

## 8.4 Trends in Agency Assisted Employment: Donegal<sup>1</sup>

### Summary

- In 2013, 7,854 people were working in assisted jobs in county Donegal. This was 14.7% of total employment, the third lowest share in the region. In a national context this is below average.
- In 2013, 13.7% of assisted jobs were temporary/part-time, second highest share among western counties. However this was a considerable reduction from 2005 when 21.7% of all assisted jobs in the county were temporary/part-time, double the national average in that year.
- Assisted employment in Donegal declined by almost a quarter between its highest and lowest years (2005 and 2010). There has been some recovery since 2010 and in 2013 the county had the third highest growth (+4.4%) in the region.
- At 38.1% Donegal has the lowest share of its permanent assisted employment in foreign owned companies in the Western Region. This is the highest share in the county for the ten year period however. Irish owned employment declined extremely sharply from 2007 to 2012 and only began to show any recovery in 2013 while foreign owned has been growing steadily since 2010.
- The county has a very sectorally balanced employment structure with similar shares in its top three sectors. The largest, traditional manufacturing, fell very sharply in the recession but has grown since 2010. The second largest, agri-food, followed a downward trend for most of the ten years however Donegal was the only western county with an increase in 2013. This is the sector where the county plays its largest national role with 4.1% of employment.
- Donegal's third largest sector, information and communication services, has grown very strongly in recent years (+30.9% between 2010 and 2013) while business, financial and other services has declined continually since 2008. Donegal is the only western county where modern manufacturing is the smallest sector, though it has grown strongly since 2010.

### 8.4.1 Assisted jobs in county Donegal

Assisted employment accounts for 14.7% of total employment in county Donegal.<sup>2</sup> This is the third lowest share in the region and nationally there are ten counties with lower shares.

In 2013, 7,854 people were working in assisted jobs in county Donegal with 13.7% of these working in temporary/part-time jobs (Fig. 43). This was the second highest share of non-permanent assisted employment among the western counties.

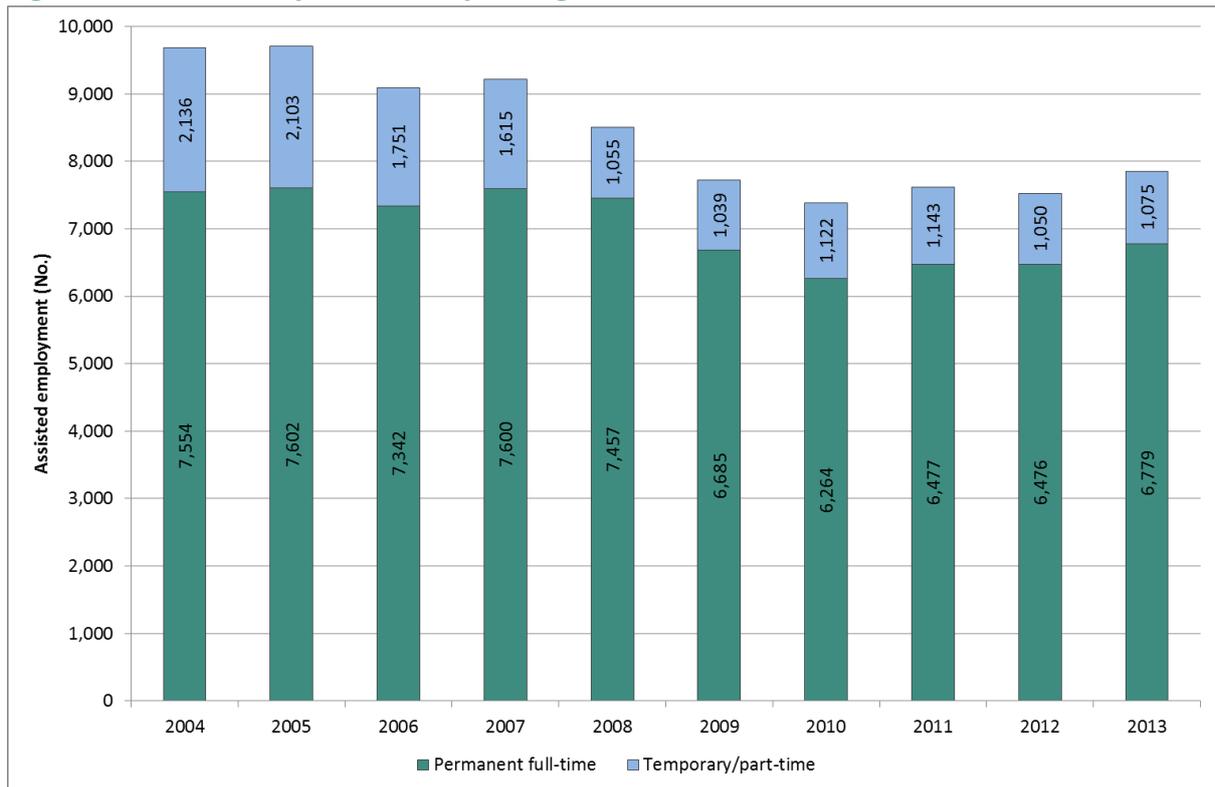
Assisted employment in Donegal was at its highest point, with 9,700 jobs, in 2005. At that stage temporary/part-time jobs accounted for 21.7% of all assisted employment in the county or more than 1 in 5 assisted jobs. This was twice the national average (11%).

<sup>1</sup> Agency assisted employment is employment in companies which have received assistance from IDA Ireland, Enterprise Ireland or Údarás na Gaeltachta. This county profile is an extract from the Western Development Commission (WDC) report [Trends in Agency Assisted Employment in the Western Region](#), January 2015.

<sup>2</sup> Caution is required in interpreting the assisted employment as a percentage of total employment figure. Assisted employment refers to 2013 and relates to jobs located in the county. Total employment refers to 2011 (latest data at county level) and refers to employed people living in the county. This figure should be used as indicative of relative positions rather than as an absolute figure. See Section 7.2 for more detail.

Assisted employment began to decline in 2006, earlier than in other counties, and reached its lowest point in 2010. The decline between Donegal's highest year (2005) and its lowest (2010) was nearly a quarter (-23.9%). There has been some recovery since 2010 though it is still well below the high levels at the beginning of the period. The most recent year saw a +4.4% increase in total assisted employment. This was greater than the +2.8% average growth for the Western Region and the third highest growth in the region after Roscommon and Mayo. There appears to be some strengthening of the assisted sector in Donegal.

**Fig. 43: Total assisted jobs in county Donegal, 2004-2013**



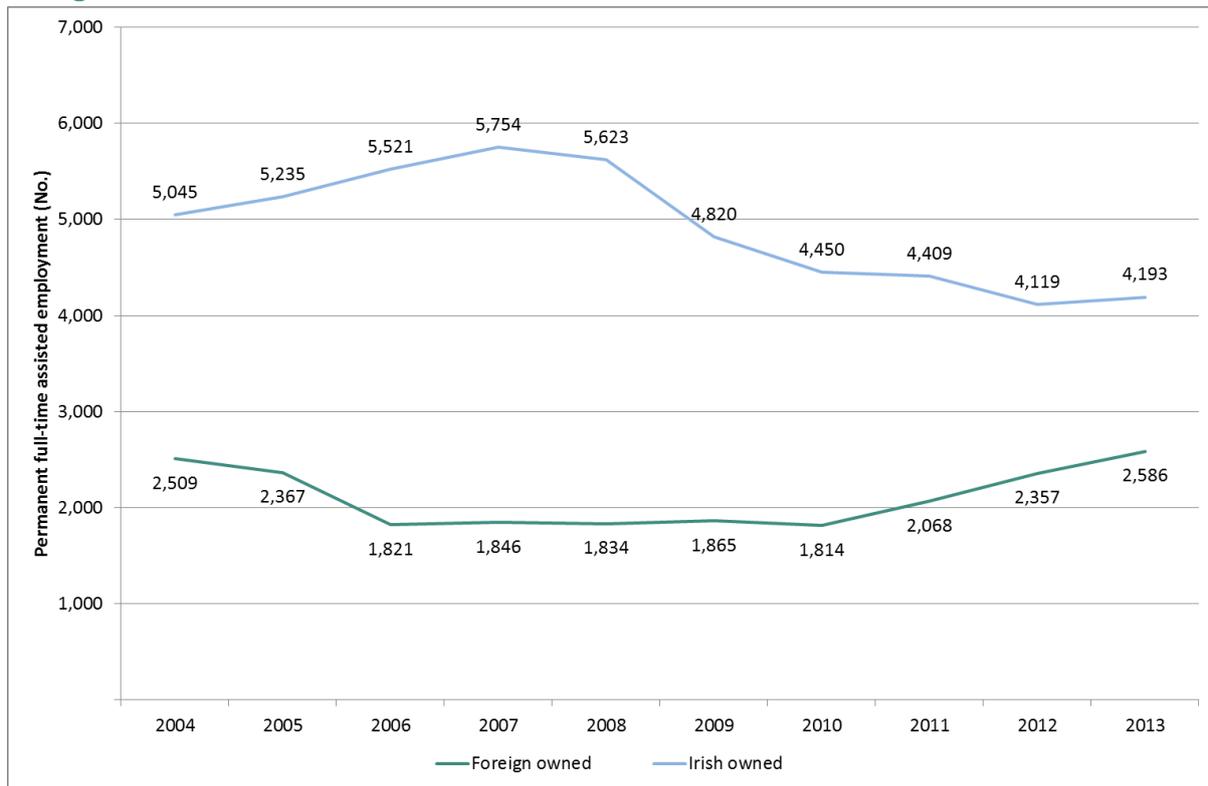
Source: Forfás, Annual Employment Survey 2013

#### 8.4.2 Ownership of assisted jobs in county Donegal

At 38.1% Donegal has the lowest share of its permanent assisted employment in foreign owned companies in the Western Region, though there are twelve other counties nationally with lower shares. Even though it is the lowest in the region, its current share of foreign ownership is its highest for the ten year period.

Irish owned permanent full-time jobs grew extremely strongly from 2004 to a peak in 2007 (Fig. 44). Over the same period, foreign owned assisted employment declined to its lowest level in 2006, reflecting the ongoing decline of the clothing and textiles sector. The recession led to different experiences for Irish and foreign owned employment. Irish owned employment fell extremely sharply until 2012, falling by -27.7% between 2007 and 2012. It began to show some growth in 2013 rising by +1.8%. Foreign employment however remained very stable from 2006 to 2010 and has shown strong growth since. It grew by +42.6% between 2010 and 2013.

**Fig. 44: Permanent full-time assisted jobs in foreign and Irish owned companies in county Donegal, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 8.4.3 Assisted jobs by sector<sup>3</sup> in county Donegal

While traditional manufacturing is Donegal's largest assisted employment sector, the county has a more balanced employment structure than the other western counties (Fig. 45). The top three sectors account for quite similar shares ranging from 30.7% in traditional manufacturing to 26.9% in information and communication services.

Following growth to 2005, traditional manufacturing began to decline and then fell very sharply to a low point in 2009. There has been some recovery in this sector and employment increased by +2% in 2013.

Agri-food is Donegal's second largest assisted employment sector. It has shown a relatively consistent downward trend for most of the ten year period. The most recent year however has shown an increase in employment of +4.6% and Donegal was the only western county with an increase in this sector in 2013.

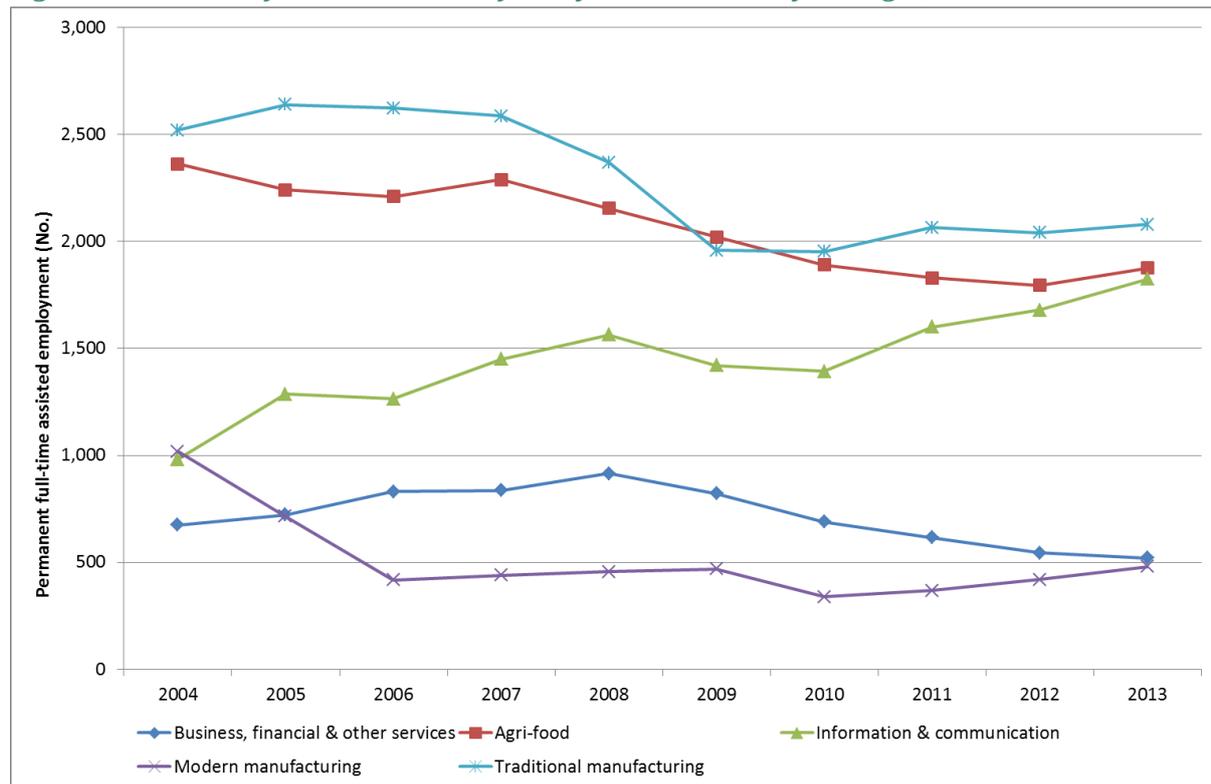
Information and communication services grew very strongly from 2004 to 2008. After some decline at the start of the downturn, strong growth resumed from 2010. Employment in this sector increased by +30.9% between 2010 and 2013, bringing the sector close to the employment levels in agri-food. It is the sector with the strongest growth in recent years.

<sup>3</sup> Data by broad sector is available at county level but not data by detailed sector.

The fourth largest sector, business, financial and other services, increased quite strongly to 2008 but has declined continually since to a level below that at the start of the period.

Unlike any other western county modern manufacturing is the smallest assisted employment sector in county Donegal. From a position of third highest in 2004 it declined very dramatically to 2006. The sector has grown steadily since 2010 rising by +41.7% between 2010 and 2013. It is likely to surpass business, financial and other services soon.

**Fig. 45: Permanent full-time assisted jobs by sector in county Donegal, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

On average 2.2% of Ireland's permanent assisted jobs are located in county Donegal. This is below the county's 2.9% share of total employment in 2011. Commuting by Donegal residents to employment in Northern Ireland would impact on this to some extent as they would be counted in Donegal's total employment figures though their jobs are located outside of the county. Assisted employment data are for jobs located in the county.

Agri-food is the sector where the county plays its largest national role with 4.1% of all assisted employment nationally. The county is home to 3.6% of Ireland's traditional manufacturing assisted jobs.