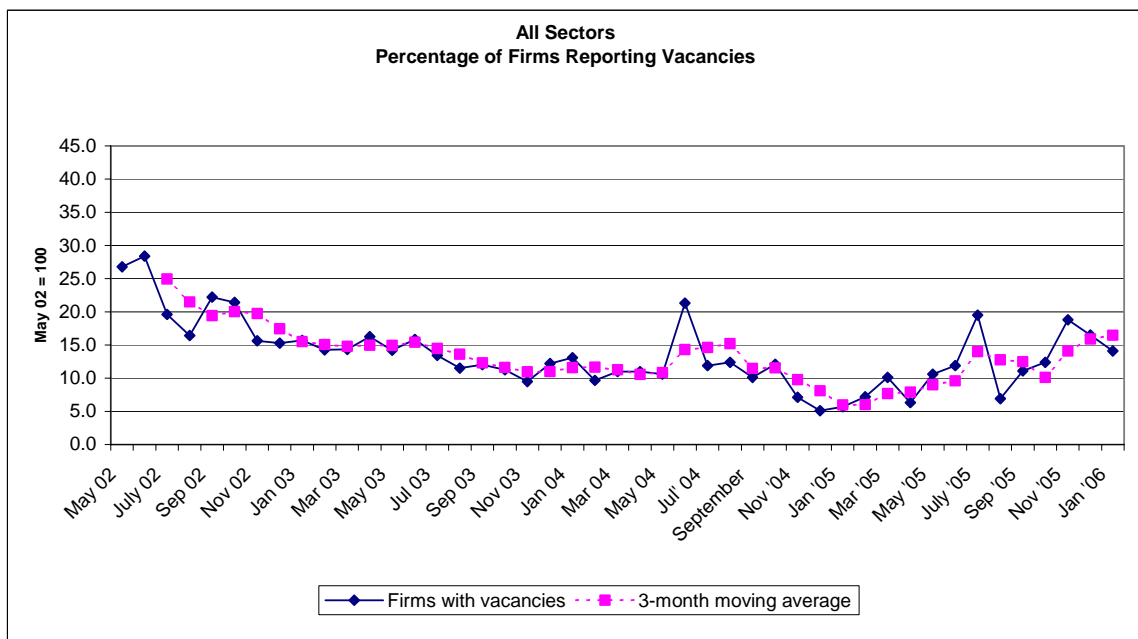




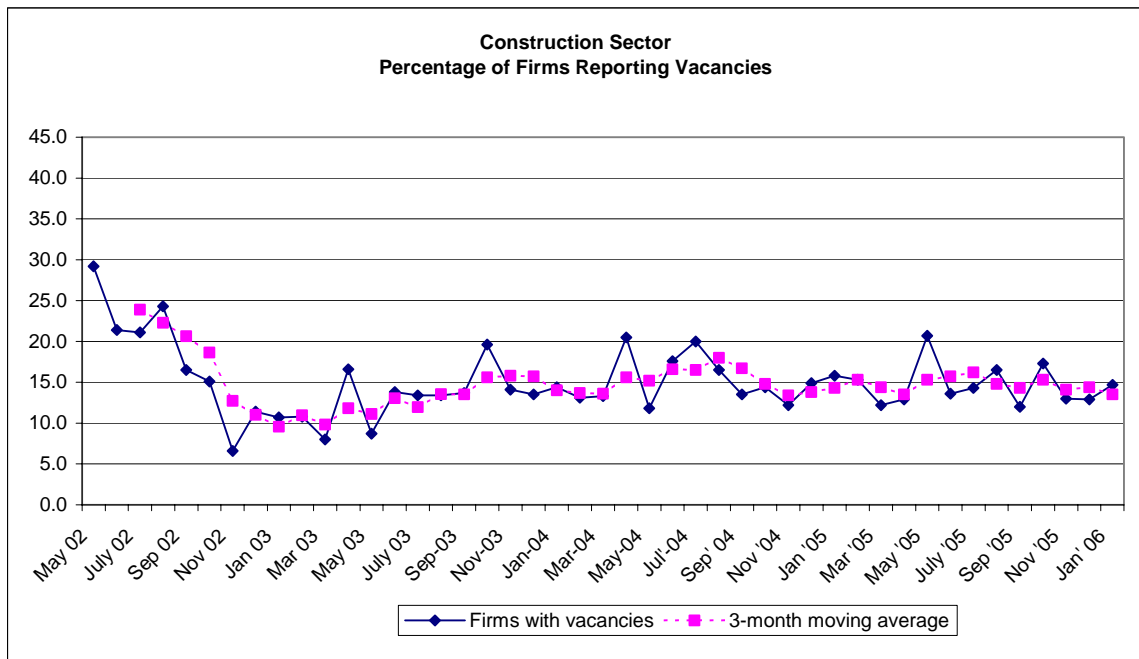
Slight Decline in Economy Wide Vacancies in January 2006

The percentage of firms across all sectors reporting vacancies fell two percentage points from 16 per cent in December 2005 to 14 per cent in January 2006. The slight decrease in economy wide vacancies was due to a fall in the percentage of retail sector firms with vacancies. Both the construction and services sectors experienced increases in the percentage of firms reporting vacancies. Whilst the proportion of industrial sector firms with vacancies remained stable.



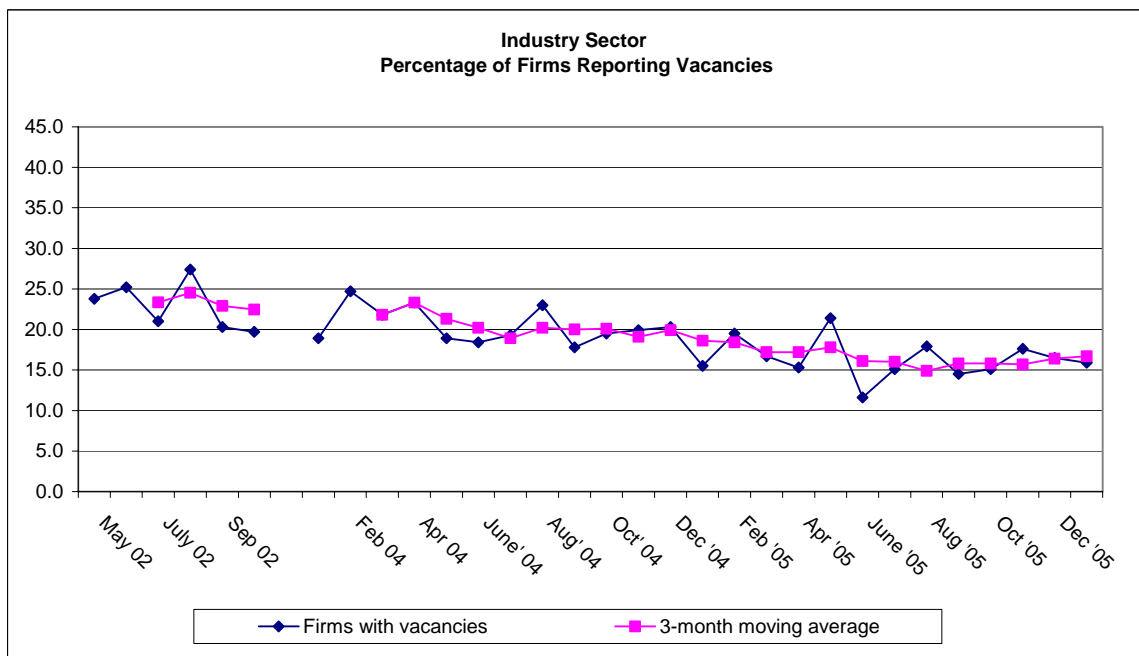
Construction Sector

The percentage of construction sector firms with vacancies rose 2 percentage points in January 2006 to 15 per cent. The trend exhibited by the construction sector over the past three months can be attributed to seasonal effects. The sector usually experiences a decline in the percentage of firms with vacancies at the beginning of the winter period. This is generally followed by an increase towards the end of the season as the proportion of firms with vacancies increases.



Industry Sector

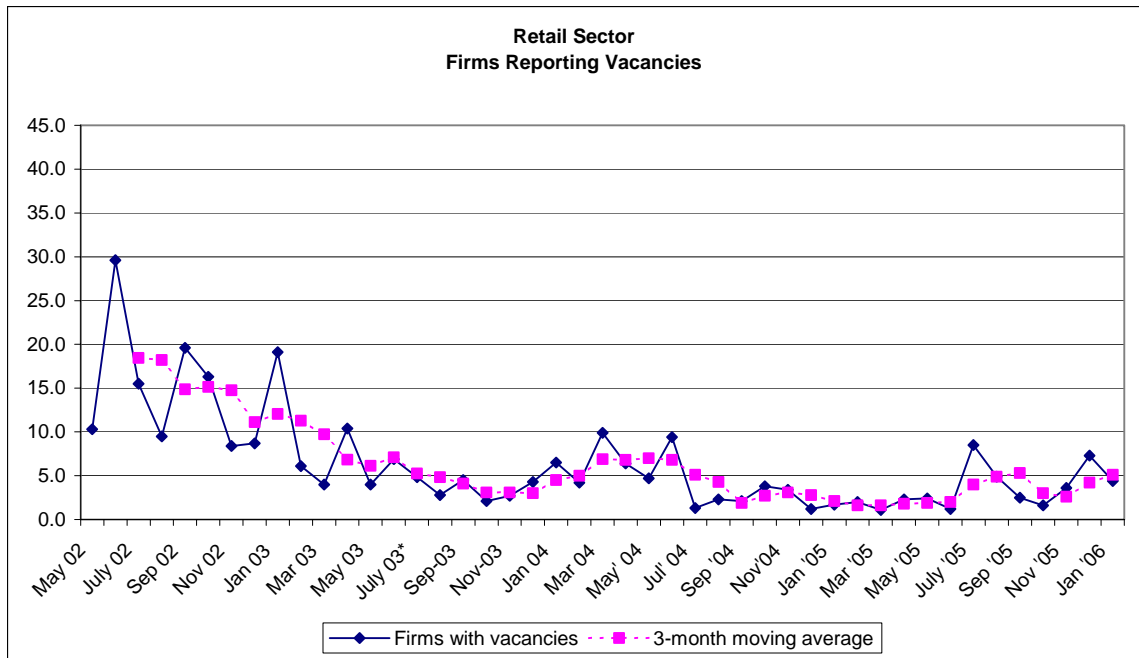
The percentage of industrial sector firms reporting vacancies remained at 16 per cent in January 2006. The stability reported in the survey findings for January coincides with the generally stable trend exhibited by the sector throughout the second half of 2005. Examining the 3-month moving average data back to June 2005, the indicator has remained fairly stable around the 16 per cent mark.



Retail Sector

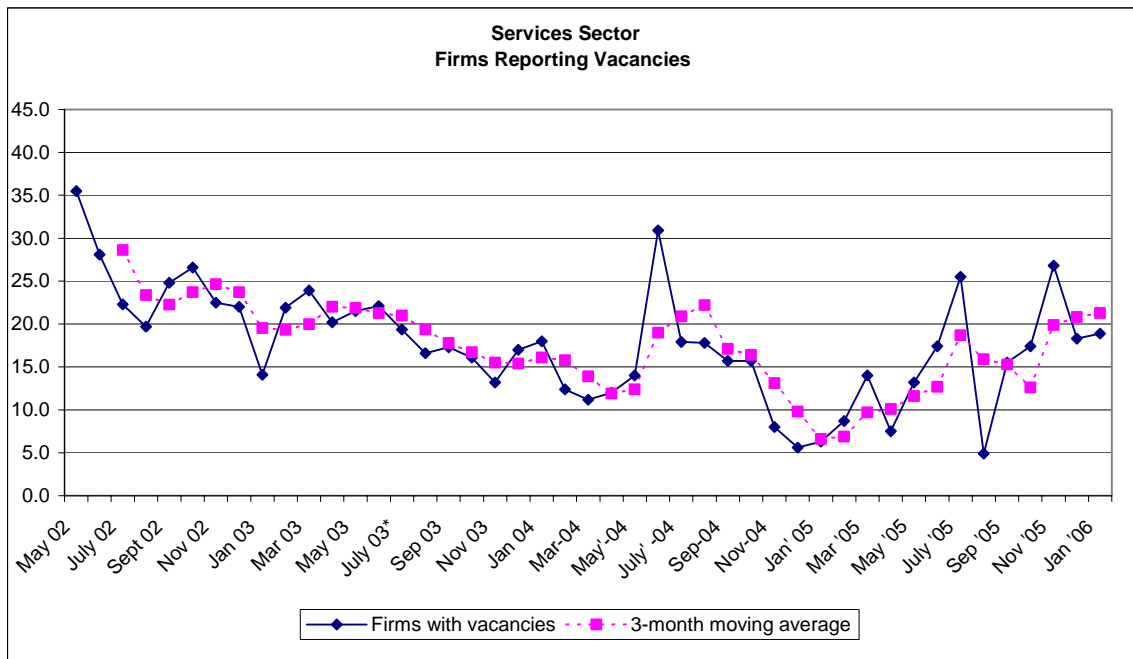
The retail sector experienced a decrease in the percentage of firms with vacancies from 7 per cent in December 2005 to 4 per cent in January 2006. Relative to the

period from July 2004 to June 2005 the percentage of firms reporting vacancies has been more volatile since July 2005. Examining data for the year up to July 2005 the percentage of firms with vacancies remained around the 1 per cent mark. However, since July the indicator has exhibited some fluctuations increasing to 8 per cent in July, falling back to 2 per cent by October 2005, rising to 7 per cent in December 2005 and falling back to 4 per cent in January 2006.



Services Sector

The percentage of service sector firms with vacancies remained relatively stable in January 2006. The indicator increased by only 1 percentage point bringing the percentage of firms with vacancies in the sector to 19 per cent. During 2005 the percentage of service sector firms reporting vacancies was relatively volatile ranging from 5 per cent in August to 27 per cent in November.



Difficult-to-Fill Vacancies

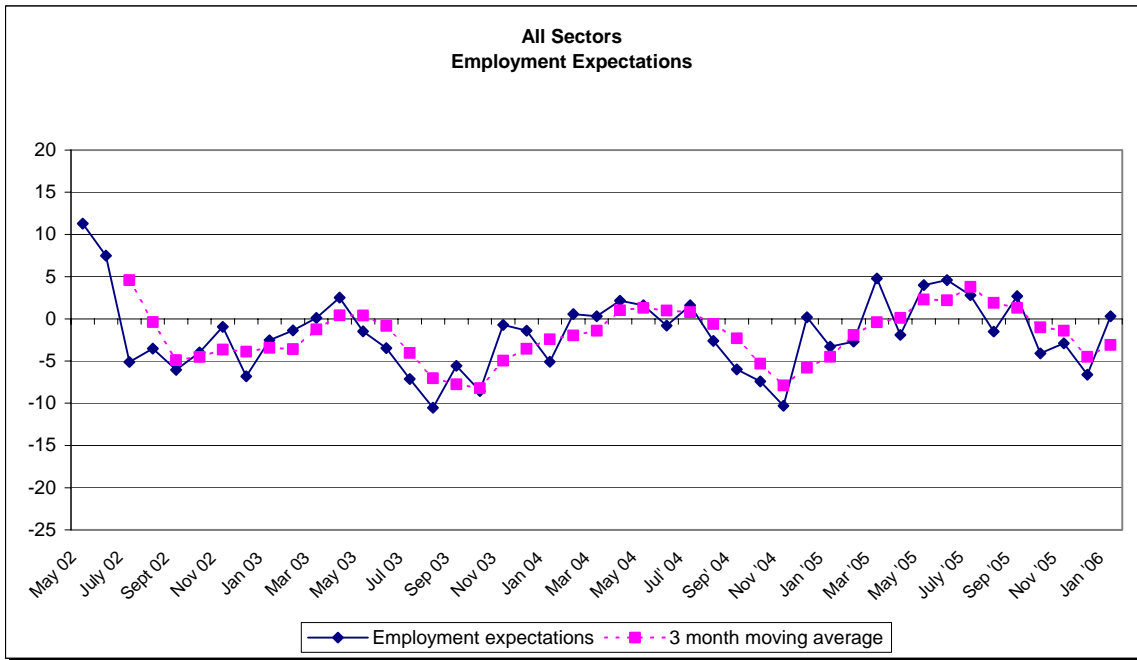
Firms are asked if they are experiencing difficulty in filling the vacancies they have and what these vacancies are. This provides an indication of the jobs which employers are finding most difficult-to-fill. In the sectors surveyed a much higher percentage of employers in construction than in other sectors have consistently reported difficult-to-fill vacancies.

The most frequently mentioned difficult-to-fill vacancies in January 2006 for the various sectors were:

- quantity surveyors and site managers in the construction sector
- engineers, sales personnel and accountants in the industry sector
- managers and sales personnel in the retail sector
- architectural assistants and chefs in the services sector

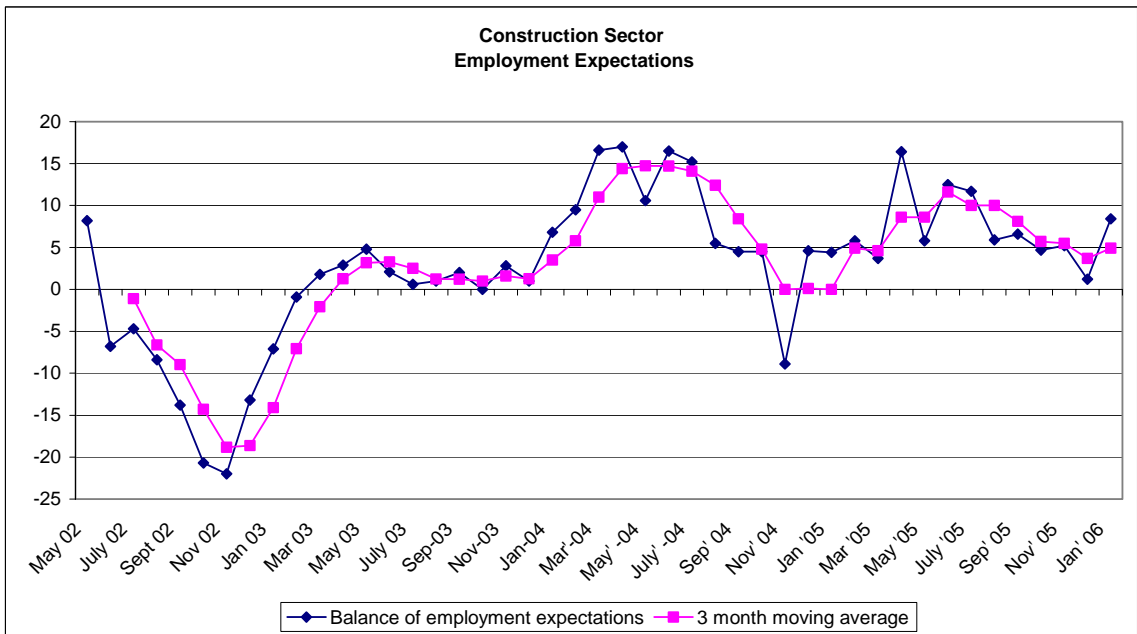
Employers are Anticipating No Change in Employment Levels

Employer expectations improved in January 2006 as the Net Employment Expectations indicator for all sectors rose 7 percentage points relative to the previous month. Nevertheless, employers are expecting no change in employment levels, on balance, in their firms over the coming months. The trend exhibited by the Net Employment Expectations indicator over the past four months has been reflective of seasonal effects. Employers tend to become more pessimistic in the final quarter of the year but experience an improvement in sentiment coming into the New Year. The more optimistic outlook experienced in January 2006 reflected improvements in the expectations of employers in the construction, retail and services sectors. The Net Employment Expectations indicator for the industrial sector declined in January 2006.



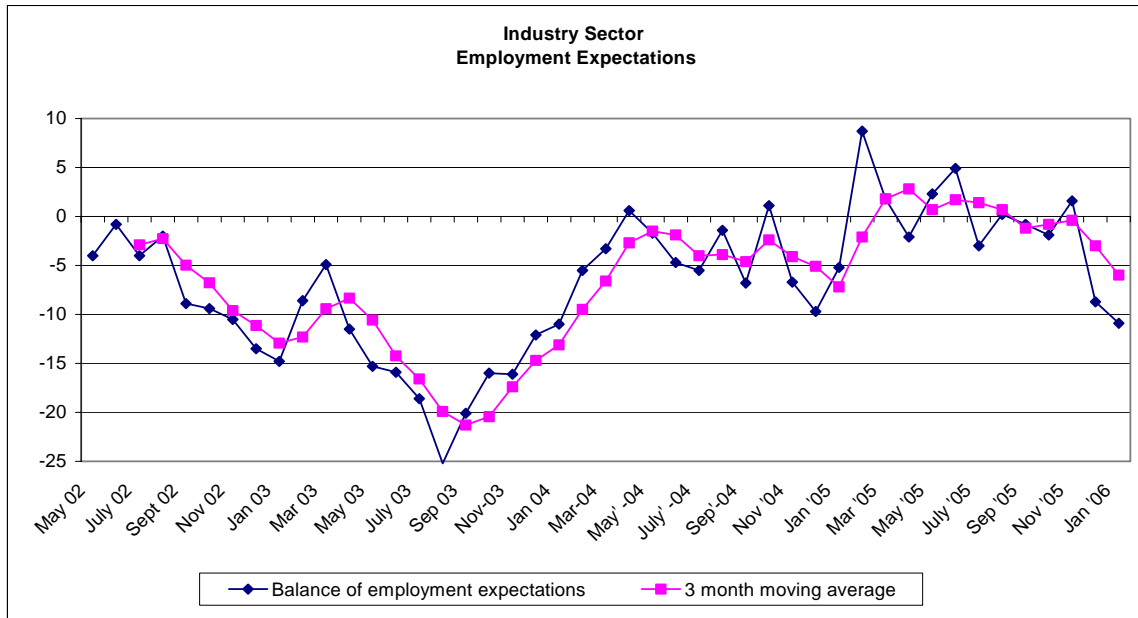
Construction Sector

Employer sentiment in the construction sector increased to a more optimistic level in January 2006. The Net Employment Expectations indicator for the sector rose 7 percentage points to 8 per cent. This indicates that 8 per cent more employers in the sector feel employment levels will rise rather than fall over the coming months. The sector did experience a decline in its indicator towards the end of 2004 due to seasonal effects but employers remained optimistic. Construction sector employers have been continually optimistic about future employment levels in their firms since December 2004.



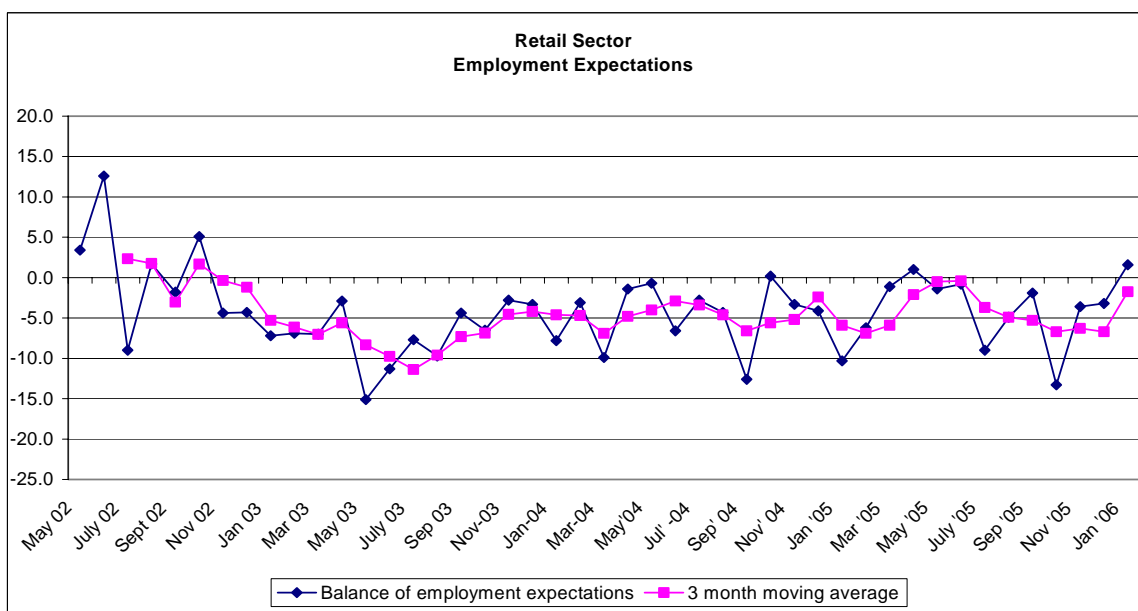
Industrial Sector

The industrial sector experienced a further decline in its Net Employment Expectations indicator in January 2006. The indicator fell 2 percentage points to minus 11 per cent, its lowest level in two years. This indicates that a significant 11 per cent more employers feel employment levels are going to decrease rather than increase in the near future.



Retail Sector

Employer expectations in the retail sector reached optimistic levels for the first time in nine months in January 2006. The Net Employment Expectations indicator for the sector increased by 5 percentage points to 2 per cent. The indicator has been predominantly negative for the sector since the beginning of the survey period. The figure for January 2006 represents only the third time the indicator has reached positive levels since October 2002.



Services Sector

The Net Employment Expectations indicator for the services sector increased by a significant 9 percentage points from minus 9 per cent in December 2004 to zero in January 2006. This indicates that, on balance, employers in the sector are anticipating no change in employment in their firms over the coming months. This increase represents a turnaround in employer sentiment after period of deterioration in the final quarter of 2005.

