

8.1 Trends in Agency Assisted Employment: Galway¹

Summary

- In 2013 there were 23,655 assisted jobs in Galway, close to its highest level of the ten years 2004-2013. Galway has the highest percentage of its total employment in assisted jobs in the region (23.5%) and is third highest nationally.
- At 15.2% Galway has the highest share of its assisted employment in temporary/part-time jobs in the region. However this is a substantial reduction from the pre-recession situation when 19.1% of all jobs were temporary/part-time.
- In 2013 almost 60% of assisted employment in county Galway was in foreign owned companies, the highest share over the ten years. As assisted employment growth has resumed since 2010 there has been stronger growth in the foreign sector (+19%) compared with Irish owned employment (+3%).
- Modern manufacturing is the largest assisted employment sector in Galway with 43.6% of all permanent assisted jobs. In 2013 it was at its highest level of the ten year period. This is the sector where Galway plays its largest national role. Over 1 in 10 of all assisted modern manufacturing jobs in the state are based in Galway.
- Information and communication services have shown very strong growth in Galway since 2009 and it has now exceeded traditional manufacturing to become the county's second largest sector.

8.1.1 Assisted jobs in county Galway

Galway is the western county with the largest number employed in assisted jobs. It also has the highest percentage of its total employment in assisted employment; 23.5% of all employment in the county is in assisted companies. This is the third highest share in Ireland after Cork and Dublin.²

The total number currently employed in assisted companies in Galway is similar to the pre-recession levels and close to the highest of the ten year period. In 2013 there were 23,655 people working in assisted jobs with 3,500 of these (15.2% of total) working on a temporary/part-time basis (Fig. 34). This is the highest share of such jobs among the western counties reflecting a high proportion of non-permanent employment, fourth highest in the country.

There was steady growth in assisted employment over 2004-2007 followed by very large declines to its lowest level in 2009. Between Galway's highest year (2007) and its lowest (2009) there was a decline of -17.2% in total assisted jobs. This included the loss of over half of all temporary/part-time jobs (-55.4%) and a decline of -8.2% in permanent jobs.

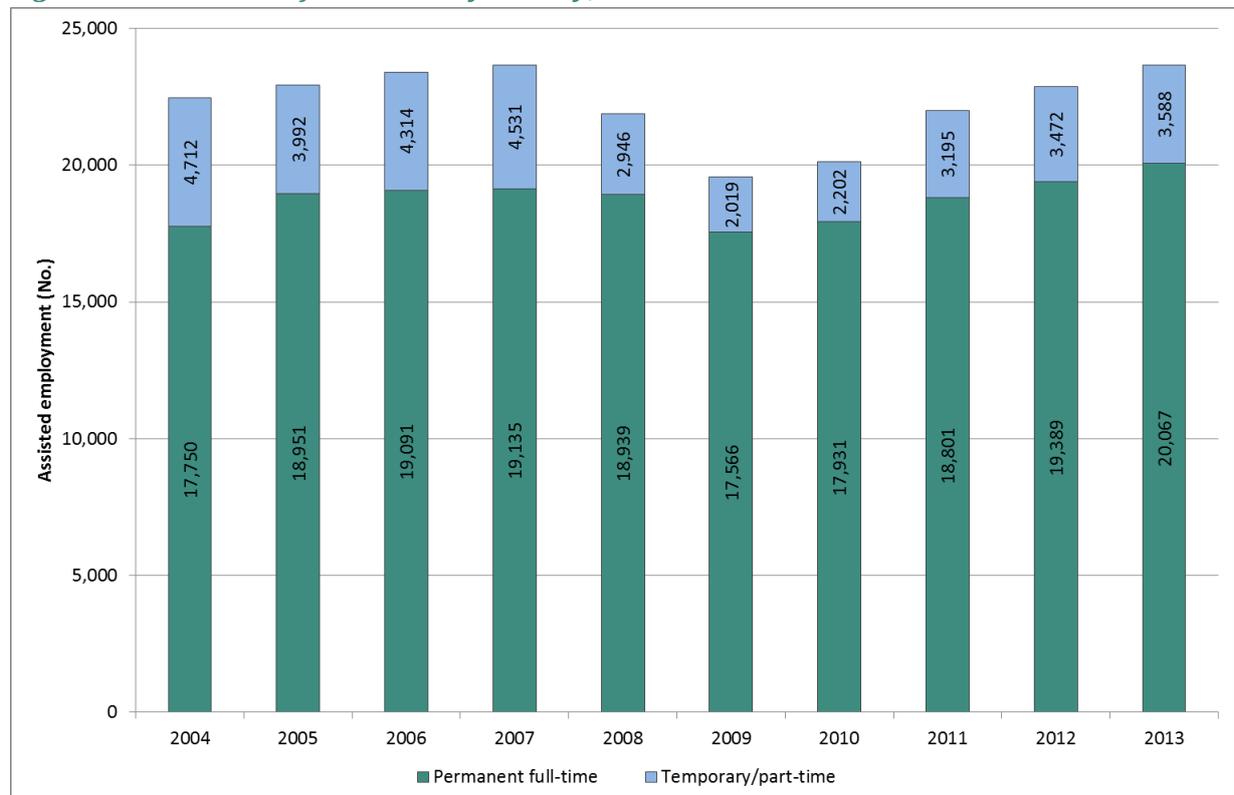
¹ Agency assisted employment is employment in companies which have received assistance from IDA Ireland, Enterprise Ireland or Údarás na Gaeltachta. This county profile is an extract from the Western Development Commission (WDC) report [Trends in Agency Assisted Employment in the Western Region](#),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

² 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.

Galway's overall performance (-17.2%) was worse than the Western Region as a whole, where the total decline was -13.6% between 2007 and 2009. The main reason for the difference was a far greater loss of temporary/part-time jobs in Galway where this type of employment was more significant. One feature of the recent recovery is that, although the total number of assisted jobs in Galway in 2013 is very similar to 2007, 1,000 more of these are permanent full-time. The share of permanent full-time jobs in assisted employment in Galway has increased with the post-recession recovery.

In the most recent year, total assisted employment in Galway grew by +3.5%, greater than the Western Region's growth (+2.8%) but slightly lower than the +3.9% growth experienced in the rest of the state.

Fig. 34: Total assisted jobs in county Galway, 2004-2013



Source: Forfás, Annual Employment Survey 2013

8.1.2 Ownership of assisted jobs in county Galway

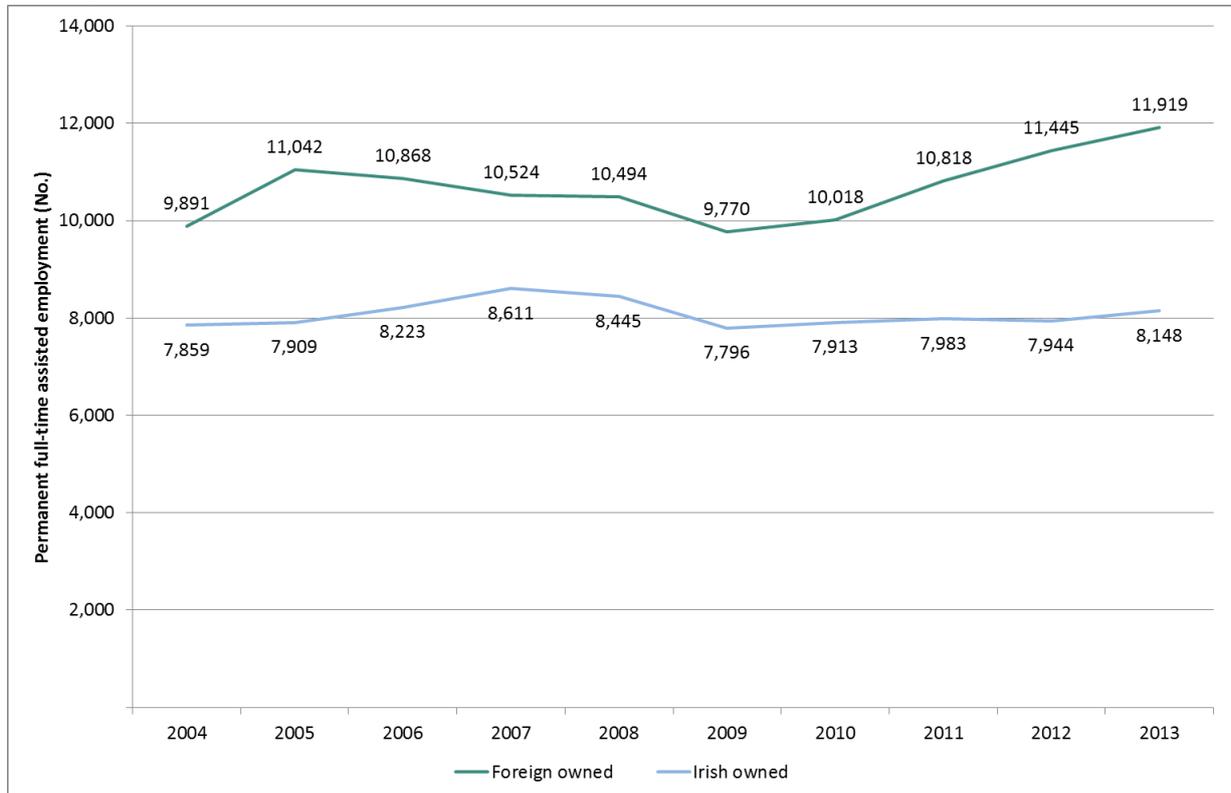
In 2013 almost 60% of assisted employment in county Galway was in foreign owned companies. This is the second highest share among the western counties and is the highest for Galway over the ten year period.

From 2005 to 2007 foreign and Irish assisted employment in Galway moved in opposite directions with foreign employment declining while Irish employment grew (Fig. 35). This led to a declining share of foreign ownership. With the onset of the recession job losses occurred in both Irish and foreign owned companies with both reaching their lowest point in 2009.

Since then they have performed very differently with strong growth in the foreign sector but little change in Irish owned employment. Between 2010 and 2013 the number of permanent jobs in

foreign owned companies rose by +19% compared with only +3% in Irish owned companies. This has led to an increasing share of foreign employment, reaching its peak of almost 60% in 2013. The recent performance of the two ownership types is closely associated with the performance of different sectors as described below.

Fig. 35: Permanent full-time assisted jobs in foreign and Irish owned companies in county Galway, 2004-2013



Source: Forfás, Annual Employment Survey 2013

8.1.3 Assisted jobs by sector³ in county Galway

Modern manufacturing is the largest assisted employment sector in Galway by a large margin (Fig. 36) accounting for 43.6% of all permanent assisted jobs in 2013. This is twice the share of the next largest sectors of traditional manufacturing and information and communication.

Modern manufacturing grew quite strongly from 2004 to 2006 but saw some job losses in 2008. Part of the reason the decline in permanent jobs in the sector was relatively small was that losses mainly hit temporary/part-time jobs, falling from 1,834 in 2007 to just 400 in 2010. Permanent employment in modern manufacturing has grown steadily since 2008 to reach its ten-year peak of 8,751 in 2013. In the most recent year permanent modern manufacturing employment in Galway grew by +2.3%.

At the start of the ten year period, traditional manufacturing was Galway's second largest assisted sector. It declined gradually until 2008, which is in contrast to some other counties (Sligo, Roscommon, Mayo) which showed growth in the sector over this period. 2009 saw a very dramatic decline in traditional manufacturing employment, the second largest decline (-21.7%) in the region,

³ Data by broad sector is available at county level but not data by detailed sector.

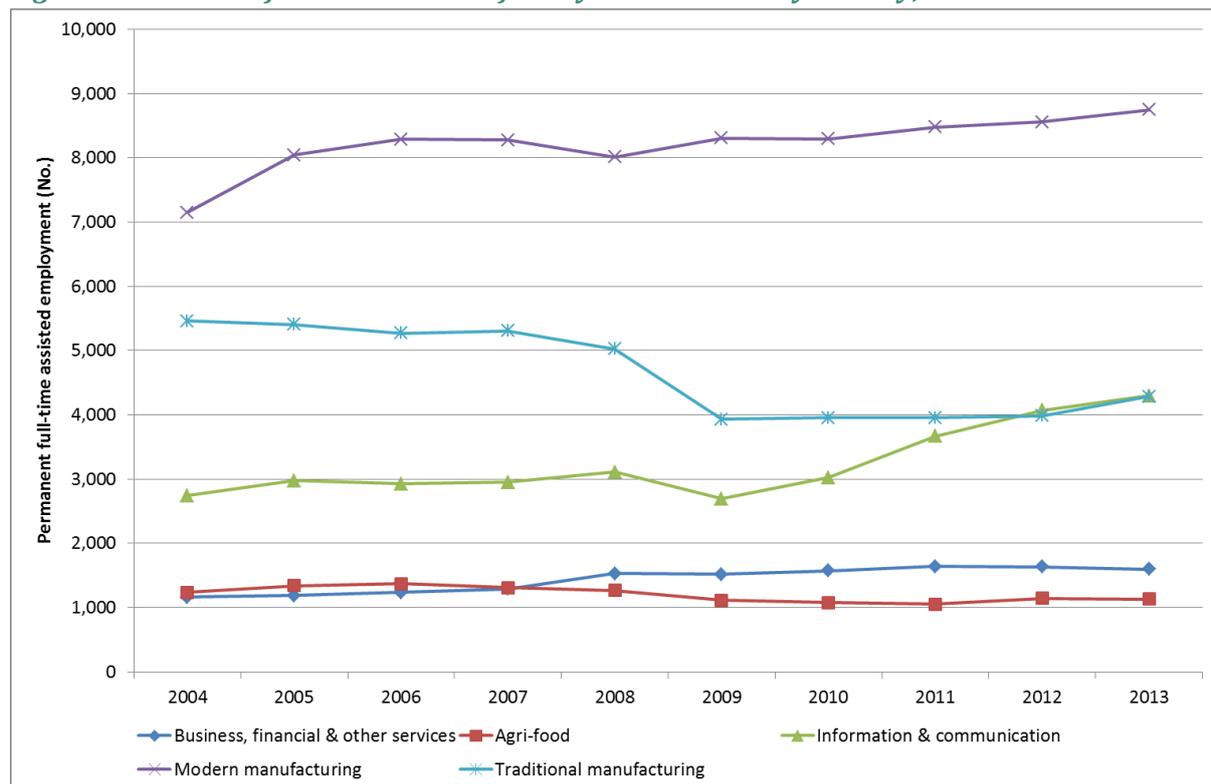
exceeded only by Roscommon. Employment then remained steady until 2013 when it grew by +7.5%, the second highest growth in the region.

Information and communication has had the opposite pattern, increasing gradually from 2004 to 2008. There followed some decline, but the sector has shown very strong growth in Galway since 2009 and has now exceeded traditional manufacturing to become the county's second largest sector. In the most recent year information and communication in Galway grew by +5.6% which was greater than the Western Region average (+4.9%).

Business, financial and other services is the next largest assisted sector in Galway. After slow growth there was a substantial increase in 2008 and gradual growth to 2011. Since then however there has been declining employment and in the most recent year it fell by -2.0%, the largest sectoral decline in the county.

Agri-food is Galway's smallest assisted sector at 5.7% of employment and it has among the lowest shares working in this sector in Ireland. Following some growth up to 2006 employment declined until 2011 and has stayed quite steady since, declining by -1.0% in 2013. All western counties except Donegal had declining agri-food employment in 2013.

Fig. 36: Permanent full-time assisted jobs by sector in county Galway, 2004-2013



Source: Forfás, Annual Employment Survey 2013

In total, Galway accounts for 6.6% of all permanent assisted employment in the state. This is greater than the county's 5.6% share of total employment in the state in 2011. This reflects both the significance of the assisted sector to the county's economy and the impact of inward commuting as workers living in surrounding counties commute to assisted jobs in Galway.

The sector where Galway has its largest national role is modern manufacturing where it accounts for 11.7% of all assisted employment nationally. Over 1 in 10 assisted modern manufacturing jobs in the state are located in Galway. From Section 6 it is clear that the medical devices sector is central to this.

Traditional manufacturing is the only other sector where Galway has a higher than average share of national assisted employment, with 7.6% of national employment. Its smallest national role is in the agri-food sector (2.5%).