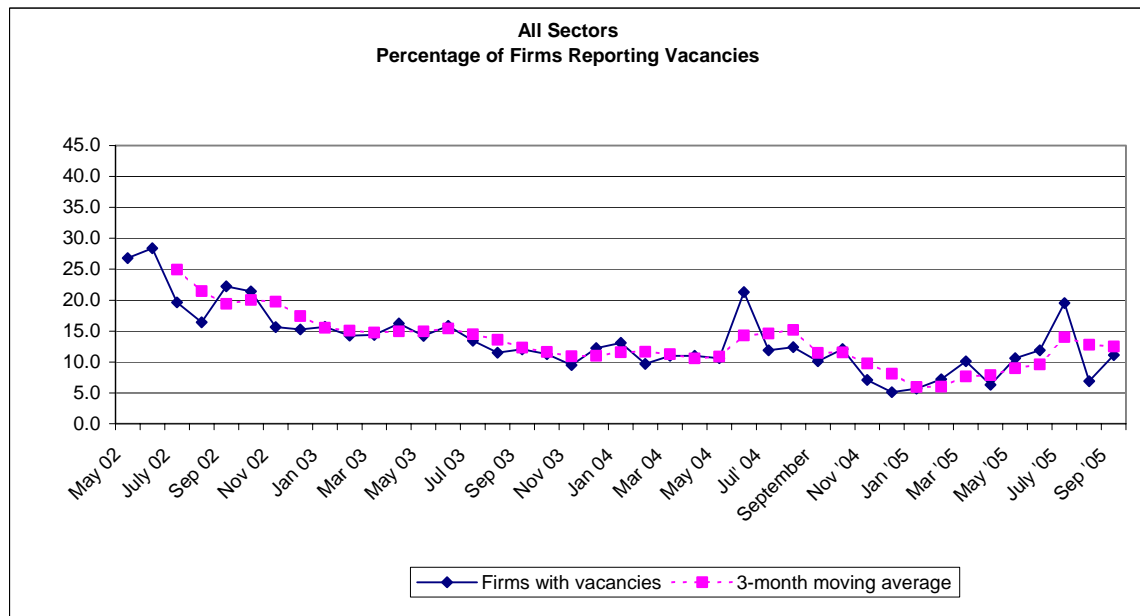




## Employment and Vacancies Survey: September 2005

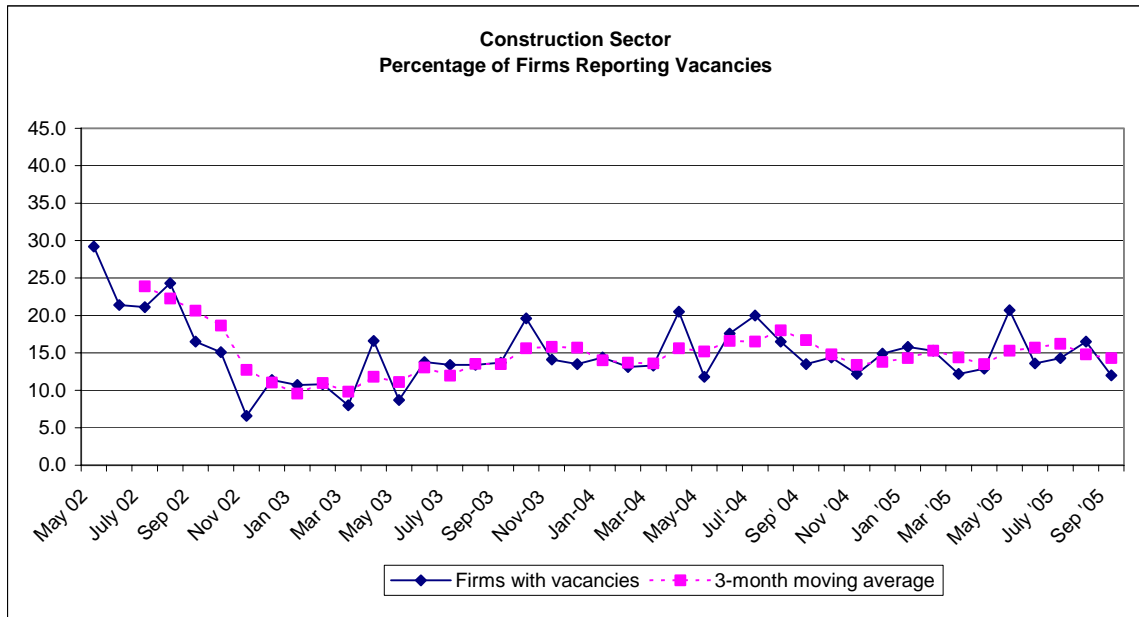
### Percentage of Firms Reporting Vacancies increased in September 2005

Economy wide vacancies rose in the month of September 2005. The percentage of firms across all sectors reporting vacancies increased from 7 per cent in August 2005 to 11 per cent in September 2005. This increase indicates that the sharp decline experienced in August 2005 was a seasonal effect. The increase in economy wide vacancies in September reflected a significant increase in the percentage of service sector firms reporting vacancies. The increase experienced by the services sector was sufficient to counteract the decreases experienced in all of the other sectors surveyed.



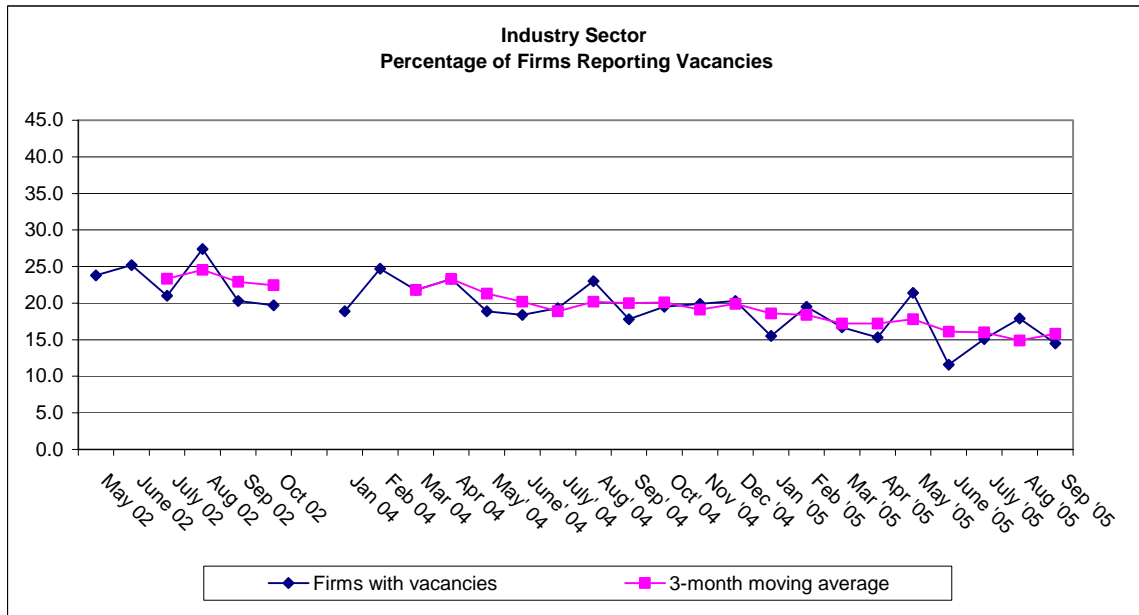
### Construction Sector

The percentage of construction sector firms actively trying to fill vacancies decreased by 4 percentage points in the month of September 2005. In August 2005 16 per cent of firms indicated that they had vacancies to be filled. This figure decreased to 12 per cent in September 2005. Examining the 3-month moving average figure for the period considered the percentage of construction firms with vacancies has fluctuated around 15 per cent since June 2003.



### Industry Sector

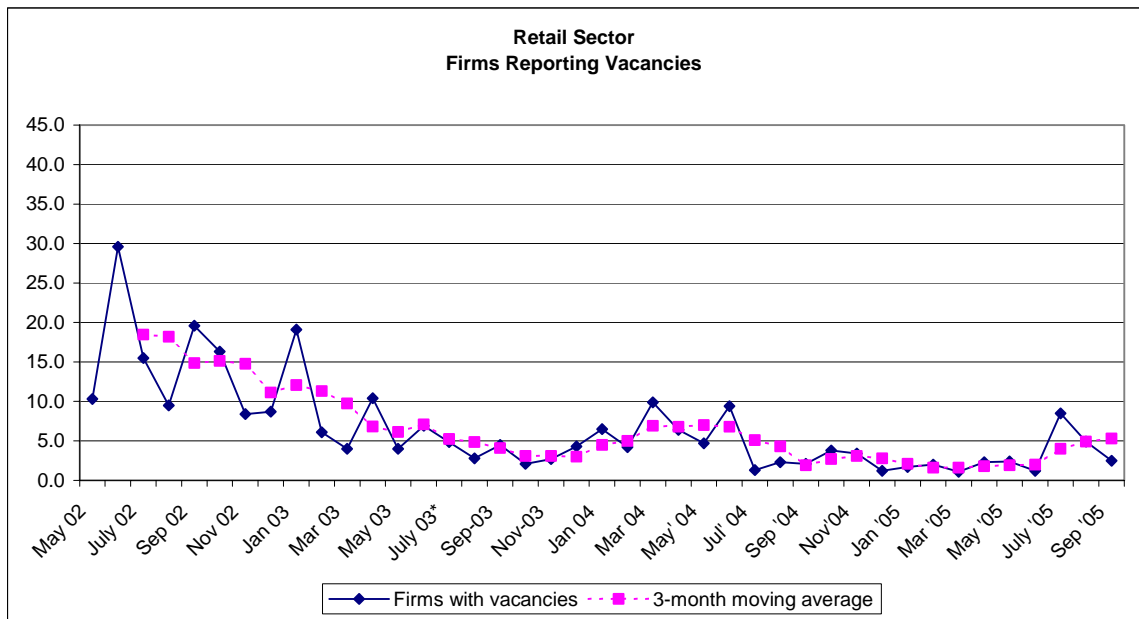
The industry sector experienced a decline of 4 percentage points in the proportion of firms with vacancies. The percentage of industry sector firms reporting vacancies fell from 18 per cent in August to 14 per cent in September. The 3-month moving average figure for the industry sector indicates a long-term decline in the percentage of industry sector firms reporting vacancies.



### Retail Sector

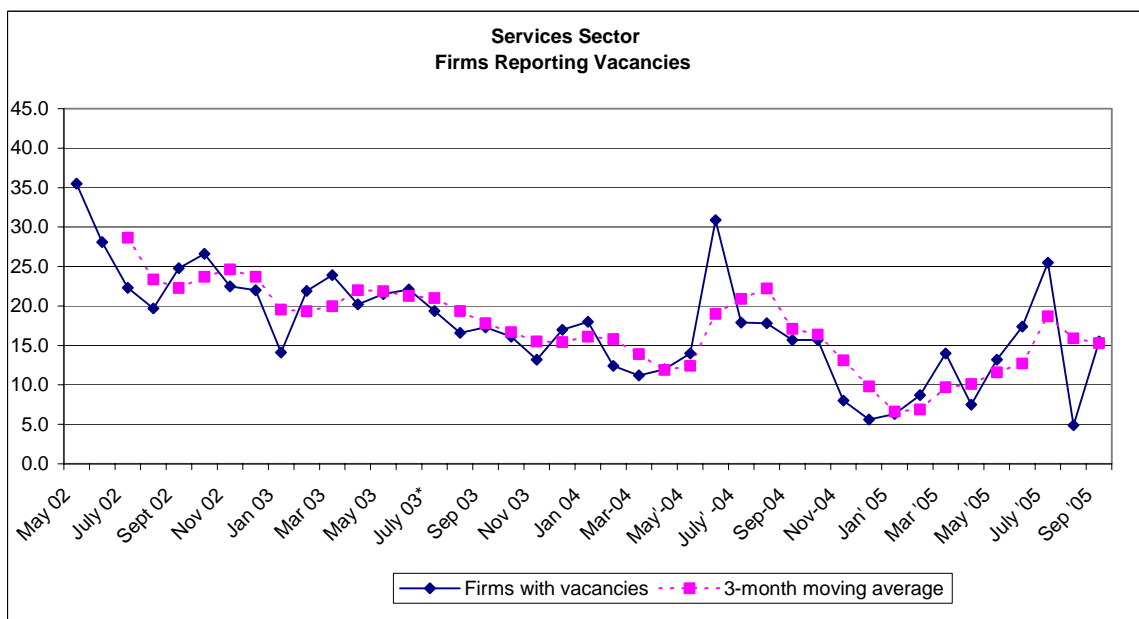
The percentage of firms in the retail sector with vacancies fell about 3 percentage points to 2.5 per cent in September. From July 2004 to June 2005 the percentage of retail firms reporting vacancies had been very low and stable around the 1 to 2 per cent mark. In July 2005 the figure increased by 7 percentage points to reach 8 per

cent. Since July, however, the figure has been falling. The figure recorded for September indicates a return to the low levels of vacancies experienced in the previous 12 months or so.



### Services Sector

The services sector experienced a significant increase of 10 percentage points in the percentage of firms reporting vacancies. Data for September 2005 indicates that over 15 per cent of service sector firms were actively trying to fill vacancies. This increase indicates that the dramatic fall that occurred in August 2005 was probably mainly due to seasonal factors.



## Difficult-to-Fill Vacancies

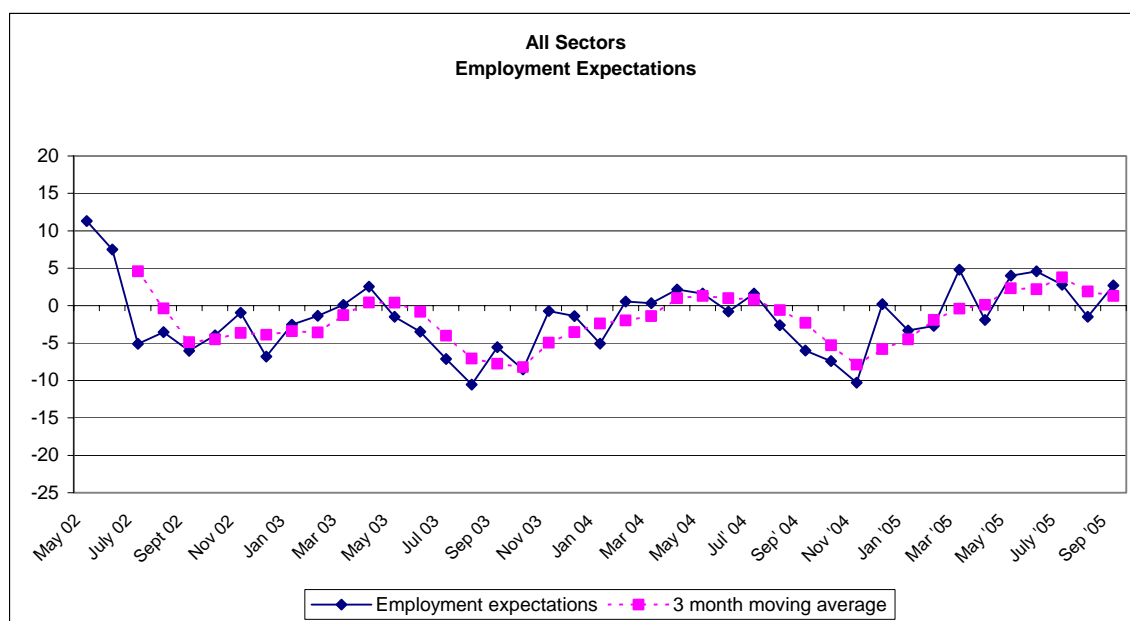
Firms are asked if they are experiencing difficulty in filling the vacancies they have and what these vacancies are. This provides an indication of the jobs which employers are finding most difficult-to-fill. In the sectors surveyed a much higher percentage of employers in construction than in other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

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

- quantity surveyors in the construction sector
- sales representatives and managers in the industry sector
- managers and sales representatives in the retail sector
- managers in the services sector

## Employers are Optimistic about Future Employment Levels

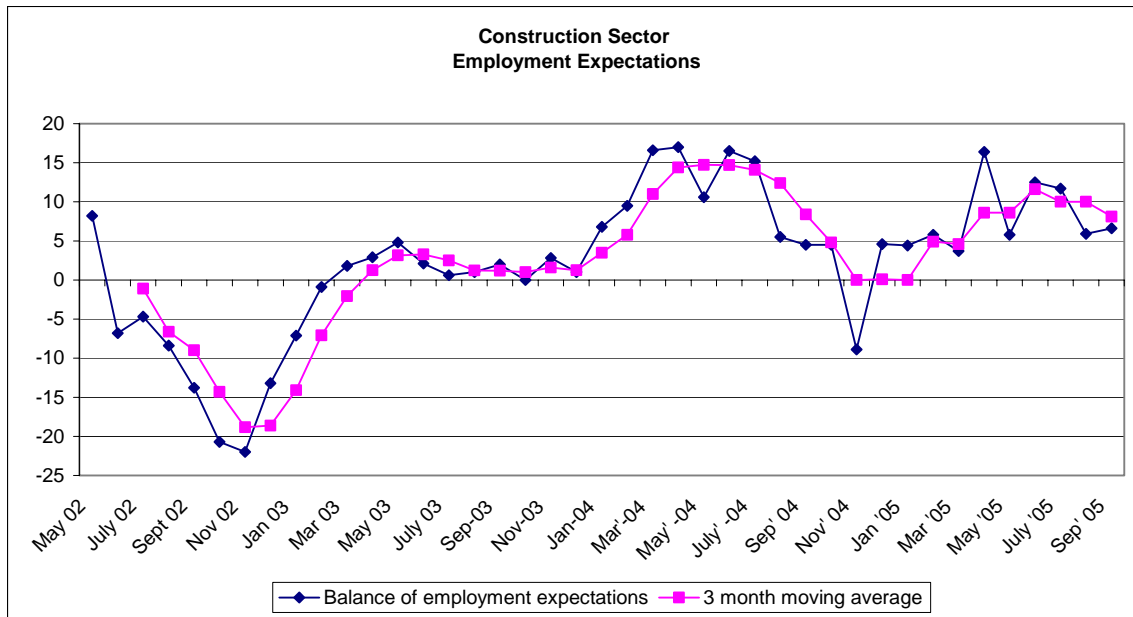
The all sectors Net Employment Expectations indicator entered the positive zone in September where more employers feel employment levels will rise rather than fall in the coming months. The indicator experienced a decrease of over 5 percentage points in August. The improvement in employer sentiment in September reflects increases in the Net Employment Expectations indicators for all sectors surveyed except the industry sector, which experienced a slight decrease.



## Construction Sector

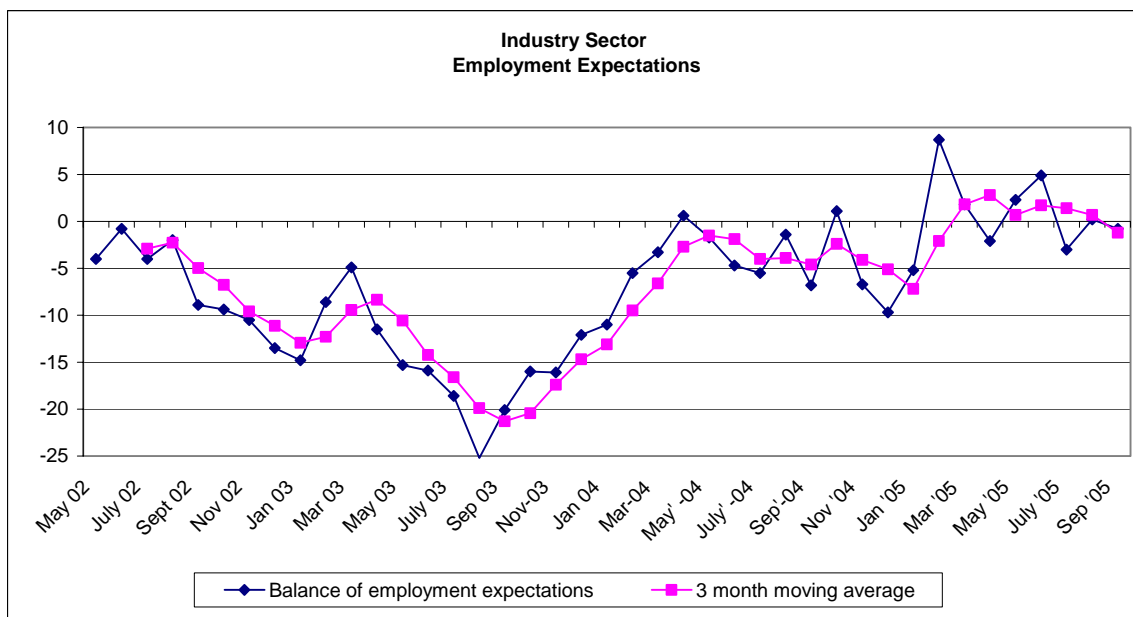
The construction sector experienced a slight improvement in employer sentiment regarding future employment. The Net Employment Expectations indicator for the sector increased from 6 per cent in August to 7 per cent in September. This indicates that 7 per cent more employers feel employment levels will increase rather than fall in the near future. With the exception of a pessimistic outlook in November 2004,

employers in the construction sector have been consistently optimistic about employment levels in their firms since March 2003.



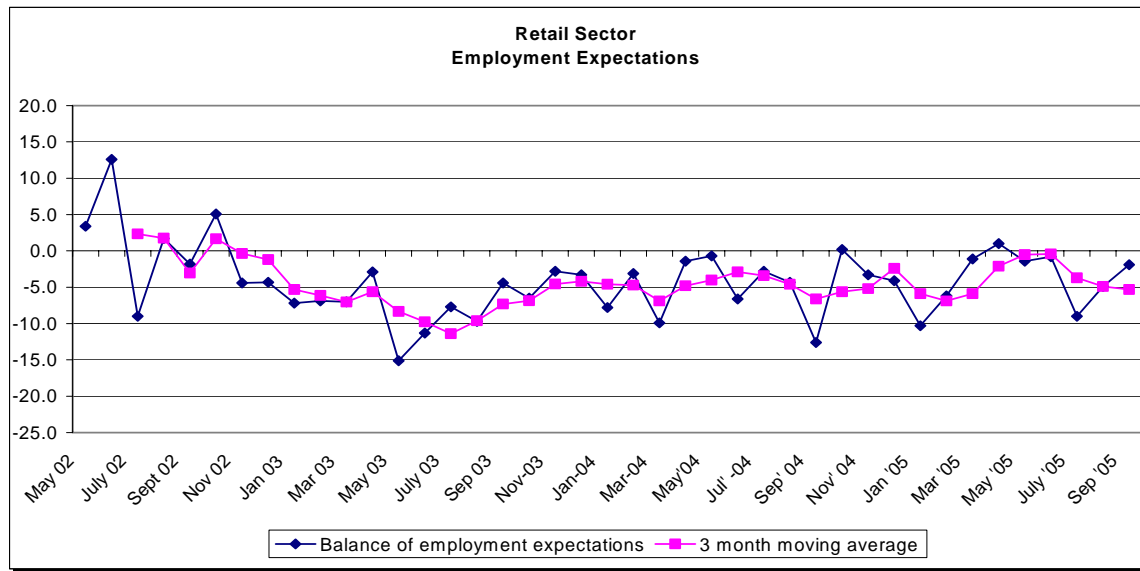
### Industry Sector

The industry sector was the only sector that experienced a decrease in its Net Employment Expectations indicator in September 2005. The decrease was fairly slight with about 1 percent more employers, on balance, expecting employment to fall than to rise. However it did result in the indicator going into the pessimistic zone where employers expect employment to fall rather than to rise. The Net Employment Expectations indicator for the industry sector has been predominantly negative for the period considered.



## Retail Sector

Employer sentiment regarding future employment levels in the retail sector became less pessimistic in September. The Net Employment Expectations indicator for the sector was around minus 2 per cent. This indicates that 2 per cent more employers feel employment levels in their firms will fall rather than rise in the coming months. The Net Employment Expectations indicator has also been predominantly negative for the retail sector over the period considered. There have only been two occasions since November 2002 where employers have been optimistic about future employment levels in their firms.



## Services Sector

The Net Employment Expectations indicator for the services sector increased by 10 percentage points to reach positive levels in September. The indicator increased from minus 5 per cent in August 2005 to plus 5 per cent in September 2005. This indicates that employers in the services sector are optimistic about future employment levels in their firms. Comparing the Net Employment Expectations indicator across sectors it is evident that the services sector experiences the most volatility. This could reflect greater volatility in product demand in the sector, which makes employers in this sector more conservative in their outlook than employers in other sectors. Nevertheless, the indicator has been mainly positive since the beginning of 2005.

