

IRISHJOBS.IE

Jobs Index Q1 2021





The previous edition of the IrishJobs.ie Jobs Index, which examined new job vacancies in the final quarter of 2020, described an employment market significantly impacted by the pandemic and government restrictions on the economy. It was a sobering end to a difficult year.

However, the latest index, which examines job vacancies in Q1 2021, shows that there is at last some good news: new job vacancies **grew 34% in Q1 2021** compared to Q4 2020, while year-on-year vacancies **increased by 5%**.

The year-on-year figure is especially heartening considering the immediate post-Christmas difficulties of a return to Level 5 restrictions, and the fact that the country's first lockdown was not implemented until mid-March 2020, or the final part of Q1. In other words, Q1 2021 was better for job vacancies even though last year the economy was open as normal for most of the same period.

Unsurprisingly, the science and healthcare sectors have performed well. New job vacancies in **science, pharmaceuticals, and food** industries increased 102% YoY, while vacancies in **medical professionals**

and healthcare increased by 97%. **IT** jobs increased by a massive 171%, no doubt a reflection of the infrastructural support needed to facilitate entire companies working remotely.

Despite this encouraging news, the fact remains that some sectors will experience a slow recovery, and the latest data bears this out. Job vacancies in **hotel and catering** were down 75% YoY, in **beauty, haircare, leisure, and sport** down 72%, and in **retail, wholesale, and purchasing** down 46%.

Many of these industries will reopen for physical, in-store business this summer. This will be a challenging process, one that remains entirely dependent on the course of the vaccine rollout and evolution of the virus, which we know are highly changeable. There will be operational and capacity restrictions, and it may be some time yet before hoteliers, barbers, and bricks-and-mortar shops feel secure.

The next few months are crucial. Representative bodies and the government must work together to ensure that there is a reasonable balance between public safety and the ability for newly reopened businesses to serve customers with as few impediments as possible. Regular, open communication is key to avoid a stop-start recovery.

Overall, the general economic trend is positive. The new Stability Programme Update, published in mid-April by the Minister for Finance, shows that, while the economy is unlikely to return to pre-Covid health until late 2022 or early 2023, depending on the trajectory of the vaccines and the virus, the government expects upwards momentum to build in 2021, with increased consumer spending and, vitally, more people in work.

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IrishJobs.ie Job Index Q1 2021

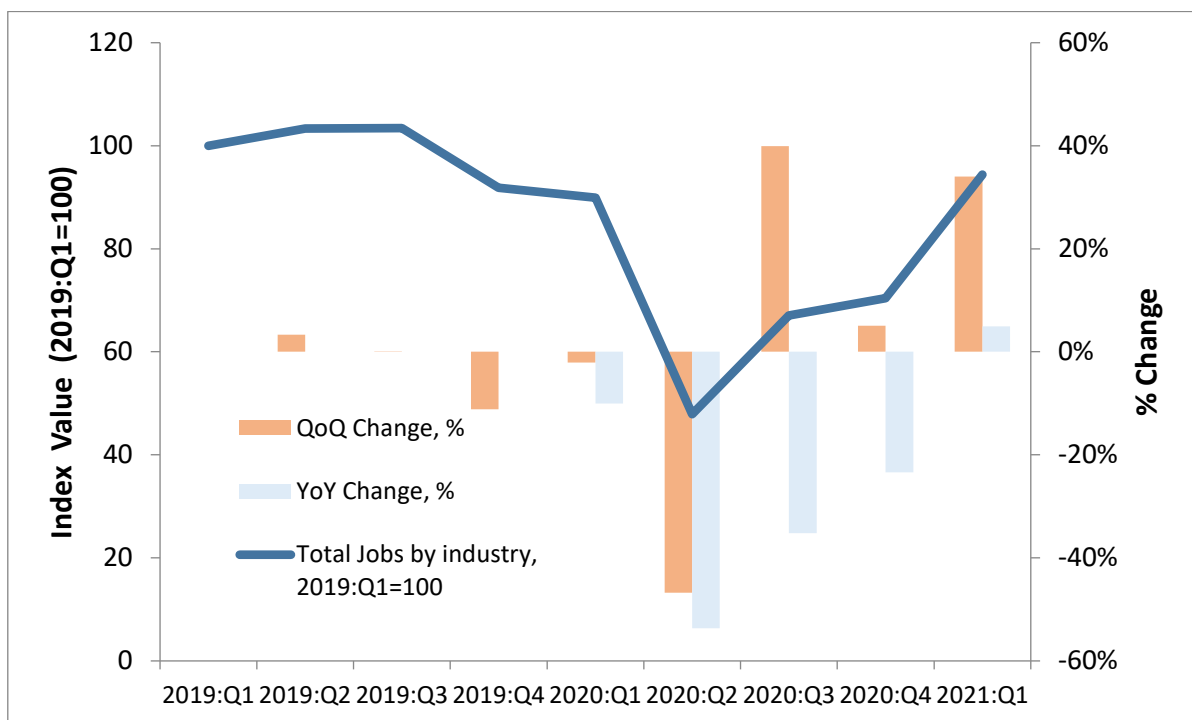
- HEADLINES -

- Job vacancies experience a 34% quarterly increase in 2021:Q1.
- Job vacancies up 5% in year-on-year terms. *Irish Jobs.ie* Jobs Index has now returned to pre-Covid levels.
- Of the 30 sectors analysed, 25 have posted quarterly increases in job vacancy creation in 2021:Q1.
- The most resilient sectors across 2020 and into 2021:Q1 have been Medical Professionals & Healthcare; the export-orientated Science, Pharmaceutical & Food sector, IT, and Publishing, Media & Creative Arts. The Social & Not for Profit sector has also seen strong vacancy growth in 2021:Q1. These sectors have posted both year-on-year growth and quarterly growth in job vacancy creation.
- Sectors whose quarterly vacancy growth in 2021:Q1 is notably stronger than their performance across 2020 include Accountancy & Finance; Banking, Financial services & Insurance; and Customer Service, Call Centres & Languages; Legal; Secretarial & Admin; HR & Recruitment; Marketing and the Production, Manufacturing & Materials sector. This may be indicative of firms in these sectors planning ahead for a more benign post-Covid business environment.
- Both year-on-year and quarterly declines evident in sectors affected by public health restrictions: Beauty, Hair Care, Retailing, Wholesaling & Purchasing; Leisure & Sport; Education, Childcare & Training; and Engineering & Utilities.
- While construction activity was suspended due to public health restrictions in 2021:Q1, the wider property sector did experience vacancy growth.
- Hospitality sectors have experienced positive quarterly vacancy growth in 2021:Q1 but remain far beneath pre-Covid levels.
- All but four counties experienced a rise in vacancies over the quarter, with particularly strong increases in Wexford (+82%) and Westmeath (53%).
- All counties with major cities have proven to be resilient in the face of the third COVID-19 lockdown in 2021:Q1.
- Working from home job vacancies began to rise strongly in 2020:Q2 and have continued to rise in 2021:Q1, increasing by 23% during the quarter.

Job vacancies experience a 34% quarterly increase in 2021:Q1

Irishjobs.ie job vacancy advertisements provide a timely indicator of Irish job vacancy generation, through which the impact of the COVID-19 on Irish economic activity can be monitored. In this report, the Irishjobs.ie Jobs Index assesses the impact of COVID-19 on economic activity in 2021:Q1 in terms of job vacancy generation. As is borne out by Irishjobs.ie data for 2021:Q1, many sectors of the Irish economy now appear to be gearing up for the prospect of more favourable economic conditions in the coming quarters. Irishjobs.ie vacancy data reveals a 34% quarterly increase in total job vacancies in 2021:Q1, with year-on-year vacancies increasing by 5%. The Irishjobs.ie Jobs index climbed to a value of 94 in 2021:Q1, which sees the index make a welcome return to pre-COVID index levels.

Figure 1: Total Job Vacancies (2019:Q1=100)



By way of context for the current Irishjobs.ie quarterly report, we provide a snapshot of prevailing Irish economic conditions. Since the outbreak of the COVID-19 virus in mid-March 2020, the Irish economy has endured an unprecedented contraction. However, assuming a gradual easing of restrictions after the 5th of April, the latest ESRI Spring Quarterly Economic Commentary still expects Irish GDP to increase by 4.4 per cent in 2021.

Most of the positive performance can be attributed to certain multinational-intensive components of the export sector. Despite the pandemic's negative impact on the economies of many of Ireland's trading partners last year, Irish exports grew by 6.2 per cent in 2020. Exports of both goods (notably medicinal and pharmaceutical products) and services (notably, computer services and business services) performed well in the final quarter of 2020. However, household spending experienced a dramatic fall in 2020 and continues to be subdued due to the longer duration of strict public health

measures in the first half of the year. As a result, domestic sectors such as arts, accommodation, hospitality, construction and finance and insurance, experienced a significant fall in output.

The impact of the crisis on the Irish labour market has been unprecedented. During the last 12 months, the (Covid-19 adjusted) unemployment rate has been fluctuating but it increased significantly in January 2021 to 25.1 per cent due to the new public health restrictions. After this the rate dropped somewhat but remains very high at 24.2 per cent in March 2021 (CSO statistical release). The ESRI estimates that the unemployment rate in Q4 of 2021 will be approximately 10 per cent.

Looking at the Labour Force Survey's standard labour market measures based on the ILO criteria, there was an annual decrease in employment of 55,000 (-2.3%) in the year to the fourth quarter of 2020, bringing total employment to 2,306,200. However, the COVID-19 adjusted measure, produced by the CSO, suggests that in December only 1,970,609 persons were in employment. The impact of the pandemic has not been evenly distributed across sectors. Looking at the standard labour market measure again, employment decreased in half of the economic sectors over the year. The largest rates of decrease were recorded in the Administrative and support service activities sector (-26.8%) and the Accommodation and food services sector (-25.7%). The largest rates of increase were recorded in the Information and communication sector (9.3%) and the Financial, insurance and real estate sector (8.2%).

- SECTORS -

The *IrishJobs.ie* job vacancy data provides insights into sectoral trends in job vacancy generation during 2021:Q1, with the overall index disaggregated into 30 sectors. Figure 2 (below) reveals those sectors that generated the greatest proportion of job vacancies in 2021:Q1. The largest sectors, in terms of share of vacancies generated in 2021:Q1 were Medical Professionals & Healthcare (18%); IT (13%); Science, Pharmaceutical & Food (11%); Sales (6%); and Engineering & Utilities (6%). The Hotel & Catering sector, which had been the largest source of job vacancies in Pre-COVID *IrishJobs.ie* reports is now the seventh largest sector, accounting for just under 5% of the jobs generated in 2021:Q1. The trends displayed by these five sectors over time is illustrated in Figure 3 (below), which tracks the vacancy indices of these sectors from 2019:Q1 to 2021:Q1.

While a more detailed sectoral analysis is presented below, Figure 2 indicates that a number of sectoral features evident in 2020:Q4 have remained prominent in 2021:Q1: the importance of the Medical Professionals & Healthcare sector in terms of job vacancy generation in the COVID-19 context; the strength of export-orientated sectors such as Science, Pharmaceutical & Food in generating job vacancies; the ongoing reliance on IT sector services as remote working continues to epitomise the COVID-19 era. These and other sectoral trends are explored in more detail in Table 1, below.

Figure 2: Job availability as % of total jobs in 2021:Q1

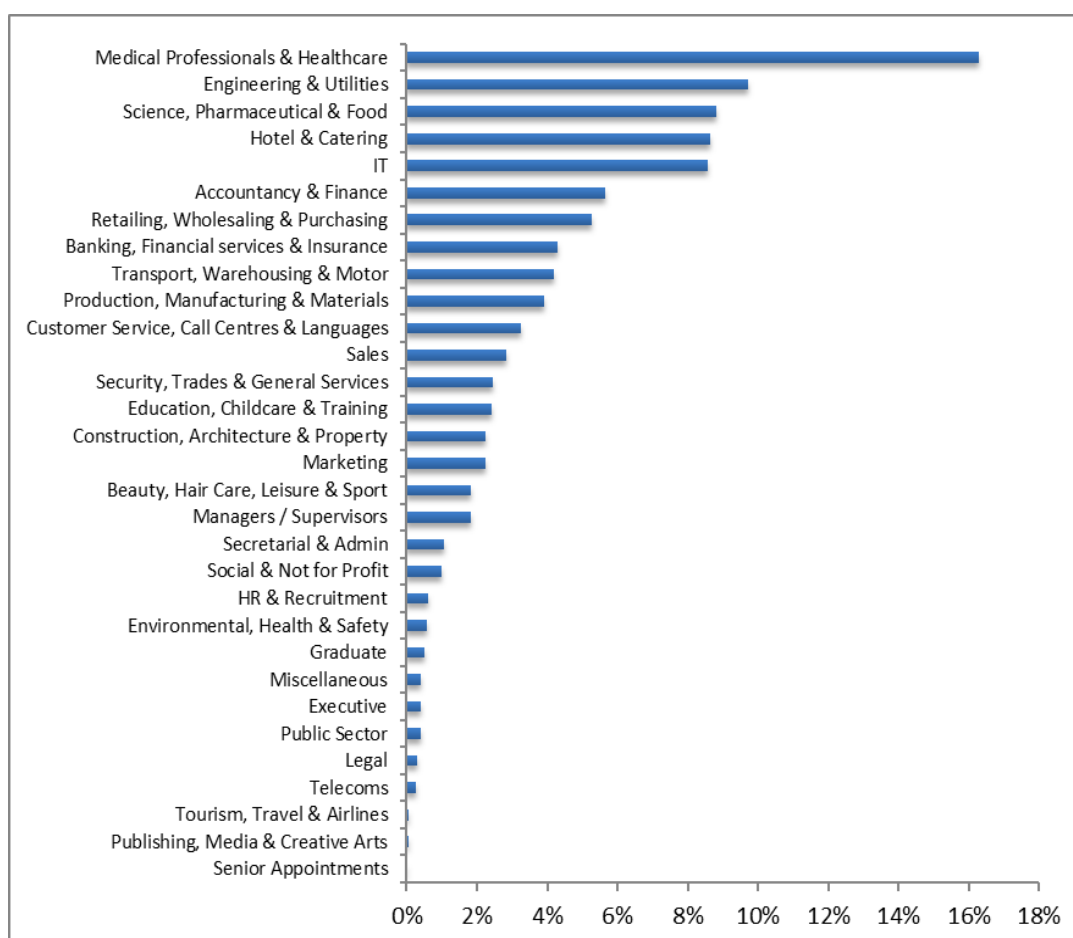
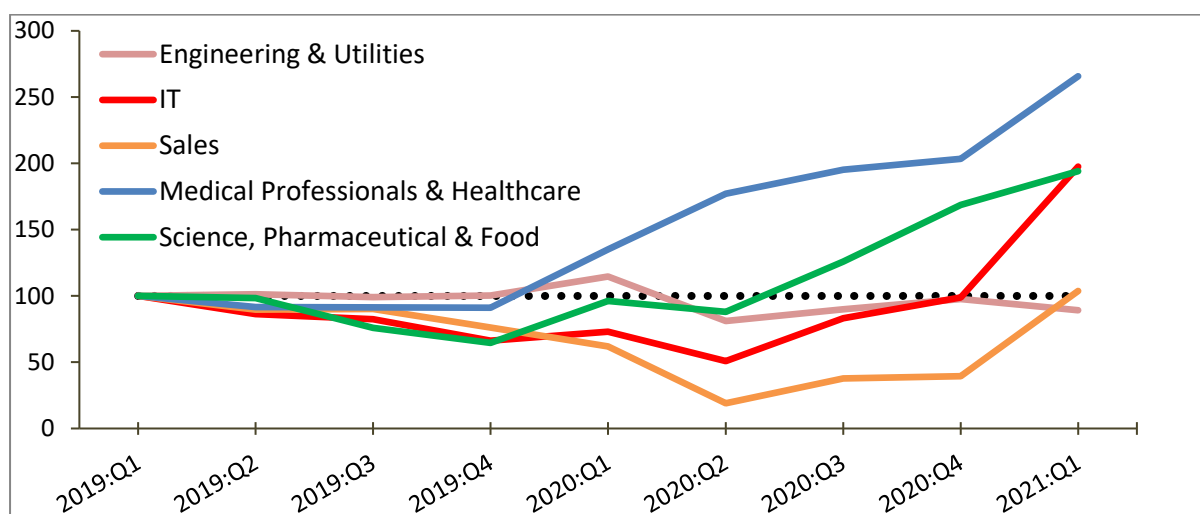


Figure 3: Vacancy Indices of largest sectors (2019:Q1=100)



As outlined above, at the sectoral level a number of distinct trends are evident. These sectoral trends are set out in detail in Table 1 (below), which disaggregates 2021:Q1 job vacancy rates across 30 sectors. Of these 30 sectors, 25 sectors experienced quarterly increases in vacancies in 2021:Q1.

Of that set of 25 sectors experiencing vacancy growth in 2021:Q1, 16 sectors posted increases in both year-on-year and quarterly vacancy increases. Within this group, it is possible to discern between two distinct patterns. Firstly, a number of these sectors have displayed notable resilience in the face of COVID-19 throughout 2020 and have carried this performance in to 2021: Q1. Such sectors include: Publishing, Media & Creative Arts (Y-o-Y: +468%; Q-o-Q: +525%); IT (Y-o-Y: +171%; Q-o-Q: +100%); Science, Pharmaceutical & Food (Y-o-Y: +102%; Q-o-Q: +15%); and Medical Professionals & Healthcare (Y-o-Y: +97%; Q-o-Q: +31%). Social & Not for Profit sectors have also experienced vacancy growth, both in yearly and quarterly terms (Y-o-Y: +159%; Q-o-Q: 32%).

Secondly, however, there are a number of sectors whose 2021:Q1 job vacancy increases have been notably stronger than their year-on-year vacancy increases. This may be indicative of sectors that have adapted to the current business conditions and are perhaps now anticipating the post-Covid business environment. This group includes a number of business services sectors, such as Legal (Y-o-Y: +59%; Q-o-Q: +347%); Secretarial & Admin (Y-o-Y: +14%; Q-o-Q: +112%); HR & Recruitment (Y-o-Y: +9%; Q-o-Q: + 162%); and Marketing (Y-o-Y: +7%; Q-o-Q: + 33%). Exhibiting a similar trend are Sales (68%; Q-o-Q: +163%), Transport, Warehousing & Motors (Y-o-Y: +3 %; Q-o-Q: +57%). Notwithstanding 2021:Q1 restrictions on Irish construction activity, Construction, Architecture & Property (Y-o-Y: +7%; Q-o-Q: + 45%) and Environmental, Health & Safety (Y-o-Y: +6%; Q-o-Q: + 100%) have also followed a resilient 2020 with large percentage increases in 2021:Q1 vacancy generation.

The remaining 9 sectors to have posted a quarterly vacancy increases in 2021: Q1 did so despite having endured decreases in year-on-year terms. Again, this may be indicative of certain sectors beginning to gear up for greater economic activity as the impact of COVID-19 restrictions begins to recede. This group also includes a number of business services sectors: Accountancy & Finance (Y-o-Y: -23%; Q-o-Q: +58%); Banking, Financial services & Insurance (Y-o-Y: -10 %; Q-o-Q: +35%); and Customer Service, Call Centres & Languages (Y-o-Y: -17%; Q-o-Q: +4%). Another important sector in the Irish context - Production, Manufacturing & Materials (Y-o-Y: -12 %; Q-o-Q: 21%) – has also followed a year-on-year decline with a 2021:Q1 increase. Interestingly, the hospitality sectors - Hotel & Catering (Y-o-Y: -75%;

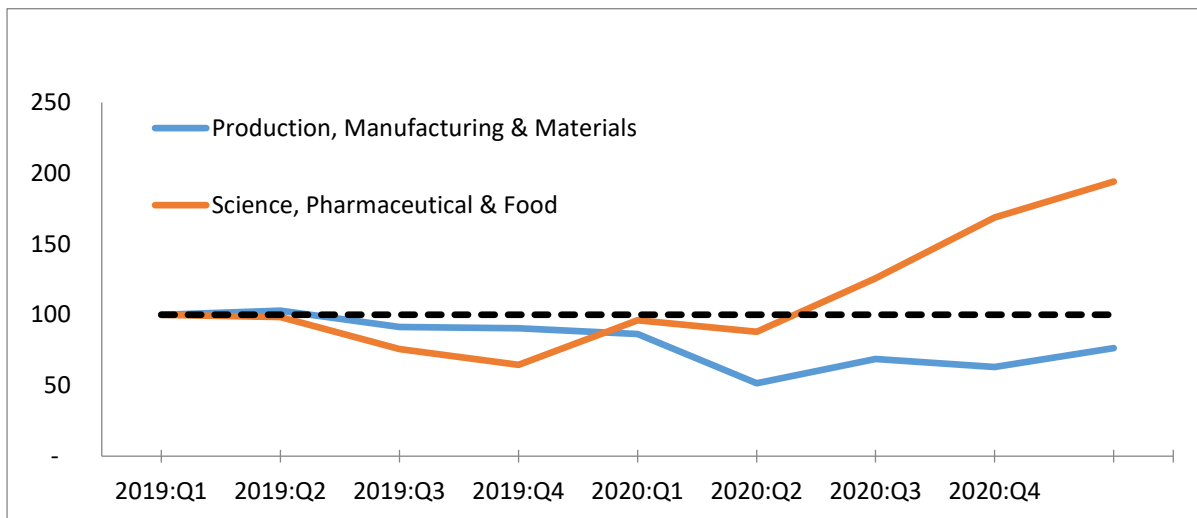
Q-o-Q: +2%) and Tourism, Travel & Airlines (Y-o-Y: -52%; Q-o-Q: +567%) – have also registered quarterly percentage increases in 2021: Q1 vacancy generation.

Four sectors have experienced decreases in 2021: Q1 job vacancy generation in both yearly and quarterly terms. This compares favourably to 2020:Q4, in which 15 sectors had fallen in both yearly and quarterly terms. Those sectors include consumer services, retail, and childcare: Beauty, Hair Care, Retailing, Wholesaling & Purchasing (Y-o-Y: -46%; Q-o-Q: -55%); Leisure & Sport (Y-o-Y: -72%; Q-o-Q: -44 %); Education, Childcare & Training (Y-o-Y: -26% ; Q-o-Q: -19%); Engineering & Utilities (Y-o-Y: -22% ; Q-o-Q: -8%). One additional sector, the Telecoms sector, experienced modest growth across 2020 but declined in 2021:Q1 in quarterly terms (Y-o-Y: 1%; Q-o-Q: -55%).

Table 1: Changes (%) in sectoral job vacancies for 2021: Q1 (2019:Q1 = 100)

Sector	Quarter on Quarter Change 2021:Q1		
	Index	Annual	Quarterly
Accountancy & Finance	-12	-23	58
Banking, Financial services & Insurance	-19	-10	35
Beauty, Hair Care, Leisure & Sport	-76	-72	-44
Construction, Architecture & Property	119	7	45
Customer Service, Call Centres & Languages	-40	-17	4
Education, Childcare & Training	-46	-26	-19
Engineering & Utilities	-11	-22	-8
Environmental, Health & Safety	4	6	100
Executive	79	-56	16
Graduate	-60	-66	33
Hotel & Catering	-82	-75	2
HR & Recruitment	-19	9	162
IT	98	171	100
Legal	31	59	347
Managers / Supervisors	180	42	306
Marketing	-34	7	33
Medical Professionals & Healthcare	166	97	31
Miscellaneous	292	217	311
Production, Manufacturing & Materials	-24	-12	21
Public Sector	-29	-8	72
Publishing, Media & Creative Arts	363	468	525
Retailing, Wholesaling & Purchasing	-37	-46	-55
Sales	4	68	163
Science, Pharmaceutical & Food	94	102	15
Secretarial & Admin	-25	14	112
Security, Trades & General Services	21	24	69
Social & Not for Profit	82	159	32
Telecoms	-24	1	-55
Tourism, Travel & Airlines	-67	-52	567
Transport, Warehousing & Motor	-15	3	57

Figure 4: Changes in export orientated sectors (2019:Q1=100)



Given that the robustness of the Irish export sector has been a hallmark of Irish Covid-era economic activity, we present the vacancy rates of two export-orientated sectors with a strong multinational presence (Science, Pharmaceutical and Food; Production, Manufacturing and Materials) as indicators of the Irish employment outlook. As illustrated in Figure 4, The Science, Pharmaceutical & Food has experienced a remarkable surge in job vacancy creation both in comparison to pre-COVID levels and during 2021: Q1. Its sectoral index has increased by 102% in year-on-year terms and has increased by 15% in 2021:Q1. Given the drive to scale up production of COVID-19 vaccines, as well as the need for testing reagents and related products, a surge in the Science, Pharmaceutical & Food is, of course, to be expected.

The Production, Manufacturing & Materials Services sector has endured a more challenging 2020, with job vacancies falling by 12% in year-on-year terms. However, the quarterly increase of 21% posted by this sector in 2021:Q1 suggests that firms in this sector may be equipping themselves for more a favourable economic landscape as the Covid-19 vaccination roll-out progresses and public health restrictions begin to ease both in Ireland and further afield.

- LOCATION -

Table 2: Percentage changes in job vacancies by location

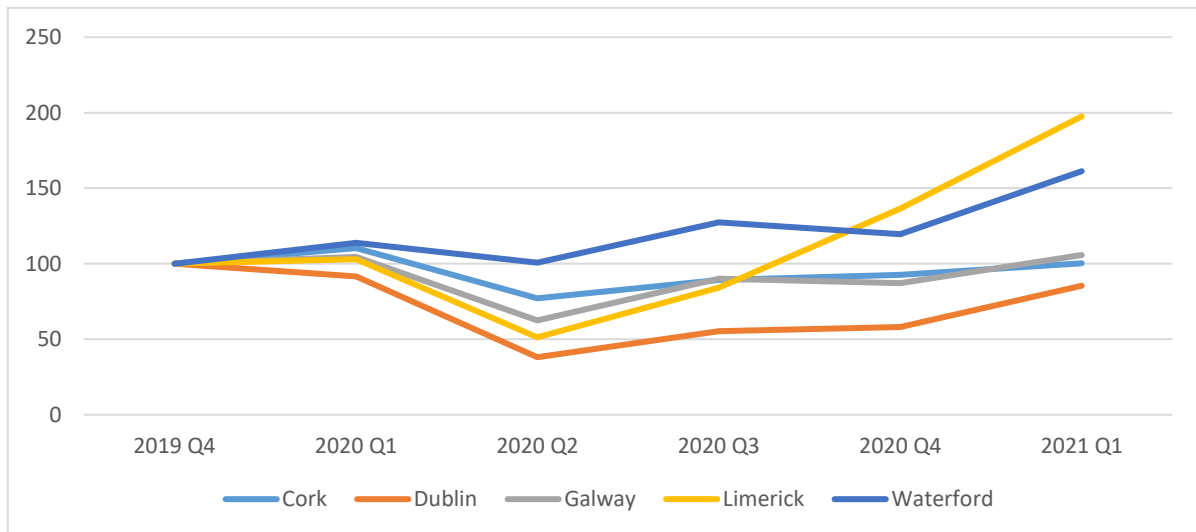
	YoY change	Quarterly Change
Carlow	12	19
Cavan	0	-23
Clare	28	30
Cork	-9	8
Donegal	32	34
Dublin	-7	47
Galway	1	21
Kerry	-14	3
Kildare	8	16
Kilkenny	-12	38
Laois	17	25
Leitrim	65	11
Limerick	92	45
Longford	-43	-60
Louth	-15	-3
Mayo	47	18
Meath	4	18
Monaghan	26	-12
Offaly	30	29
Roscommon	4	26
Sligo	46	4
Tipperary	66	24
Waterford	42	35
Westmeath	28	53
Wexford	19	82
Wicklow	-26	26

As regards vacancy gains by location, the first quarter growth figure at national level is underpinned by a range of experiences at county level (See Table 2). All but four counties have experienced a rise in vacancies over the quarter, with particularly strong increases in Wexford (+82%) and Westmeath (53%). The strongest quarterly vacancy decreases have been recorded in Longford (-60%) and Cavan (-23%). The year-on-year figures present a similarly wide range. Very high year-on-year increases have been observed in Limerick (+92%), Tipperary (+66%) and Leitrim (+65%). But these positive stories are offset by strong negative performances in other counties, with the strongest decreases recorded in Longford (-43%) and Wicklow (-26%).

Figure 5 presents quarterly figures since 2019:Q4 for the counties that include the five main cities. All these counties show a similar trend characterized by a strong decrease in the index in 2020:Q2 followed by a strong increase in 2020:Q3. The biggest decrease in the vacancy index during the second quarter was experienced in Dublin. Waterford was the least affected, with a relatively small drop in

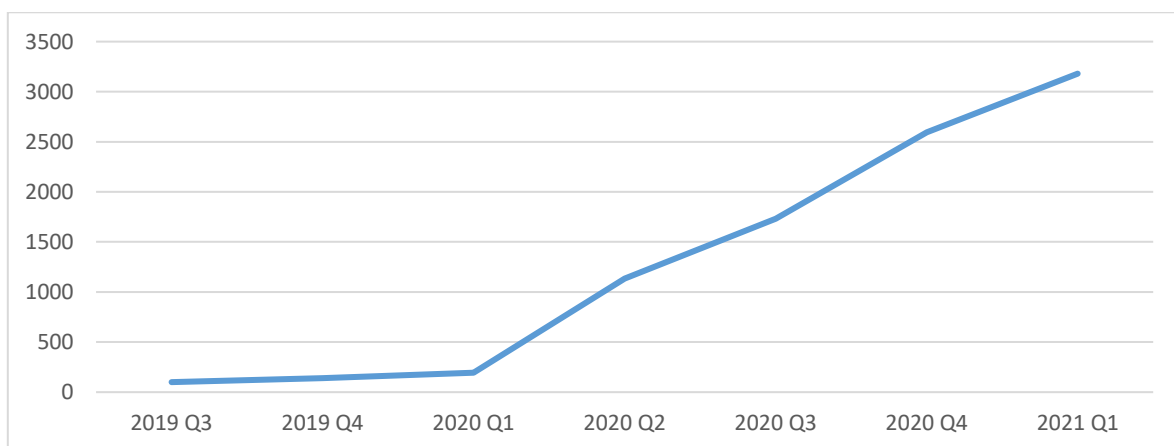
2020:Q2 and a strong recovery in 2020:Q3 . The Waterford index value in 2020:Q3 (127) was actually well above the level recorded before the COVID-19 outbreak. The vacancy levels in the other four counties remained below those recorded before COVID-19. Most cities proved to be relatively resilient in the face of the second and third COVID-19 lockdown in 2020:Q4 and 2021:Q1. All counties with major cities experienced rising vacancy numbers. Vacancies in Limerick are now two times higher than they were in Q4 2019.

Figures 5: Vacancy indices for counties with main cities (2019:Q4 = 100).



This report continues to track developments in relation to job vacancies that involve home working. Figure 6 presents quarterly figures since 2019:Q3. The figures clearly reflect the impact of the COVID-19 pandemic. Working from home job vacancies had been rising steadily for some time, but these figures have risen strongly since 2020:Q2 and have continued to rise in 2021:Q1. When expressed as an index and compared to a baseline value in 2019:Q3 of 100, the index value reaches 3,180 in 2021:Q1. In the first quarter of 2021 the number of working at home vacancies increased by 23%.

Figures 6: Working from vacancy indices (Q3 2019 = 100).



- CONCLUSION -

In order to monitor the disruption to the Irish economy resulting from the ongoing COVID-19 pandemic, up-to-date indicators of Irish economic activity are crucial. The *Irishjobs.ie* Jobs Index, based on quarterly job vacancy data, offers timely insights into the economic impact of the unfolding crisis. This report reveals that the *Irishjobs.ie* Jobs Index has experienced a 34% quarterly increase in 2021:Q1, and a 5% increase in vacancy generation in year-on-year terms.

Notwithstanding far-reaching public health restrictions in 2021:Q1, many sectors of the Irish economy appear to be planning ahead for a more benign economic landscape in light of the ongoing Covid-19 vaccination roll-out and the gradual easing of public health restrictions. The internationally traded segments of the Irish economy – particularly the Science, Pharmaceutical & Food sector and the IT sector - have continued their strong vacancy generation into 2021:Q1. A range of business support services – such as HR & Recruitment, Customer Service, Call Centres & Languages; Secretarial & Admin; Accountancy & Finance; and the Legal sector – also now appear to be gearing up for the prospect of increased economic activity in the quarters ahead.

Those sectors most exposed to onerous public health restrictions - such as Retail and the Beauty, Hair Care, Leisure & Sport sector – will require a further easing of restrictions before they can return to full service. However, the recent recommencement of construction activities and the much anticipated return of the domestic tourism and hospitality sectors bodes well for a revitalised domestic economy in the coming quarters.

As regards vacancy gains by location, all but four counties experienced a rise in vacancies over the quarter, with particularly strong increases in Wexford (+82%) and Westmeath (53%). The strongest quarterly vacancy decreases have been recorded in Longford (-60%) and Cavan (-23%). Most cities have proven to be relatively resilient in the face of the third COVID-19 lockdown in 2021:Q1. All counties with major cities have experienced rising vacancy numbers. Working from home vacancies have increased by 23% during 2021:Q1.

- Ends -

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The IrishJobs.ie Jobs Index utilises a dataset comprising of all corporate jobs advertised on IrishJobs.ie and Jobs.ie from 01/01/2021 to 31/03/2021. Revisions to the data-gathering process mean that the figures stated in this report are not directly comparable to previous reports.

The data was analysed and report authored by DCU economist Declan Curran and economic geographer Chris Van Egeraat.

