

# Press Release

## Reports on Vacancies by Expert Group on Future Skills Needs Highlights Changes in the Labour Market

A report published today (Monday, 3 March 2003) in two volumes for the *Expert Group on Future Skills Needs*, Forfás, and FÁS by the Economic and Social Research Institute examines the incidence, level, nature and consequences of vacancies in both the private and public sectors in Ireland. The reports, *National Survey of Vacancies in the Private Non-Agricultural Sector*, and *National Survey of Vacancies in the Public Sector*, also provide information on organisations experiencing difficulties in retaining staff, those with difficult-to-fill vacancies, recruitment from abroad, and regional variations.

This is the first time that the public sector has been included in a study of national vacancies. Previous national vacancy studies have focused exclusively on the private sector. 413 public sector organisations out of a possible 571 successfully completed the survey with an overall response rate of 72 per cent. This represents 163,800 workers or a total of 58 per cent of relevant public sector employees. By the standard of sample surveys, this represents a very high response rate in terms of employees covered in the sample.

According to the report, the Irish economy has experienced a slow down in employment growth since the last vacancies survey was carried out in 1999/00. It suggests that this slow down in the growth of employment was expected as expansion at the rate experienced during the last half of the 1990s was unsustainable.

Some of the key findings of the report on the **private sector** are as follows.

- **22 per cent of firms reported having vacancies in the 2001/02 survey.** This represents a significant decrease from the figure of 31 per cent of firms recorded in the previous survey in 1999/00. At a sectoral level the biggest decreases were in the Distributive Services, Construction, and Traditional Manufacturing sectors.
- There is a substantial fall in the number of vacancies since the previous survey. Reported vacancies fell from 77,600 to approx. 40,000. This corresponds to a **fall in the vacancy rate, from 6 per cent of total labour requirement in 1999/00 to 3 per cent in 2002.**
- **Vacancies by sector:** Construction had the **highest vacancy rate** at 6 per cent. The **lowest vacancy rates** at 2 per cent were in Traditional and Hi-Tech Manufacturing.

- **Vacancies by occupation:** The **highest vacancy rates** were in Skilled Maintenance & Production Operatives (8 per cent) and Science Professionals and Engineering Technicians (both 5 per cent). Vacancy rates have fallen for all occupational groups except Science Professionals, Science Technicians and Other Associate Professionals. Occupational grades which experienced a substantial fall in the number of vacancies include Personal Services, Skilled Maintenance & Production, Clerical & Secretarial, and Production Operatives. The **lowest vacancy rates** were for Managers/Proprietors.
- **Just over a quarter (27 per cent) of firms which have current vacancies said that they had recruited staff from abroad.** The incidence of this was largest in the Transport/Personal/Other Services (42 per cent of such firms) and Traditional Manufacturing sectors (35 per cent of such firms).
- The survey indicates that relatively high-skill sectors are likely to find the workers they require in the EU, while relatively low-skills sectors are likely to fill their vacancies by recruiting outside the EU.

Some of the key findings of the report on the **public sector** are as follows.

- Overall, **the vacancy rate was 4 per cent** which was one percentage point higher than in the private sector at 3 per cent.
- **Vacancies by sector:** The **highest vacancy rate** was in the Gardai/Defence sector, followed closely by the Health Service where the rate was almost 6 per cent. Regional Bodies had a vacancy rate of 4 per cent, while the Civil Service and Education had the **lowest vacancy rate** of around 3 per cent.
- **Vacancies by occupation:** The **highest vacancy rates** were for Computer Technical Staff at Associate Professional Level (13 per cent) and for Engineering Professionals (12 per cent). There is also a substantially higher than average vacancy rate for Other Associate Professionals and Science Technicians (both at 6 per cent). The **lowest vacancy rates** were for Transport and Communications workers and Skills Maintenance and Skills Production workers (1 per cent each).
- The **bulk of vacancies in the private sector** are in the intermediate and lower skills levels (almost two thirds). In contrast, the **bulk of vacancies in the public sector** (almost two thirds) are in the intermediate and higher skills levels.
- In total, about one third of all workers recruited from abroad for both the public and private sectors were from other EU countries while about two-thirds were recruited from countries outside the EU.

Dr. Danny O'Hare, Chairman of the Expert Group on Future Skills Needs said the reports on public and private sector vacancies *“provide a valuable insight into the number of reported vacancies, by sector and by occupation, and the consequences of those vacancies for the private and public sector”*.