

**The jobs recovery  
exceeded expectations  
in the first half of 2013  
when employment  
increased by 34,000.**

Ibec data show that  
8,259 new jobs were  
announced in the past  
six months. Over 2,100  
jobs were announced in  
September, an annual  
increase of 31%.

Private sector  
employment has  
jumped by 1.8% over  
the past year.

**8,300**  
**Jobs announced**

**UNEMPLOYMENT DOWN**

**6.9%**

### Jobs recovery gaining momentum

The second quarter of 2013 brought good news on the jobs front with a third consecutive year-on-year increase in employment for the first time since 2008. In addition we have now had four quarterly increases in total employment in a row. The total number employed rose 1.9% or 34,100 annually in Q2 2013, an improvement of 0.8 percentage points on the previous quarter's year-on-year growth rate. The underlying figures were also more positive than they had been in Q1, with a 1.5% year-on-year increase in full-time employment in Q2 following a 0.2% fall in full time employment in Q1. Furthermore, Ibec data shows there were 4,966 job announcements in Ireland during the period.

It is clear from these figures that the labour market recovery is proving fairly robust. There is an evident need for government to support this nascent jobs recovery by resisting placing any further tax burden on the economy and to continue VAT and PRSI supports for sectors which employ large numbers of people, such as tourism, food, accommodation and retail.

Unemployment decreased by 22,300 or 6.9% year-on-year to Q2 2013, with the total numbers unemployed now standing at 296,300. In previous quarters annual reductions in the labour force (9,700 in Q1) appeared to be a major contributor to reductions in unemployment. Labour force numbers, however, are up 11,900 (0.5%) in Q2 meaning returns to employment are more likely to be driving falling unemployment. Numbers in long-term unemployment fell 12.3% on an annual basis but remain unacceptably high at nearly 60% of total unemployment.

CSO figures show that employment in the private sector rose by 1.8% annually in Q2 2013. The fastest growing sectors were the agriculture, forestry and fishing (+18.6%) and the accommodation and food service activities (+8.0%) sectors. These sectoral changes should be taken with a note of caution, however, as they are sensitive to changes in the CSO's Quarterly National Household Survey sample brought on by the introduction of results of the 2011 Census.

Finally, numbers on the Live Register have fallen for fourteen consecutive months since June 2012. This is a positive signal but again comes with the warning that not all those coming off the Live Register are finding employment. Many are becoming detached from the labour force through emigration or joining employment schemes and training. Latest figures show that net migration was -33,100 in the year to April with 89,000 people emigrating. These figures are clearly having an overall effect on employment and Live Register numbers.

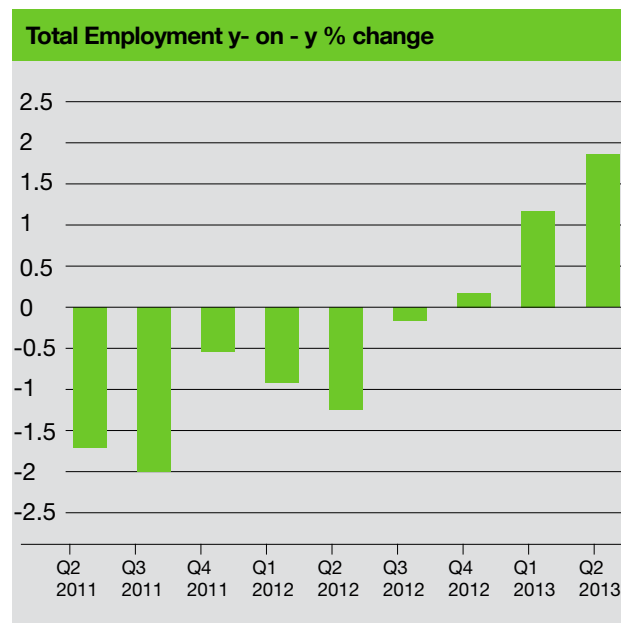
Employment summary	Q2 2012	Q2 2013	% Change
Employed (000's)	1,832.0	1,866.1	+1.9
Unemployed (000's)	318.6	296.3	-6.9
Private sector employed	1,129.3	1,150.7	+1.8
Public sector employed	382.7	377.3	-1.4
Long term unemployed	199.6	175.0	-12.3
Unemployment rate	14.8	13.7	-1.1pp
Male unemployment rate (%)	17.9	15.7	-2.2pp
Female unemployment rate (%)	11	11.4	+0.4pp

### Total Employment

Total employment rose year-on-year in Q2 2013.

This follows positive figures for Q1 2013 which showed the second annual rise in employment since 2008. Importantly full-time employment numbers were also up 1.5% year-on-year signalling improved business confidence with firms now showing a willingness to take on full-time employees.

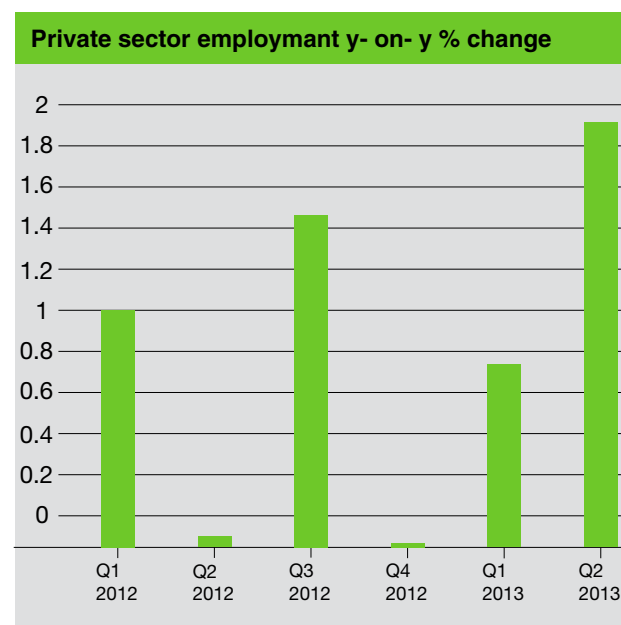
Total employment is still down from this period in 2010 (22,900) but up on 2011 (9,500). Following a poor start to 2013 in the domestic and exporting economies October's budget provides the first clear opportunity for the government to ease the pace of adjustment since 2008. It is imperative to send a strong signal of confidence to consumers in order to build on recent annual employment gains.



### Private Sector Employees

Private sector employment has now grown year-on-year for seven consecutive quarters. It grew by 1.8% annually in Q1 2013, with private sector employment up 21,400 on the same period on 2012. This follows 0.5% growth in Q1.

These increases were driven by sectors such as the accommodation and food sector with the support of VAT and PRSI incentives introduced under the 'Jobs Initiative'. The fragile recovery in private sector employment will depend heavily on the retention of these schemes in Budget 2014.



### Live Register

Numbers on the Live Register have now fallen, month-on-month, for fifteen months. So far in 2013 17,000 people have come off the Live Register. Following the marked improvement in late 2012 and the first half of 2013 numbers on the Live Register are now at late 2009 levels. These numbers continue to be historically very high however and must be interpreted with caution for two reasons.

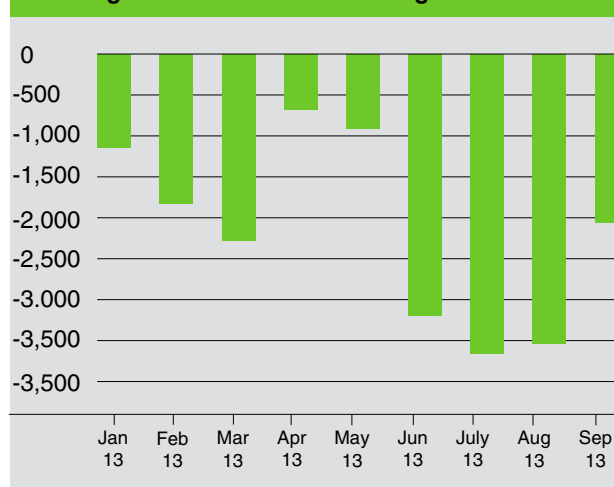
Firstly, the Live Register is not an accurate measure of unemployment as it includes many part-time workers who receive supplementary welfare allowances. Secondly, individuals leaving the Live Register are likely not all returning to employment. Many may be returning to education or leaving the workforce through emigration.

### Underemployment

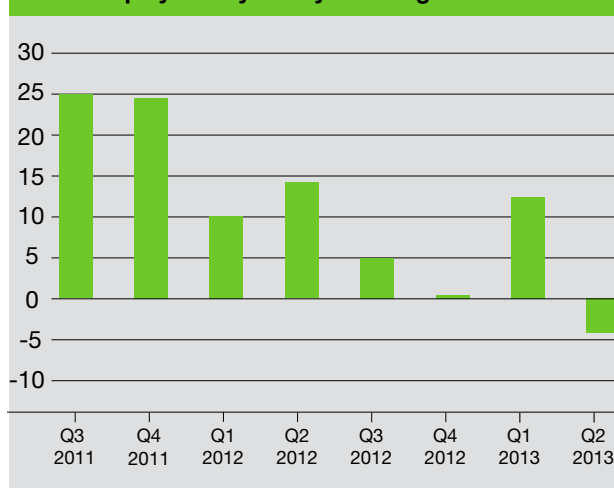
Underemployment relates to a person who works part-time and is willing and available for additional hours. It is a good indicator of activity, as businesses in response to increased demand are more likely to offer extra hours to their part-time workers before proceeding with additional hiring.

Underemployment fell on an annual basis in Q1 2013 (4.5%). This comes on the back of Q1 figures which showed the number of people underemployed rising to its highest figure since the series began in 2008 (155,900). The historically high figure reflects a large cohort of individuals in part-time employment who would work additional hours where possible.

Live Register month on month change



Underemployment y- on - y % change



### Markit/Investec employment indices

The NCB/Markit employment index measures hiring intentions of firms in both the services and manufacturing sectors. A reading of 50 and over in the employment index represents expectations of employment growth in a sector; a reading of less than 50 contraction. 2013 figures have underlined a divergence in hiring expectations between manufacturing and services firms.

The services employment index is now over 50 for twelve consecutive months after having only seen 3 months of growth in the previous 3 years. The manufacturing index saw a strong recovery since June having shown a steep decline in early 2013 with three out of four months to April showing expectations of employment contraction in manufacturing.

### Ibec Employee Index

The outlook for employee numbers in Ibec's Quarterly Business Sentiment Survey rose to a balance of 5 in Q2 2013 indicating employment growth in Q2 2013 and the first consecutive quarter of employment growth since the index began in 2009.

After heavy losses in 2009 and 2010 the employee index figures stabilised in 2012 and provide a positive base for the second half of 2013. This index has in the past proven to be a good predictor of actual employment.

### Job Vacancies

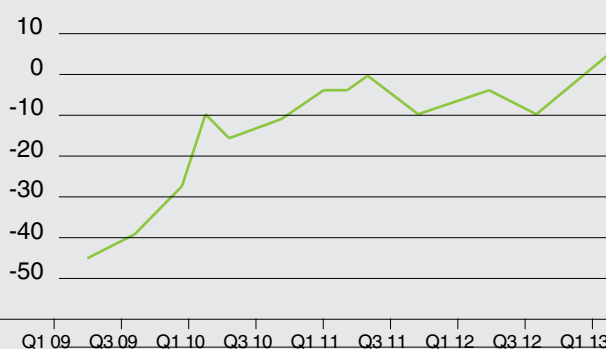
The Eurostat job vacancy data are taken from the CSO's Earnings and Labour Cost Survey which is made up of 7,500 firms employing at least three or more people. As of Q1 2013 the job vacancy rate stands at 0.7%, meaning there is one job vacant for every 142 jobs occupied. This figure is down after a rise to 0.9% in Q4 2012.

On a sectoral level there is evidence of higher than average job vacancy rates in sectors such as information and communications, financial and insurance activities and accommodation and food.

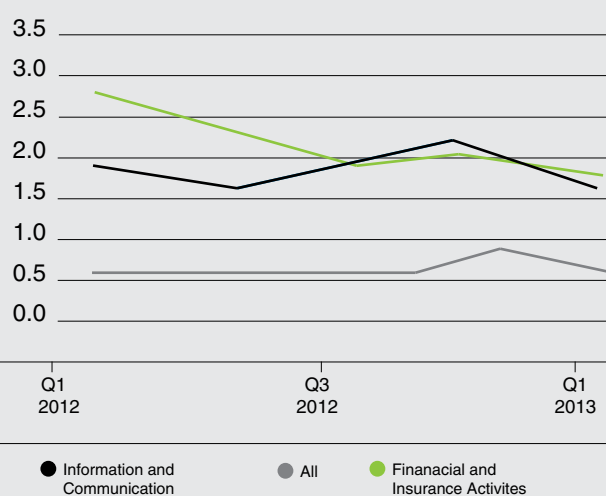
### Employment Indices



### Ibec Employee Index



### Job vacancy rate



## Top 15 Job Announcements Q2 &amp; Q3 2013

Company	No.	Location	Sector
Glanbia	1,600	Waterford	Manufacturing
Capita	800	Dublin	Financial, insurance and real estate activities
Aldi	460	National	Wholesale & Retail
Symantec	400	Dublin	Information and Communication
Abtran	400	Cork	Information and Communication
Dell	300	Dublin	Information and Communication
Dealz	300	National	Wholesale & Retail
Tesco	200	National	Wholesale & Retail
National Pen	200	Louth	Manufacturing
EMC	200	Cork	Information and Communication
Qualtrics	150	Dublin	Information and Communication
Accenture	150	Dublin	Professional, Scientific and technical activities
CPL Fuels Ireland	142	Limerick	Transportation and Storage
McMahon Health Group	120	Wicklow	Human health and social work activities
<b>Jobs announced in Q2</b>	4,966		
<b>Jobs announced in Q3</b>	3,293		
<b>Total jobs announced</b>	8,259		

The table above contains the details of the 15 largest job announcements and total jobs announced in Q2 and Q3 2013. Job announcements are a useful if imperfect measure of employment prospects. There have been 8,259 jobs announced in Ireland since April. This is about 97% of the level of jobs announced in the same period in 2012. When compared to Q1 2013 the average number of jobs announced per quarter has risen by approximately 19%. As large job announcements tend to be implemented over longer timeframes (up to 18 months) it would be imprudent to infer too much from sub annual comparisons.

IT has been the most frequent announcer of jobs, with 32 job announcements totaling 2,891 positions (35% of total). It is important to note, however, that job creation in many sectors tends to take place on a smaller more incremental scale with jobs less likely to be announced en-masse. Dublin and Waterford have been the biggest beneficiaries of jobs announced with 3,212 and 1,700 jobs respectively.

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