



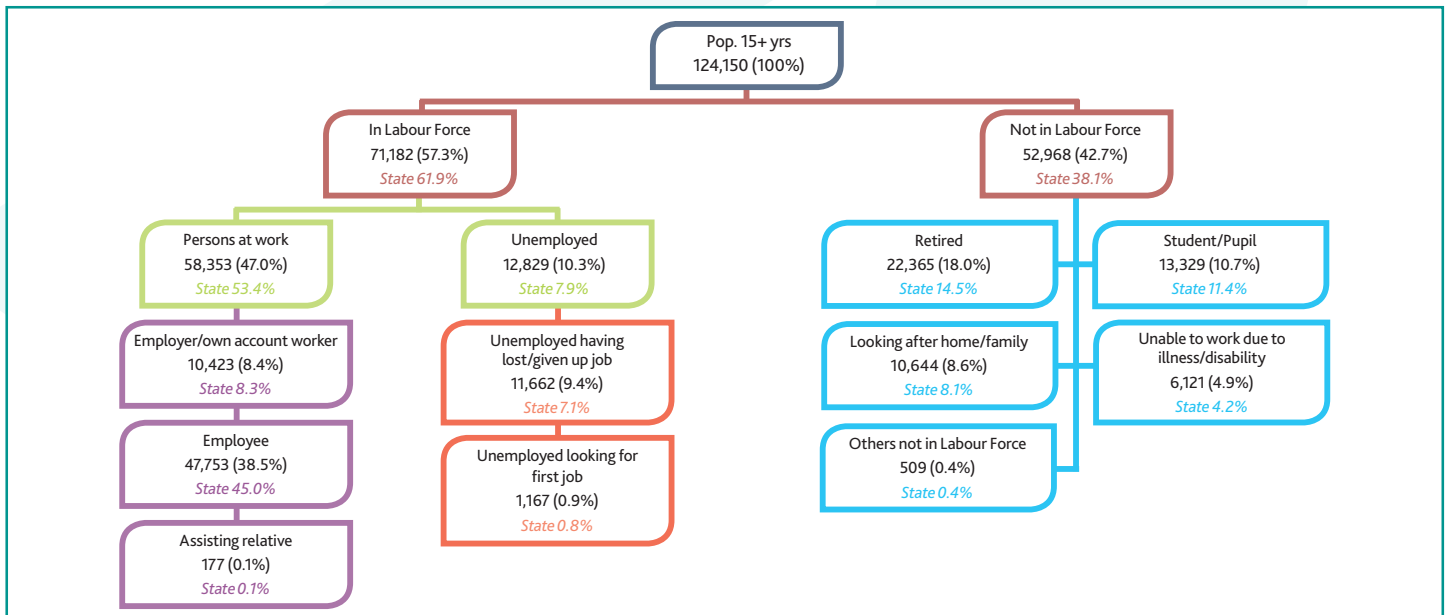
## County Donegal's Labour Market – Census 2016

In this *WDC Insights* we provide an overview of the labour market in county Donegal based on data from the Census of Population 2016.<sup>1</sup> The county had a total population of 159,192 in 2016, 1.2% lower than at the last Census (2011). Donegal was one of only two counties nationally where population declined. Donegal's population was 8.1% higher than a decade earlier (2006). Total employment in Donegal grew 9.5% between 2011 and 2016; below the 11% national growth.

### Principal Economic Status of Donegal's population

Principal Economic Status (PES) measures the economic status e.g. at work, student, of the population aged 15 years and over. This status is self-assigned and is different from the definition used in the Quarterly National Household Survey (QNHS) and official employment and unemployment figures.<sup>2</sup> Fig. 1 shows Donegal's adult population by principal economic status compared with the State average.

Fig. 1: Population of county Donegal aged 15 years and over by principal and labour force status, 2016



Some 57.3% of the county's adults are in the labour force, either working or looking for work, notably below the national average (61.9%). The 71,182 people who are in Donegal's labour force represents a 1.3% decline on the 2011 figure (compared with 3.2% growth nationally); Donegal is one of only six counties where the labour force shrank. Just 47% of the county's adults are 'at work', well below the 53.4% national average. The share unemployed is considerably above average (10.3% v 7.9%) and second highest in the State. The county has a similar share of self-employment (employer/own account worker) as nationally.

The share of Donegal's adults who are outside the labour force (42.7%) is substantially above the national average (38.1%). 'Retired' is the largest group and accounts for a considerably higher share than nationally (18% v 14.5%). Donegal also has a higher share unable to work due to disability/illness, however its share of students/pupils is below the national average; 10.7% compared with 11.4%, despite the presence of a third level institution.

1. CSO, Census 2016 Summary Results – Part 2. Table EZ011

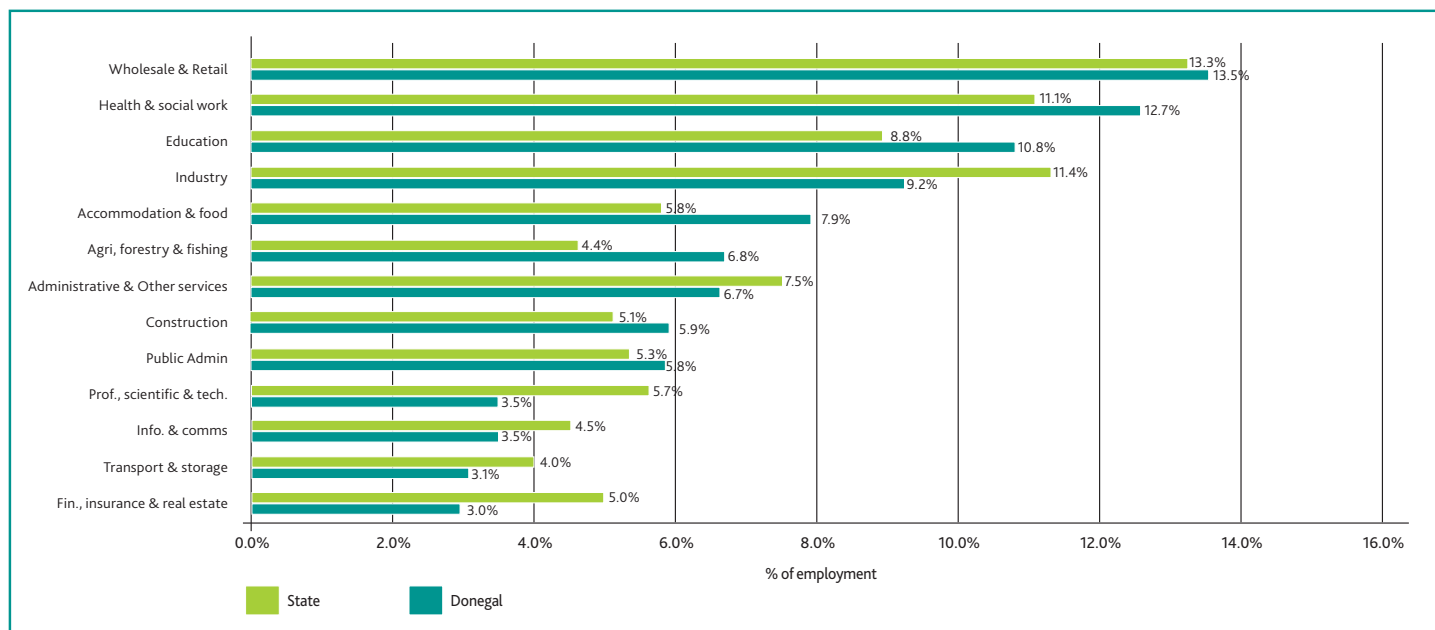
2. The ILO definition, used in the QNHS and official employment statistics, is that if a person has worked for payment or profit for 1 hour or more in the previous fortnight they are counted as employed. This results in a higher number being counted as employed than when people are asked to select their own economic status, as in the Census.



## Sectoral pattern & recent changes in employment

Fig. 2 shows the sectors where the 58,353 Donegal residents who are 'at work' are employed. Commuting, including cross-border commuting, is an important factor and the 5,609 people living in county Donegal who travel outside the county for work are counted here, but the 968 people living outside the county who travel into it for work are not.<sup>3</sup>

**Fig. 2: Percentage of total employment in each broad sector in county Donegal and State, 2016**



Donegal's three largest employment sectors are all more important to the county than elsewhere. However Wholesale & Retail only grew 0.9% in Donegal since 2011, about half the 1.7% national growth. In contrast, both Health and Education grew quite strongly, up 12.7% and 7.1% respectively since 2011. While Education performed better than State average growth (5.7%), the growth of Health employment was slightly below average (13.4%).

Accommodation & Food service and Agriculture are also substantially more important to Donegal's labour market than nationally. In fact Donegal has the third highest share of employment in Accommodation & Food service in the State and the sector performed very strongly since 2011; growing 19.9% compared with 12.9% national growth, perhaps linked to the Wild Atlantic Way initiative.

While Construction experienced lower than average growth (9.3% v 16.6%) it remains a more important employer for Donegal than elsewhere. As does Public Administration, though it experienced Donegal's largest employment decline and performed far worse than nationally; declining 14.2% compared with a 6.3% decline.

Unlike other Western Region counties, Industry is substantially less important in Donegal than nationally and it experienced below average growth since 2011 (7.9% v 9.4%). Knowledge intensive services (Professional, Scientific & Technical activities, Financial, Insurance & Real Estate and Information & Communications) also employ a lower share in Donegal. However Information & Communications enjoyed the county's strongest employment growth, increasing by 39%, above the 31.4% national growth. Professional services also performed well (up 18.5%), though somewhat below the State average (22.2%). Financial services in contrast saw employment decline by 9% compared with a 1.3% decline nationally. This is linked to closures of local bank and insurance branches.

It is important that we more fully understand why some of the sectoral changes in employment are taking place in county Donegal, and its wider region, and the impact that these are having on the county's economy and its residents.

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All data from CSO, Census 2016 Summary Results – Part 2. Table EZ011

3. Detailed analysis of commuting patterns in the Western Region will be published by the WDC in future.