



# Trends in Agency Assisted Employment in the Western Region

## Western Development Commission (WDC) Report

January 2015

### Summary<sup>1</sup>

Employment in businesses which have received support from one of the main enterprise agencies,<sup>2</sup> which are usually export oriented, is termed agency assisted employment. This Western Development Commission (WDC) report presents data on these businesses for the Western Region of Ireland for the period 2004-2013<sup>3</sup> to provide useful insights for enterprise, job creation and regional development policy.

### Less volatility in assisted jobs in the Western Region and lower recent growth

In 2013 there were 49,217 permanent full-time jobs and 7,405 temporary or part-time jobs in agency assisted companies in the Western Region, around 16% of all such jobs in Ireland.

In most years between 2004 and 2013 the Western Region had a smaller annual percentage change – either increase or decrease – in permanent assisted jobs than the rest of the state. For example in 2009 such jobs in the Western Region fell by -8.3% compared with a -10.4% decline elsewhere, while in 2012 there was growth of only +1.3% in the region compared with +3.2% in the rest of the state. The lower volatility in the region was partly due to the stability of modern manufacturing, including the region's significant medical devices cluster.

Assisted jobs growth has resumed since 2010. As growth has been lower in the Western Region, assisted jobs as a percentage of the region's total employment<sup>4</sup> (18.2%) is below that in the rest of the state (19.1%). This is a reversal of the situation before the recession when assisted jobs accounted for a higher share of total employment in the Western Region.

<sup>1</sup> This summary is also available as a separate *WDC Insights* publication from <http://www.wdc.ie/publications/reports-and-papers/>.

<sup>2</sup> IDA Ireland, Enterprise Ireland, Údarás na Gaeltachta and former clients of Shannon Development.

<sup>3</sup> All data from a special run of the *Annual Employment Survey* conducted each year by Forfás. From 1 August 2014, Forfás' policy functions have been integrated with the Department of Jobs, Enterprise and Innovation.

<sup>4</sup> Total employment in Quarter 1, 2013 from a special run of the CSO *Quarterly National Household Survey*.

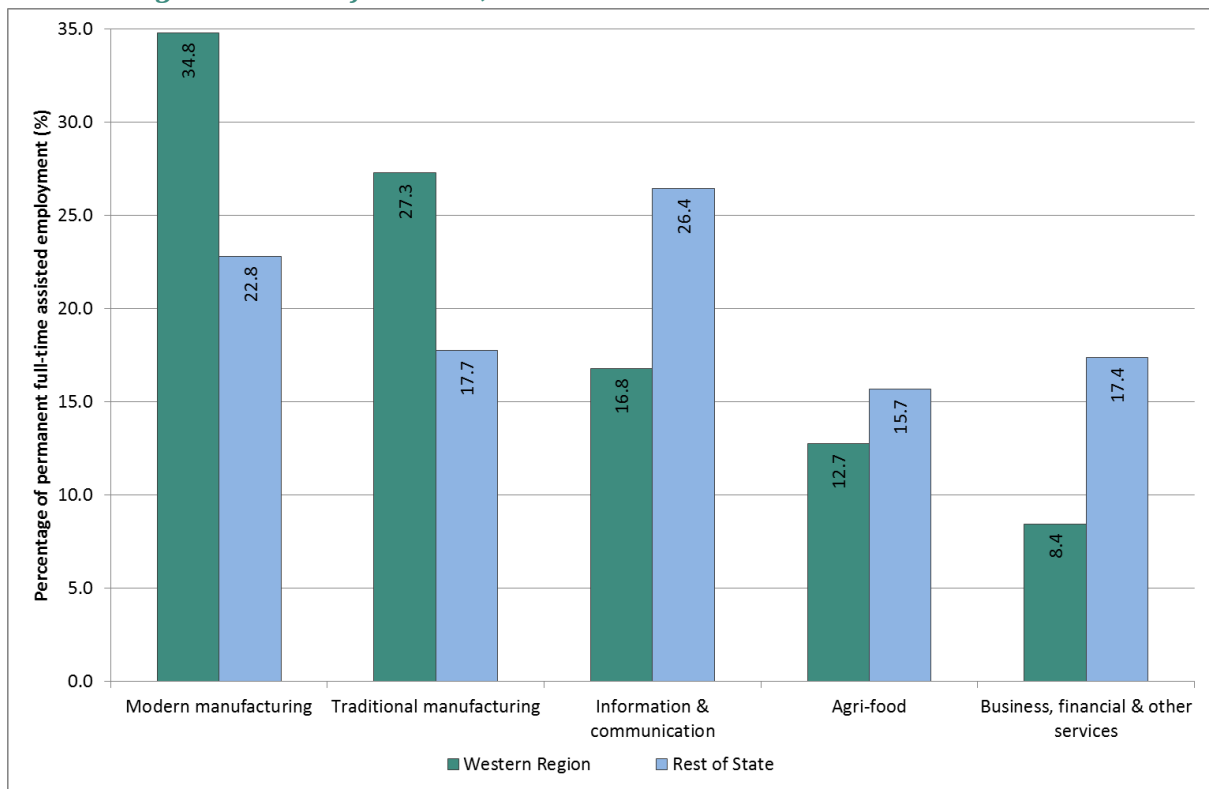
### Recent assisted jobs growth in Western Region more likely to be permanent full-time

In 2004 15.9% of all assisted jobs in the region were temporary/part-time compared with just 10.4% in the rest of the state. Such jobs were particularly common in the Irish owned sector and over a quarter of jobs in agri-food were non-permanent. Recent growth in the region however has brought a higher share of permanent full-time jobs as it is driven by sectors with higher shares of such employment. The share of temporary/part-time jobs in the region has now dropped to 13.1%, very similar to that in the rest of the state.

### Assisted jobs more concentrated by sector – Western Region strong in manufacturing

Assisted employment in the Western Region is concentrated in manufacturing activities with international services playing a smaller role (Chart 1). Of the five sectors, modern manufacturing is the region's largest, followed by traditional manufacturing, information and communication and agri-food. Business, financial and other services is the smallest sector. In the Western Region 62.1% of permanent assisted jobs are concentrated in the top two sectors compared with just 49.2% in the rest of the state. This highlights the reliance on these key sectors and the need for increased diversity in the region's assisted sector.

**Chart 1: Percentage of permanent full-time assisted jobs in each broad sector in the Western Region and rest of the state, 2013**



Source: Forfás, Annual Employment Survey 2013

### Strongest growth in modern manufacturing and information and communication

The largest declines in total assisted employment (permanent and temporary) in the Western Region over 2004-2013 occurred in agri-food (-23.8%) and traditional manufacturing (-20.4%) largely driven by losses in meat processing, construction-supplying businesses and textiles and clothing.

Traditional manufacturing has begun to show signs of recovery in recent years. Business, financial

and other services (-15.1%) also declined.

Total assisted jobs in information and communication (+19.6%) and modern manufacturing (+10.9%) grew quite strongly and they have driven the resumption of growth since 2010. These are the two sectors with the highest shares of foreign ownership, with over 70% of jobs in foreign companies. This has led to stronger growth in the foreign owned sector where total assisted jobs grew by +13.3% between 2010 and 2013 compared with +3.8% in Irish owned companies.

### Assisted jobs in the western counties in 2013

Among the western counties, assisted jobs as a proportion of total employment<sup>5</sup> is highest in Galway (23.5%) followed by Clare (20.3%). These are the only western counties above the state average (19.3%). Mayo is next highest (16.9%) followed by Sligo (15.3%) and Donegal (14.7%). Roscommon (9.7%) has the lowest share of its total employment in the assisted sector in the region and second lowest nationally, with Leitrim (11%) also relatively low. Four western counties experienced growth in total assisted job numbers between 2012 and 2013: Roscommon (+6%), Mayo (+4.9%), Donegal (+4.4%) and Galway (+3.5%).

### Implications

Agency assisted employment is a key policy tool for job creation and unemployment reduction. Recent growth in assisted jobs in the Western Region has not been as strong as elsewhere, particularly among Irish owned businesses. Agency assisted job creation in the Western Region needs to focus on increasing sectoral diversity and strengthening the Irish owned sector. Addressing the lower levels of assisted employment in the counties of the North West should also be a policy priority.

---

<sup>5</sup> Total number of employed people living in each county in 2011. CSO, *Census 2011*.



## Contents

Summary .....	1
Section 1: Introduction .....	7
1.1 Structure of report .....	8
Section 2: Agency Assisted Employment 2004-2013 .....	9
Summary .....	9
2.1 Permanent full-time assisted jobs .....	9
2.2 Temporary/part-time assisted jobs .....	10
2.3 Total assisted jobs .....	11
2.4 Western Region’s share of national assisted jobs .....	12
2.5 Type of assisted jobs .....	13
2.6 Assisted employment as a percentage of total employment .....	14
2.7 Conclusion .....	15
Section 3: Agency Assisted Job Gains and Job Losses .....	17
Summary .....	17
3.1 Gross job gains and gross job losses .....	17
3.2 Western Region’s share of national job gains and losses .....	18
3.3 Net change in assisted jobs .....	19
3.4 Change in permanent full-time assisted jobs compared with rest of the state .....	20
3.5 Change in temporary/part-time assisted jobs compared with rest of the state .....	21
3.6 Conclusion .....	22
Section 4: Ownership of Agency Assisted Employment .....	23
Summary .....	23
4.1 Assisted jobs by ownership .....	23
4.2 Trends in assisted jobs by ownership 2004-2013 .....	25
4.3 Ownership pattern in Western Region compared with rest of the state .....	25
4.4 Change in assisted jobs by ownership in Western Region and rest of the state .....	27
4.5 Western Region’s share of gains, losses and jobs by ownership .....	31
4.6 Conclusion .....	32
Section 5: Agency Assisted Employment by Sector .....	33
Summary .....	33
5.1 Assisted jobs by sector .....	33
5.2 Assisted jobs by sector in the Western Region and rest of the state .....	35

5.3	Western Region’s share of national employment by sector .....	36
5.4	Ownership of assisted jobs by sector .....	37
5.5	Trends in assisted jobs by sector 2004-2013 .....	38
5.6	Conclusion.....	40
Section 6: Assisted Employment by Detailed Sector .....		41
	Summary .....	41
6.1	Assisted jobs by detailed sector.....	41
6.2	Western Region’s share of national employment by detailed sector .....	44
6.3	Conclusion.....	46
Section 7: Assisted Employment in Western Counties .....		47
	Summary .....	47
7.1	Assisted jobs in western counties.....	47
7.2	Assisted employment as a percentage of total employment by county .....	48
7.3	Job gains and job losses in western counties .....	49
7.4	Change in total assisted jobs in western counties.....	50
7.5	Assisted jobs by ownership in western counties.....	51
7.6	Assisted jobs by sector in western counties .....	52
7.7	Conclusion.....	54
Section 8: County Profiles .....		55
8.1	Trends in Agency Assisted Employment: Galway .....	55
8.2	Trends in Agency Assisted Employment: Clare.....	60
8.3	Trends in Agency Assisted Employment: Mayo.....	64
8.4	Trends in Agency Assisted Employment: Donegal.....	68
8.5	Trends in Agency Assisted Employment: Sligo .....	72
8.6	Trends in Agency Assisted Employment: Roscommon .....	76
8.7	Trends in Agency Assisted Employment: Leitrim.....	80
Section 9: Conclusions and Implications.....		84
Appendix 1: Trends in employment by detailed sector 2004-2013 .....		86

# Trends in Agency Assisted Employment in the Western Region

Western Development Commission (WDC) Report, January 2015

## Section 1: Introduction

Employment in businesses which have received assistance from one of the main enterprise development agencies is called agency assisted employment. These businesses are usually export oriented and therefore have economic significance beyond their direct employment and spending.

Data is available on these businesses from the *Annual Employment Survey* conducted by Forfás.<sup>6</sup> It provides data on employment levels in industrial (including primary production) and services companies under the remit of IDA Ireland, Enterprise Ireland and Údarás na Gaeltachta, including former clients of Shannon Development.

Agency assisted employment data is useful for a number of reasons:

- Export focus: The businesses examined are export focused and play a central role in the country and region's recovery and future economic growth.
- Region and county: Data is available at both a regional level for the Western Region and for individual counties (see Sections 7 and 8). It refers to the location of employment, as the jobs are counted where the company is based, in contrast to *Census* and *Quarterly National Household Survey* data which refers to where the employed person lives.
- Type of employment: Data is available on temporary/part-time employment as well as permanent full-time, allowing an examination of the type of employment in the agency assisted sector.
- Ownership: It provides details of assisted employment by Irish and foreign ownership.
- Sectors: It provides data at both broad and detailed sectoral level for assisted industrial and international services sectors. It does not include agriculture, local or public services sectors. It is particularly useful for the industry sector as the CSO's *Quarterly National Household Survey* includes all industry as a single category. Agency assisted data provides an additional insight into what is happening within the broader industrial and international services sectors.

This report has been prepared by the Western Development Commission (WDC), a statutory body with a remit for the economic and social development of the Western Region of Ireland (Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare). One of the WDC's areas of work is socio-economic analysis to inform policy making and provide useful insights for public, private and community and voluntary stakeholders involved in the development of the Western Region. For more information on the WDC and its activities see [www.wdc.ie](http://www.wdc.ie).

---

<sup>6</sup> From 1 August 2014, Forfás' policy functions have been integrated with the Department of Jobs, Enterprise and Innovation.

## 1.1 Structure of report

This report begins with an overview of trends in agency assisted employment in the Western Region over the ten year period 2004 to 2013 examining the type of employment and the Western Region's role in national assisted employment. In Section 3 job losses and gains over the past ten years are examined and the performance of the region is compared with the rest of the state. In Section 4 ownership patterns are examined. Sections 5 and 6 examine the data at a broad and detailed sectoral level comparing the performance of individual sectors and identifying those with the strongest recent growth. In Section 7 assisted employment data at county level is examined and this is followed in Section 8 by seven individual county profiles for each of the western counties. A summary of the key points is given at the start of each section.

A two page summary of the key findings from this report can be downloaded as a separate *WDC Insights* publication. Each of the seven county profiles contained in Section 8 can also be downloaded as a separate file. All documents are available at <http://www.wdc.ie/publications/reports-and-papers/>.

This report was written by Pauline White, Policy Analyst with the Western Development Commission. If you have any queries in relation to this report, please contact [paulinewhite@wdc.ie](mailto:paulinewhite@wdc.ie) or 094 986 1441.

The WDC would like to acknowledge the assistance of Jonathan Healy and Deborah Quinn of the Department of Jobs, Enterprise and Innovation.



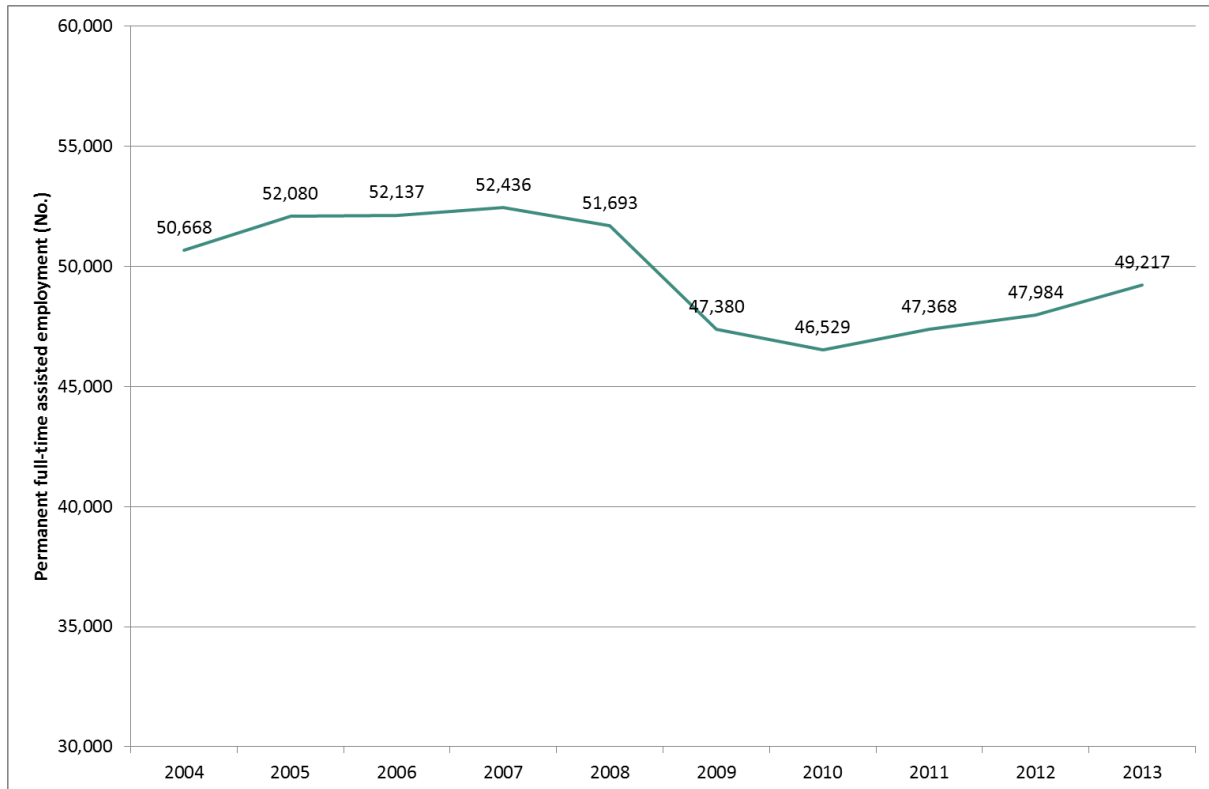
## Section 2: Agency Assisted Employment 2004-2013

### Summary

- In 2013 there were 49,217 permanent full-time jobs and 7,405 temporary or part-time jobs in agency assisted companies in the Western Region. This is equal to 16.2% of all assisted permanent full-time and 16% of all assisted temporary/part-time jobs in Ireland.
- The Western Region's share of total assisted jobs in the country declined during the very strong jobs growth of 2004-2007 indicating it did not play as large a role in this growth as its share of assisted employment might have suggested. The region's share of the state total rose however during 2008-2010 as it did not suffer quite the same degree of assisted job losses as other areas due to greater stability in its assisted sector, particularly modern manufacturing. There has been a return to growth in assisted jobs since 2010 and this has led to a declining share for the region again. It is not playing as large a role in this renewed growth as may have been predicted based on its share of assisted employment and this has important implications for reducing unemployment and increasing employment in the Western Region.
- At the start of the ten year period almost 1 in 4 of all temporary/part-time assisted jobs in the state were based in the Western Region indicating a higher degree of non-permanent employment in the assisted sector. This share has declined substantially as more recent assisted employment growth in the Western Region has tended to have more permanent full-time jobs than before the recession. The balance between permanent full-time and temporary/part-time assisted employment in the region is now almost the same as in the rest of the state.
- Nationally however the share of temporary/part-time employment has been rising as employment growth has resumed since 2010, indicating an overall national trend of increasing non-permanent working across the assisted sector.
- As a share of total employment, assisted jobs account for 18.2% in the Western Region; lower than the 19.1% share in the rest of the state. This is a reversal from the pre-recession period when assisted jobs played a larger employment role in the region than elsewhere. The Western Region is not benefitting as much from recent employment growth.

### 2.1 Permanent full-time assisted jobs

In 2013 there were 49,217 permanent full-time jobs in agency assisted companies in the Western Region (Fig. 1). This was 1,451 fewer than a decade earlier and 3,219 below the 2007 peak. The greatest loss of agency assisted jobs occurred in 2008-2009. Since 2010 there has been gradual recovery with +2.6% growth in 2013. This was almost twice the increase that occurred in the preceding year showing an acceleration in job creation.

**Fig. 1: Permanent full-time assisted jobs in the Western Region, 2004-2013**

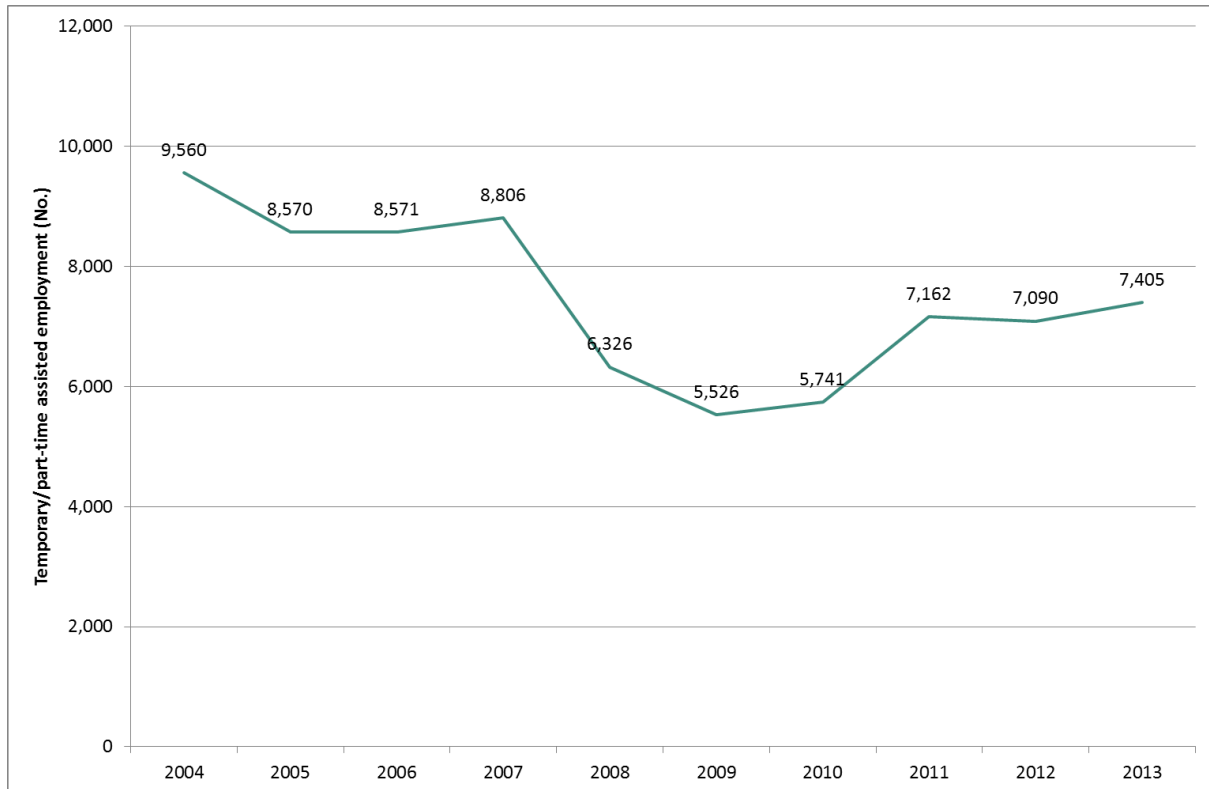
Note: The vertical axis begins at 30,000 for ease of interpretation of chart.

Source: Forfás, Annual Employment Survey 2013

## 2.2 Temporary/part-time assisted jobs

In 2013 there were 7,405 temporary or part-time jobs in agency assisted companies in the Western Region (Fig. 2). This was 22.5% below the peak of the ten year period which occurred in 2004. These jobs reached their lowest point in 2009 and have been growing relatively steadily since. There was growth of +4.4% in 2013.

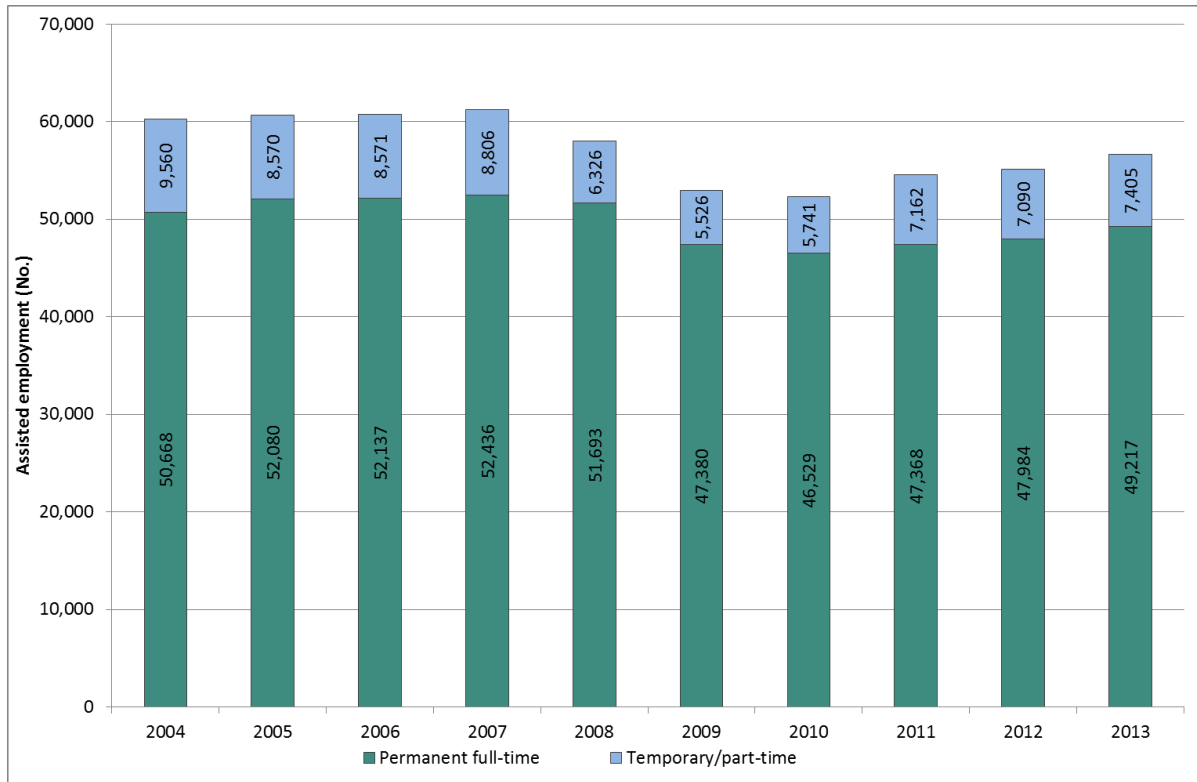
Changes in this type of employment can sometimes reflect changes within companies as staff are moved from full-time permanent to temporary/part-time working e.g. a three day week, in response to economic difficulties. As this type of employment is more flexible, they tend to be the first jobs lost in a downturn and the first to increase at the beginning of a recovery. This type of job is therefore more volatile than permanent full-time employment.

**Fig. 2: Temporary/part-time assisted jobs in the Western Region, 2004-2013**

Source: Forfás, Annual Employment Survey 2013

### 2.3 Total assisted jobs

Combining permanent full-time and temporary/part-time jobs there was a total of 56,622 agency assisted jobs in the Western Region in 2013 (Fig. 3). This was an increase of 1,548 (+2.8%) over the previous year. Total assisted job numbers reached their peak in 2007.

**Fig. 3: Total assisted jobs in the Western Region, 2004-2013**

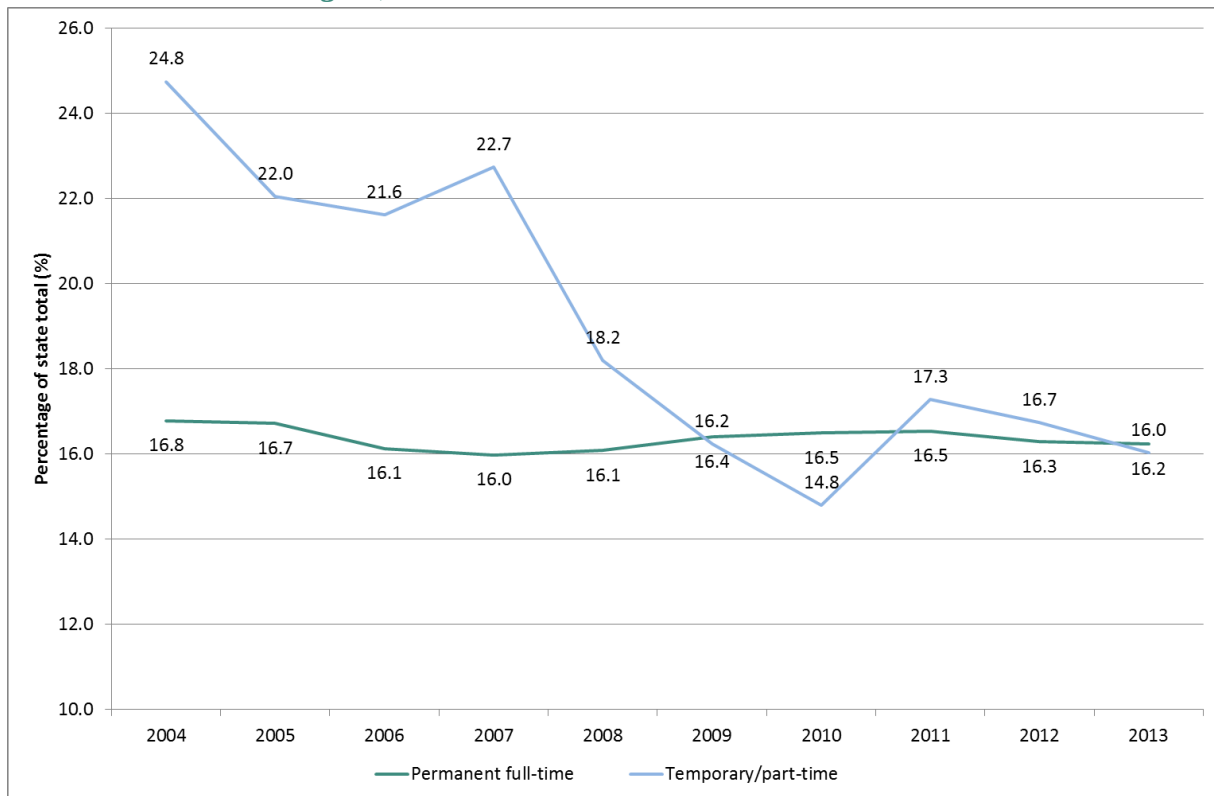
Source: Forfás, Annual Employment Survey 2013

## 2.4 Western Region's share of national assisted jobs

In 2013, 16.2% of all assisted permanent full-time and 16% of all assisted temporary/part-time jobs in the state were based in the Western Region (Fig. 4).

From a high of 16.8% in 2004 the region's share of assisted permanent full-time jobs declined to 16.0% in 2007 as the region lost ground in terms of its national position in the assisted sector. As job losses hit from 2008 onwards however the region's share grew again as the region did not suffer quite the same degree of assisted job losses over the period (see Fig. 10 in Section 3). Stability in some assisted sectors (e.g. medical devices) contributed to this (see Appendix 1). Since then, as job growth has accelerated, the region's share has declined again showing a return to a situation where the region is not playing as large a role in jobs growth as may be expected given its share of employment.

**Fig. 4: Percentage of national permanent full-time and temporary/part-time assisted jobs based in the Western Region, 2004-2013**



Note: The vertical axis begins at 10% for ease of interpretation of chart.

Source: Forfás, Annual Employment Survey 2013

The region's share of national temporary/part-time jobs has varied far more dramatically. In 2004 almost 1 in 4 agency assisted temporary/part-time jobs in the state were located in the Western Region. The region's high share was largely due to Irish owned businesses and particularly the agri-food sector (see Section 5). The region's share of temporary/part-time assisted jobs declined very dramatically to its lowest point in 2010, influenced by large job losses in sectors with high levels of such employment. By 2013 the region's share of temporary/part-time jobs was similar to its share of permanent full-time jobs.

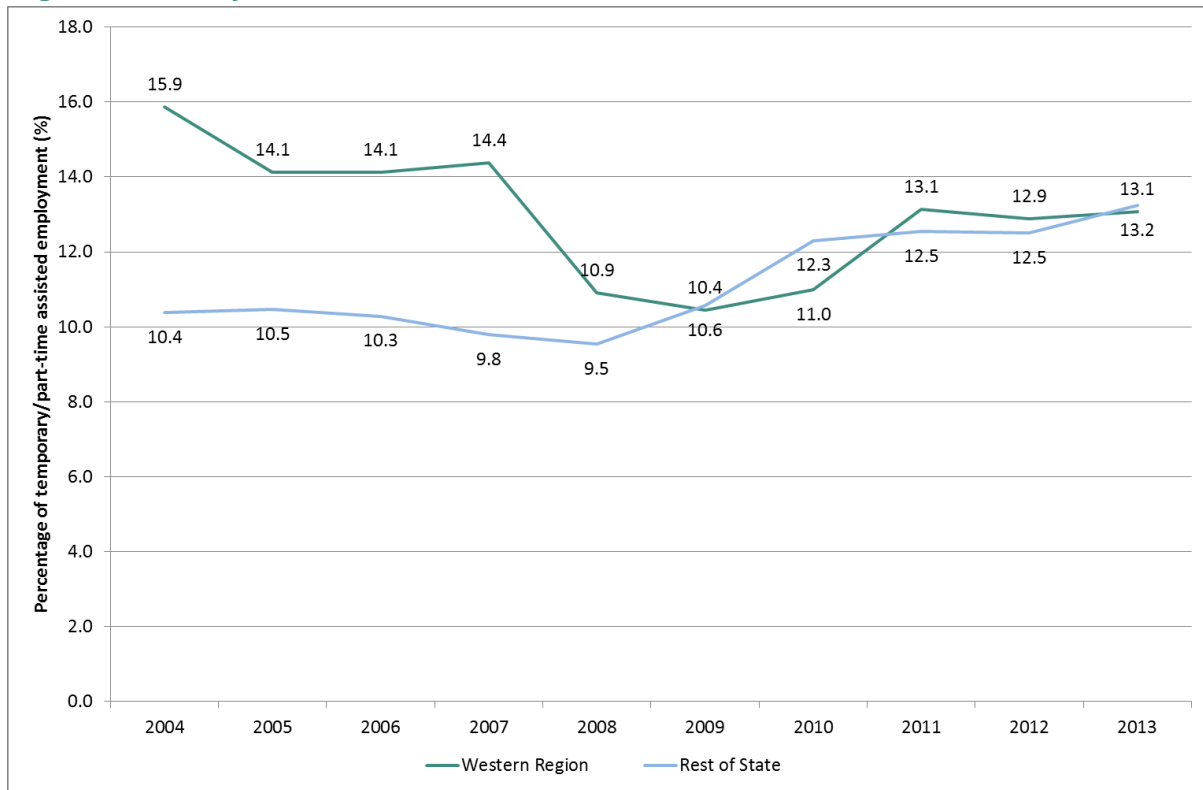
The fact that the region's share of all temporary/part-time jobs nationally has not returned to its pre-recession level indicates that recent employment growth is more likely to be of permanent full-time jobs than previously. The fact that recent jobs growth in the region has been driven by the modern manufacturing and information and communication sectors which have lower shares of temporary/part-time employment, as well as a reducing share of this type of employment in the agri-food sector, are the main reasons.

## 2.5 Type of assisted jobs

Fig. 5 compares the percentage of total assisted jobs that were temporary/part-time in the Western Region with the rest of the state. In 2004, 15.9% of all assisted jobs in the Western Region were temporary/part-time which was far greater than the 10.4% share in the rest of the state. The share in the region declined quite dramatically to be practically the same as in the rest of the state by 2009. There were far greater losses of non-permanent jobs in the Western Region than in the rest of

the state over those years.

**Fig. 5: Percentage of total assisted jobs that are temporary/part-time in the Western Region and rest of the state, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

Since 2009 the trend in the two areas has been quite similar with the share of temporary/part-time jobs rising steadily to just over 13% in both areas in 2013. This shows that after the huge job losses of 2008-2010, the new pattern of assisted employment growth nationally has a greater degree of non-permanent working than was the case before the recession.

Structural changes and the sectors that are driving recent assisted employment growth in the region have resulted in the region becoming more similar to the rest of the state in terms of the balance between permanent full-time and temporary/part-time assisted employment. It is likely that the share of temporary/part-time employment in the region will increase again in line with this general trend.

## 2.6 Assisted employment as a percentage of total employment

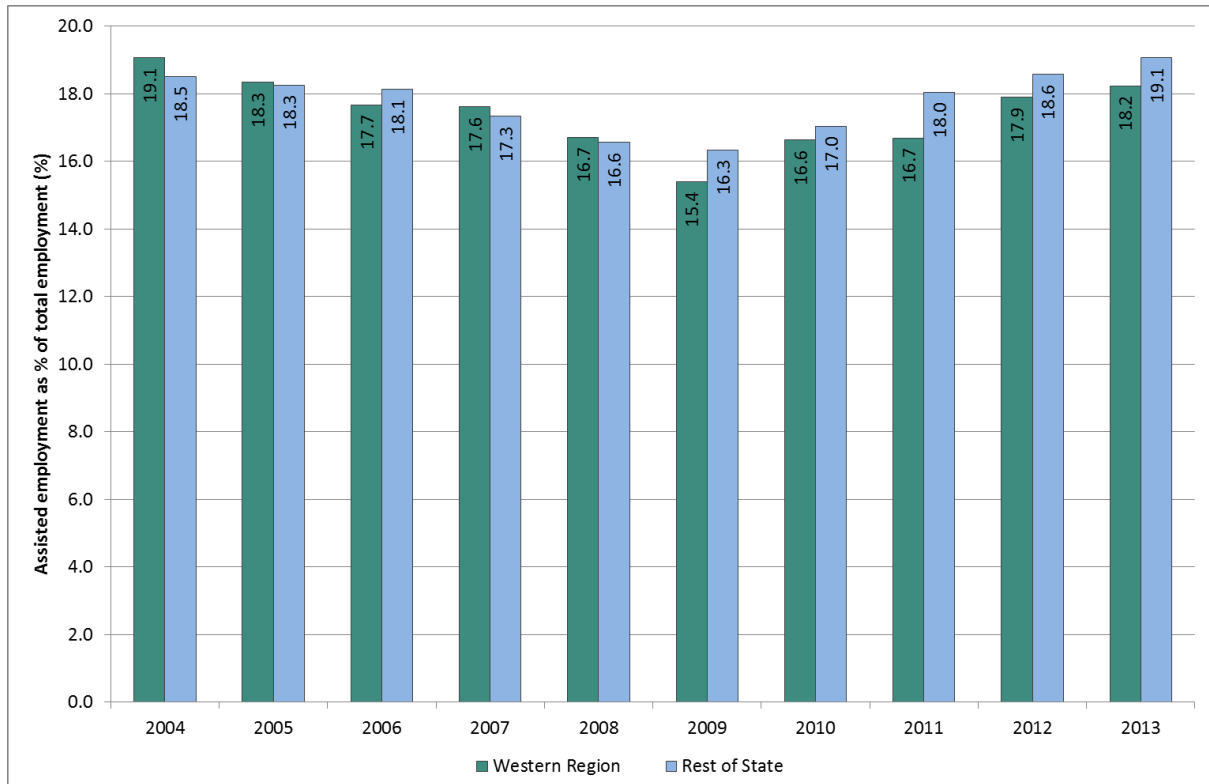
In 2013 there were 310,500 employed people living in the Western Region<sup>7</sup> and it had 56,622 total assisted jobs which was 18.2% of total employment. The share in the Western Region was lower than in the rest of the state (19.1%) (Fig. 6).

It should be noted that the data for assisted employment refers to the location of the job i.e. employment in companies that are located in one of the seven western counties, and would count

<sup>7</sup> Total employment in Quarter 1 from a special run of the CSO's *Quarterly National Household Survey*. It includes both full-time and part-time employment.

workers in these companies who live outside the region and commute in to work e.g. a person from county Limerick commuting to work in a business based in Shannon. Whereas the total employment figure is based on where people live i.e. employed people living in one of the seven western counties, and would include people living in the region but who commute out of it for work e.g. a person living in county Roscommon who commutes to Athlone to work. Therefore this calculation is an approximation of the share of total employment in the region accounted for by assisted employment.

**Fig. 6: Total assisted jobs as a percentage of total employment in the Western Region and rest of the state, 2004-2013**



Note: Total employment is based on Quarter 1 of each year from a special run of the CSO's Quarterly National Household Survey.

Source: Forfás, Annual Employment Survey 2013; CSO, Quarterly National Household Survey Q1 2004-2013, special run.

Between 2004 and 2008 the share of employment that was in assisted jobs in the Western Region was higher than in the rest of the state. However when assisted jobs reached their lowest level in both areas in 2009, the region had a lower share than the rest of the state and this pattern has persisted ever since.

As growth in assisted employment resumed, its share of total employment has also grown. In the rest of the state, 2012 and 2013 showed the highest shares of total employment in assisted jobs over the ten years. For the Western Region however the current share is below that at the start of the period as the recovery in the Western Region has not been as strong as elsewhere.

## 2.7 Conclusion

Following severe decline over 2008-2010, both permanent full-time and temporary/part-time assisted employment have shown signs of recovery. The Western Region's share of national assisted

employment, of both types, has declined however as growth has resumed. The region is not experiencing as strong a recovery in assisted employment as elsewhere. This is also reflected in the fact that assisted employment as a share of total employment in the region is now lower than in the rest of the state, a reversal of the situation before the recession.

The region's weaker recent growth performance needs to be a focus for enterprise and regional development policy. The trend for assisted employment growth to be concentrated in a few of the larger urban centres (Dublin, Cork and Galway) has significant implications for the future spatial pattern of employment and consequently population and settlement across the country. Strengthening assisted employment growth in the regions is one important policy tool for ensuring more balanced regional development.



## Section 3: Agency Assisted Job Gains and Job Losses

### Summary

- There have been gains and losses of permanent full-time assisted jobs in each year of the 2004-2013 period. In seven years, gains exceeded losses leading to a net increase in assisted employment and in three years (2008-2010) losses were greater than gains.
- In all but one of the ten years the Western Region had a smaller annual percentage change – either increase or decrease – than the rest of the state pointing to lower volatility in assisted employment in the region.
- In 2009 there were job losses of 6,918 in the Western Region and only 2,605 job gains, resulting in the largest net decline of the period – almost 1 in 10 permanent assisted jobs in the Western Region was lost that year. Job losses have declined each year since and reached a ten year low in 2013.
- In 2013 the Western Region accounted for 15.6% of all job gains nationally but a higher share (16.3%) of all job losses and it was the same in 2012. The region is playing a smaller role in recent national employment growth.
- The Western Region experienced far greater shedding of temporary/part-time assisted jobs during 2008 and 2009 than the rest of the state. This has contributed to the share of such jobs in the region becoming more similar to that in the rest of the state.

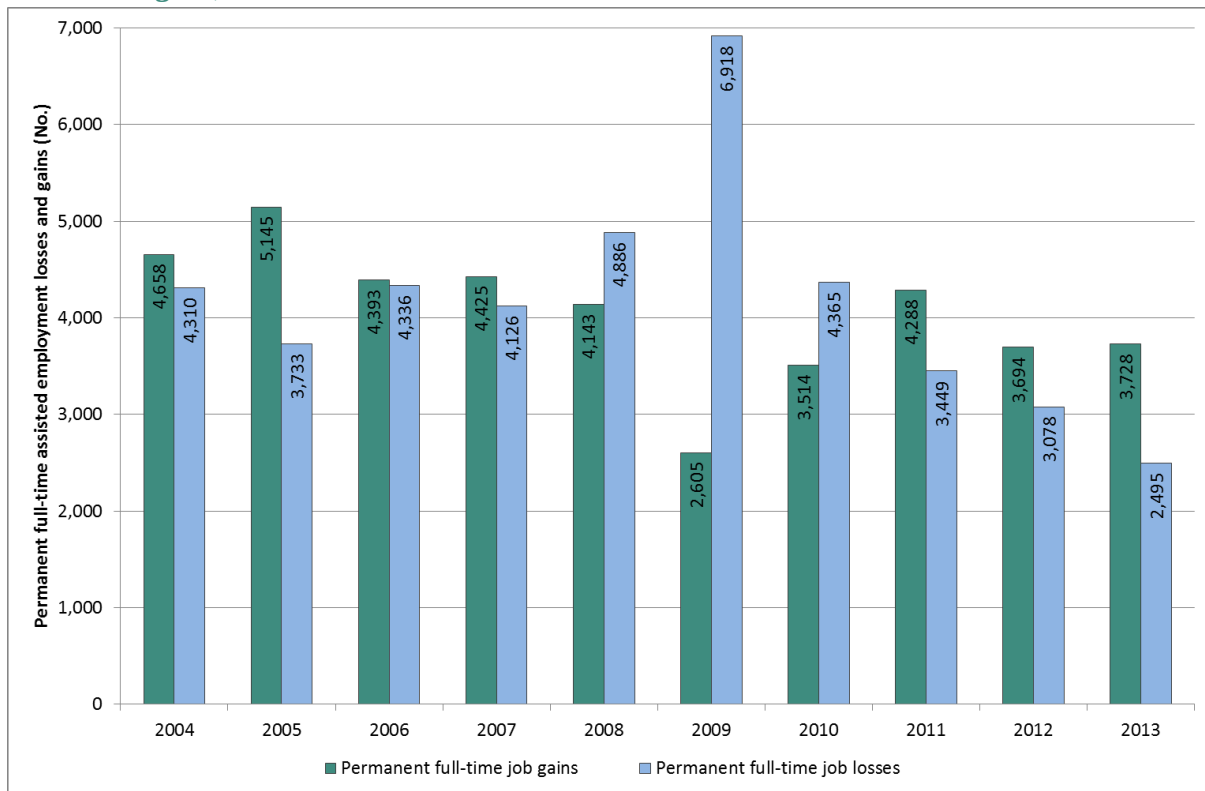
### 3.1 Gross job gains and gross job losses

There is constant change in the labour market and in assisted employment. Job gains and losses occur in every year, illustrating the importance of agency assisted employment through good times and bad. During 2013 there were gains of 3,728 permanent full-time assisted jobs in the Western Region while a total of 2,495 such jobs were lost (Fig. 7) leading to a net increase in employment.

Over the ten year period from 2004 to 2013 permanent full-time job gains in the Western Region were highest in 2005, at just over 5,000, and lowest in 2009 at only about half that number. Job losses reached their peak the same year at almost 7,000. It is interesting to note that assisted jobs continued to be created throughout the recession, albeit at lower levels. In fact in only three of the ten years (2008-2010) did job losses exceed job gains.

Job losses have declined each year since 2009 and reached a ten year low in 2013, while job gains increased each year from 2009 to 2011. While gains have reduced somewhat since, they continue to outweigh job losses resulting in assisted employment growth.

**Fig. 7: Gross job gains and gross job losses of permanent full-time assisted jobs in the Western Region, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

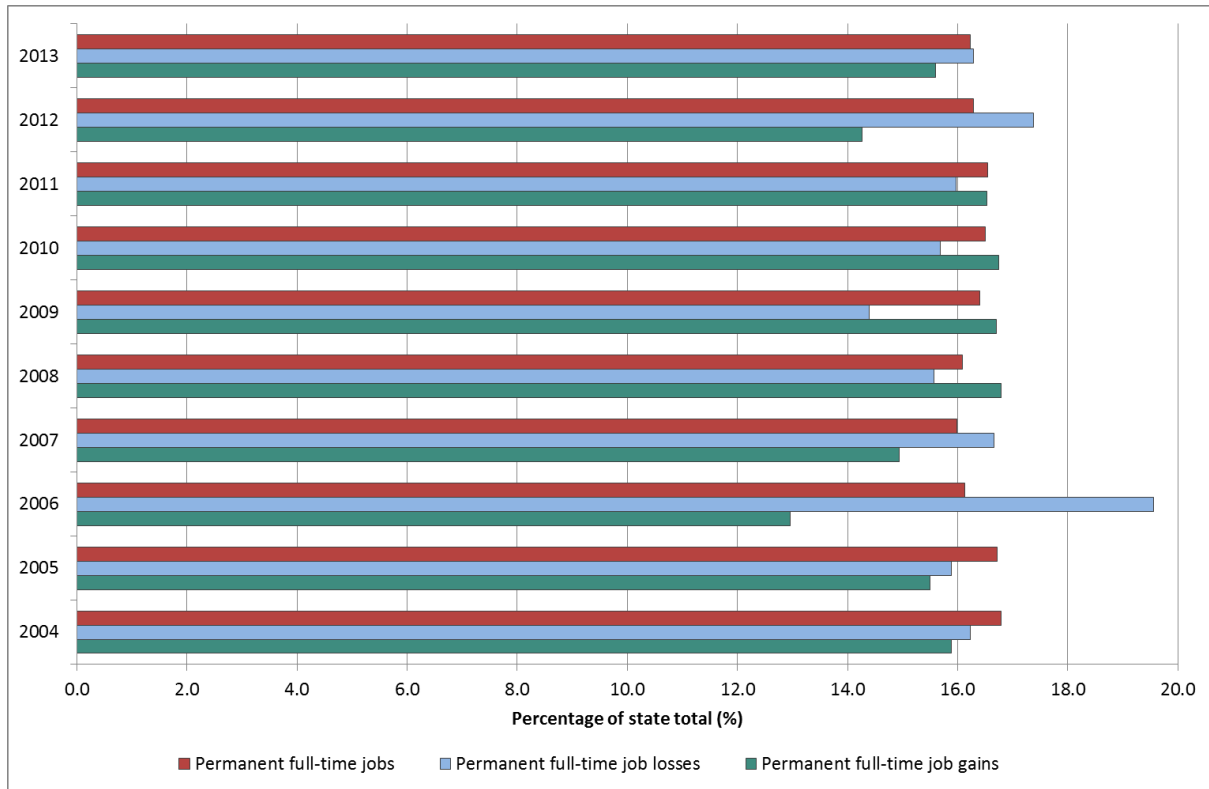
### 3.2 Western Region's share of national job gains and losses

Fig. 8 shows the share of Ireland's assisted permanent full-time job losses and job gains that occurred in the Western Region, as well as the region's share of such jobs. At the start of the period the Western Region had a slightly lower share of both job losses and job gains than its share of permanent assisted jobs. In 2006, while 19.6% of all assisted job losses in the country occurred in the Western Region, it only had 16.1% of all assisted jobs and generated just 13% of job gains. The widespread assisted employment growth that was occurring at this time was not as strong in the region as its share of assisted jobs would suggest.

Then during the period of highest job losses (2008-2010) the region accounted for a smaller share of job losses and a greater share of job gains than its share of jobs would suggest. Assisted employment in the region was not as badly hit, relative to other areas, during these years. When examining the sectoral patterns of employment (Sections 5 and 6 and Appendix 1) it will be clear that the medical devices and information and communication services sectors played an important role in lowering volatility in assisted employment in the Western Region during those years.

In 2012 and 2013 the region's share of job gains declined somewhat and is below its share of jobs. In 2012 the region's share of national job losses was quite high, second highest of the ten year period. As jobs growth has strengthened nationally in recent years, the region is playing a smaller role.

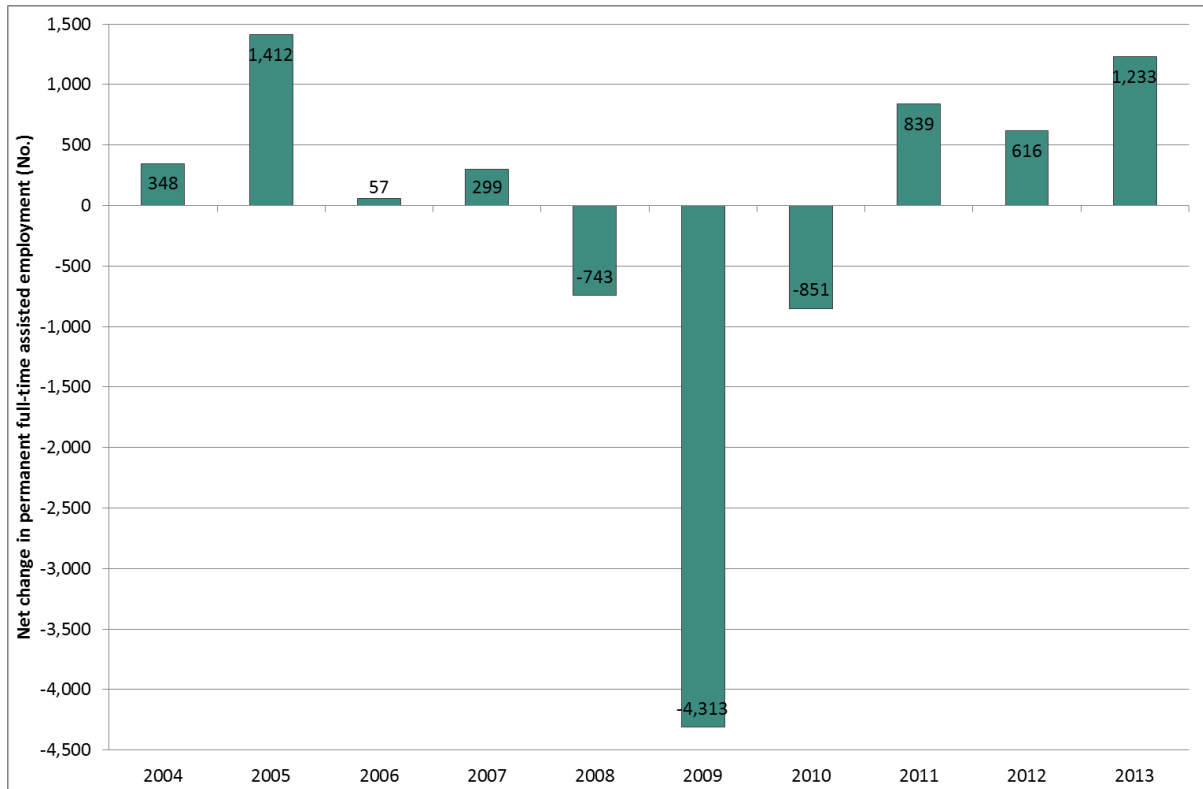
**Fig. 8: Western Region's percentage of national permanent full-time assisted job gains, job losses and jobs, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 3.3 Net change in assisted jobs

There was a positive net change in permanent full-time assisted jobs in seven of the ten years between 2004 and 2013, divided in the middle by three years (2008-2010) of negative net change where losses exceeded gains. From Fig. 9 it can be seen that 2009 was the worst year. In that year the net loss was close to one in ten of all full-time assisted jobs in the Western Region.

**Fig. 9: Net change in permanent full-time assisted jobs in the Western Region, 2004-2013**

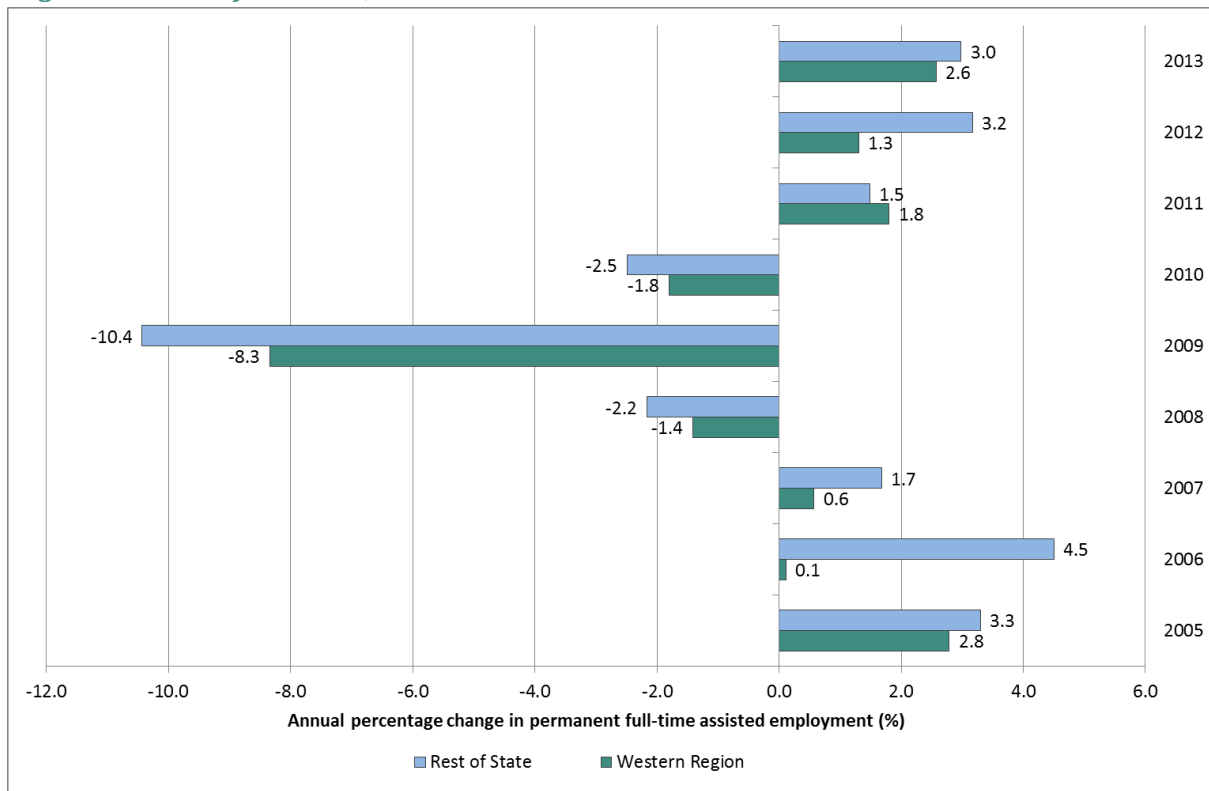
Source: Forfás, Annual Employment Survey 2013

### 3.4 Change in permanent full-time assisted jobs compared with rest of the state

Fig. 10 shows the annual percentage change in permanent full-time assisted jobs in the Western Region and the rest of the state. At the start of the period both areas experienced net increases in job numbers. Growth was stronger in the rest of the state than in the Western Region as the region accounted for a greater share of national job losses than gains (see Fig. 8).

During 2008-2010 both the region and the rest of the state had declining job numbers; at their most severe in 2009. For each of these three years the Western Region did not have as great a percentage decline as the rest of the state due to a lower share of all job losses than gains (see Fig. 8). With the return to growth, the region has had lower annual growth than the rest of the state since 2012 and the recovery does not seem to be as strong as elsewhere.

**Fig. 10: Annual percentage change in permanent full-time assisted jobs in the Western Region and rest of the state, 2005-2013**



Source: Forfás, Annual Employment Survey 2013

### 3.5 Change in temporary/part-time assisted jobs compared with rest of the state

The annual percentage change in the number of temporary/part-time jobs shows that 2005 saw a very large decline in such jobs in the Western Region while there was growth in the rest of the state (Fig. 11).

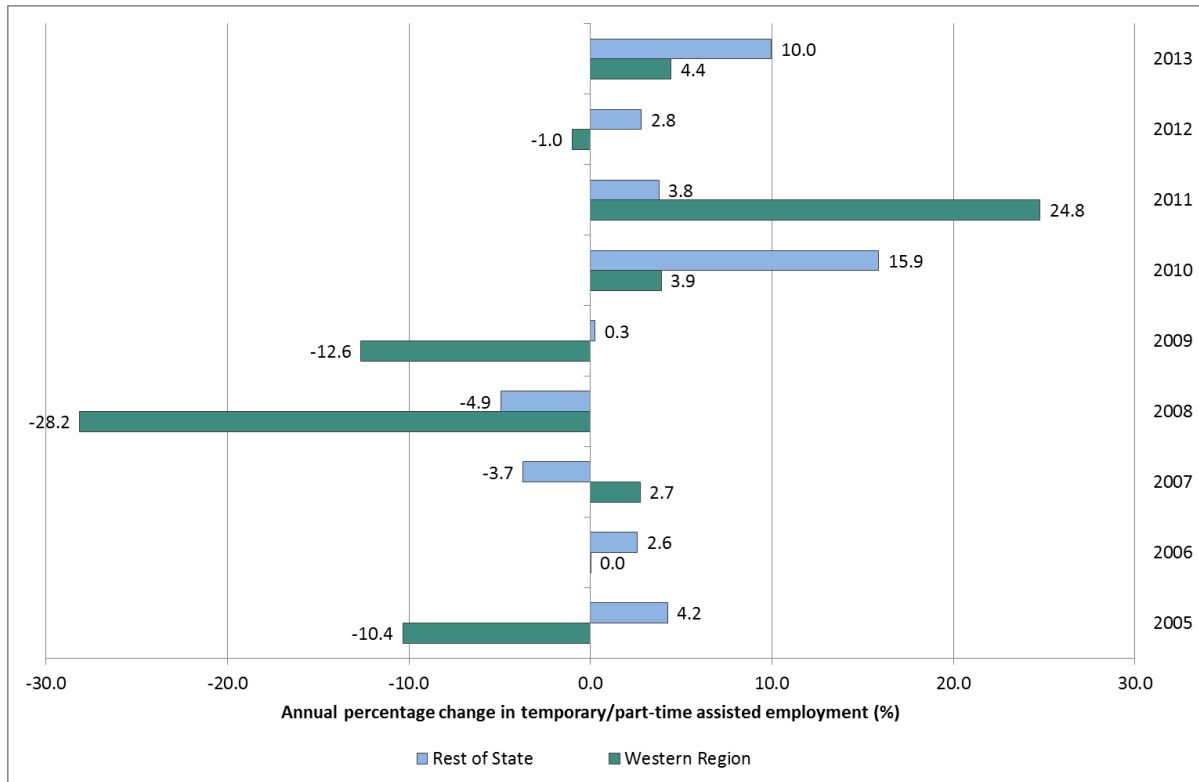
2008 and 2009 both saw massive declines in temporary/part-time employment in the Western Region, far greater than in the rest of the state. The Western Region had a massive shedding of non-permanent jobs over these two years which led to the share of this type of employment in the Western Region falling below that in the rest of the state (see Section 2, Fig. 5). This was a significant change from the start of the period. This loss of temporary/part-time jobs was linked to the sectors which experienced the largest declines, with the predominantly Irish owned agri-food and business, financial and other services sectors experiencing the largest declines in this type of job in the region between 2007 and 2009. These were the sectors with the highest shares of non-permanent employment (21.7% and 28.2% of all assisted jobs in 2007 respectively).

Since 2010 the rest of the state has experienced an increase in the number of temporary/part-time jobs in each year. This has led to growth in the share of total assisted jobs which are temporary/part-time (see Section 2, Fig. 5) and in 2013 it was over 13%. In most of these years the Western Region has performed less well than the rest of the state. The exception was 2011 when the region experienced an increase of a quarter in the number of such jobs. This may be due to the recovery beginning later in the region than elsewhere as the rest of the state had its largest increase

a year earlier in 2010. Temporary/part-time jobs are likely to be the first to be created in an upturn.

In recent years temporary/part-time employment growth in the Western Region had not been as strong as the rest of the state which is why the share of such jobs in the region has not returned to its pre-recession high levels. The share of temporary/part-time employment in the Western Region is now similar to the rest of the state.

**Fig. 11: Annual percentage change in temporary/part-time assisted jobs in the Western Region and rest of the state, 2005-2013**



Source: Forfás, Annual Employment Survey 2013

### 3.6 Conclusion

Recent growth in temporary/part-time jobs has been far stronger than in permanent full-time jobs. As a national trend, assisted employment growth in the current economic recovery has a greater degree of temporary/part-time working than was the case before the recession. This reflects an increasing trend towards more flexible and short term contract employment.

The Western Region is something of an exception because of its unusually high rates of non-permanent employment before the recession. Recent employment growth in the region has tended to be more permanent full-time than it was earlier in the ten year period, largely due to the sectors which are driving this growth. Modern manufacturing and information and communication have lower shares of temporary/part-time employment than other sectors and their role in current growth in the region has reduced the significance of such employment. This is positive for the region, however as it is now more similar to the rest of the state, it is likely to follow the national trend of rising non-permanent employment.

## Section 4: Ownership of Agency Assisted Employment

### Summary

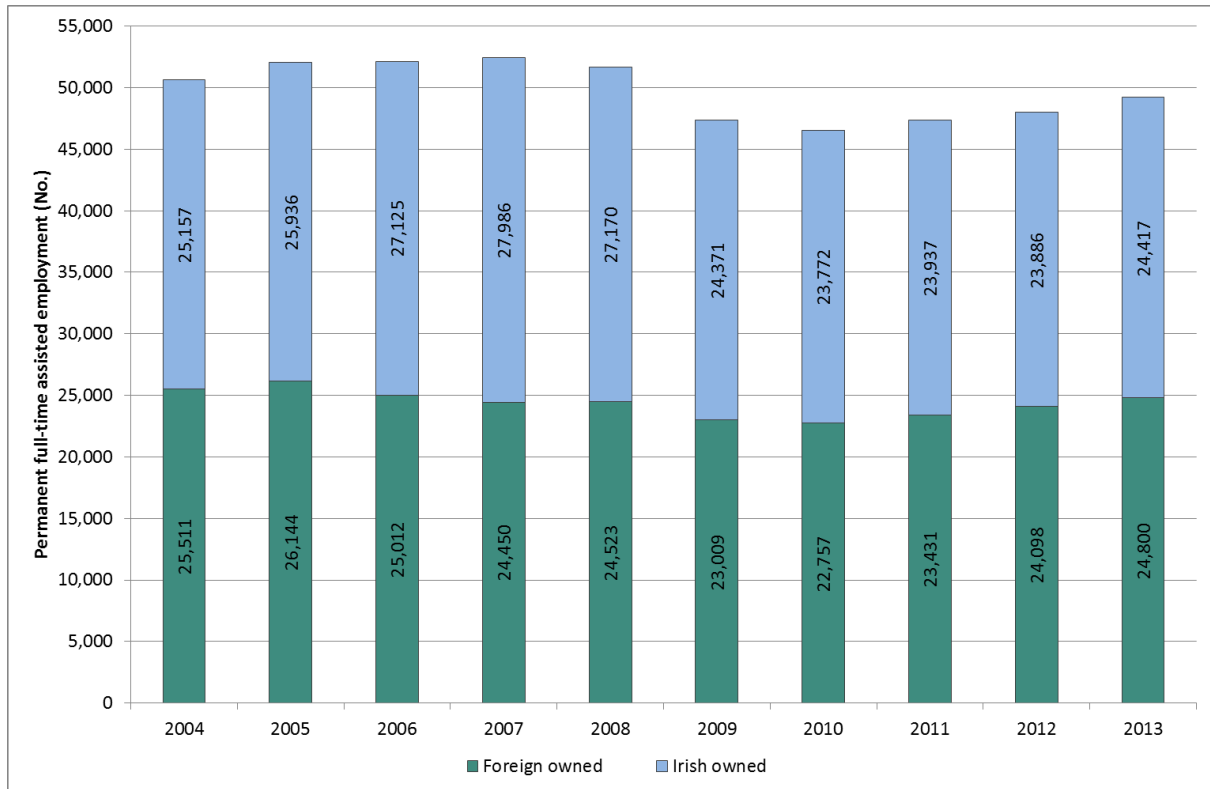
- In 2013 total assisted permanent full-time employment in the Western Region was split 50:50 between Irish owned and foreign owned companies. Through 2006-2007 the share in Irish companies had risen very strongly as they dominated that period's jobs growth. As job losses from 2008 onwards impacted the Irish owned sector more severely however, their share has returned to a similar level to a decade earlier.
- Temporary/part-time employment in the region was predominantly in Irish owned companies for most of the decade. This share declined markedly from 2010 however and temporary/part-time employment is now quite evenly divided between Irish and foreign ownership. Since 2011 a larger proportion of all foreign owned jobs growth in the region has been in temporary/part-time jobs compared with the rest of the state.
- The recovery in assisted employment since 2010 has been more balanced between Irish and foreign owned companies in the rest of the state compared with the Western Region where it has been very strongly driven by the performance of the foreign owned sector.
- In almost every year 2004-2013 the share of all job gains and job losses that came from Irish companies was greater than their share of assisted employment reflecting greater volatility in Irish owned employment compared with foreign owned.

### 4.1 Assisted jobs by ownership

Agency assisted employment is divided between companies which are foreign owned and those that are Irish owned. Examining the ownership patterns of assisted employment is useful to determine any differences in the experiences of Irish and foreign owned assisted companies.

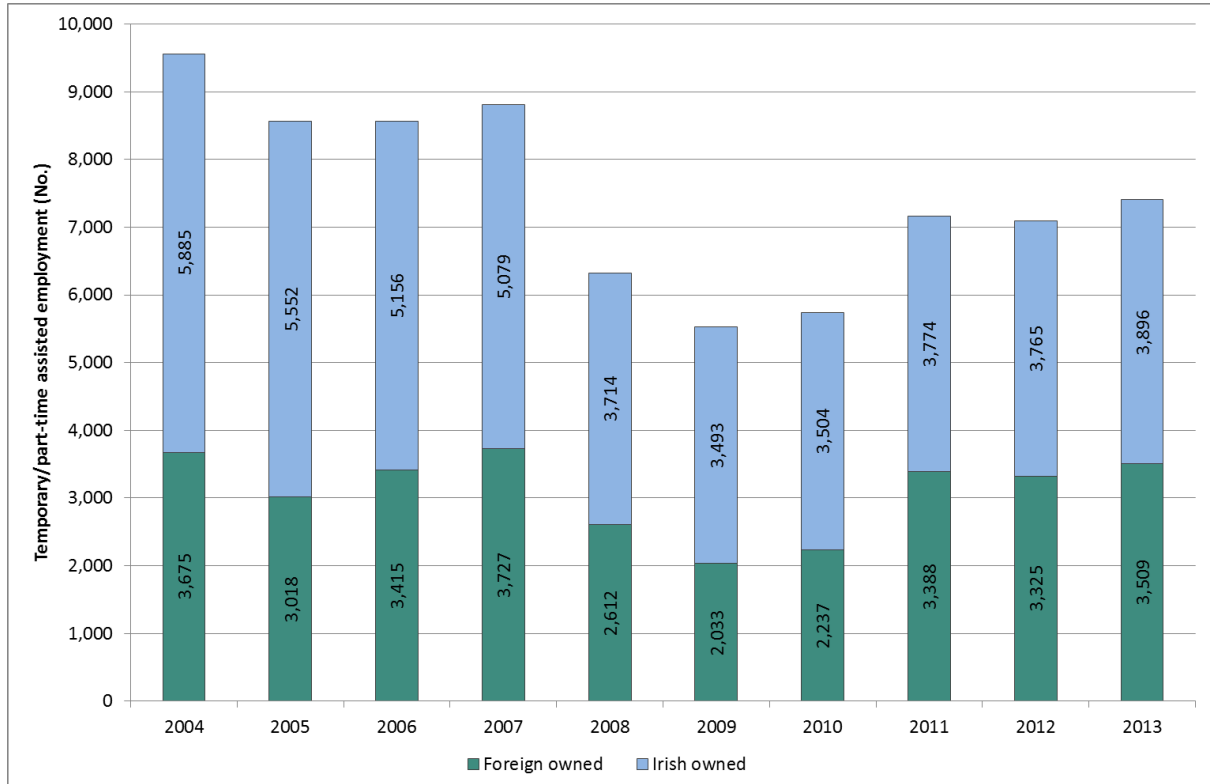
In 2013 total permanent full-time assisted employment in the Western Region was split 50:50 between Irish and foreign companies (Fig. 12). In the same year there was a slightly greater difference between Irish and foreign ownership of temporary/part-time jobs with Irish owned companies accounting for the higher share (52.6%) (Fig. 13).

Fig. 12: Permanent full-time assisted jobs in the Western Region by ownership, 2004-2013



Source: Forfás, Annual Employment Survey 2013

Fig. 13: Temporary/part-time assisted jobs in the Western Region by ownership, 2004-2013



Source: Forfás, Annual Employment Survey 2013



## 4.2 Trends in assisted jobs by ownership 2004-2013

Considering how the share of assisted employment by ownership has changed over time, Table 1 shows that for permanent full-time jobs there were almost equal shares of foreign and Irish ownership at the start of the ten year period. Through 2006-2007 the share employed in Irish companies rose to a peak in 2007, as they drove job gains.

The decline from 2008 onwards impacted the Irish owned sector more severely as job losses were largely concentrated in sectors with higher Irish ownership such as construction-related manufacturing and agri-food.

The share in foreign companies has continued to increase up to 2013 as growth has been driven by sectors with high foreign ownership (modern manufacturing and information and communication) with the Irish owned sector not performing as strongly.

**Table 1: Percentage of all permanent full-time and temporary/part-time assisted jobs by ownership in the Western Region, 2004-2013**

	Permanent Full-Time		Temporary/Part-Time	
	Foreign owned %	Irish owned %	Foreign owned %	Irish owned %
2004	50.3	49.7	38.4	61.6
2005	50.2	49.8	35.2	64.8
2006	48.0	52.0	39.8	60.2
2007	46.6	53.4	42.3	57.7
2008	47.4	52.6	41.3	58.7
2009	48.6	51.4	36.8	63.2
2010	48.9	51.1	39.0	61.0
2011	49.5	50.5	47.3	52.7
2012	50.2	49.8	46.9	53.1
2013	50.4	49.6	47.4	52.6

Source: Forfás, Annual Employment Survey 2013

The changes in temporary/part-time jobs were more dramatic. Irish owned companies have consistently accounted for a higher share of such employment as it is more common in predominantly Irish owned sectors e.g. agri-food. The share of such jobs accounted for by Irish companies increased even more in 2008-2009, likely due to a shift to three-day weeks by some Irish owned companies particularly in construction-related manufacturing (engineering, wood products).

From 2010 onwards the share of all temporary/part-time jobs in the region that are in Irish companies has declined by almost 10 percentage points. The balance between Irish and foreign ownership is now quite similar to that of permanent full-time jobs. There is now greater similarity in the type of employment in Irish and foreign companies than was the case earlier in the decade. The predominantly Irish owned agri-food and business, financial and other services sectors have experienced a decline in their share of temporary/part-time employment, while the largely foreign owned modern manufacturing sector has had an increase (see Section 5, Fig. 22).

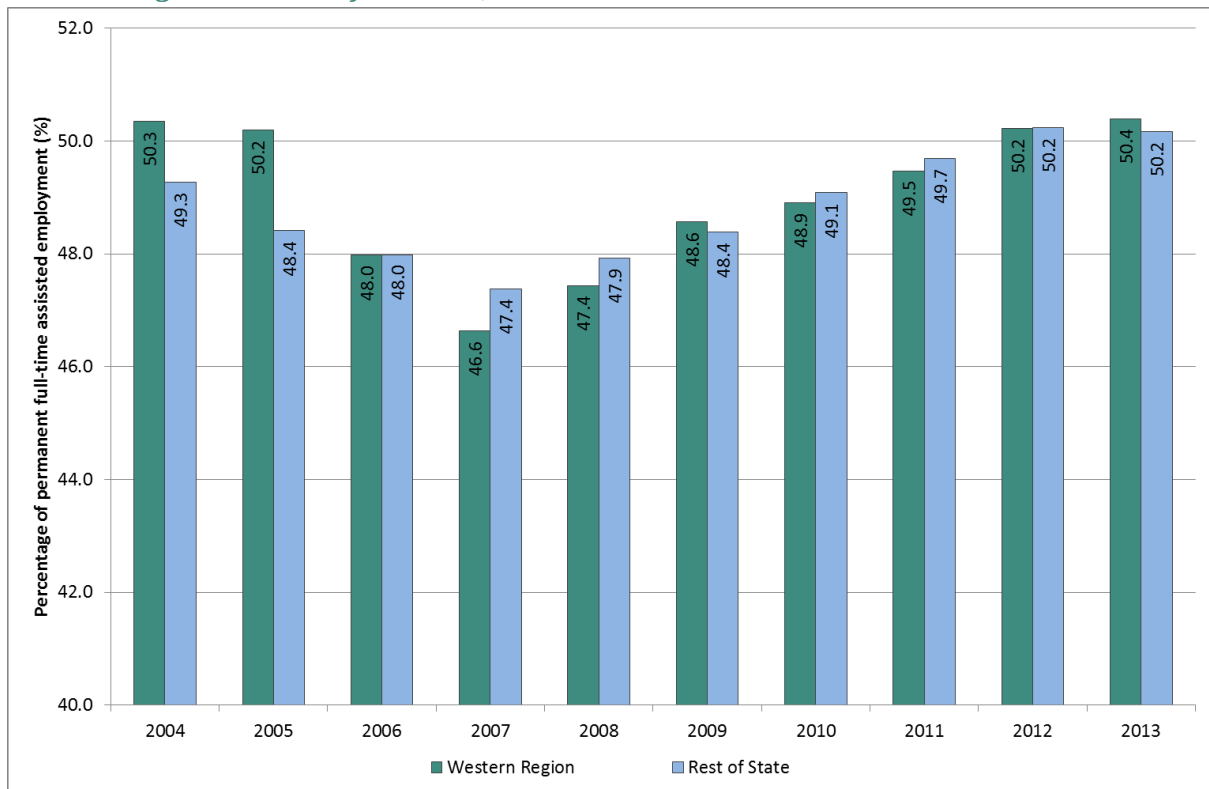
## 4.3 Ownership pattern in Western Region compared with rest of the state

The easiest way to compare the ownership pattern in the Western Region with the rest of the state

is to compare the percentage of employment in one type of ownership. Fig. 14 shows the percentage of permanent full-time jobs in the Western Region and the rest of the state that are in foreign owned companies.

Early in the decade the region had a higher share of its permanent full-time assisted jobs in foreign companies. The share declined in both areas due to very strong growth in Irish owned companies, including many related to construction. At the same time the relative situation reversed with the region now having a lower share of foreign employment than the rest of the state. Irish owned companies played an even greater role in the region's jobs growth in the 2006-2007 period. With employment growth resuming since 2010, and most strongly in the sectors with higher foreign ownership, the share of assisted employment in foreign companies has increased and the share in both areas is now more similar than at that start of the ten year period.

**Fig. 14: Percentage of permanent full-time assisted jobs in foreign owned companies in the Western Region and rest of the state, 2004-2013**



Note: The vertical axis starts at 40% to ease interpretation of the chart.

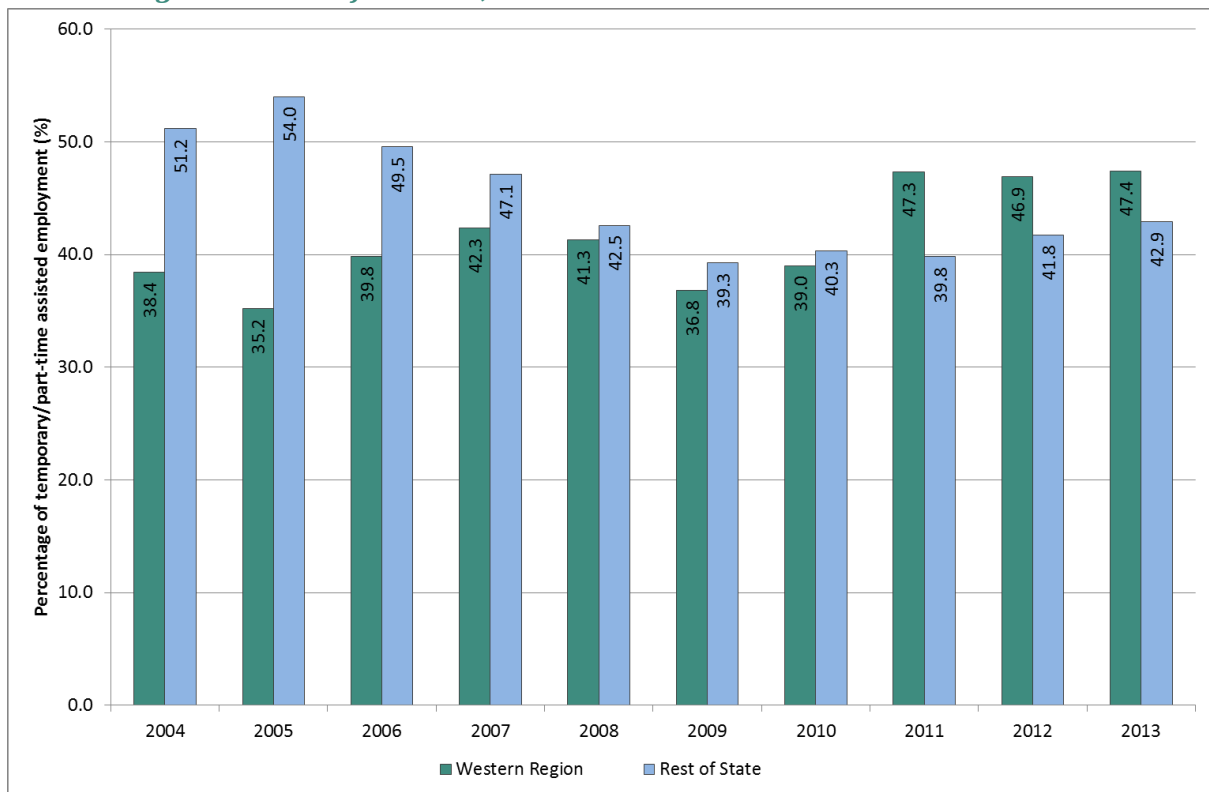
Source: Forfás, Annual Employment Survey 2013

Turning to temporary/part-time jobs, the percentage of all such jobs that were in foreign owned companies was notably higher in the rest of the state than in the region at the start of the decade (Fig. 15). As the share declined in the rest of the state, initially due to strong growth in Irish owned jobs and then due to job losses, it continued to be above that in the region.

Since 2011 the pattern has changed and foreign owned employment accounts for a substantially higher proportion of all temporary/part-time jobs in the Western Region than in the rest of the state. This reflects the greater role of foreign owned employment in recent employment growth in the region and indicates that a greater proportion of recent foreign owned employment growth in the

region is temporary/part-time compared with the rest of the state.

**Fig. 15: Percentage of temporary/part-time assisted jobs in foreign owned companies in the Western Region and rest of the state, 2004-2013**

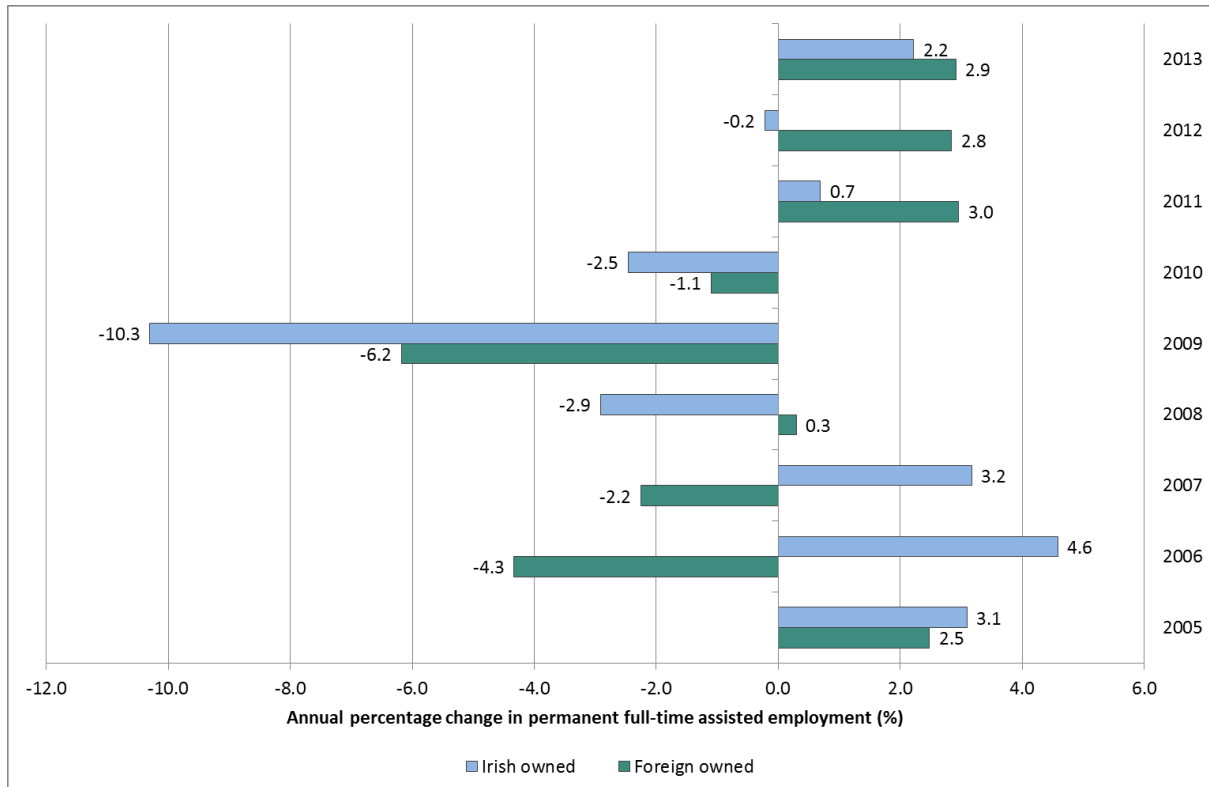


Source: Forfás, Annual Employment Survey 2013

#### 4.4 Change in assisted jobs by ownership in Western Region and rest of the state

The annual percentage change in assisted employment differed by ownership type over 2004 to 2013. For permanent full-time jobs in the Western Region, Irish owned companies had a far stronger performance up to 2007 and in fact foreign owned employment actually declined in the region during 2006 and 2007 (Fig. 16). From 2008 onwards the position has reversed however with the foreign owned sector performing better. This indicates a greater role by foreign companies in recent assisted employment growth. Irish owned companies had their best performance of recent years in 2013, which may indicate a strengthening of their recovery.

**Fig. 16: Annual percentage change in permanent full-time assisted jobs in the Western Region by ownership, 2005-2013**

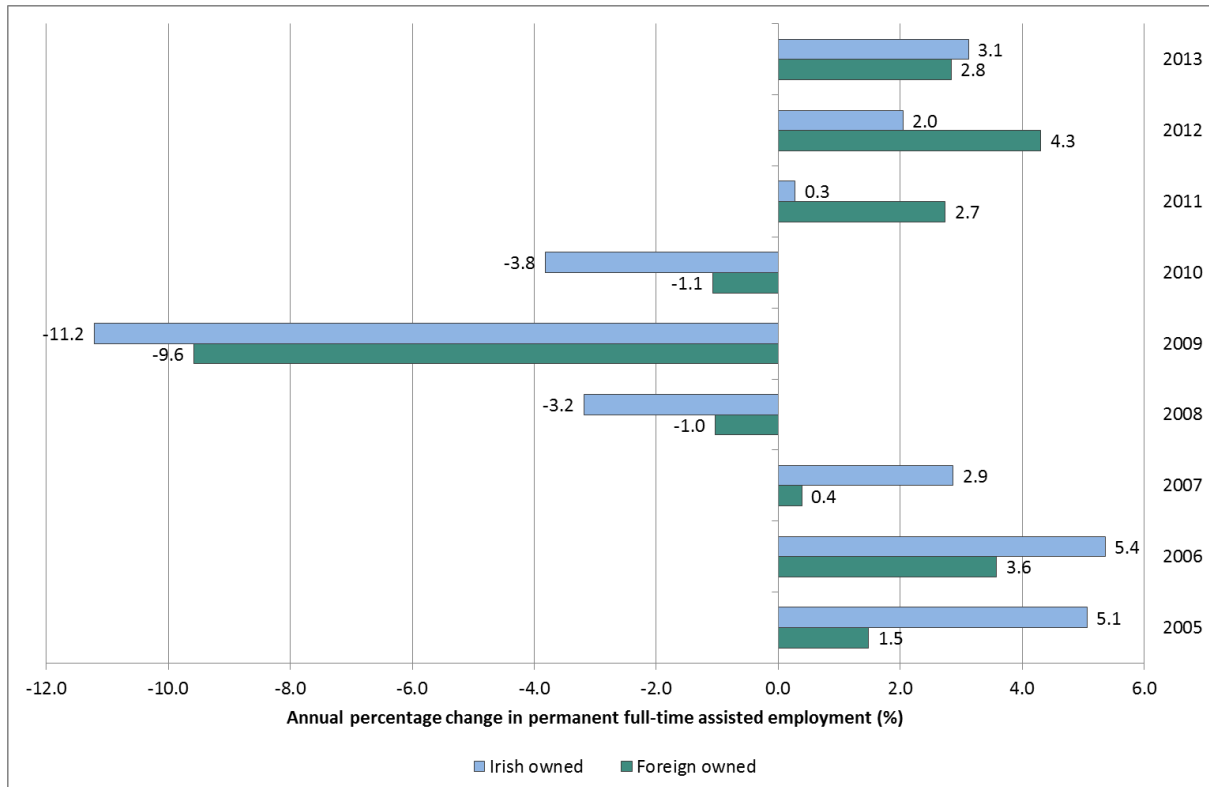


Source: Forfás, Annual Employment Survey 2013

The pattern in the rest of the state differed somewhat (Fig. 17). While Irish owned employment was also stronger than foreign owned at the start of the period, foreign owned employment still continued to grow. Through the recession declines in the Irish sector exceeded the foreign owned sector. The difference was not as great as in the Western Region for most of those years however with the Western Region's foreign owned sector performing better than elsewhere.

The Irish owned sector in the rest of the state has played a notably larger role in the recovery than it has in the Western Region and in fact in 2013 the Irish owned sector grew more strongly than the foreign owned. The recovery in assisted employment in the rest of the state seems to be more balanced between Irish and foreign companies compared with the Western Region where it has been far more reliant on the performance of the foreign owned sector.

**Fig. 17: Annual percentage change in permanent full-time assisted jobs in the rest of the state by ownership, 2005-2013**

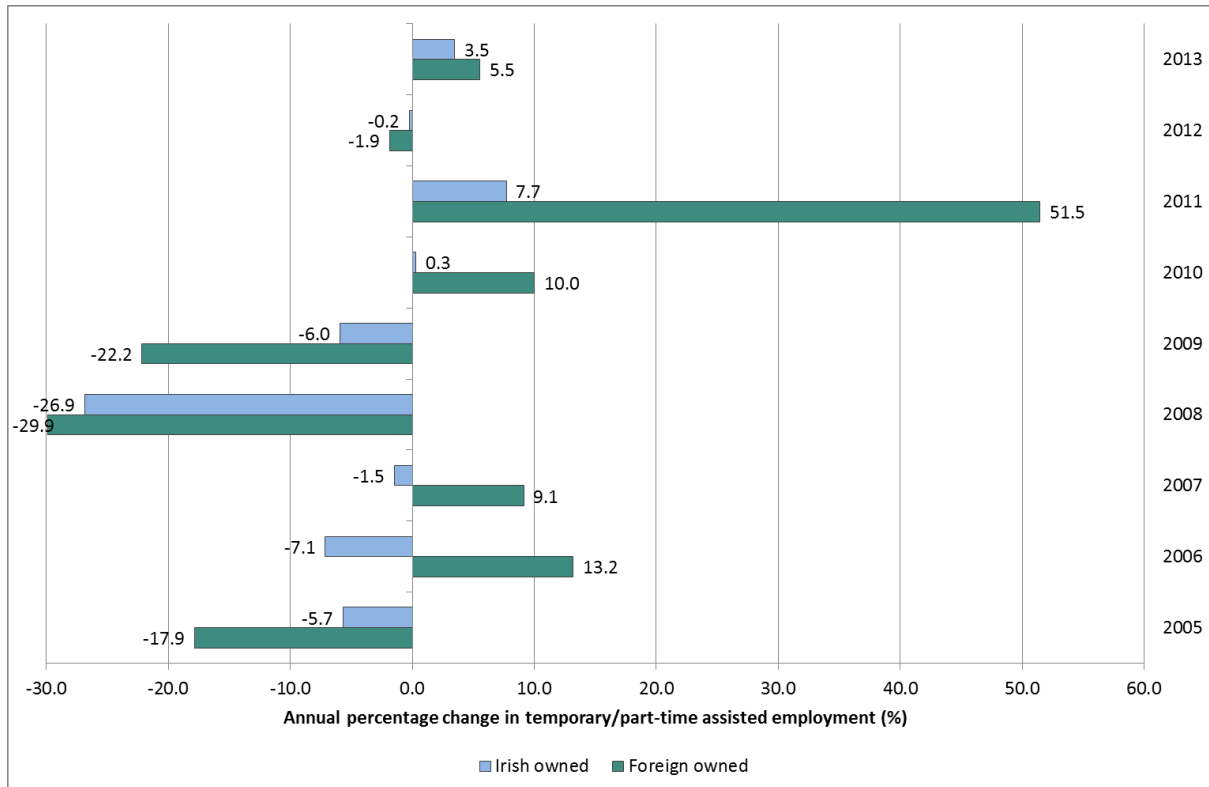


Source: Forfás, Annual Employment Survey 2013

As noted previously, temporary/part-time jobs are considerably more volatile and change most in response to economic conditions. In the Western Region the number of Irish owned temporary/part-time jobs declined in every year until 2010 (Fig. 18). As noted earlier, this decline was from a very high level. Temporary/part-time jobs in foreign owned companies grew through 2006-2007 before also declining very substantially with the recession.

Since 2010 this type of job has grown most strongly in foreign companies and increased by over 50% in 2011. This has led to the considerable increase in the share of all temporary/part-time jobs in the region that are in foreign companies. It also reinforces the role of the foreign owned sector in the overall resumption of assisted employment growth in the Western Region.

**Fig. 18: Annual percentage change in temporary/part-time assisted jobs in the Western Region by ownership, 2005-2013**

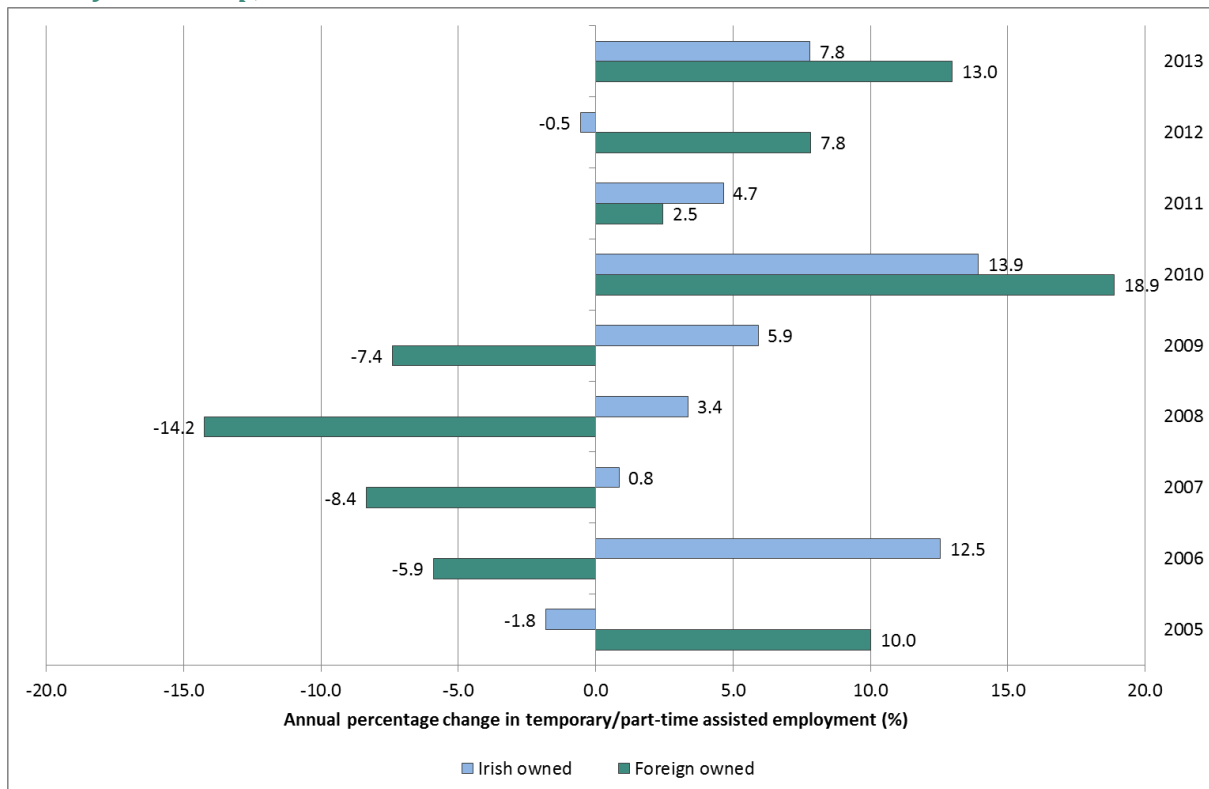


Source: Forfás, Annual Employment Survey 2013

The fluctuations in temporary/part-time employment were generally not as strong in the rest of the state as in the Western Region (Fig. 19). Unlike the Western Region, temporary/part-time employment in Irish owned firms in the rest of the state increased in almost every year of the ten years. In foreign owned companies, it declined through 2006-2009 but had shown strong growth since 2010.

High growth in temporary/part-time employment in the rest of the state in both foreign and Irish companies has contributed to the overall increase in the share of non-permanent jobs in total assisted employment.

**Fig. 19: Annual percentage change in temporary/part-time assisted jobs in the rest of the state by ownership, 2005-2013**



Source: Forfás, Annual Employment Survey 2013

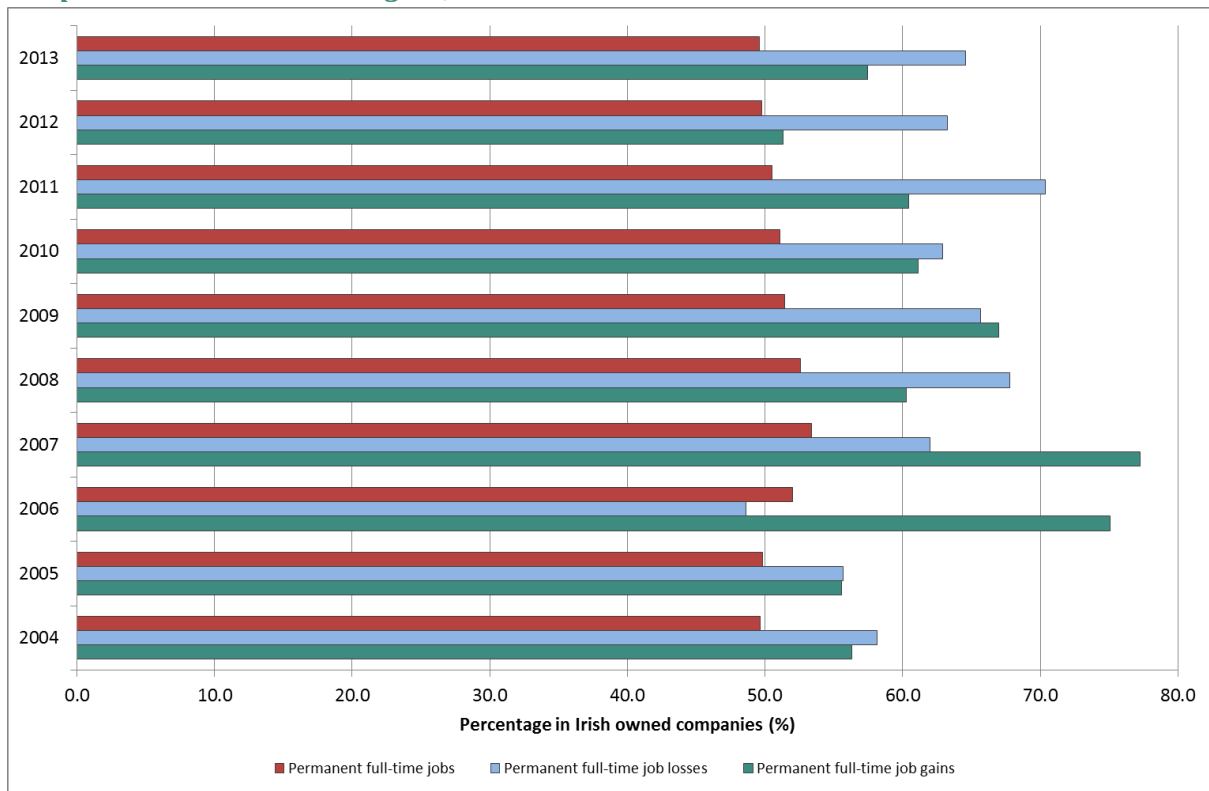
#### 4.5 Western Region's share of gains, losses and jobs by ownership

The ownership pattern of job gains and losses can be put in the context of the overall ownership pattern of permanent full-time assisted jobs to determine if a particular ownership group was 'over' or 'under' represented. The easiest way to interpret this is to examine one form of ownership. Fig. 20 compares the share of permanent full-time jobs in Irish owned companies with the share of job gains and losses accounted for by such companies.

In 2004-2005 Irish companies accounted for a similar level of gains and losses, slightly higher than their share of jobs. 2006-2007 were very striking years when the share of total job gains generated by Irish companies was hugely greater than their share of jobs or job losses. Irish companies were playing a very significant role in job creation in these years. In all but one of the years since then, Irish owned companies have accounted for a larger share of job losses than gains pointing to net job losses and a reduced role in the region's assisted employment profile.

In every year the share of both job gains and job losses that came from Irish companies was greater than their share of employment. For example in 2013 while 49.6% of all permanent full-time assisted jobs in the Western Region were in Irish companies, they accounted for 64.6% of all job losses and 57.5% of job gains. This reflects greater volatility in the Irish owned assisted employment sector than in foreign owned companies. Foreign owned businesses have accounted for smaller shares of both job losses and job gains than their share of employment would suggest pointing to greater stability over the period.

**Fig. 20: Percentage of permanent full-time assisted job gains, job losses and jobs in Irish companies in the Western Region, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

## 4.6 Conclusion

The resumption of growth in assisted employment since 2010 has been driven by foreign owned companies in the Western Region. In the rest of the state the growth has been more balanced between Irish and foreign ownership with the Irish owned sector outperforming the foreign in 2013. The Western Region's recovery has relied more heavily on the foreign owned sector and recovery in its Irish owned sector has been considerably slower than elsewhere, pointing to the need for a policy focus on the region's Irish owned sector.

The level of foreign ownership of both permanent full-time and temporary/part-time employment in the Western Region is now at its highest of the ten year period 2004-2013. This is largely because the sectors which are driving growth (modern manufacturing and information and communication) are predominantly foreign owned. This recent growth in foreign owned employment has had a greater proportion of temporary/part-time jobs in the region than the rest of the state however, which raises some questions over its nature and impact.

Irish owned companies have experienced considerably more volatility over the period, growing very strongly through 2006-2007, influenced by construction-related manufacturing, and then experiencing massive job losses through the recession. Assisted Irish companies in the Western Region have not shown the same degree of recovery as the foreign owned sector nor as the Irish owned sector elsewhere in the country. Strengthening the region's Irish owned assisted sector needs to be a priority for job creation and regional economic policy.



## Section 5: Agency Assisted Employment by Sector

### Summary

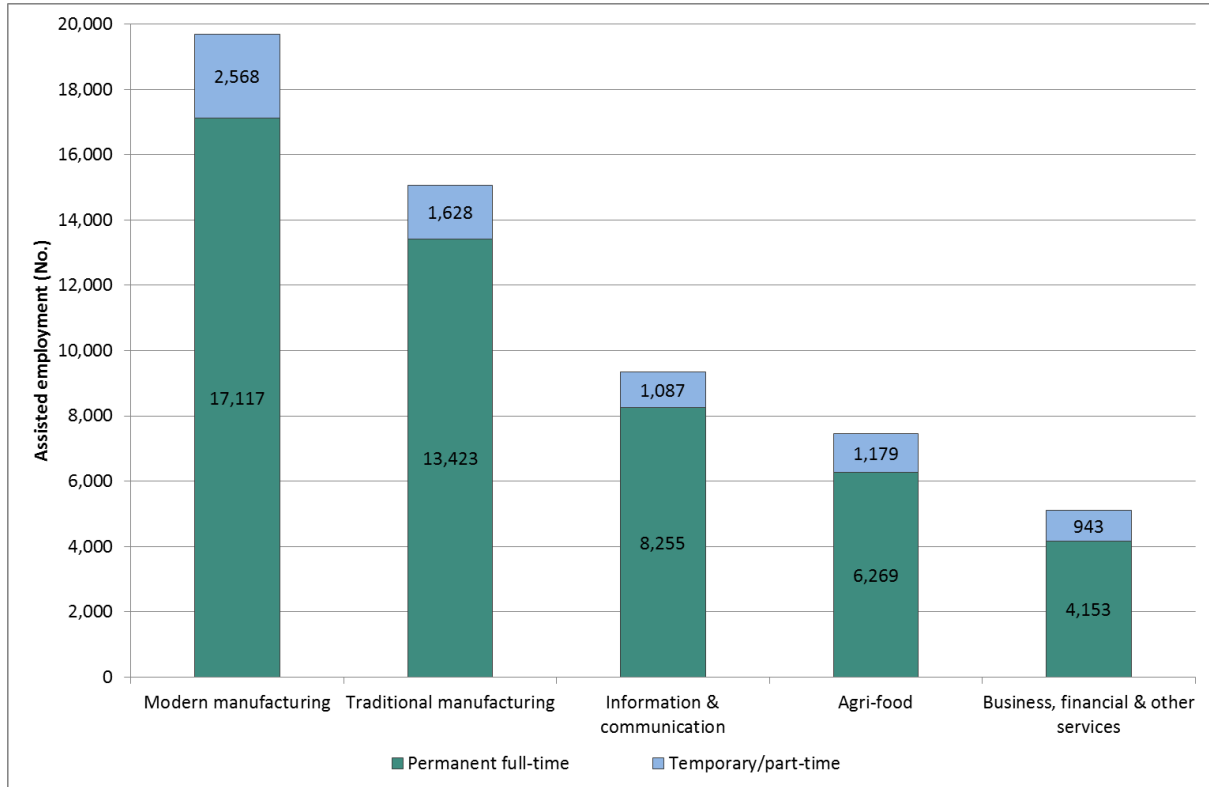
- The largest sector of assisted employment in the Western Region is modern manufacturing, followed by traditional manufacturing, information and communication services and agri-food processing. Business, financial and other services is the smallest assisted employment sector. This differs from the rest of the state where information and communication is the largest and agri-food the smallest.
- The type of employment varies across the sectors with business, financial and other services (18.5%) and agri-food (15.8%) having the highest shares of temporary/part-time employment with traditional manufacturing (10.8%) the lowest.
- Assisted employment in the Western Region is considerably more sectorally concentrated, with 62.1% of permanent full-time assisted jobs in its top two sectors compared with 49.2% in the rest of the state. This highlights the need for increased diversity in the region's assisted employment profile.
- Assisted employment in the region is more concentrated in manufacturing activities. The region is home to 23% of Ireland's permanent assisted jobs in both traditional and modern manufacturing but less than 11% of all international services jobs.
- Modern manufacturing and information and communication services are mainly foreign owned (around 70%) while agri-food and business, financial and other services employment is over 80% Irish owned.
- Traditional manufacturing employment in the Western Region declined gradually from 2005 to 2007 and fell massively from 2008, highly influenced by job losses in businesses supplying the construction sector. It began to show some recovery in 2013 (+4.3%). Over the decade employment in the sector fell by almost a quarter.
- Modern manufacturing employment grew in 2004-2005 and then remained very stable through the height of the boom and the crash. From 2011 onwards there has been steady growth in job numbers and over the full 2004-2013 period the sector's employment grew by +12.7%.
- Agri-food in the Western Region experienced steady employment decline to 2011 with slight jobs growth since. In total over the decade employment declined by -12.3%.
- Information and communication services employment grew steadily from 2004 to 2008 but then experienced a relatively large dip during the recession. It has grown strongly since 2011 and was at its highest level of the ten year period in 2013. In total over the decade employment increased by about a quarter.
- Business, financial and other services showed growth from 2004 to 2008 but has declined steadily since to return to a similar level to the start of the decade.

### 5.1 Assisted jobs by sector

Agency assisted employment is confined to industrial and international services sectors. It does not include local services (e.g. retail, hospitality, professional services) or the public sector. In this section employment patterns in five broad sectors are examined, a more detailed sectoral breakdown is analysed in Section 6 and Appendix 1.

The largest sector of assisted employment in the Western Region is modern manufacturing<sup>8</sup> (Fig. 21). In 2013 almost 20,000 people worked in this sector. The second largest is also a manufacturing sector. There are 15,000 in total working in traditional manufacturing.<sup>9</sup> The international services sector of information and communication<sup>10</sup> was third largest followed by agri-food processing.<sup>11</sup> Business, financial and other services is the smallest assisted employment sector with just 5,000 employed.

**Fig. 21: Total assisted jobs by sector in the Western Region, 2013**



Source: Forfás, Annual Employment Survey 2013

The balance in the type of employment varies across sectors (Fig. 22). At 18.5% business, financial and other services has the highest share of temporary/part-time employment followed by agri-food (15.8%) and modern manufacturing (13%). Information and communication (11.6%) and traditional manufacturing (10.8%) have the lowest shares of non-permanent employment.

<sup>8</sup> Modern manufacturing includes chemicals, computer, electronic and optical equipment, medical devices and construction, energy, water and waste.

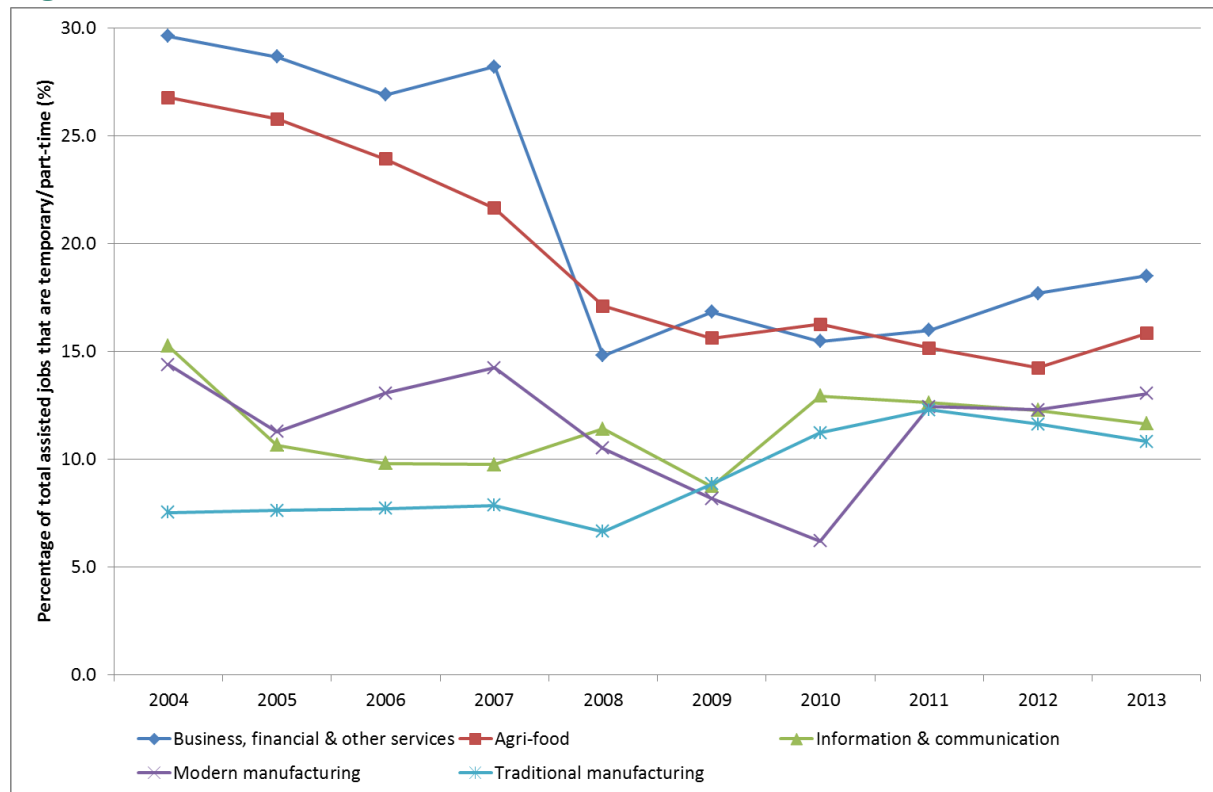
<sup>9</sup> Traditional manufacturing includes basic and fabricated metal, clothing and textiles, electrical equipment, non-metallic minerals (e.g. cement), paper and printing, rubber and plastics, wood products, machinery and equipment, transport equipment and miscellaneous manufacturing.

<sup>10</sup> Information and communication includes computer consultancy, computer facilities management, computer programming, other information technology and computer services, and other information and communication.

<sup>11</sup> Agri-food includes food, drink and agriculture, fishing and forestry. The small mining and quarrying sector is also included as it is a primary production sector but the term 'agri-food' is used for clarity and dominates the broad sector.

These differences across sectors, and the performance of the respective sectors, have resulted in the overall changing pattern in the type of assisted employment in the Western Region over the past decade. All sectors had a higher share of temporary/part-time employment in 2004 than at present, except for traditional manufacturing. In the case of agri-food and business, financial and other services the decline was very substantial from 26.8% and 29.6% respectively in 2004. This has contributed to the overall decline in this type of employment in the region.

**Fig. 22: Percentage of temporary/part-time assisted jobs in each sector in the Western Region, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

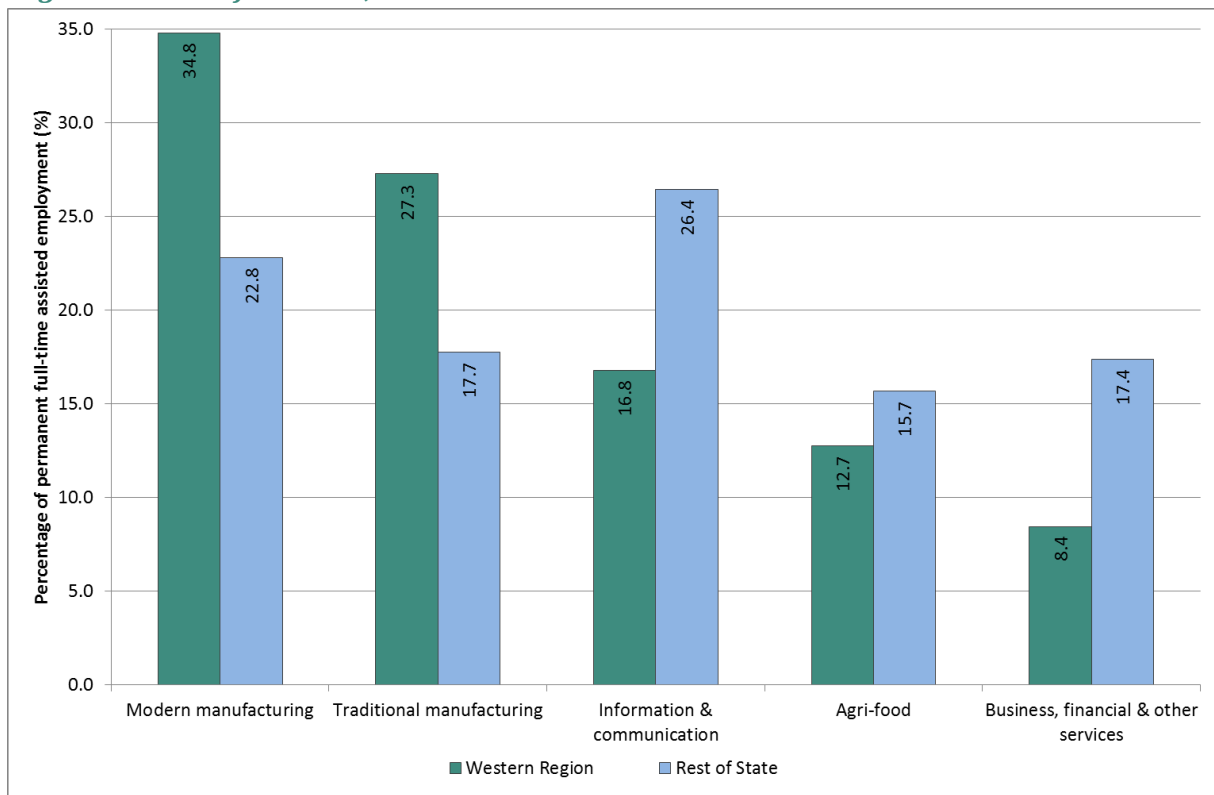
## 5.2 Assisted jobs by sector in the Western Region and rest of the state

The sectoral pattern of assisted employment in the Western Region differs from that in the rest of the state in several respects (Fig. 23). Information and communication is the largest sector in the rest of the state compared with modern manufacturing in the Western Region while agri-food is least important in the rest of the state in contrast to business, financial and other services in the region.

Permanent full-time assisted employment in the rest of the state is more evenly distributed across the sectors. There is a range of about 10 percentage points between the share in the most and least important sectors in the rest of the state in contrast to a 26 percentage point gap in the Western Region. Assisted employment in the region is considerably more sectorally concentrated with 62.1% of permanent full-time assisted jobs in the top two sectors compared with 49.2% in the top two sectors in the rest of the state. While this indicates regional strength in manufacturing, it also raises the challenge of greater vulnerability to declines in specific sectors and highlights the need for

increased diversity in the region's assisted employment profile.

**Fig. 23: Percentage of permanent full-time assisted jobs in each sector in the Western Region and rest of the state, 2013**



Source: Forfás, Annual Employment Survey 2013

Both modern and traditional manufacturing account for considerably greater shares of assisted employment in the Western Region than in the rest of the state. This is especially the case for modern manufacturing which accounts for more than 1 in 3 of all permanent assisted jobs in the Western Region but just over 1 in 5 in the rest of the state. Manufacturing continues to play a hugely significant role in the Western Region's employment profile and the region is a critical location for Ireland's manufacturing base, in particular high-tech manufacturing.

Agri-food is the only manufacturing sector where the region has a lower share of employment than elsewhere. This is related to the relatively weaker agricultural sector in the Western Region and the strong concentration of this sector in the South West and South East of the country.

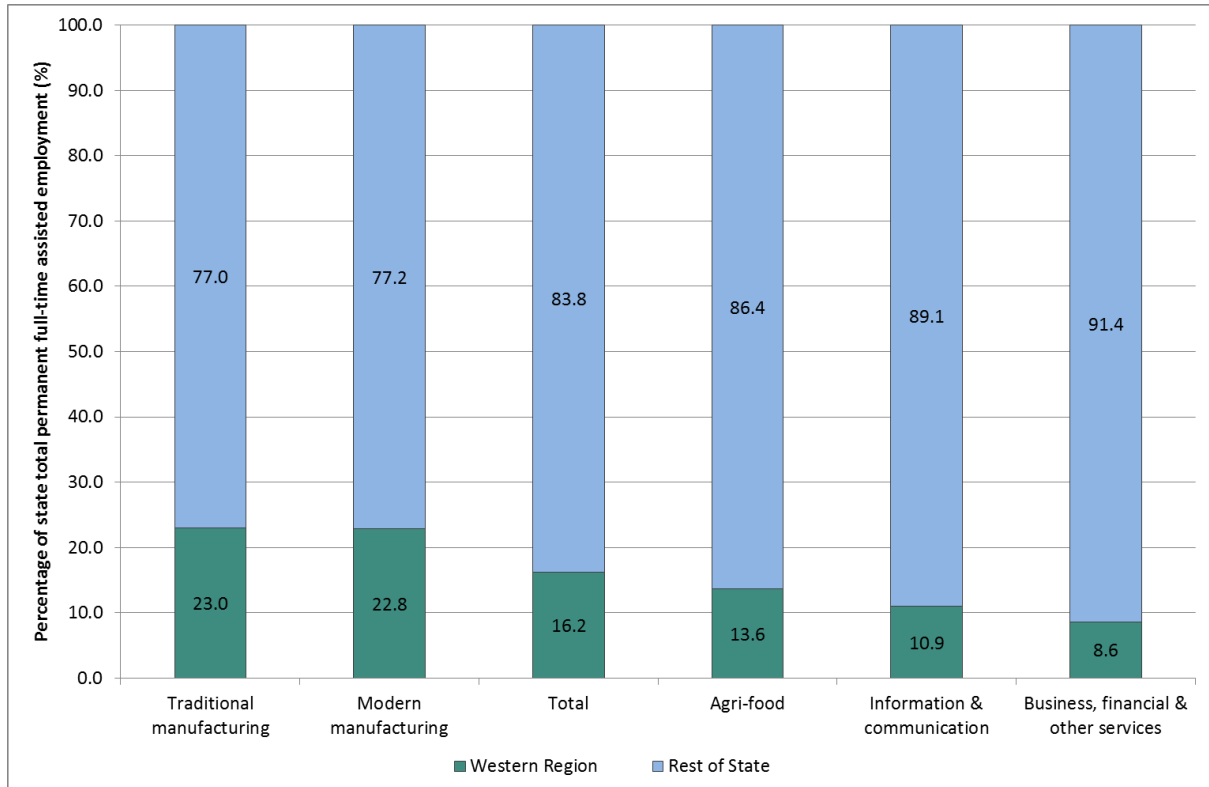
Far smaller percentages of the region's employment are in the international services sectors. For the largest such sector, information and communication, 16.8% of employment in the region is in the sector, 10 percentage points lower than the share in the rest of the state. Business, financial and other services accounts for twice as much employment in the rest of the state as it does in the Western Region. Overall the pattern of assisted employment in the region is far more concentrated in manufacturing with international services playing a smaller role.

### 5.3 Western Region's share of national employment by sector

From Fig. 24 it is clear that the Western Region's national role differs very significantly across sectors. On average, 16.2% of Ireland's permanent full-time assisted employment is based in the region.

However it is home to 23% of employment in both traditional and modern manufacturing. Almost 1 in 4 of all Ireland's permanent assisted manufacturing jobs are based in the Western Region. In contrast fewer than 1 in 10 of all international services jobs are here.

**Fig. 24: Western Region's percentage of national permanent full-time assisted jobs by sector, 2013**

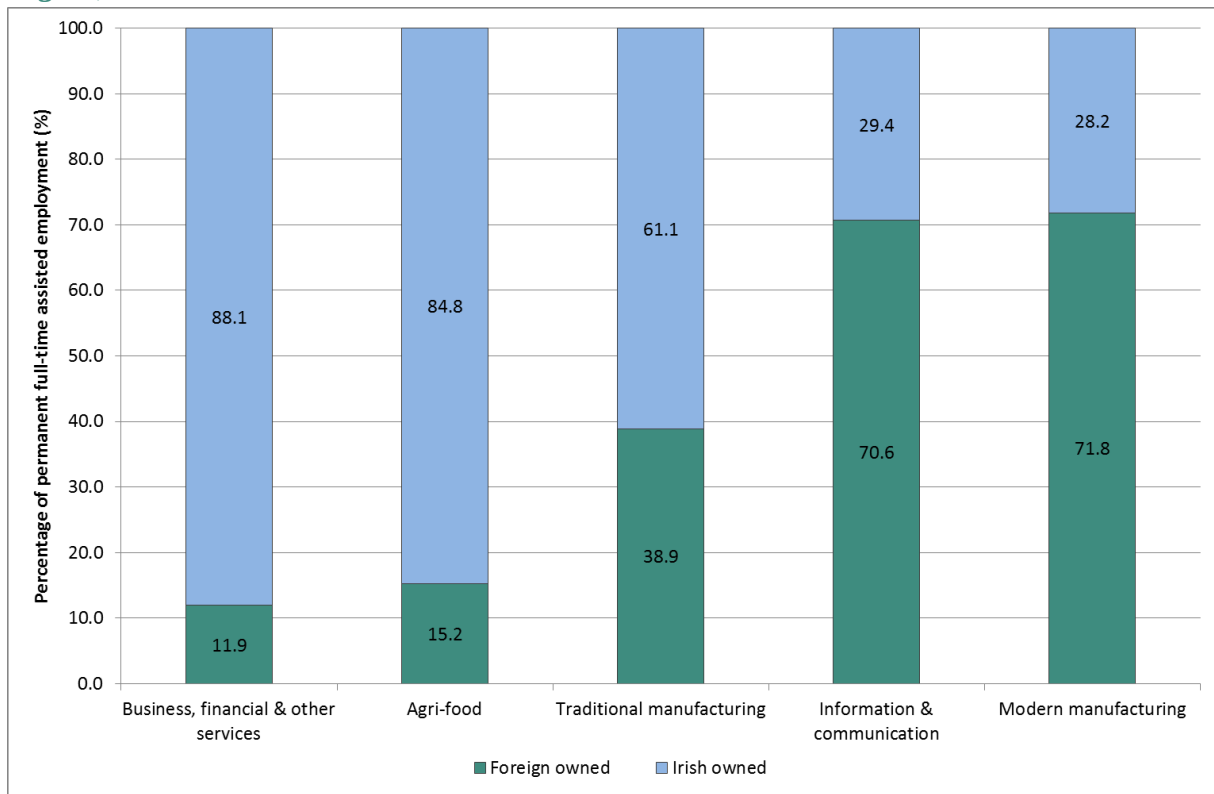


Source: Forfás, Annual Employment Survey 2013

#### 5.4 Ownership of assisted jobs by sector

The ownership pattern of assisted employment differs across the sectors (Fig. 25). Modern manufacturing and information and communication are mainly foreign owned with around 70% of employment in foreign owned companies. All others are mainly Irish owned. Assisted agri-food and business, financial and other services employment is over 80% Irish owned.

**Fig. 25: Permanent full-time assisted jobs in each sector by ownership in the Western Region, 2013**



Source: Forfás, Annual Employment Survey 2013

## 5.5 Trends in assisted jobs by sector 2004-2013

Permanent full-time assisted employment in each of the five sectors between 2004 and 2013 is shown in Fig. 26. Modern and traditional manufacturing have been the two largest sectors throughout the ten year period, however they have had very different experiences.

Beginning the period as the largest sector, traditional manufacturing declined gradually from 2005 to 2007 and then experienced a massive fall in employment during 2008-2009 to fall below modern manufacturing. This was highly influenced by job losses in businesses supplying the construction sector, such as engineering and wood products, as well as ongoing declines in other traditional manufacturing sectors such as clothing and textiles. Employment remained relatively stable to 2012 and showed quite strong growth in 2013 of +4.3% pointing to some recovery in the sector. This recovery has been strongest in transport equipment and electrical equipment (see Section 6 and Appendix 1 for sub-sector data).

Modern manufacturing grew in 2004-2005 and then remained very stable through the height of the boom and the crash. From 2011 onwards there has been steady growth in job numbers. Growth has occurred across all sub-sectors over that period with computer, electronic and optical equipment, and chemicals growing most in 2013.

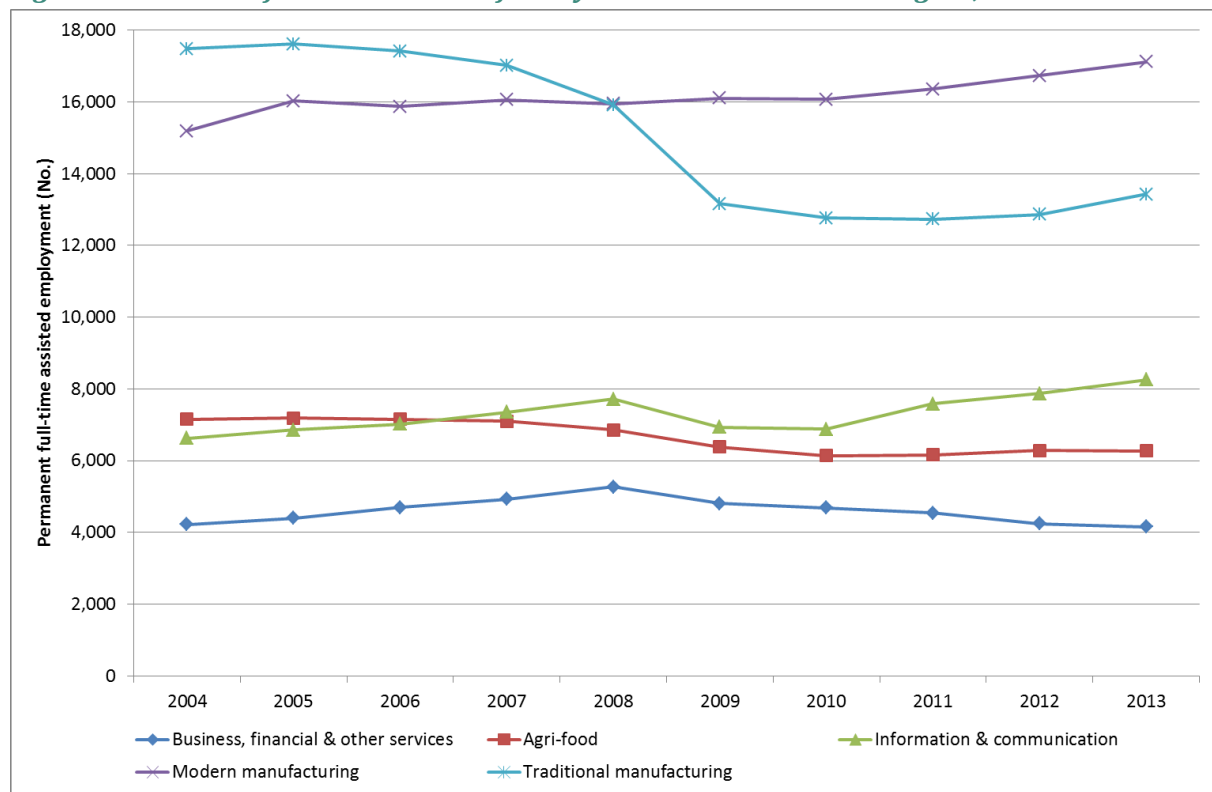
The final manufacturing sector is agri-food. It was the third largest sector at the start of the period but employment declined steadily to 2011 and it fell to fourth. The sector has shown some slight jobs growth since 2011, however employment declined marginally in 2013 with falls in food and

mining and quarrying.

Information and communication services is now the third largest assisted employment sector. It grew steadily from 2004 to 2008 and experienced a relatively large dip during the recession. It has grown strongly since 2011 and was at its highest level of the ten year period in 2013. Growth has occurred across almost all its sub-sectors and in 2013 computer facilities management, other information and communication, and computer programming had the strongest growth.

The smallest sector, business, financial and other services, showed growth from 2004 to 2008 but has declined steadily since. Employment in both financial and business services declined in 2013.

**Fig. 26: Permanent full-time assisted jobs by sector in the Western Region, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

Table 2 shows the change in permanent assisted employment by sector for the ten year period 2004-2013 and also the most recent year. Between 2004 and 2013 employment in traditional manufacturing contracted by almost a quarter with 4,000 fewer working in the sector. Information and communication had similar percentage growth over the period which resulted in 1,600 additional people employed.

Modern manufacturing grew by +12.7% over the decade with nearly 2,000 more people employed, while agri-food declined by a similar percentage equating to almost 900 fewer working in the sector. There was a similar number working in business, financial and other services in 2013 as had been ten years earlier.

In the most recent year, information and communication had the strongest growth at nearly +5% while traditional manufacturing grew by +4.3% showing the beginnings of some recovery. Modern

manufacturing also increased employment by +2.3%. The other sectors experienced a decline in 2013.

**Table 2: Change in permanent full-time assisted jobs by sector in the Western Region, 2004-2013 and 2012-2013**

	<b>Change 2004-2013 No.</b>	<b>% Change 2004-2013 %</b>	<b>Change 2012-2013 No.</b>	<b>% Change 2012-2013 %</b>
<b>Modern Manufacturing</b>	1,924	12.7	390	2.3
<b>Traditional Manufacturing</b>	-4,057	-23.2	559	4.3
<b>Information and Communication</b>	1,636	24.7	387	4.9
<b>Agri-food</b>	-883	-12.3	-15	-0.2
<b>Business, Financial and Other Services</b>	-71	-1.7	-88	-2.1
<b>Total</b>	<b>-1,451</b>	<b>-2.9</b>	<b>1,233</b>	<b>2.6</b>

Source: Forfás, Annual Employment Survey 2013

## 5.6 Conclusion

Manufacturing plays a far more significant role in assisted employment in the Western Region. Manufacturing's future performance, as well as policy to support the sector in areas such as infrastructure, skills and training, enterprise and R&D support, will have particular relevance for employment in the region. The overall national trend towards a more services focused economy must be balanced with continued attention on the needs of manufacturing enterprises, both existing and new, and this is particularly important in the context of regional development.

While manufacturing continues to dominate assisted employment in the region and is performing well, information and communication is currently the strongest growth sector in the region. A strategy for promoting greater diversification and a more even balance across manufacturing and services sectors in the region is important for its recovery and future economic resilience.



## Section 6: Assisted Employment by Detailed Sector

### Summary

- At a more detailed sector level, medical devices dominate permanent full-time assisted employment in the Western Region accounting for about 1 in 5 of all such jobs. The region is home to 44% of all medical devices assisted employment in Ireland. Given its substantial role, the performance of the medical technology sector plays a critical role in the region's overall assisted employment performance.
- Food is the region's next largest sector, followed by computer programming, chemicals, and computer and optical equipment. The share working in these sectors is lower in the region than in the rest of the state. The next largest are machinery and equipment, metals and 'other services', where the region has a higher share employed than the rest of the state. It is notable that of the top eight sectors in the region, seven are manufacturing activities.
- International services sectors, such as computer consultancy, financial services and business services, are far more important in the rest of the state than the region, while many of the traditional manufacturing sectors are of greater significance in the Western Region.
- After medical devices, where the region plays its largest national role, other sectors where the region is home to over a third of national assisted employment are mining and quarrying, agriculture, forestry and fishing, textiles, electrical equipment, miscellaneous manufacturing and clothing. Of these, only two (electrical equipment and miscellaneous manufacturing) account for a significant amount of employment in the region.

### 6.1 Assisted jobs by detailed sector

Examining more detailed sectoral data provides meaningful insights on the specific sectors and economic activities which are driving recent employment growth in the Western Region. From Fig. 27 it is very obvious that permanent full-time assisted employment in the Western Region is dominated by the medical devices sector. About 1 in 5 (19.5%) of all permanent assisted jobs in the region are in medical devices. This is a key reason why modern manufacturing is the largest broad sector in the Western Region. Given its substantial role, the performance of the medical technology sector is critical to the region's overall employment performance, far more so than in the rest of the state where this sector accounts for only 4.9% of assisted employment.

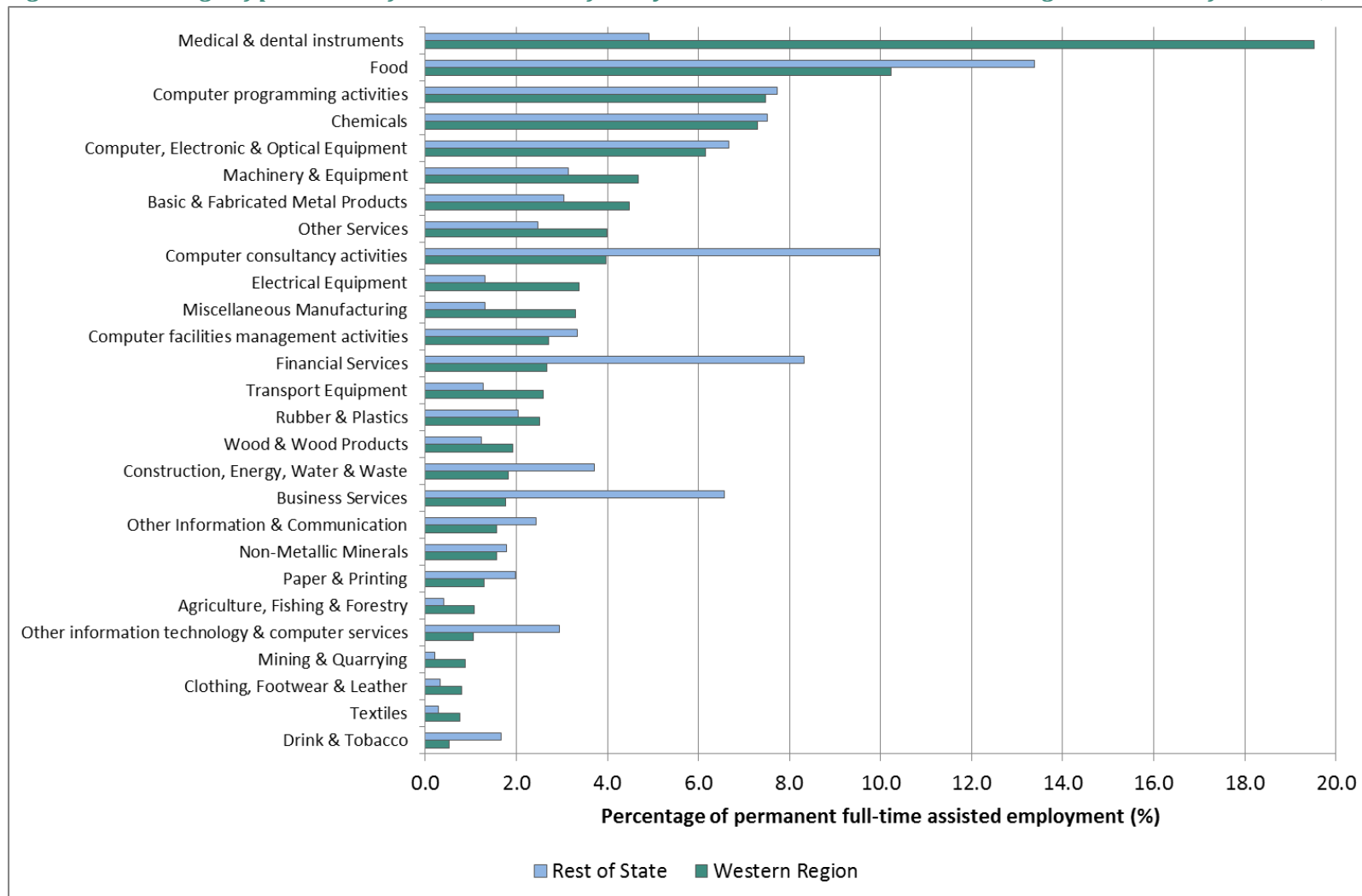
The next largest assisted employment sector in the Western Region is food, which at 10% has about half the share of medical devices. A smaller share is working in this sector in the region than in the rest of the state which is also the case for the region's next three largest sectors – computer programming, chemicals, and computer and optical equipment. The region has a greater share employed in the next two largest, which are both traditional manufacturing sectors (machinery and equipment, and metals), and the broad 'other services' sector.

What is very evident is the far greater importance of the international services sectors, such as computer consultancy, financial services and business services, in the rest of the state. Many of the traditional manufacturing sectors on the other hand are of greater significance in the Western Region. This is partly due to the fact that a greater share of assisted employment in the Western Region comes from long established investments, some dating from the 1970s and 1980s, which are more likely to be in traditional manufacturing activities, while more recent investments in

international services play a bigger role in the rest of the country.

The performance of each detailed sector over the 2004-2013 period is examined in Appendix 1.

Fig. 27: Percentage of permanent full-time assisted jobs by detailed sector in the Western Region and rest of the state, 2013



Source: Forfás, Annual Employment Survey 2013

## 6.2 Western Region's share of national employment by detailed sector

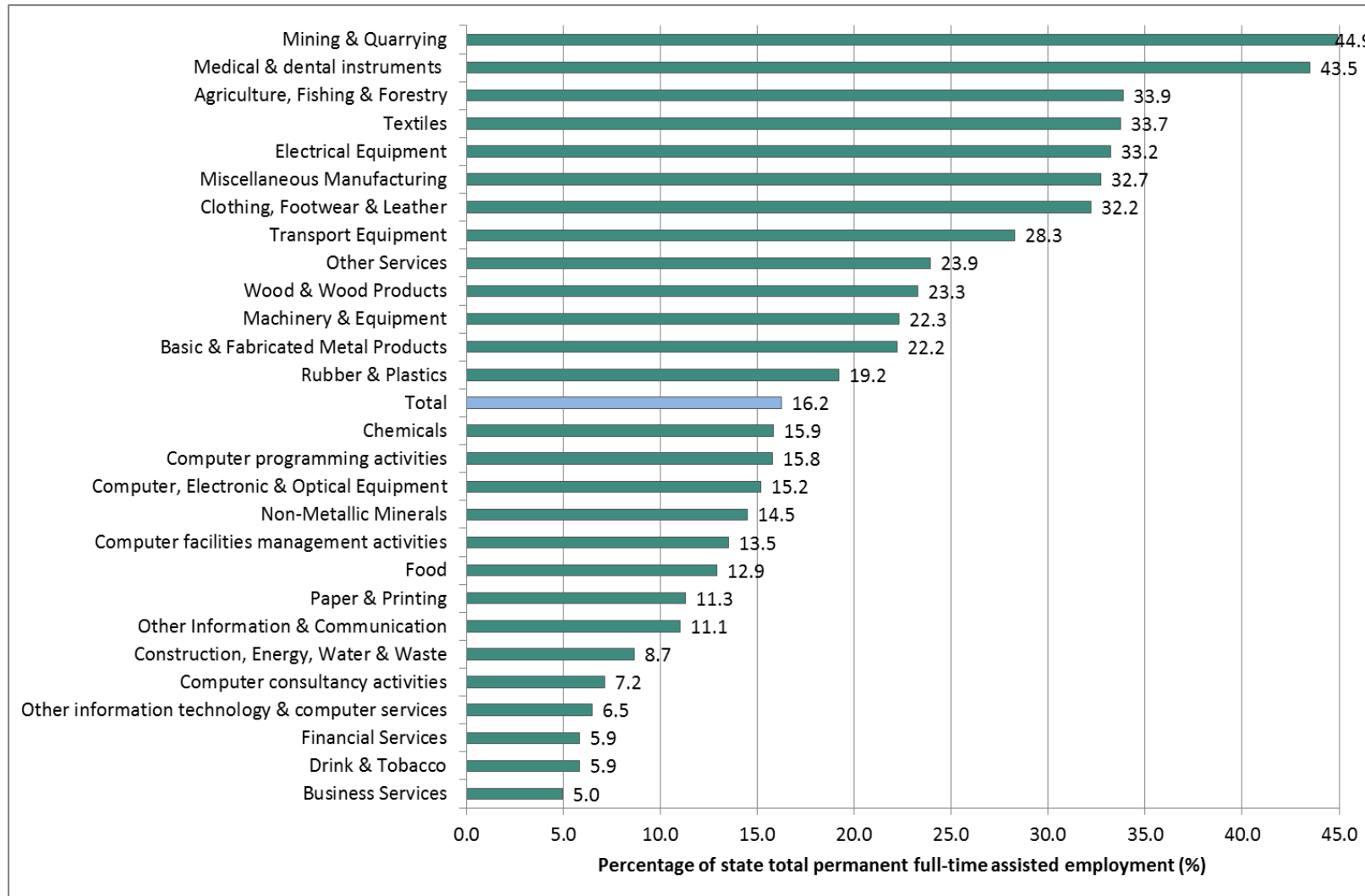
Considering the Western Region's role in national employment by detailed sector shows the sectors where it has regional strengths as well as those where there is room for further development.

Fig. 28 shows the percentage of all permanent assisted employment in the country that is located in the Western Region by detailed sector. Mining and quarrying and medical devices are clearly the sectors where the region plays its largest role. About 44% of all employment in both these sectors is in the region, clearly demonstrating the national significance of the region's medical devices cluster.

In five sectors – agriculture, forestry and fishing, textiles, electrical equipment, miscellaneous manufacturing, and clothing – the region accounts for around a third of all assisted employment nationally. Of these, only two (electrical equipment and miscellaneous manufacturing) account for a significant amount of employment in the region. In most of the region's largest employment sectors (see Fig. 27) the region accounts for between 13%-23% of employment nationally.

Business services, financial services, other IT and computer services, and computer consultancy are among the sectors where the region accounts for its smallest share of national employment.

**Fig. 28: Percentage of national permanent full-time assisted jobs in each detailed sector based in the Western Region, 2013**



Source: Forfás, Annual Employment Survey 2013

### **6.3 Conclusion**

The region's assisted employment profile is far more dominated by a single sector, medical devices, than is the case in the rest of the state where employment is more evenly distributed across the sub-sectors. While this reflects an important regional strength, it also raises some concerns in relation to high reliance on a single sector.

In general the region has a lower share of its assisted employment in all of the international services sub-sectors as well as the modern manufacturing sub-sectors (except medical devices) while it has a higher share employed in the traditional manufacturing sub-sectors. Given the respective recent sectoral performances (see Appendix 1), this pattern highlights the need for greater diversification of the region's assisted employment profile and more focus on the international services sectors. The potential for growth in certain traditional manufacturing sub-sectors also needs to be supported.

## Section 7: Assisted Employment in Western Counties

### Summary

- As a proportion of total employment Galway has the highest share of assisted employment in the Western Region followed by Clare. These are the only western counties above the state average. Mayo is next highest followed by Sligo and Donegal. Roscommon has the lowest share of its employment in the assisted sector in the region and is second lowest nationally. Leitrim is also relatively low. The tendency for concentration of assisted employment in the larger urban centres is evident.
- Of the seven western counties, Sligo, Leitrim and Clare experienced a decline in total assisted employment in 2013. All others experienced growth with Roscommon, Mayo, Donegal and Galway respectively having the best performance.
- In the Western Region Leitrim has the highest share of foreign ownership of assisted employment and is third highest nationally, influenced by one sector. At 38.1% Donegal has the lowest foreign owned share in the region however there are twelve counties nationally with lower shares. In the national context western counties tend to have relatively high shares of foreign ownership. The legacy of FDI investments across the region over the past 30-40 years and the relatively weaker recent performance of the Irish owned sector in the region are the likely reasons for this.
- Modern manufacturing is the largest assisted employment sector in Roscommon, Galway, Sligo and Mayo. At over half of all permanent assisted employment Roscommon has the second highest share working in this sector of any county in the country. Galway, Sligo and Mayo have over 40%, reinforcing the significance of modern manufacturing in western counties.
- Traditional manufacturing is the largest sector in Leitrim and Clare which have the third and fourth largest shares nationally. While it is also the largest sector in Donegal, that county's assisted employment is very evenly distributed across its top three sectors.
- The agri-food sector is the second largest, accounting for just over a quarter of assisted employment, in the large rural counties of Mayo, Donegal and Roscommon. In a national context however the sector does not play a particularly large role in western counties as the region's agriculture sector is not as strong as in other areas of the country especially the South West and South East.
- Leitrim, Donegal and Galway have high shares working in information and communication services showing the role of the sector in Carrick-on-Shannon, Letterkenny and Galway city as well as the potential for future growth in this sector in the region.
- The Western Region's smallest assisted sector, business, financial and other services, is actually the third largest in county Clare which has a share above the rest of state average. Indeed it is fifth highest nationally.

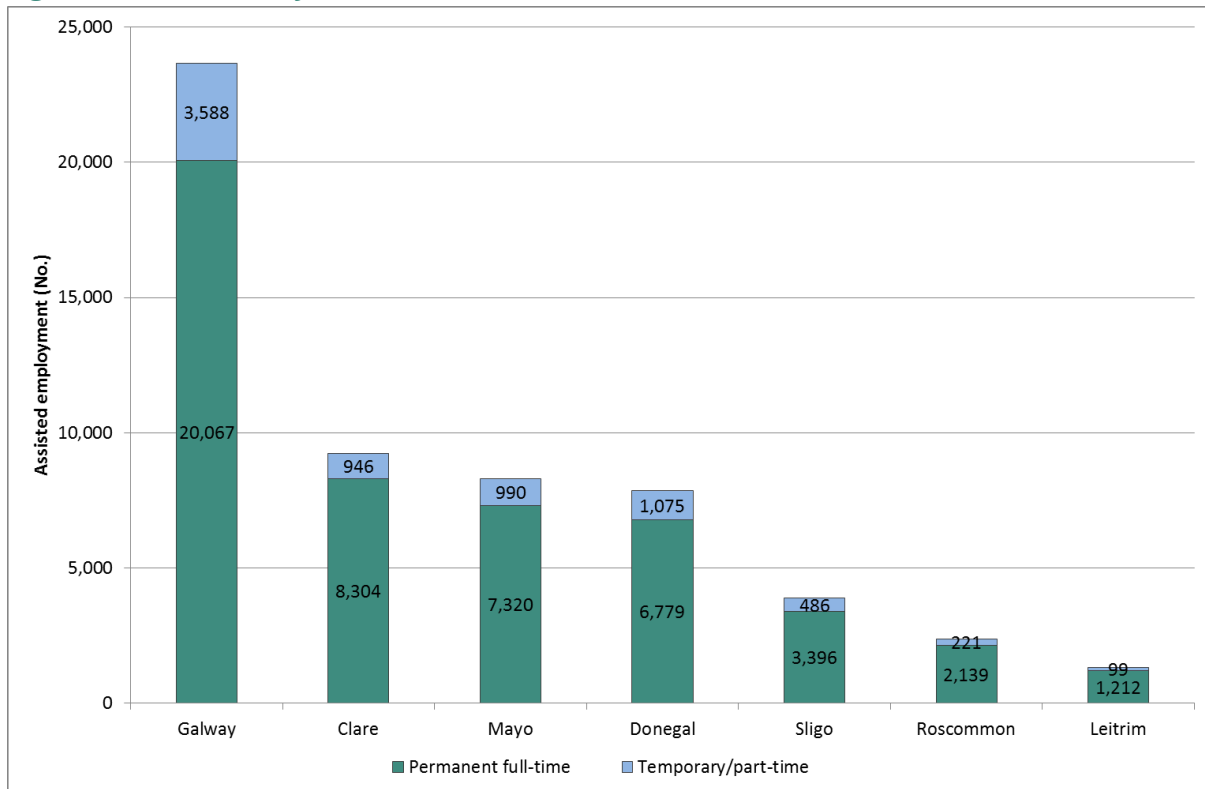
### 7.1 Assisted jobs in western counties

Assisted employment data is available at a county level. Section 8 provides individual county profiles of assisted employment in each of the seven western counties.

Within the Western Region Galway has the highest level of assisted employment with just over 20,000 permanent full-time jobs and 3,500 temporary/part-time jobs (Fig. 29). The next largest are

Clare, Mayo and Donegal.

**Fig. 29: Total assisted jobs in the western counties, 2013**



Source: Forfás, Annual Employment Survey 2013

The type of employment varies across the counties. Galway has the highest share of temporary /part-time jobs (15.2%), followed by Donegal (13.7%) and Sligo (12.5%). The two counties with the lowest number of assisted jobs – Leitrim and Roscommon – have the lowest shares of temporary/part-time jobs at 7.6% and 9.4% respectively. Recent national job creation trends are leading to an increasing share of temporary/part-time assisted employment and the pattern in the Western Region is now more similar to that in the rest of the country. As Roscommon and Leitrim have not benefitted as much from recent jobs growth, this trend does not appear to have impacted there as strongly.

## 7.2 Assisted employment as a percentage of total employment by county

As the size of counties varies considerably, a more useful way to compare the relative importance of assisted employment is to consider it as a proportion of total employment in the county (Fig. 30). For comparison the data for all counties nationally are presented. The most recent total employment data at a county level is from *Census 2011* so this has been used.

As noted in Section 2.6 caution is required in interpreting these figures as assisted employment data refer to the location of the employment whereas total employment data refer to where people live. Commuting clearly has an even greater impact at a county level than at a regional level so these figures are even more approximate than those for the region as a whole. Counties which receive a lot of inward commuting such as Dublin and Galway would have a higher figure as they would be home to a larger number of jobs than working people, whereas counties with a lot of outward

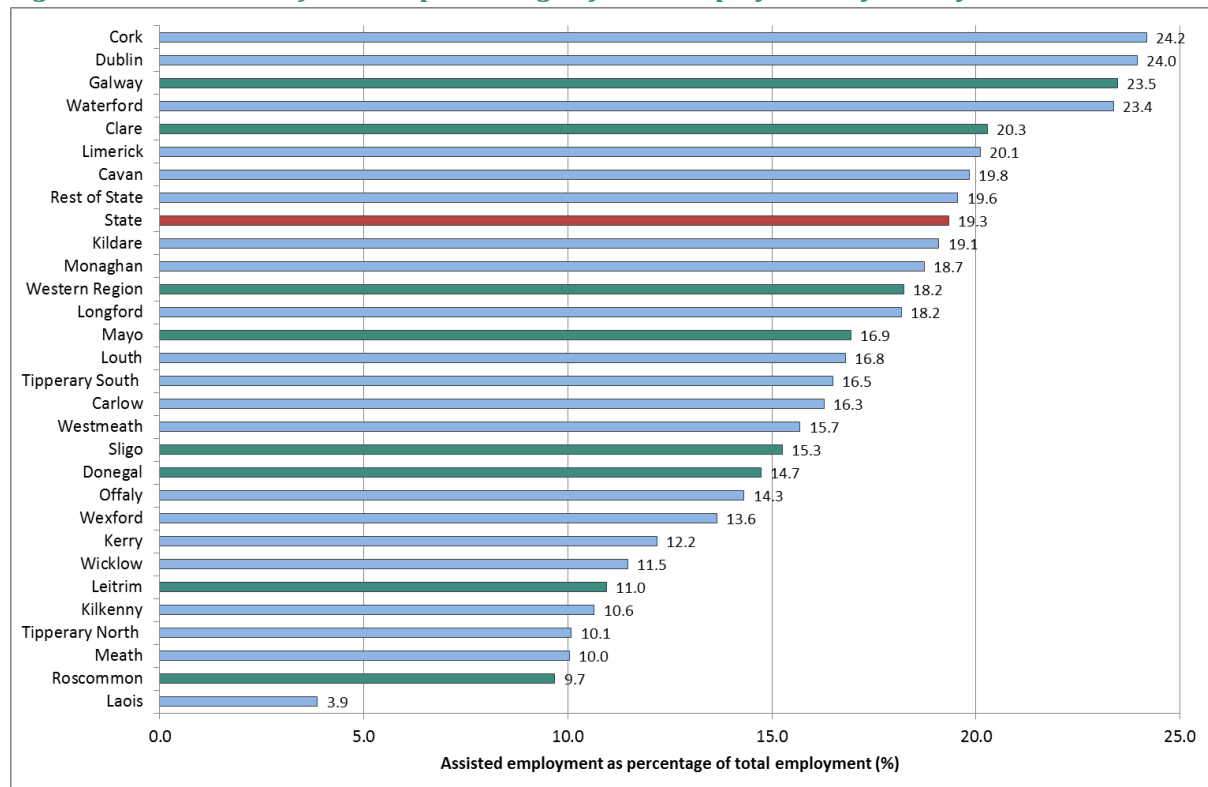


commuting such as Laois, Roscommon and Meath would have lower figures as they have more employed people living in them than jobs located there. These figures should be taken as indicative of relative values rather than as absolute figures.

One of the clearest patterns from Fig. 30 is the extent to which assisted employment plays a larger role in the cities. Counties Cork, Dublin, Galway and Waterford have by far the highest shares of total employment in the assisted sector. Limerick is something of an exception having a lower share than these four and indeed lower than county Clare. Inward commuting would have an impact in all these areas as people living in surrounding counties commute to assisted jobs located in these cities.

Of the western counties, Galway has the highest share with 23.5% of its total employment in the assisted sector, it is followed by Clare. These are the only western counties above the state average. Mayo is next highest followed by Sligo and Donegal which have notably lower shares than Mayo. Roscommon at just 9.7% has the lowest share of its employment in the assisted sector in the region and is second lowest nationally with Leitrim also relatively low. For the last two counties in particular, outward commuting would be a factor as people living in these counties commute to assisted jobs in larger centres such as Athlone, Sligo and Galway.

**Fig. 30: Total assisted jobs as a percentage of total employment by county**



Note: The data for assisted jobs is from 2013, the total employment data is from 2011 as the Census of Population 2011 is the most recent county employment data available.

Source: Forfás, Annual Employment Survey 2013; CSO, Census of Population 2011: Population by Area

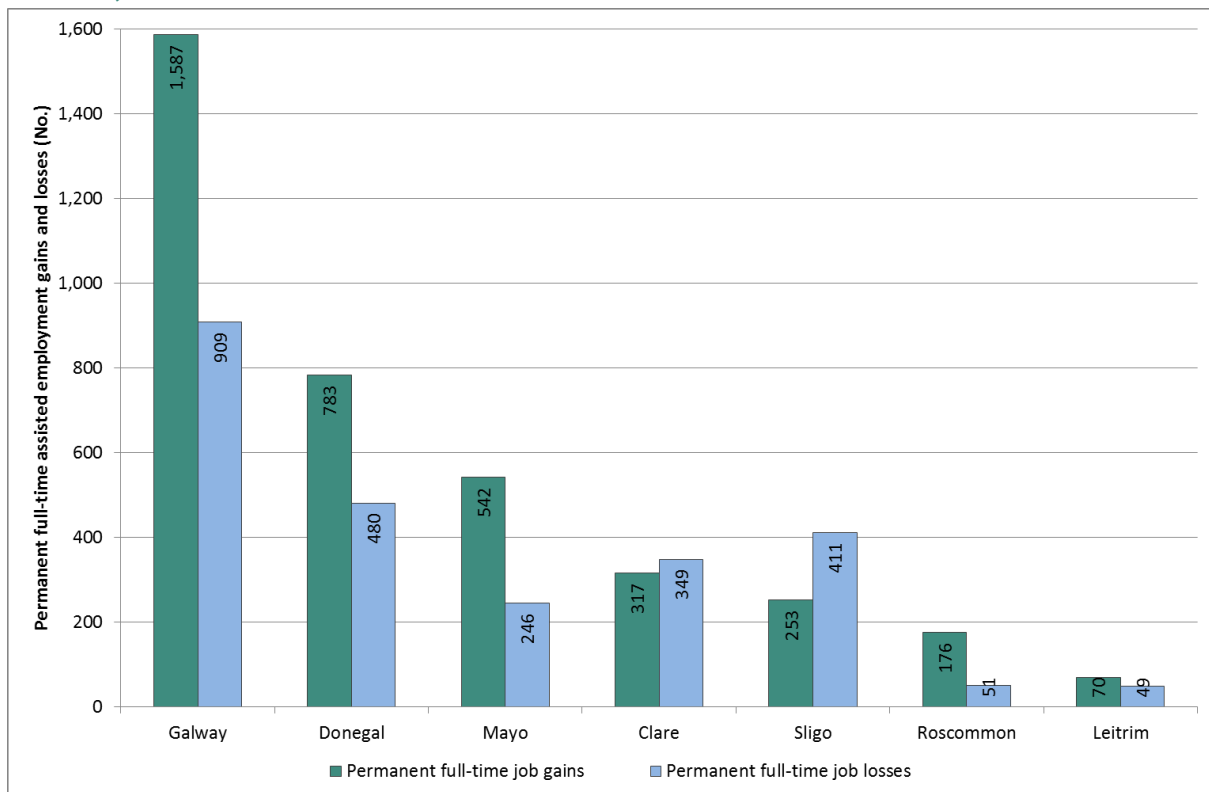
### 7.3 Job gains and job losses in western counties

The trend in job gains and job losses in permanent full-time assisted employment from 2004 to 2013 in each county is examined in the individual county profiles in Section 8. Here only the most recent year is examined (Fig. 31). Of the seven western counties, Sligo and Clare had greater job losses

than gains between 2012 and 2013 leading to a net decline in assisted permanent full-time employment. In Sligo's case job losses were 162% of job gains in 2013.

All other western counties had a net increase in permanent full-time assisted employment. In relative terms Roscommon, Mayo and Galway had the strongest performance with permanent full-time job losses equal to only 29%, 46% and 57% of job gains respectively.

**Fig. 31: Permanent full-time assisted gross job gains and gross job losses in western counties, 2012-2013**



Source: Forfás, Annual Employment Survey 2013

## 7.4 Change in total assisted jobs in western counties

For total assisted employment (permanent full-time and temporary/part-time) the Western Region experienced a -6.0% decline between 2004 and 2013 (Table 3). In contrast, the rest of the state had +4% growth over the same period.

Among the western counties Galway and Mayo were the only ones with higher total assisted employment in 2013 than ten years earlier, Galway growing by +5.3% and Mayo by +1.0%. Leitrim suffered the largest decline of -43.5% followed by Roscommon and Donegal. Clare and Sligo had similar performances to each other, declining by -10%.

The performance in the most recent year also varied among the counties. Overall the region had +2.8% growth, below the +3.9% in the rest of the state. Roscommon, Mayo, Donegal and Galway all grew quite strongly. Leitrim experienced the biggest decline with Clare and Sligo also showing decline in that year. The fact that these figures also include temporary/part-time employment explains the differences from Fig. 31 which only considers losses and gains in permanent full-time

assisted employment.

**Table 3: Total assisted jobs in 2004 and 2013 and percentage change**

County	2004 No.	2013 No.	% Change 2004-2013 %	% Change 2012-2013 %
Galway	22,462	23,655	5.3	3.5
Clare	10,286	9,250	-10.1	-0.6
Mayo	8,226	8,310	1.0	4.9
Donegal	9,690	7,854	-18.9	4.4
Sligo	4,315	3,882	-10.0	-0.2
Roscommon	2,928	2,360	-19.4	6.0
Leitrim	2,321	1,311	-43.5	-2.0
<b>Western Region</b>	<b>60,228</b>	<b>56,622</b>	<b>-6.0</b>	<b>2.8</b>
<b>Rest of State</b>	<b>280,200</b>	<b>292,700</b>	<b>4.0</b>	<b>3.9</b>

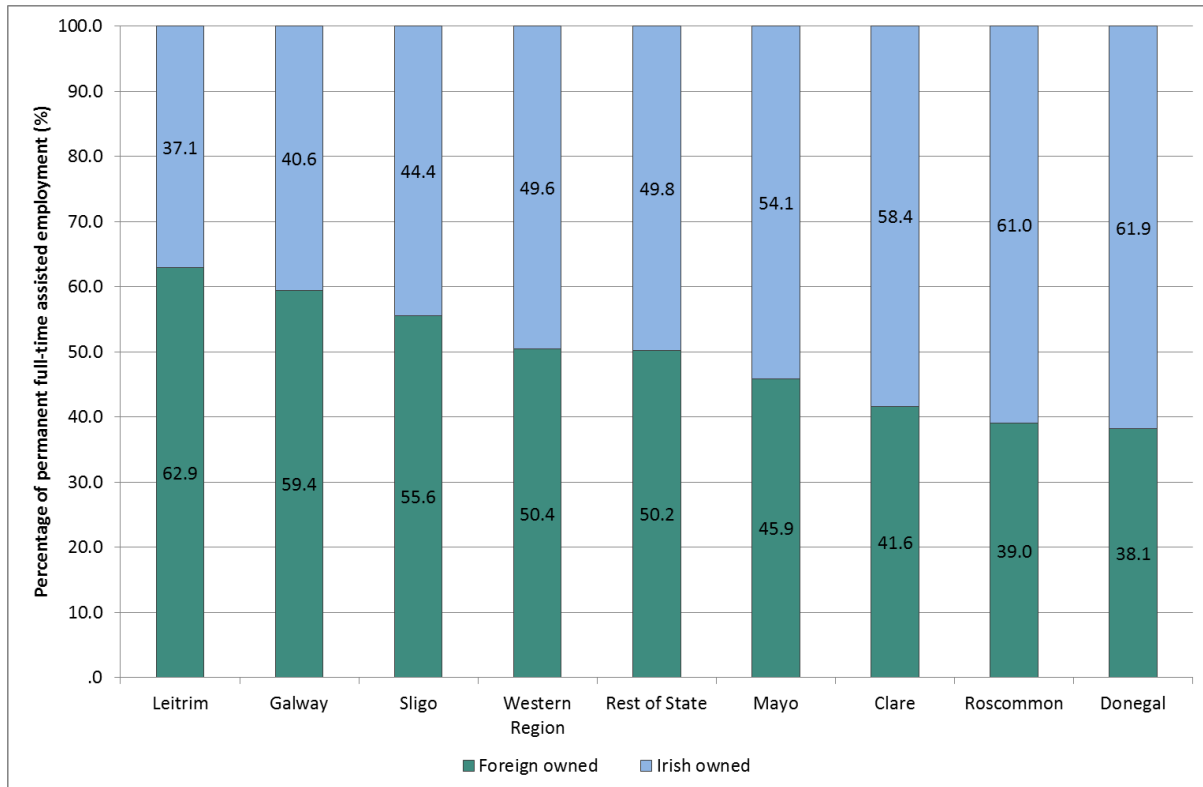
Source: Forfás, Annual Employment Survey 2013

### 7.5 Assisted jobs by ownership in western counties

In 2013 assisted employment was almost evenly divided between Irish and foreign ownership in the Western Region. This pattern differs a great deal between the counties. It ranges from Leitrim with 62.9% of assisted employment in foreign owned companies to Donegal where only 38.1% is in foreign companies (Fig. 32).

Nationally Leitrim has the third highest share of foreign ownership (after Kildare and Tipperary South) largely due to a single sector. While Donegal has the lowest share in the region, there are twelve counties nationally below this. In the national context western counties tend to have relatively high shares of foreign ownership. This is due to the legacy of FDI investments across the region over the past 30-40 years, far stronger recent employment growth among foreign owned companies and the weaker performance of the region's Irish owned sector. As noted in Section 4 recent growth in the Western Region has been far more dependent on the foreign owned sector than in the rest of the state.

Donegal, Roscommon, Clare and Mayo have over half of all assisted employment in the Irish owned sector. The indigenous sector plays a more significant role in the assisted employment performance of these counties than elsewhere in the region, but in a national context the shares are relatively low.

**Fig. 32: Permanent full-time assisted jobs by ownership in western counties, 2013**

Source: Forfás, Annual Employment Survey 2013

## 7.6 Assisted jobs by sector in western counties

The sectoral profile of assisted employment differs quite notably across the western counties. One common pattern is a high concentration of employment in the two largest sectors. The Western Region has a more sectorally concentrated assisted employment profile than the rest of the state and the same is true for western counties with 65% or more of total employment in the two largest sectors (Donegal is the exception). The rest of the state average is 49.2%. Sligo, Roscommon and Leitrim have over three-quarters of their assisted employment in the top two sectors.

Modern manufacturing is the largest assisted employment sector in the Western Region. This is also the case for Roscommon, Galway, Sligo and Mayo but not for the other counties (Fig. 33). Over half of all permanent assisted employment in county Roscommon is in this sector, the second highest share of any county in the country (Tipperary South is highest). Modern manufacturing activity in the Monksland area of Roscommon around Athlone would be a factor here as well as a number of companies located in some of the larger towns. In Galway, Sligo and Mayo the share is over 40% which reinforces the significance of modern manufacturing to the Western Region's economy. Donegal has the lowest share working in modern manufacturing, second lowest nationally.

For both Leitrim and Clare, traditional manufacturing is the largest assisted employment sector accounting for 43% of permanent jobs. They have the third and fourth largest shares in Ireland. While it is also the largest assisted sector in Donegal, assisted employment in that county is very evenly distributed between the three sectors of traditional manufacturing, agri-food and information and communication services. Roscommon has the lowest share working in traditional

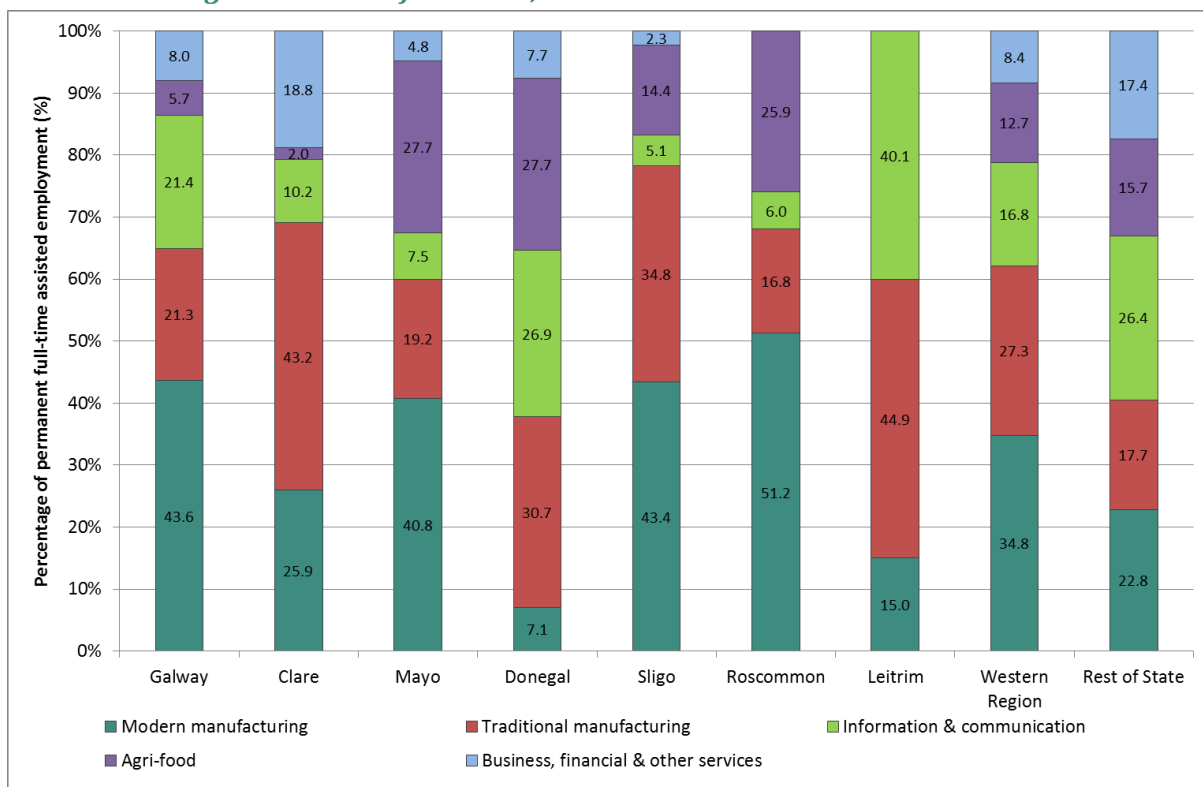
manufacturing in the region.

The agri-food sector accounts for a similar share of employment, just over a quarter, in the largely rural counties of Mayo, Donegal and Roscommon and is the second largest sector in each. However in a national context the sector does not play a particularly large role in western counties due to the weaker agriculture sector in the region and its concentration in the South West and South East of the country. Leitrim, Clare and Galway have the three lowest shares of assisted employment in agri-food in the country.

Information and communication is a hugely significant source of employment in county Leitrim where it is the second largest sector. It is also very important in Donegal and they have the second and third highest shares of assisted employment in information and communication in the country (after Dublin). Galway also has a large share. The role of Carrick-on-Shannon, Letterkenny and Galway city are clear, as well as the potential for future growth in this sector in the region.

The Western Region's smallest assisted sector, business, financial and other services, is actually the third largest in county Clare which has a higher share than the rest of state average and fifth highest nationally. Galway and Donegal are the only other western counties with any notable numbers working in the sector.

**Fig. 33: Percentage of permanent full-time assisted jobs in each sector in western counties, the Western Region and rest of the state, 2013**



Note: Due to small numbers and the need to maintain confidentiality, for Roscommon and Leitrim the information and communication, and business, financial and other services sectors have been combined and are shown here under information and communication. In the case of Leitrim the traditional manufacturing and agri-food sectors have also been combined under traditional manufacturing.

Source: Forfás, Annual Employment Survey 2013

## **7.7 Conclusion**

The overall pattern from the county data indicates a tendency for urban concentration of assisted employment, especially in the cities. This tendency appears to be particularly strong nationally during the current resumption of growth and for the international services sectors. This applies not only to foreign owned employment but also to a lesser degree to Irish owned employment. The continuing legacy of past investments across the region and the policy of spatial distribution of FDI investment particularly during the 1970s and 1980s, are also clear from the current assisted employment pattern and the fact that foreign owned assisted employment is relatively important for all western counties.

While Galway and Mayo are the only western counties with higher assisted employment in 2013 than a decade earlier, in the most recent year Roscommon and Donegal have also shown growth. The resumption of growth since 2010 is not benefitting all counties however with assisted employment in Leitrim, Clare and Sligo not performing well. Given the presence of two of the largest towns in the region, Ennis and Sligo, in these counties this is a cause for some concern.

The strong sectoral concentration of western counties' assisted employment raises the issue of vulnerability to a decline in a particular sector, especially in the smaller counties. As with the region as a whole, manufacturing remains very dominant in most counties. The county profiles in the next section provide more detailed analysis of assisted employment and its performance in each county.

## Section 8: County Profiles

### 8.1 Trends in Agency Assisted Employment: Galway

#### 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.<sup>12</sup>

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.

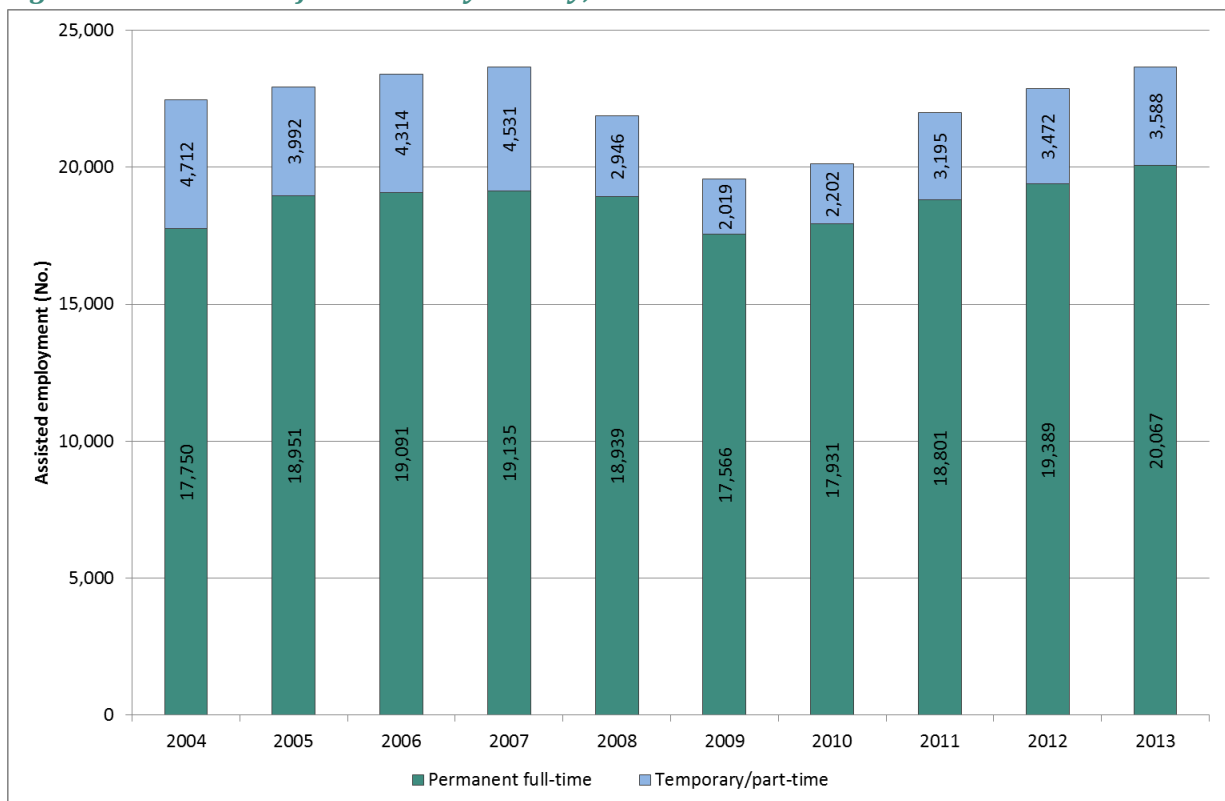
Galway's overall performance (-17.2%) was worse than the Western Region as a whole, where the total decline was -13.6% between 2007 and 2009. The main reason for the difference was a far

<sup>12</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.

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.

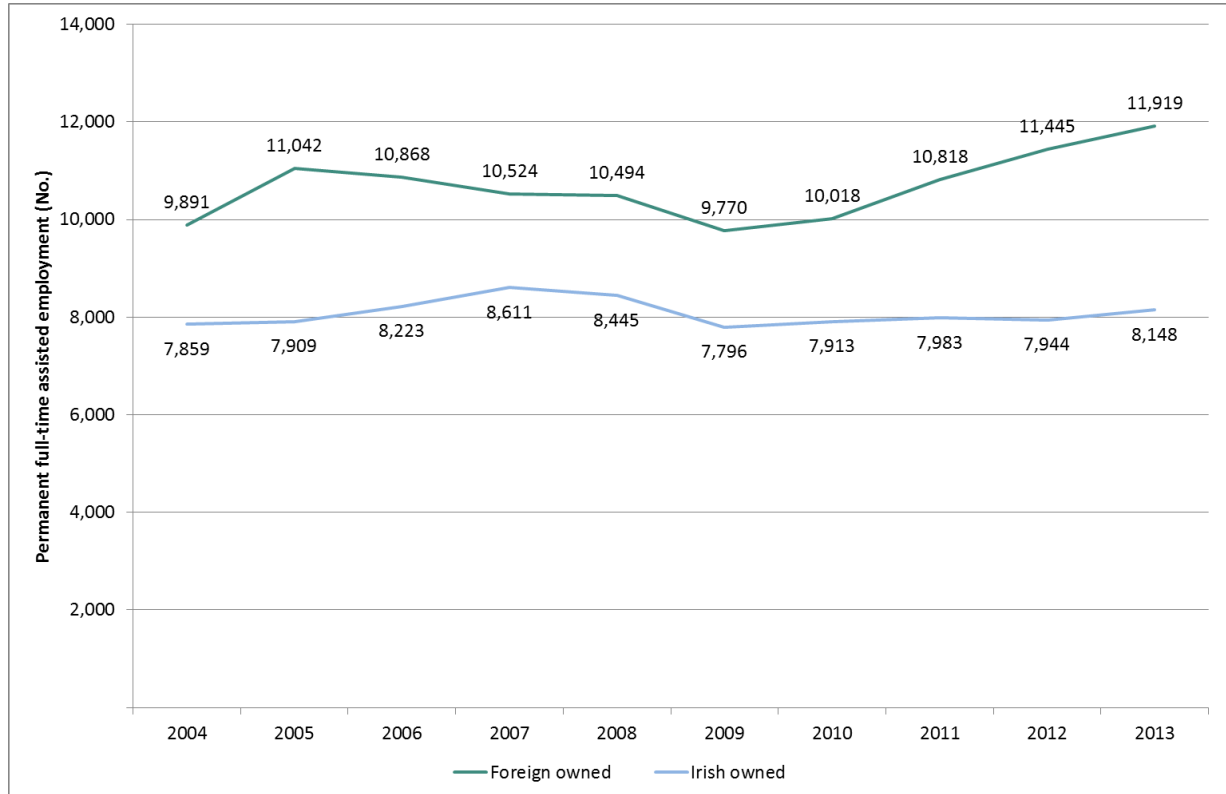
From 2005 to 2007 foreign and Irish assisted employment in Galway moved in opposite directions with foreign employment declining while Irish employment grew (Fig. 35). This led to a declining share of foreign ownership. With the onset of the recession job losses occurred in both Irish and foreign owned 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 sector<sup>13</sup> 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, exceeded only by Roscommon. Employment then remained steady until 2013 when it grew by +7.5%, the second highest growth in the region.

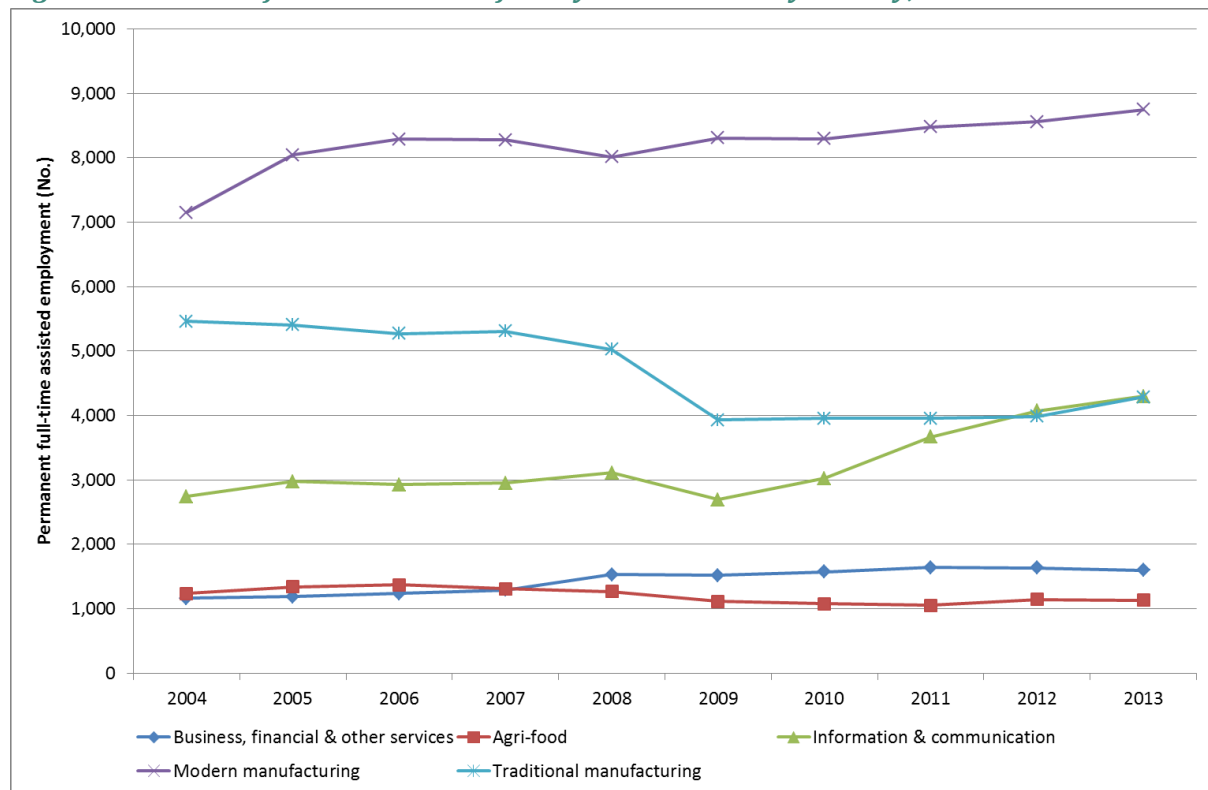
<sup>13</sup> Data by broad sector is available at county level but not data by detailed sector.

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%).

## 8.2 Trends in Agency Assisted Employment: Clare

### Summary

- With 9,250 total assisted jobs, Clare has the second highest assisted employment in the region. It is also the second highest in the region as a proportion of total employment (20.3%) and is fifth highest nationally, above Limerick. Assisted employment in the county has a high share of permanent employment.
- The trend of assisted employment in Clare is quite different to most other western counties as it has continued to decline since 2010 and not shown any resumption of growth.
- In 2013, 41.6% of permanent assisted employment in county Clare was foreign owned which is a significant decline from the situation in 2004. Since 2010 Irish assisted employment has remained relatively stable while foreign owned employment has continued to decline, showing some slight recovery in 2013.
- Traditional manufacturing is Clare's largest assisted sector accounting for 43.2% of all permanent assisted jobs. Employment declined strongly between 2008 and 2011 but has shown signs of growth since then. Modern manufacturing is now Clare's second largest assisted sector and has been growing since 2007.
- Clare has the fifth highest share working in business, financial and other services nationally, though employment in the sector has been declining in the county since 2008. Information and communication employment has also performed poorly in recent years.

### 8.2.1 Assisted jobs in county Clare

With 9,250 total assisted jobs, Clare has the second largest assisted employment in the region, though less than half that of Galway. As a percentage of total employment, Clare is also second highest with assisted employment accounting for 1 in 5 (20.3%) jobs in the county.<sup>14</sup> This is the fifth highest share in the country and above Limerick, although commuting flows between those two counties is likely to be a factor.

There were 8,308 permanent and 946 temporary/part-time assisted jobs in Clare in 2013 (Fig. 37). The 10.2% share of temporary/part-time jobs in the county is considerably below the Western Region's average of 13.1%, showing a relatively high proportion of permanent full-time jobs.

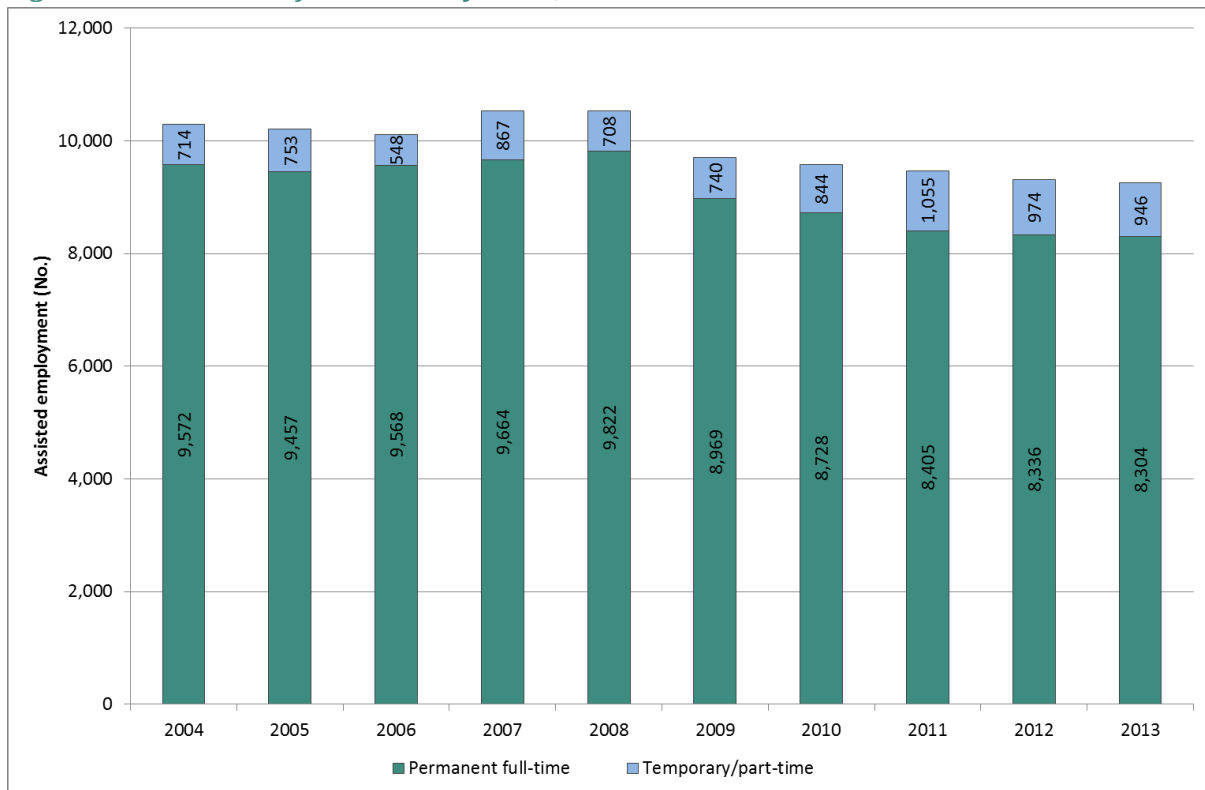
The trend of assisted employment in Clare is quite different to the other western counties. Assisted employment reached its highest point in 2007-2008 with 10,500 jobs. As with other counties it then declined sharply in 2009, but unlike most other counties it has continued to decline since, with both permanent and temporary/part-time employment continuing to decline year on year. Leitrim is the only other western county with has shown no indication of growth in assisted employment since 2010.

The decline from Clare's highest year (2007) to its lowest (2013) was -12.2%. This was considerably greater than the -7.5% change the Western Region experienced between these two years.

<sup>14</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.

In the most recent year there was a decline of -0.6% in total assisted jobs in Clare. Only Leitrim had a larger decline that year, with Sligo the only other western county with any decline.

**Fig. 37: Total assisted jobs in county Clare, 2004-2013**



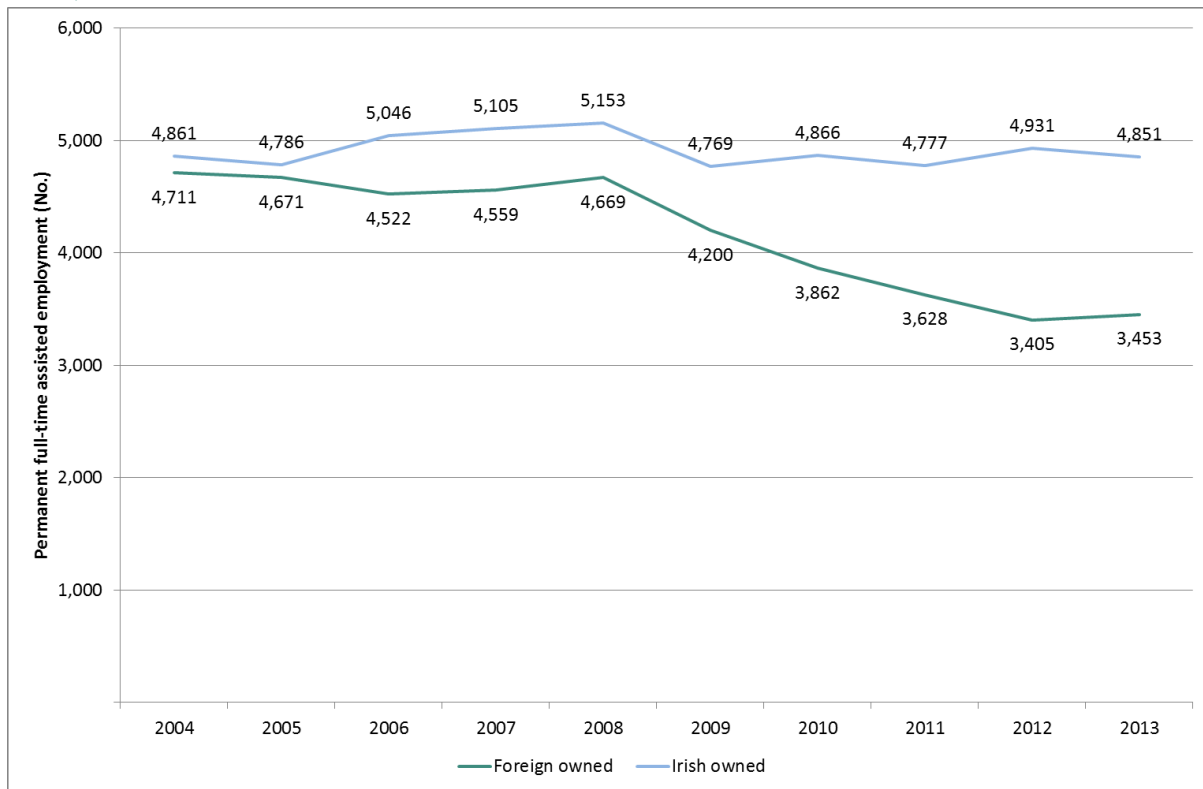
Source: Forfás, Annual Employment Survey 2013

### 8.2.2 Ownership of assisted jobs in county Clare

In 2013, 41.6% of permanent assisted employment in county Clare was foreign owned. This is the third smallest share of foreign ownership in the region after Donegal and Roscommon. It represents a significant decline from the situation in 2004 when foreign employment accounted for almost half of the total (Fig. 38). Irish and foreign owned employment began to diverge in 2006 when Irish owned assisted employment increased while foreign declined, both fell in 2009.

Since 2009 they have experienced very different trends. Irish assisted employment has remained relatively stable while foreign owned employment has declined strongly. Between 2008 and 2012 foreign owned employment in Clare declined by -27%. 2013 has seen some recovery.

**Fig. 38: Permanent full-time assisted jobs in foreign and Irish owned companies in county Clare, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 8.2.3 Assisted jobs by sector<sup>15</sup> in county Clare

Traditional manufacturing is Clare's largest sector accounting for 43.2% of all permanent assisted employment in the county in 2013 (Fig. 39). Though it remains the largest sector, employment has declined very substantially over the ten year period, declining by close to a quarter between 2004 and 2011. It has shown signs of recovery and growth since and in the most recent year employment increased by +3.4%, above the Western Region average but below that achieved by Roscommon, Galway and Sligo.

Modern manufacturing is now Clare's second largest assisted sector accounting for 25.9% of permanent assisted employment. This sector has grown since 2007 and increased by +1.2% in the most recent year. In 2010 it surpassed business, financial and other services as the county's second largest sector.

After strong growth from 2004 to 2008, business, financial and other services declined substantially, with employment falling by almost a third between 2008 and 2013. In 2013 it declined by -6.3% and Clare had the worst employment performance in this sector in the region. Clare however continues to have the fifth highest share of employment in this sector nationally.

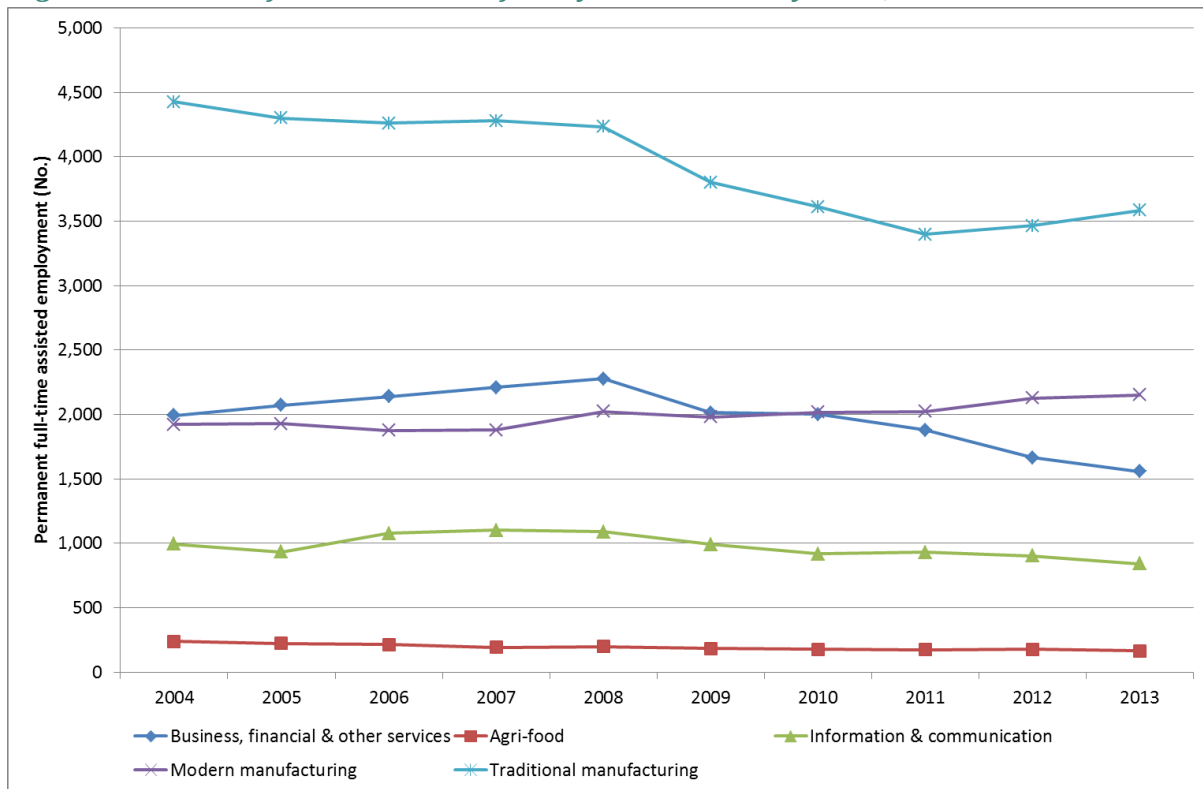
After some growth in 2005-2006, information and communication employment has declined since then and fell by -6.5% in 2013. Again Clare had the worst performance in the region in this sector in 2013 with Sligo the only other county to have any decline in information and communication

<sup>15</sup> Data by broad sector is available at county level but not data by detailed sector.

services in 2013. Clare's experience in the two international services sectors has been poor in recent years, contributing to its overall weaker performance compared with other western counties.

Agri-food is Clare's smallest sector and it has among the lowest shares working in the sector nationally. This employment has shown a steady and gradual decline over the period. Employment in 2013 was -30% below 2004. In the most recent year Clare had the second highest decline in this employment in the region at -6.2%.

**Fig. 39: Permanent full-time assisted jobs by sector in county Clare, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

In total 2.7% of permanent full-time jobs in assisted companies in Ireland are based in Clare. This is similar to the county's 2.5% share of total employment in the state in 2011. The county's largest assisted sector, traditional manufacturing, is where Clare plays its most important national role with 6.1% of employment in the state. Business, financial and other services is the other sector where the county has a higher than average share at 3.2% of national employment, though as this employment is declining steadily this role is likely to diminish in the future.

## 8.3 Trends in Agency Assisted Employment: Mayo

### Summary

- In 2013 there were 8,310 people working in agency assisted jobs in county Mayo. Assisted employment as a share of total employment was third highest in the region but below the state average. While current employment is similar to 2006/2007, a lower share are now working in temporary/part-time jobs indicating an increased degree of permanent assisted employment.
- In the most recent year, total assisted employment in Mayo grew by +4.9%, second highest growth in the region.
- 45.9% of Mayo's permanent full-time employment is foreign owned and it is among the most evenly distributed ownership patterns in the region. While Irish owned employment grew very strongly during the boom it declined substantially from 2007 while foreign employment remaining quite stable. Since 2010 both foreign and Irish employment are showing signs of growth.
- Modern manufacturing is the largest assisted sector in county Mayo and performed very strongly throughout the ten year period. Its growth in 2013 (+7.7%) was well above the rest of state average (+2.5%).
- Agri-food is the county's second largest sector and has also performed reasonably well over the period. This is the sector where Mayo plays its largest national role and the county is home to 4.4% of national agri-food assisted employment.
- There was a drop of -40.6% in traditional manufacturing employment in county Mayo between its peak in 2006 and its low in 2010, considerably greater than the average decline in the Western Region (-26.7%). Since 2010 there are some signs of recovery.

### 8.3.1 Assisted jobs in county Mayo

In 2013 there were 8,310 people working in agency assisted jobs in county Mayo, about 1,000 in temporary/part-time jobs and the remainder in permanent employment (Fig. 40). Assisted employment as a share of total employment in Mayo is third highest in the region at 16.9%. This is just below the Western Region average and also below the state average.<sup>16</sup>

2013 saw the highest level of assisted employment in the county for the decade, except for the height of the economic boom. One of the differences between 2013 and 2006/2007 is that the number of temporary/part-time jobs is now lower and permanent full-time jobs is higher. The share of temporary/part-time employment in the county in 2013 (11.9%) is below the average for the Western Region (13.1%).

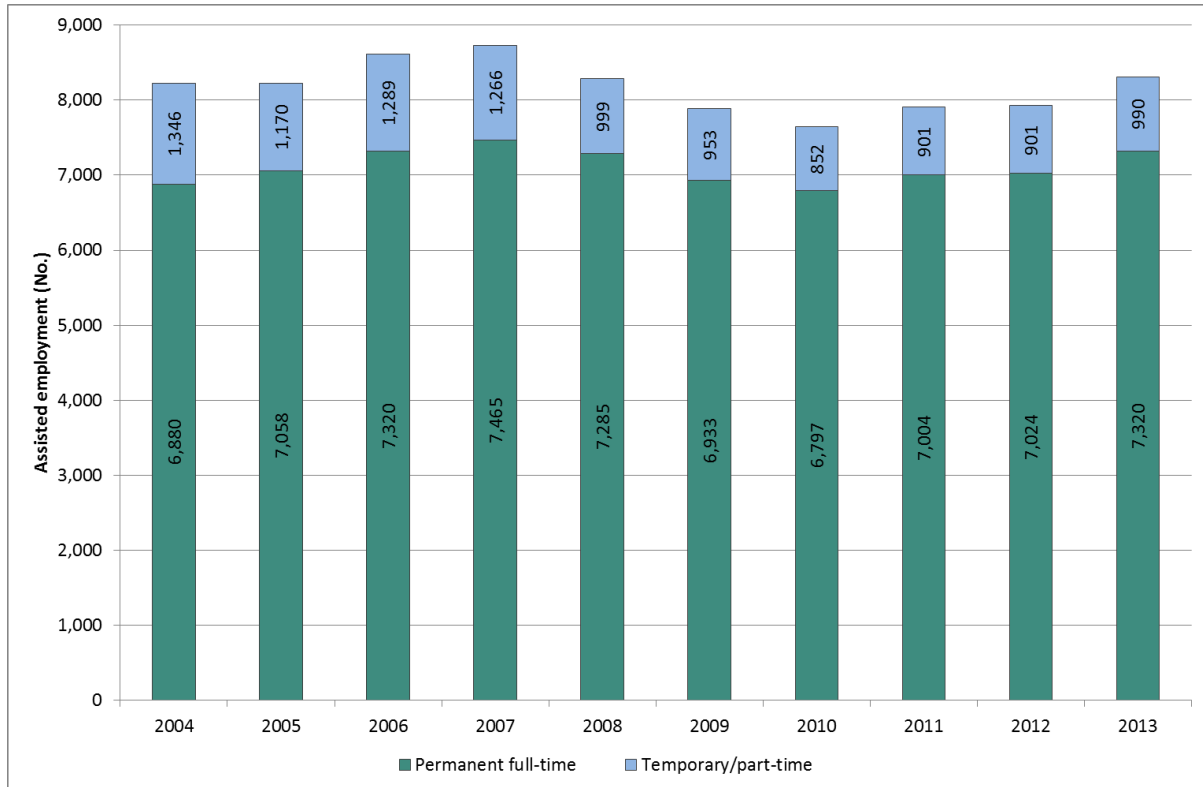
From its peak in 2007, assisted employment declined by -12.4% to its lowest in 2010. The greatest losses occurred in temporary/part-time jobs (-32.7%). The decline in assisted jobs in county Mayo (-12.4%) was somewhat less than the Western Region average (-14.7%) over the same period.

<sup>16</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.



In the most recent year, total assisted employment in Mayo grew by +4.9%. This was stronger growth than in the region as a whole (+2.8%). In fact Mayo's growth was second highest in the region after Roscommon (+6%).

**Fig. 40: Total assisted jobs in county Mayo, 2004-2013**



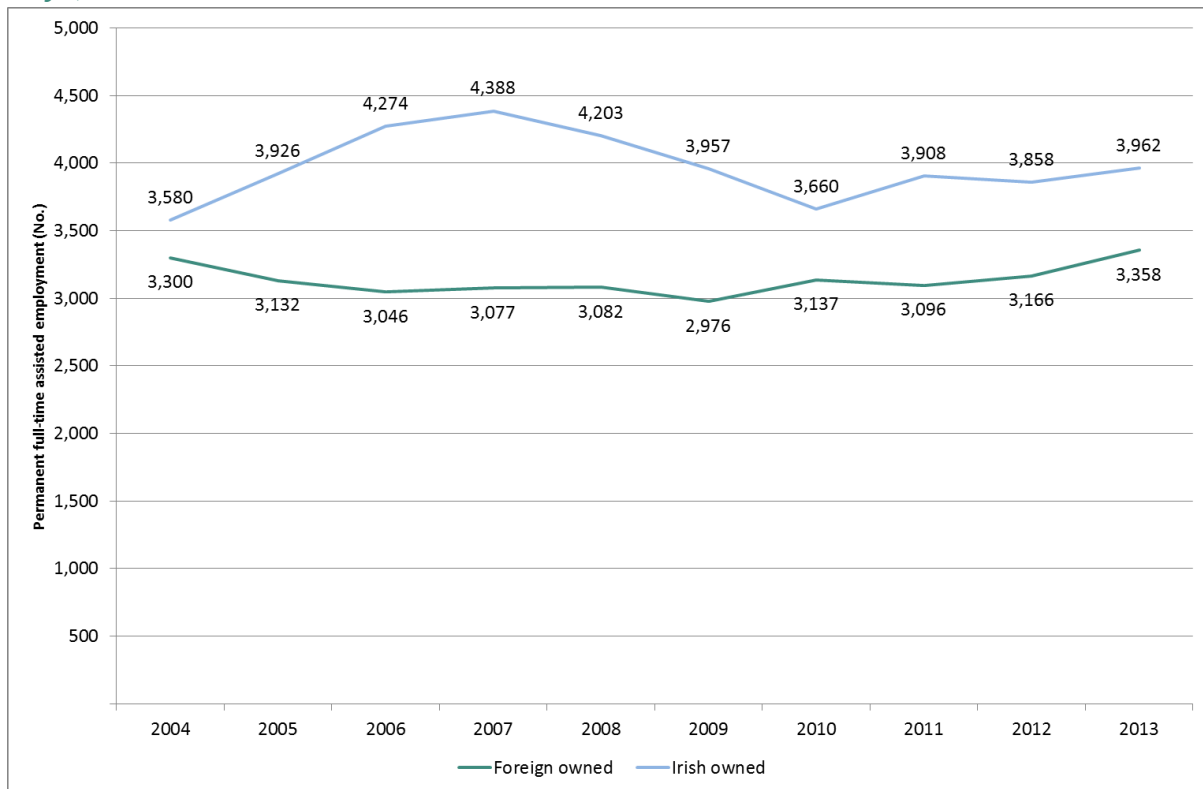
Source: Forfás, Annual Employment Survey 2013

### 8.3.2 Ownership of assisted jobs in county Mayo

In 2013, 45.9% of Mayo's permanent full-time employment was in foreign owned companies. Assisted employment in the county is among the most evenly balanced by ownership in the region and nationally (Fig. 41).

In 2004 the distribution was even more balanced, then during the economic boom Irish and foreign owned employment showed different trends. Employment in Irish owned companies, many of them linked to the construction sector, grew very strongly to reach a peak in 2007. From then until 2010 Irish owned employment fell very dramatically (-16.6%) while foreign employment remained quite stable. This led to an increase in the relative importance of foreign employment. Since 2010 both foreign and Irish employment are showing signs of growth and in 2013 foreign owned employment grew by +6.1% while Irish increased by +2.7%.

**Fig. 41: Permanent full-time assisted jobs in foreign and Irish owned companies in county Mayo, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 8.3.3 Assisted jobs by sector<sup>17</sup> in county Mayo

Modern manufacturing is the largest assisted sector in county Mayo and has performed very well (Fig. 42). In 2013 there were almost 3,000 people working full-time in modern manufacturing in the county, up from 2,300 in 2004. It has grown particularly strongly since 2009 and in the most recent year grew by +7.7%. This is compared with an average increase of just +2.3% in the region and +2.5% in the rest of the state.

Agri-food is the county's second largest sector and has also performed reasonably well. There was growth from 2004 to 2009 with employment remaining relatively stable since then. It is however the only sector in the county which had a decline in employment in 2013 of -2.0%.

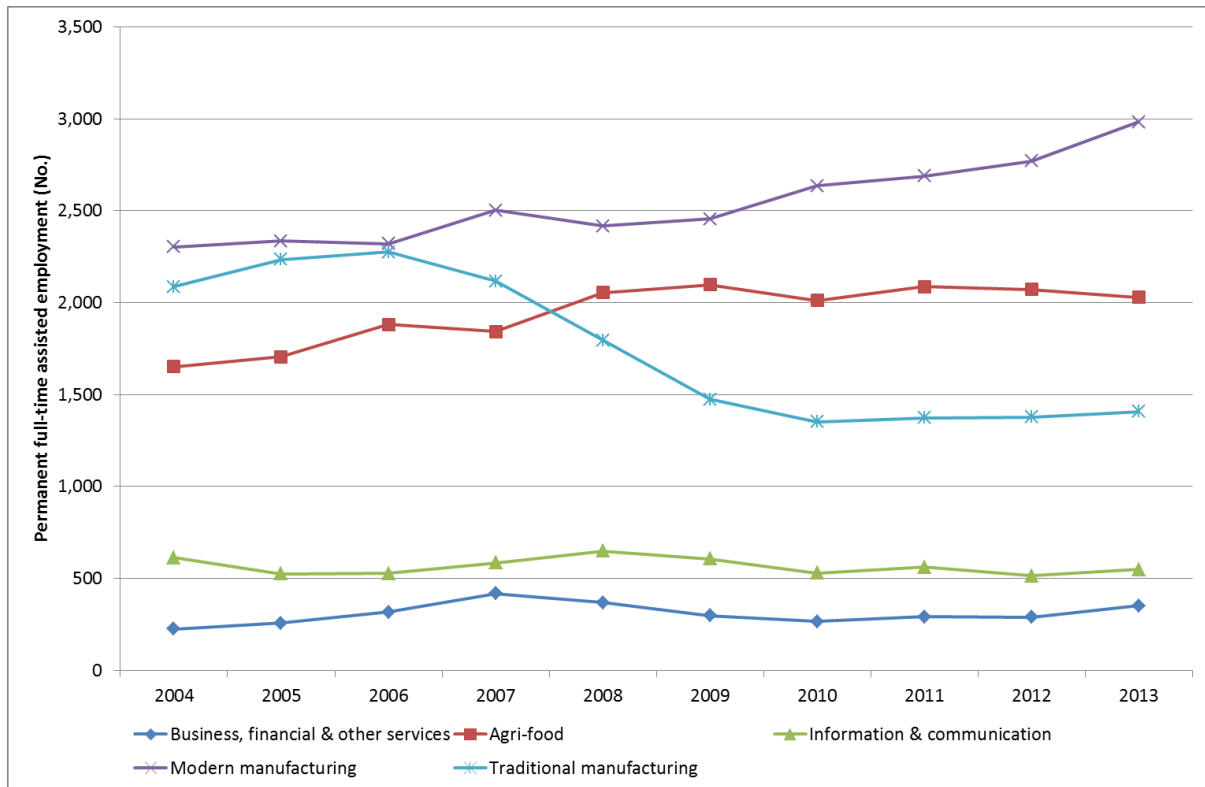
The county's third largest sector of traditional manufacturing has had a very different experience. Following strong growth during the early years of the boom, employment began to decline in 2007, a year earlier than in most counties. There was a drop of -40.6% in assisted traditional manufacturing employment between 2006 and 2010 and it fell from second to third largest sector. The decline in traditional manufacturing employment in Mayo over this period was considerably greater than the Western Region's average of -26.7%. Since 2010 there have been some signs of recovery and in 2013 employment increased by +2.1%.

Both of the international services sectors are quite small employers in county Mayo. Employment in information and communication services reached its high point in 2008 followed by decline.

<sup>17</sup> Data by broad sector is available at county level but not data by detailed sector.

However, as with almost all other sectors, 2013 was a year of growth increasing by +6.6%. Business, financial and other services has followed a similar pattern. The sector had the largest percentage increase in employment in 2013 of +21.5% but remains the smallest source of assisted employment in the county.

**Fig. 42: Permanent full-time assisted jobs by sector in county Mayo, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

In 2013, 2.4% of all assisted employment in the state was located in county Mayo. This is below the county's share of total employment in 2011 of 2.7%. It should be noted that some people living in county Mayo, who are counted in the 2.7% share of total employment, may be commuting to work in other counties such as Galway and Sligo.

Agri-food is the sector where the county plays its largest role with 4.4% of national agri-food assisted employment based in county Mayo. Modern manufacturing is another area of strength with 4.0% of the country's employment.

## 8.4 Trends in Agency Assisted Employment: Donegal

### 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>18</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.

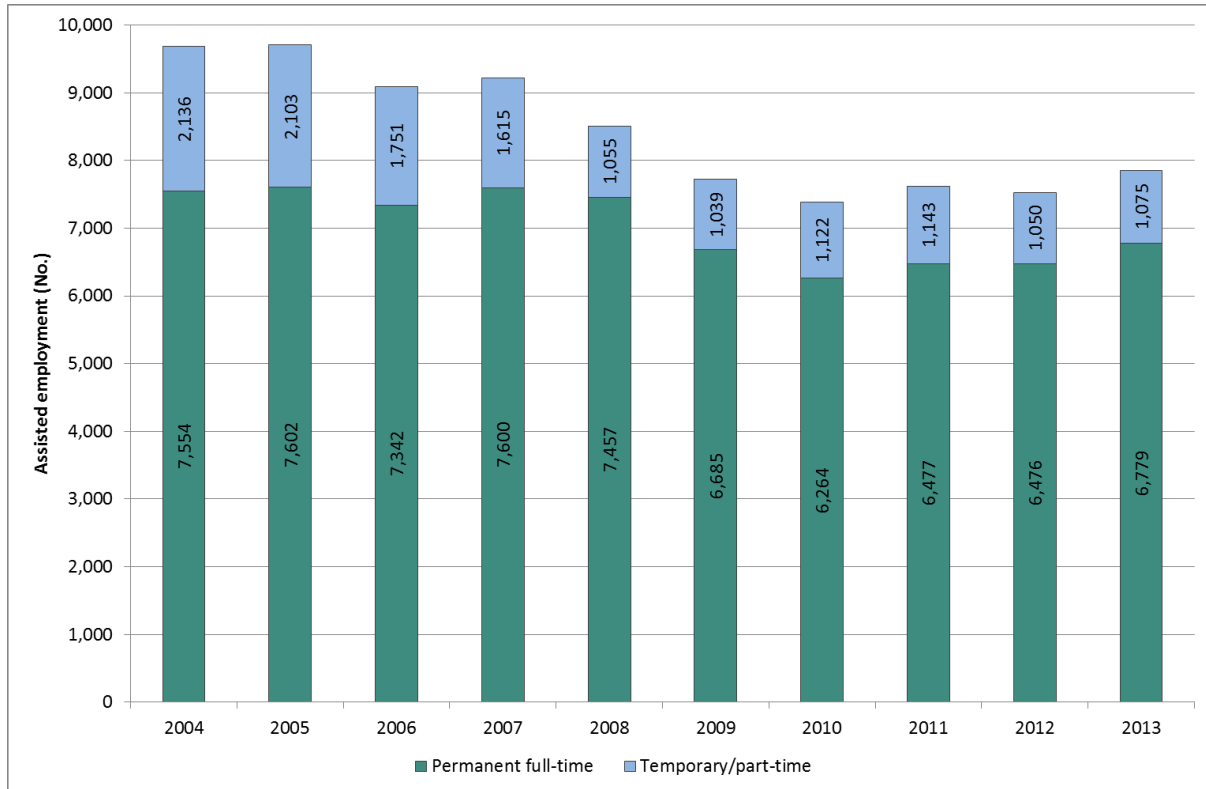
Assisted employment in Donegal was at its highest point, with 9,700 jobs, in 2005. At that stage temporary/part-time jobs accounted for 21.7% of all assisted employment in the county or more than 1 in 5 assisted jobs. This was twice the national average (11%).

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

<sup>18</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.

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**



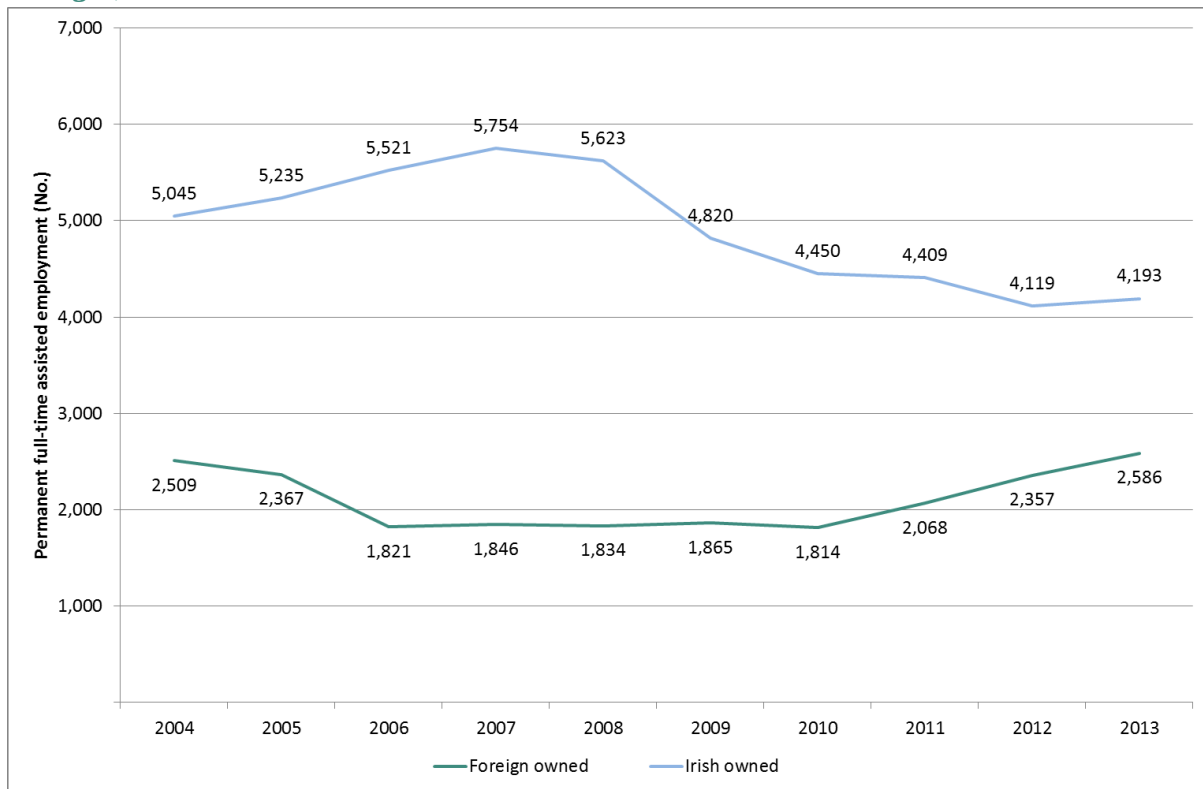
Source: Forfás, Annual Employment Survey 2013

#### 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>19</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.

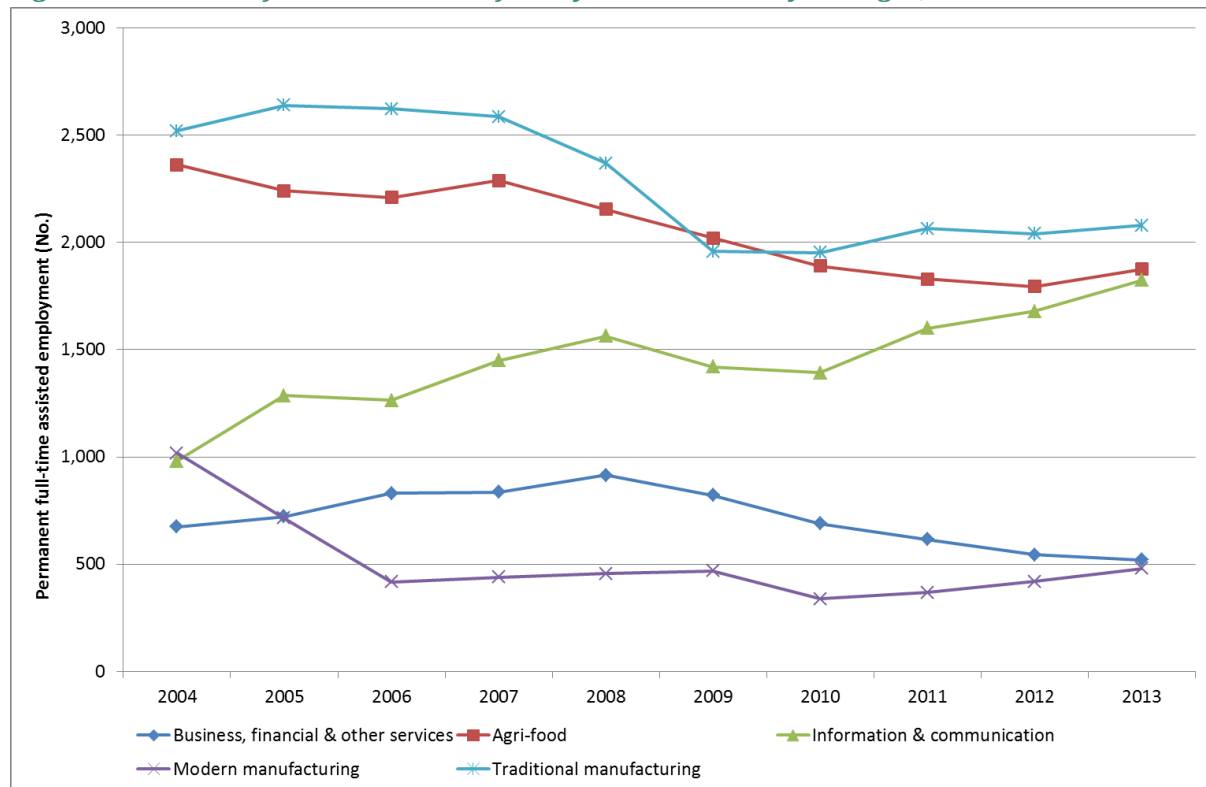
Information and communication services grew very strongly from 2004 to 2008. After some decline at the start of the downturn, strong growth resumed from 2010. Employment in this sector increased by +30.9% between 2010 and 2013, bringing the sector close to the employment levels in agri-food. It is the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

<sup>19</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.

## 8.5 Trends in Agency Assisted Employment: Sligo

### Summary

- In 2013 there were 3,882 people employed in assisted companies located in county Sligo which was 15.3% of total employment. This is the fourth highest share in the region.
- Of the total, 12.5% were working on a temporary/part-time basis. This is below the Western Region average, but Sligo's highest level over the ten year period.
- Total assisted employment in Sligo was at its highest in 2006 and reached its lowest level in 2010. There has been some recovery since, however it declined marginally in 2013 with a large decline in permanent full-time jobs, partly offset by increasing temporary/part-time employment.
- 55.6% of assisted employment in county Sligo is in foreign owned companies, third highest share in the region. This is notably below the share in 2004 and over the ten year period foreign employment fell by almost a quarter. In contrast, following decline in 2008-2009, Irish owned employment has shown sustained growth.
- Modern manufacturing is Sligo's largest assisted employment sector, however it has been declining since 2009 and Sligo was the only western county with a drop in employment in this sector in 2013. The county's second largest sector, traditional manufacturing, is showing strong growth and employment rose by a fifth between 2010 and 2013.

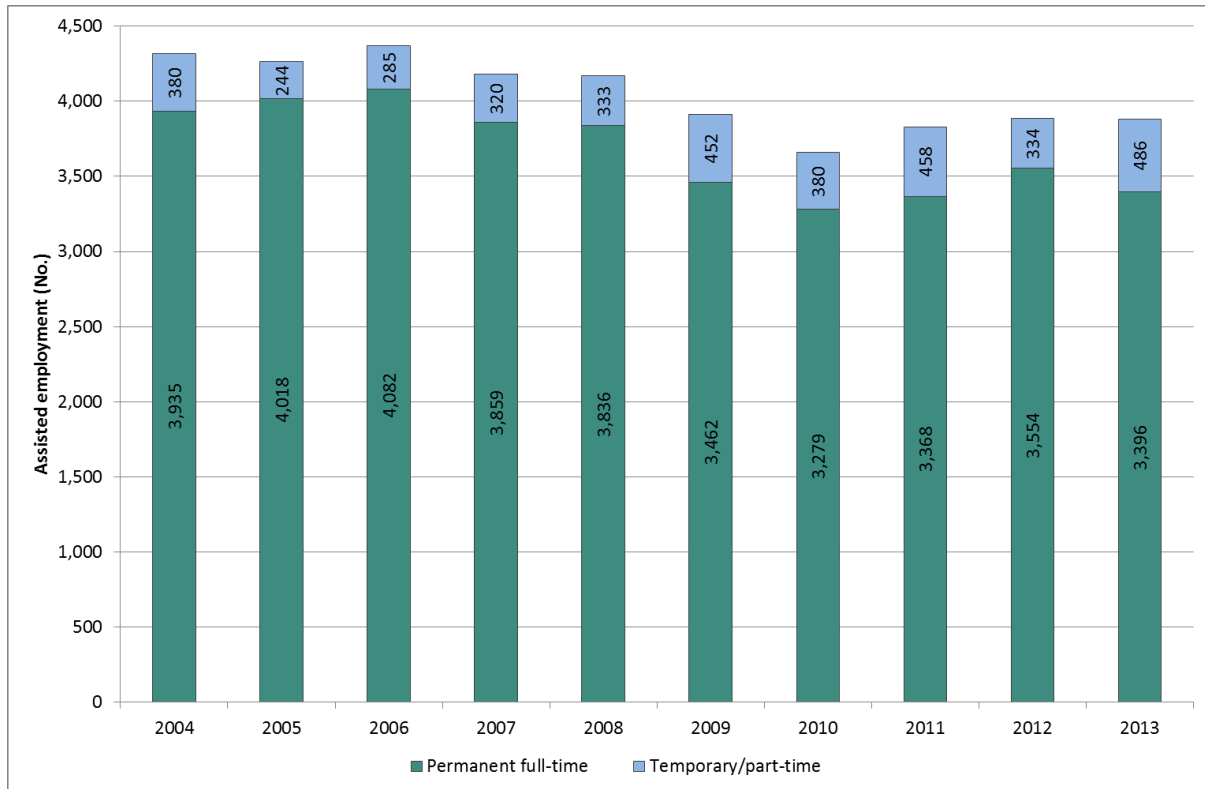
### 8.5.1 Assisted jobs in county Sligo

Assisted employment in county Sligo makes up 15.3% of total employment.<sup>20</sup> This is the fourth largest share in the region, just above Donegal. In 2013 there were 3,882 people employed in assisted companies located in county Sligo (Fig. 46). Of these, 12.5% were working on a temporary/part-time basis, lower than the Western Region average. The number working on a non-permanent basis in Sligo however is at its highest level over the ten year period.

Total assisted employment in Sligo was at its highest in 2006 at 4,367. From then it declined to its 2010 low point (-16.2%) with some recovery since. Total assisted employment declined marginally in 2013 with a large fall (-4.4%) in permanent jobs partly offset by an increase in temporary/part-time jobs. Sligo had the largest decline in permanent assisted jobs in the region in 2013, with Clare the only other county to have a decline in this type of job.

<sup>20</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.



**Fig. 46: Total assisted jobs in county Sligo, 2004-2013**

Source: Forfás, Annual Employment Survey 2013

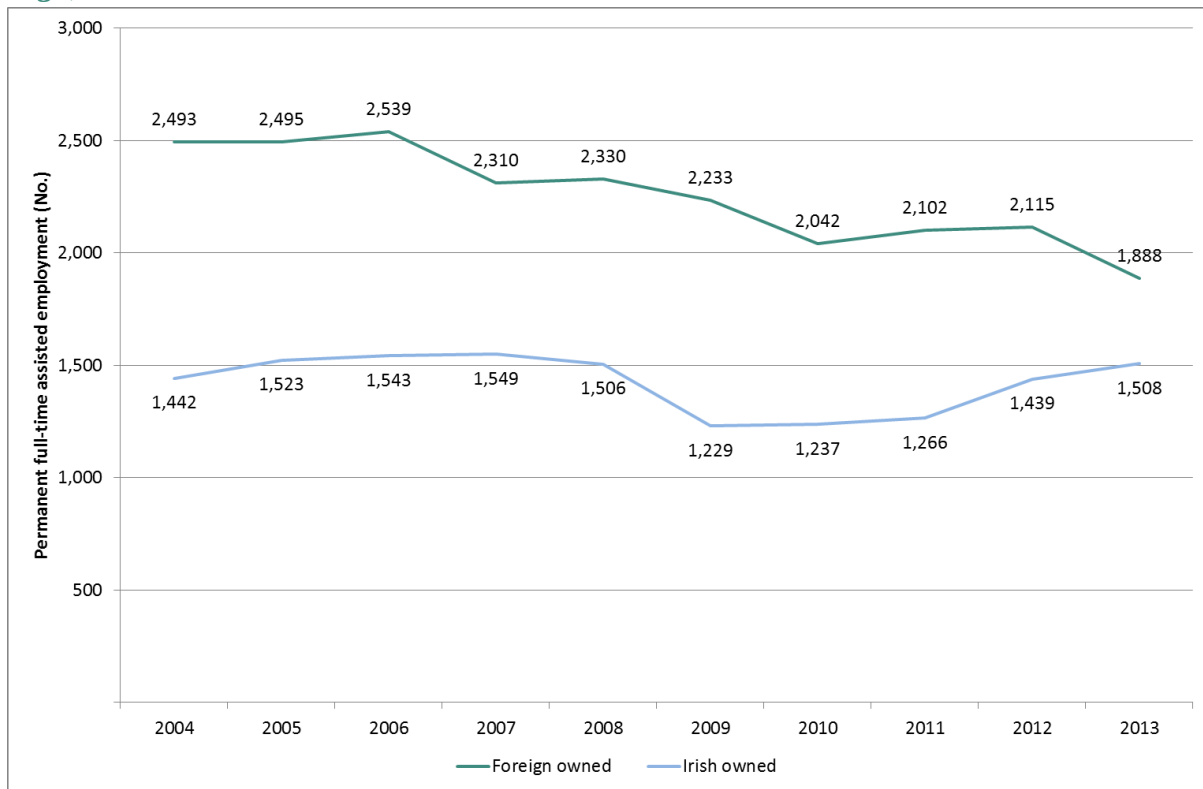
### 8.5.2 Ownership of assisted jobs in county Sligo

In 2013, 55.6% of assisted employment in county Sligo was in foreign owned companies. This is considerably below the 63.4% share at the start of the ten year period when Sligo had the second highest share of foreign employment in the region. Sligo now has the third highest share, exceeded by Leitrim and Galway.

From Fig. 47 it is clear that both types of employment have had different experiences. After minimal growth up to 2006, foreign owned employment declined substantially until 2010. Then, in common with other counties, employment recovered somewhat. However 2013 saw a substantial drop. Over the full ten year period, foreign employment declined by almost a quarter.

Irish owned employment in contrast increased gradually from 2004 to 2007 but then declined sharply. This employment has shown sustained growth since 2011 and increased by +4.8% in 2013. As Irish assisted employment is strengthening, its importance to overall employment in the county has increased. The role of foreign owned employment is declining.

**Fig. 47: Permanent full-time assisted jobs in foreign and Irish owned companies in county Sligo, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 8.5.3 Assisted jobs by sector<sup>21</sup> in county Sligo

Sligo has the second highest share among western counties (after Roscommon) of assisted jobs in manufacturing activities with 92.6% of permanent full-time employment in modern and traditional manufacturing and agri-food.

Modern manufacturing is Sligo's largest assisted employment sector accounting for 43.4% of permanent full-time jobs in the county (Fig. 48). Employment in modern manufacturing increased from 2006 to 2009, however since then it has been declining and particularly sharply in the most recent year. Between 2012 and 2013 permanent full-time jobs in the sector fell by -11.2%. Sligo was the only western county with a drop in employment in this sector in 2013.

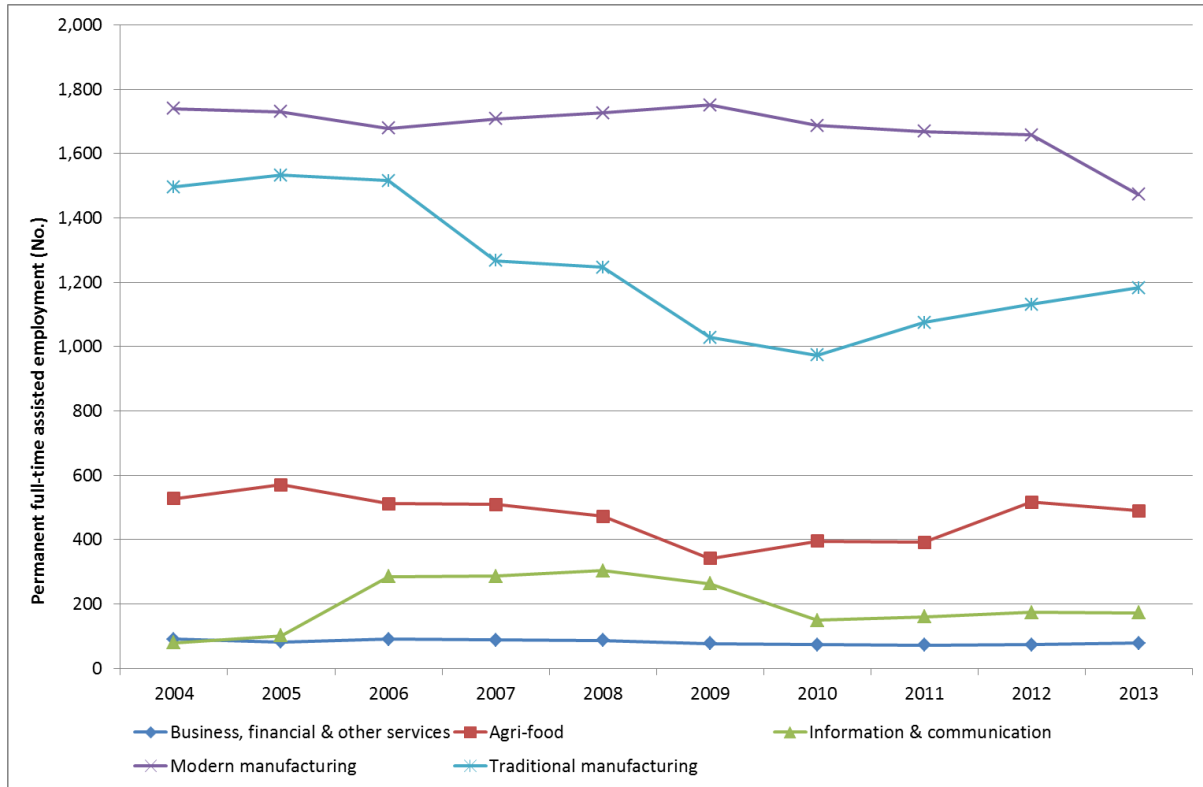
Traditional manufacturing is the county's second largest sector (34.8% in 2013). Following some growth to 2006, employment contracted sharply and reached its lowest level in 2010. Since that time it has shown very strong recovery and employment in the sector rose by a fifth (+21.5%) between 2010 and 2013. This was by far the strongest performance for the traditional manufacturing sector over that period in any western county. The adaptation of the county's traditional tool-making sector, including supplying precision engineering to the medical devices sector, may be contributing to this growth.

Agri-food is the next largest sector. Following declining employment from 2005 to a low point in 2009, there was quite strong growth up to 2012.

<sup>21</sup> Data by broad sector is available at county level but not data by detailed sector.

The two international services sectors employ very few people in Sligo. After growth in 2006, information and communication services remained quite stable to 2009 but then declined sharply. There has been gradual growth in its employment since but it still only accounts for 5.1% of Sligo's assisted employment. Business, financial and other services has remained quite stable throughout the ten years at a low level.

**Fig. 48: Permanent full-time assisted jobs by sector in county Sligo, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

Sligo is home to 1.1% of assisted employment in Ireland. This is below its 1.4% share of total employment in the state in 2011. It has its highest shares in the modern and traditional manufacturing sectors where it has 2% of national employment in both. Manufacturing continues to dominate Sligo's agency assisted activity and it is where it plays its strongest national role.

## 8.6 Trends in Agency Assisted Employment: Roscommon

### Summary

- In 2013 there were 2,360 people employed in assisted companies located in county Roscommon. This was 9.7% of total employment, the lowest share in the region and second lowest nationally.
- Fewer than 1 in 10 assisted jobs in the county are temporary/part-time, second lowest share in the region. The numbers working in non-permanent jobs however are at their highest level of the ten year period.
- From its highest level in 2007 to its 2010 low, there was a reduction of -28.9% in assisted employment in the county, the second largest decline in the region. 2013 has seen the first sign of growth in assisted employment in the county and Roscommon had the largest percentage increase (+6.0%) in the region in that year.
- 39% of assisted employment in county Roscommon is in foreign owned companies, the second lowest share in the region. It is however among the county's highest over the ten year period. Following strong growth to 2007, the collapse in Irish owned employment was very substantial with recovery only beginning in 2013 (+10.6%). Foreign owned employment declined gradually until 2010 and has not increased strongly since.
- Roscommon has the second highest share of assisted employment in the modern manufacturing sector in the country and it accounts for 1.5% of all modern manufacturing employment in Ireland, far higher than its 0.7% share of total assisted employment. Since 2011 there has been relatively strong growth in the sector especially in the most recent year.
- Agri-food was Roscommon's largest sector at the start of the period but it experienced very dramatic employment declines throughout the decade, with some slight growth in 2011. It remains the county's second largest sector. Following strong growth up to 2007, traditional manufacturing declined sharply. It began to show some recovery in 2013.

### 8.6.1 Assisted jobs in county Roscommon

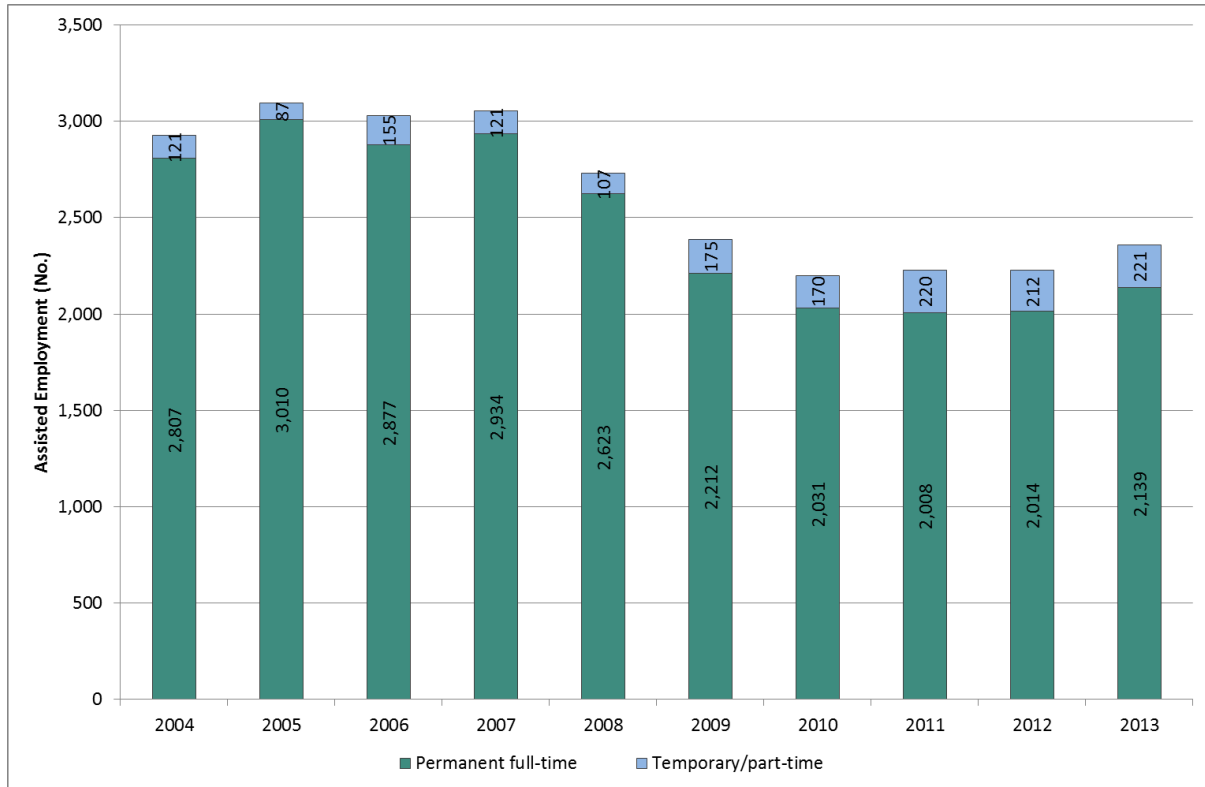
In 2013 there were 2,360 people employed in assisted companies located in county Roscommon (Fig. 49). Of these, 9.4% were working on a temporary/part-time basis, this is the second lowest share of this type of employment in the region. While assisted employment may be relatively small in the county, this employment is predominantly permanent full-time. From Fig. 49 it is clear however that the numbers working on a temporary/part-time basis are at their highest over the ten years.

In county Roscommon, assisted employment accounts for 9.7% of total employment.<sup>22</sup> This is the second lowest share nationally and the lowest in the region. Total assisted employment in Roscommon was at its highest in 2005-2007 with over 3,000 jobs. From 2007 onwards it declined to its 2010 low point, a decline of -28.9%. This was the second largest decline in the region between a county's highest and lowest year (only Leitrim was higher).

<sup>22</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.

From 2010 to 2012 assisted employment remained largely unchanged but increased by +6.0% in 2013, the highest percentage growth in the Western Region in that year. This seems to point to the beginning of some recovery in assisted jobs in county Roscommon. Although this is later than experienced in several other western counties, Clare and Leitrim have not experienced any growth since 2010.

**Fig. 49: Total assisted jobs in county Roscommon, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 8.6.2 Ownership of assisted jobs in county Roscommon

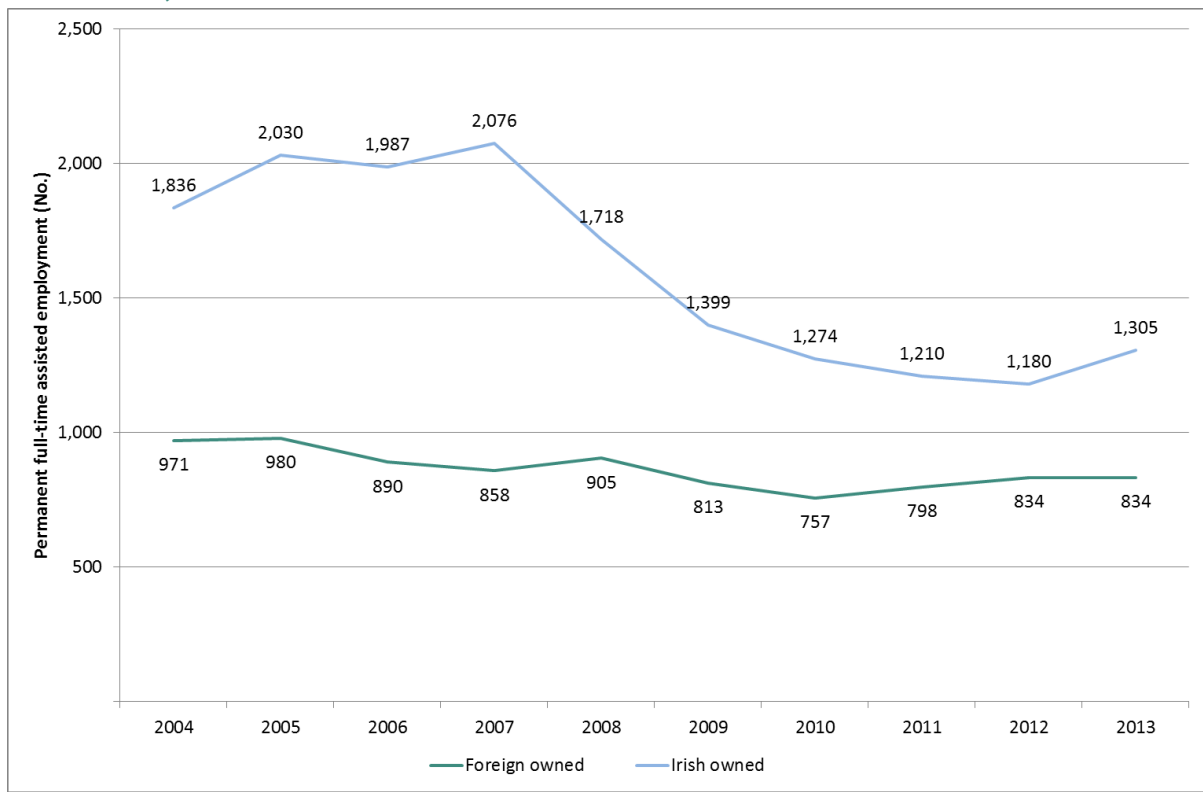
In 2013, 39% of assisted employment in county Roscommon was in foreign owned companies. This was the second lowest share of foreign owned employment in the region after Donegal. For Roscommon, this share of foreign ownership is among the highest over the ten year period and in 2006-2007 only around 30% of assisted employment was in foreign companies.

From Fig. 50 the dominance of Irish owned assisted employment in the county is very clear. It grew extremely strongly from 2004 to its peak in 2007; related to the construction sector and the supply of building activity. Irish owned assisted employment collapsed from 2007 to only about half that number by 2012. This was driven by declines in construction-related manufacturing as well as continued decline in the meat processing sector. In 2013 however there has been some recovery in Irish owned employment (+10.6%) and the overall growth in assisted employment in county Roscommon in 2013 is due to growth in the Irish owned sector. This differs from most other western counties except Sligo.

Foreign owned employment in the county declined up to 2010. In common with most other western counties there has been some growth since then, however this has not been particularly strong and

foreign owned employment in 2013 is below that at the start of the ten year period.

**Fig. 50: Permanent full-time assisted jobs in foreign and Irish owned companies in county Roscommon, 2004-2013**



Source: Forfás, Annual Employment Survey 2013

### 8.6.3 Assisted jobs by sector<sup>23</sup> in county Roscommon

Roscommon is the western county with the highest dependence on manufacturing activities with 94% of its assisted employment in modern and traditional manufacturing and agri-food.

The largest sector in county Roscommon is modern manufacturing which provides over half of all permanent full-time assisted jobs in the county (Fig. 51). Roscommon has the second highest share of its assisted employment in this sector in the country. Employment in modern manufacturing increased in 2005 and remained stable to 2008, before declining sharply until 2010. Growth has resumed and in 2013 there was a +6.6% increase in modern manufacturing employment. Given the pattern in the previous graph this is likely to have been in Irish owned companies.

In 2004 agri-food was Roscommon's largest sector and it remains its second largest (25.9%). It experienced very dramatic employment declines to 2010 but has stabilised since. The decline was largely due to a reduction in the primary meat processing sector which dominated Roscommon's agri-food sector at the start of the period.

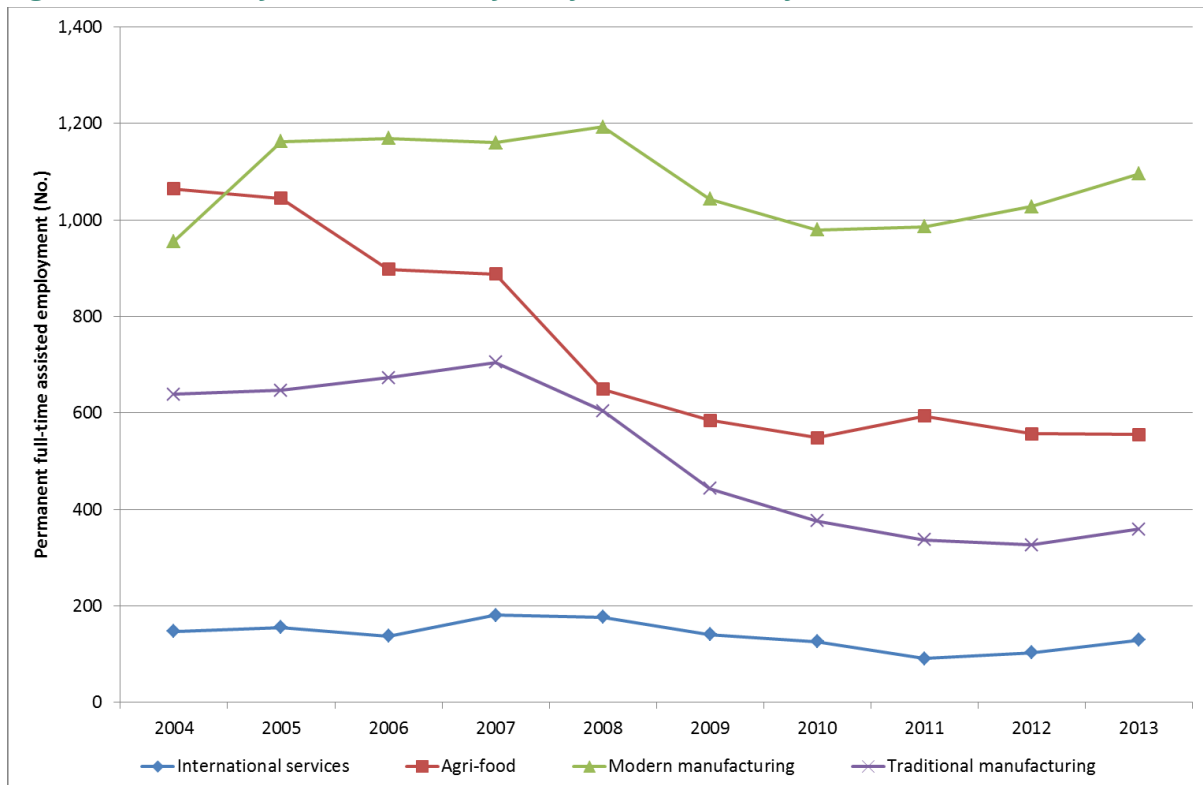
Traditional manufacturing saw strong employment growth up to 2007 linked with supplying the growing construction sector in the county. From 2007 onwards it experienced very sharp declines

<sup>23</sup> Data by broad sector is available at county level but not data by detailed sector.

largely due to the collapse of the building sector. In the most recent year there has been a +10.1% increase in employment in traditional manufacturing pointing to some recovery.

The two international services sectors employ very few people in Roscommon, combined they only account for 6.1% of assisted employment. However international services have shown growth since 2011 and increased by a quarter in 2013.

**Fig. 51: Permanent full-time assisted jobs by sector in county Roscommon, 2004-2013**



Note: Due to small numbers and the need to maintain confidentiality, the information and communication, and business, financial and other services sectors have been combined under international services.

Source: Forfás, Annual Employment Survey 2013

Roscommon is home to 0.7% of assisted employment in Ireland. This is just over half its 1.3% share of total employment in the state in 2011. This reflects a number of factors including low assisted employment in the county and the extent of outward commuting, as Roscommon residents are counted in the county's total employment figure even though they may be commuting to work in surrounding towns e.g. Athlone, Galway, Sligo, and their jobs would be counted in those counties.

Roscommon has its highest share of national employment in the modern manufacturing sector where it has 1.5% of all assisted employment. Agri-food is next most important with Roscommon home to 1.2% of assisted employment nationally.

## 8.7 Trends in Agency Assisted Employment: Leitrim

### Summary

- In 2013 there were 1,311 people working in assisted companies in county Leitrim, 11% of total employment. This is the second lowest share in the region and sixth lowest nationally.
- Only 7.6% of assisted jobs were temporary/part-time, the lowest share in the region. Leitrim's assisted employment is predominantly permanent full-time.
- Over the 2004-2013 period, assisted employment was at its highest in 2004 and has declined in almost every year since. There was a decline of -43.5% between the highest (2004) and lowest (2013) year, the largest decline among the western counties. Similar to Clare, there has been no resumption of assisted employment growth.
- In 2013, 62.9% of assisted employment in county Leitrim was foreign owned, largely due to a single sector. This is the highest share in the Western Region and third highest nationally. However for Leitrim it is the lowest of the period. Foreign owned assisted employment has fallen in every year from 2004 to 2013. In contrast, there has been quite steady growth in Irish owned employment since 2010, growing by +8.4% in the most recent year.
- International services was county Leitrim's largest assisted sector for most of the ten year period. It declined from 2009 to reach its lowest point in 2012 when it dropped below traditional manufacturing. Following substantial decline from 2005 to 2009, traditional manufacturing has remained stable. Modern manufacturing has grown strongly and steadily since 2009 and permanent employment increased by +8.3% in the most recent year.

### 8.7.1 Assisted jobs in county Leitrim

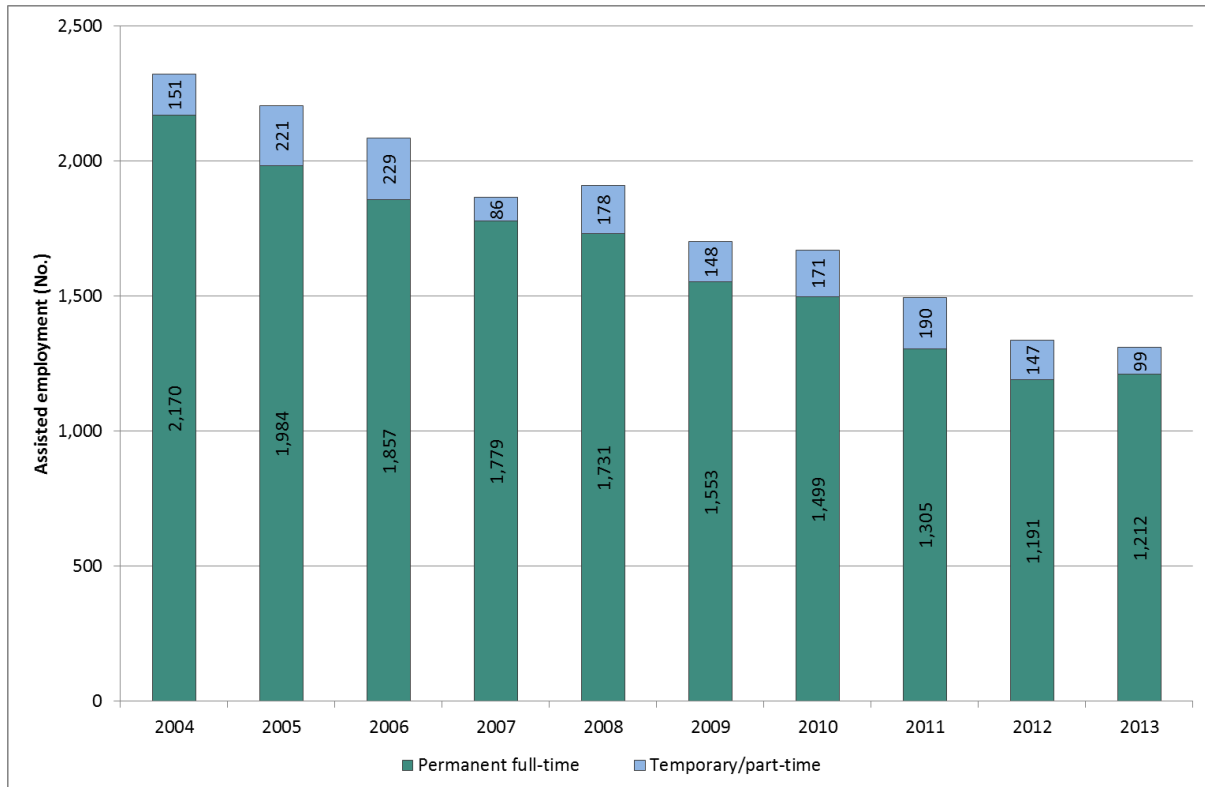
Assisted employment accounts for 11% of total employment in county Leitrim.<sup>24</sup> This is the second lowest share in the region and is sixth lowest nationally.

In 2013 there were 1,311 people working in assisted companies in county Leitrim (Fig. 52). Of these only 7.6% were working on a temporary/part-time basis. This is the lowest share of this type of employment in the region showing that Leitrim's assisted employment is predominantly permanent full-time.

Total assisted employment in Leitrim was at its highest of the period in 2004 and has declined in almost every year since then. It fell by -43.5% between the highest (2004) and lowest (2013) year in the county, the largest such decline among the western counties. In the most recent year, Leitrim experienced the largest decline (-2.0%) in total assisted employment, with Sligo and Clare the only other western counties with any decline in that year.

<sup>24</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.



**Fig. 52: Total assisted jobs in county Leitrim, 2004-2013**

Source: Forfás, Annual Employment Survey 2013

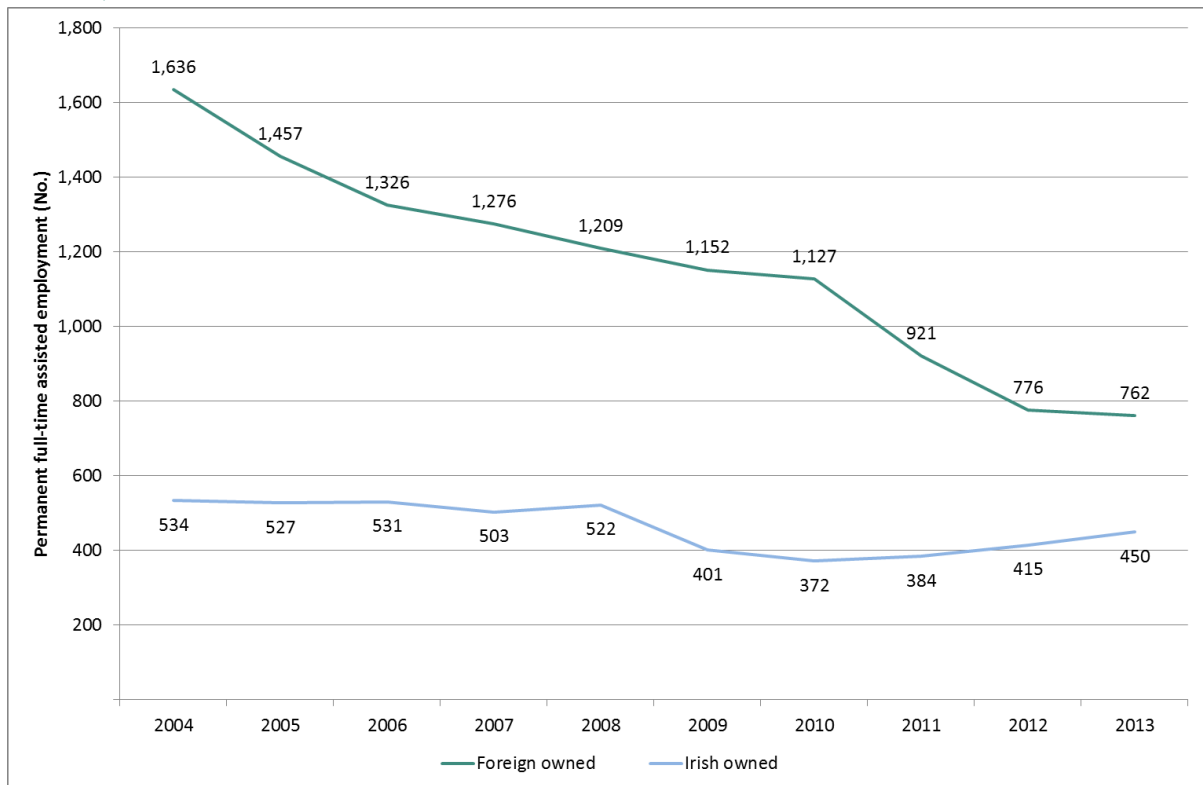
### 8.7.2 Ownership of assisted jobs in county Leitrim

In 2013, 62.9% of assisted employment in county Leitrim was in foreign owned companies. This was the highest share of foreign ownership in the Western Region and considerably above the region's average of 50.4%. In fact Leitrim has the third highest share of foreign ownership nationally (after Kildare and Tipperary South). However the share in county Leitrim in 2013 is in fact its lowest of the ten year period. At the start of the decade 75.4% of assisted employment in the county was foreign owned.

Fig. 53 clearly shows the dominance of foreign owned assisted employment in county Leitrim at the start of the decade and its steady decline. It fell gradually from 2004 to 2009 before a very sharp decline to 2012.

Irish owned assisted employment remained extremely stable from 2004 to 2008. Following a recession-related decline to 2010, there has been quite steady growth, increasing by +8.4% in the most recent year.

**Fig. 53: Permanent full-time assisted jobs in foreign and Irish owned companies in county Leitrim, 2004-2013**



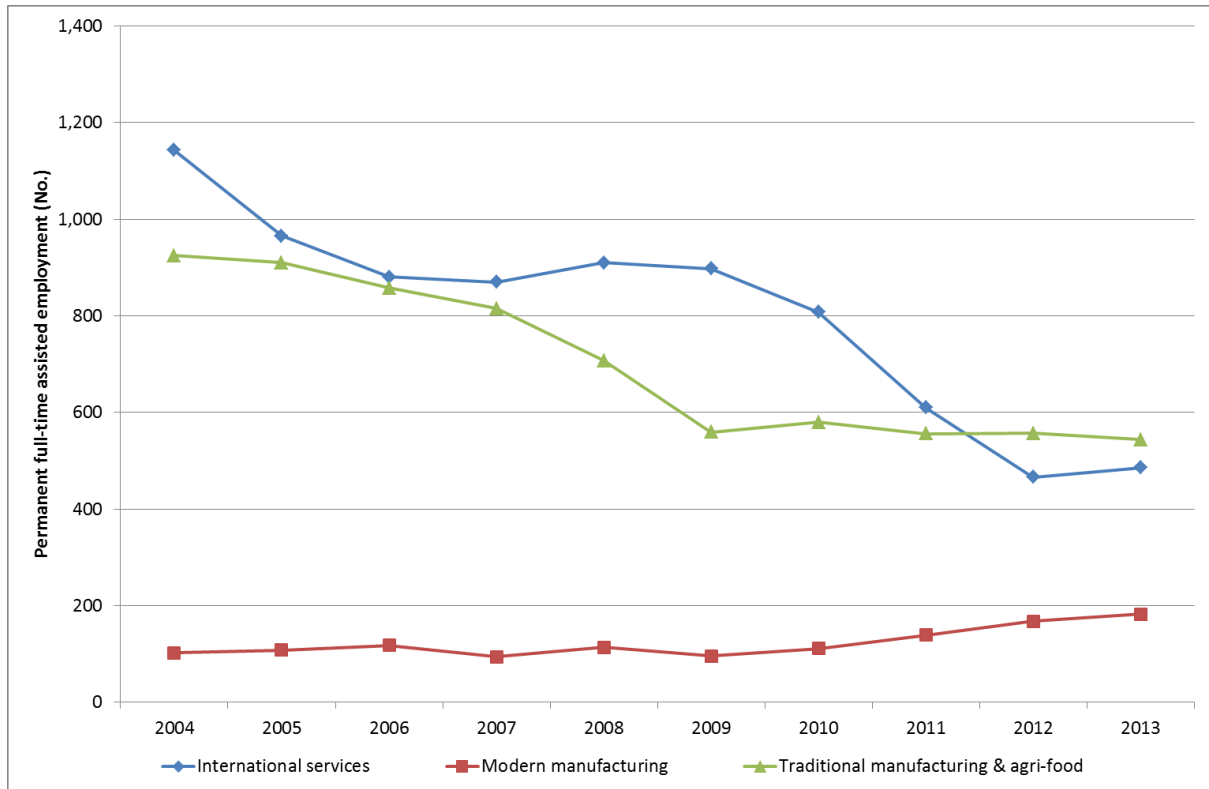
Source: Forfás, Annual Employment Survey 2013

### 8.7.3 Assisted jobs by sector<sup>25</sup> in county Leitrim

Unlike any other western county, international services (information and communication, and business, financial and other services) was county Leitrim's largest assisted sector for most of the ten year period (Fig. 54). This sector experienced decline from 2004 to 2007, followed by some recovery. However it began to decline again from 2009 to reach its lowest point in 2012 when it dropped below traditional manufacturing to become Leitrim's second largest sector. The sector showed some recovery in 2013 however, increasing by +4.3%.

Following very substantial decline from 2005 to its lowest level in 2009, traditional manufacturing (including agri-food) has remained stable since to become the county's largest assisted sector. Modern manufacturing, following stability at a low level from 2004 to 2009, has grown strongly since. Permanent employment in modern manufacturing in the county increased by +8.3% in the most recent year.

<sup>25</sup> Data by broad sector is available at county level but not data by detailed sector.

**Fig. 54: Permanent full-time assisted jobs by sector in county Leitrim, 2004-2013**

Note: Due to small numbers and the need to maintain confidentiality the information and communication, and business, financial and other services sectors have been combined under international services and the traditional manufacturing and agri-food sectors have also been combined.

Source: Forfás, Annual Employment Survey 2013

Leitrim accounts for 0.4% of assisted employment in Ireland. This is below its 0.7% of the state's total employment in 2011. This reflects both low levels of assisted employment in the county as well as substantial outward commuting, with Leitrim residents commuting to work in Sligo and other larger employment centres with their jobs counted in those counties.

Leitrim has its highest share of national assisted employment in the traditional manufacturing sector where it has 0.9% of employment. At 0.6%, information and communication is the other sector where it has a higher than average share.

## Section 9: Conclusions and Implications

Agency assisted employment is a key policy tool for job creation and unemployment reduction. It is a critical aspect of any effort to develop and support enterprise and job creation across the country and promote regional economic development. This analysis of trends in agency assisted employment over the 2004-2013 period in the Western Region has shown that

- There was less volatility in assisted job numbers in the Western Region over the period. Assisted employment in the region has not grown as strongly as in the rest of the country since growth resumed in 2010 and the region is not benefitting to the same extent as elsewhere.
- Recent assisted jobs growth in the Western Region is more likely to be permanent full-time with the share of temporary/part-time jobs lower now than at the start of the period, though this share is rising again.
- Assisted employment in the Western Region is considerably more concentrated by economic sector than in the rest of the state and manufacturing activities continue to dominate in the region. Policy and support for the manufacturing sector is of particular relevance to the region. Promoting greater diversity in the region's assisted employment profile will be crucial for the region's economic resilience.
- The strongest recent assisted employment growth has been in the modern manufacturing and information and communication sector which are the two sectors with the highest shares of foreign ownership. The foreign owned sector has driven recent growth in the Western Region to a greater extent than in the rest of the state. Recent foreign owned employment growth in the region however has had a greater proportion of temporary/part-time jobs than such growth in the rest of the state. This raises some questions over its nature and impact.
- There has been much greater volatility in the Irish owned sector over the ten year period and the region's Irish owned sector is not showing as strong a recovery as in the rest of the country. Support for the Irish owned sector needs to be central to any enterprise strategy for the region.
- Urban concentration, especially in the cities, is a strong feature of assisted employment. The resumption of growth does appear to be spreading across the Western Region to some degree, although Clare and Leitrim have seen no increase in assisted employment. The legacy of former investments continues to have a strong influence on assisted employment patterns across the region.

Agency assisted job creation policy in the Western Region needs to focus on increasing sectoral diversity and strengthening the Irish owned sector, while also sustaining and growing the foreign owned. The development of new regional economic strategies as well as a new National Planning Framework present an opportunity to highlight and focus on the specific regional issues for agency assisted employment. The restructuring of enterprise support at a county level through the Local Enterprise Offices, and their relationship with the local authorities and Enterprise Ireland, will be a key factor in the implementation of these strategies.

Addressing the lower levels of assisted employment in the counties of the North West should also be a policy priority. In the case of foreign owned investments, the policy for smaller urban centres

needs to focus on smaller scale investments which are appropriate to such areas. This will require a coordinated approach across local and regional agencies and organisations to complement the activities of the IDA, which has indicated a greater regional focus in its upcoming strategy.

## Appendix 1: Trends in employment by detailed sector 2004-2013

Over the ten years 2004-2013 the trends by detailed sector varied significantly (Table A1). The strongest growth was experienced by computer programming activities which increased by over 100% to become the region's third largest sector. The construction, energy, waste and water sector experienced the next highest growth, influenced by growing competition in the waste and energy sectors. As these data only refer to export-oriented businesses receiving support from the enterprise development agencies, it would not include the vast majority of construction businesses.

The largest employment declines were experienced in the clothing, textiles, non-metallic minerals (e.g. cement) and wood and wood products sectors. This reflects the continuing decline of clothing manufacturing in Ireland and the impact of declining demand from building activity.

**Table A1: Permanent full-time assisted jobs by detailed sector in 2004, 2008 and 2013 and percentage change 2004-2013 and 2012-2013**

	2004	2008	2013	% Change 2004-2013	% Change 2012-2013
	No.	No.	No.	%	%
<b>MODERN MANUFACTURING</b>	<b>15,193</b>	<b>15,943</b>	<b>17,117</b>	<b>12.7</b>	<b>2.3</b>
Chemicals	3,741	3,467	3,590	-4.0	5.6
Computer, Electronic & Optical Equipment	2,691	2,893	3,026	12.4	6.1
Medical & dental instruments	8,308	8,655	9,605	15.6	-0.1
Construction, Energy, Water & Waste	453	928	896	97.8	5.5
<b>TRADITIONAL MANUFACTURING</b>	<b>17,480</b>	<b>15,920</b>	<b>13,423</b>	<b>-23.2</b>	<b>4.3</b>
Basic & Fabricated Metal Products	2,746	2,683	2,203	-19.8	1.9
Clothing, Footwear & Leather	1,203	408	396	-67.1	1.0
Electrical Equipment	1,458	1,698	1,662	14.0	10.0
Non-Metallic Minerals	1,791	1,744	767	-57.2	2.1
Paper & Printing	603	626	639	6.0	8.5
Rubber & Plastics	1,311	1,205	1,236	-5.7	2.2
Textiles	625	502	374	-40.2	2.2
Wood & Wood Products	1,931	1,723	948	-50.9	-2.4
Machinery & Equipment	2,642	2,273	2,300	-12.9	3.6
Miscellaneous Manufacturing	2,260	2,111	1,620	-28.3	-1.6
Transport Equipment	910	947	1,278	40.4	22.5
<b>AGRI-FOOD</b>	<b>7,152</b>	<b>6,854</b>	<b>6,269</b>	<b>-12.3</b>	<b>-0.2</b>
Food	5,904	5,441	5,037	-14.7	-0.5
Drink & Tobacco	298	420	262	-12.1	7.4
Agriculture, Fishing & Forestry	500	516	533	6.6	10.8
Mining & Quarrying	450	477	437	-2.9	-14.0
<b>INFORMATION &amp; COMMUNICATION</b>	<b>6,619</b>	<b>7,711</b>	<b>8,255</b>	<b>24.7</b>	<b>4.9</b>
Computer consultancy activities	2,774	3,038	1,954	-29.6	5.8
Computer facilities management activities	978	1,063	1,331	36.1	10.6

	2004	2008	2013	% Change 2004-2013	% Change 2012-2013
	No.	No.	No.	%	%
Computer programming activities	1,809	2,275	3,680	103.4	5.9
Other Information & Communication	680	806	769	13.1	7.6
Other information technology & computer services	378	529	521	37.8	-9.5
<b>BUSINESS, FINANCIAL &amp; OTHER SERVICES</b>	<b>4,224</b>	<b>5,265</b>	<b>4,153</b>	<b>-1.7</b>	<b>-2.1</b>
Business Services	1,186	1,466	872	-26.5	-3.6
Financial Services	1,185	1,580	1,314	10.9	-4.1
Other Services	1,853	2,219	1,967	6.2	0.2
<b>TOTAL</b>	<b>50,668</b>	<b>51,693</b>	<b>49,217</b>	<b>-2.9</b>	<b>2.4</b>

Source: Forfás, Annual Employment Survey 2013

Underlying the patterns at the broad sectoral level (Section 5) there are significant variations within each broad sector. While modern manufacturing as a whole increased permanent employment by +12.7% between 2004 and 2013, within this the chemicals sector actually had a decline of -4%. The region's largest assisted sector (medical devices) grew by +15.6% over the period.

The overall decline in traditional manufacturing between 2004 and 2013 of -23.2% was reflected across almost all of its sub-sectors, except transport equipment, electrical equipment and paper and printing. Construction-supplying sectors experienced particularly large declines such as the -50.9% decline in wood and wood products and the -57.2% drop in non-metallic minerals (e.g. cement). The textiles and clothing sectors also continued to contract.

The overall decline in the agri-food /primary production sector of -12.3% over the decade included declines in the food, drink and tobacco, and mining and quarrying sub-sectors. However there was an increase in assisted employment in the agriculture, fishing and forestry sector. Again as this only refers to internationally trading businesses it only reflects a small proportion of the total agricultural sector.

Almost all information and communication services sectors experienced strong growth. While computer programming activities grew by over +100% over the ten years, computer facilities management, and other IT and computer services also grew by over a third. The only ICT services sector which declined was computer consultancy which fell by nearly -30%. The business, financial and other services sector had an overall decline of -1.7%, however financial services and 'other services' both experienced growth. It was the decline in business services which led to the overall reduction.

Table A1 also shows how the detailed sectors have performed in the most recent year. Of the 27 detailed sectors, a large majority (19) experienced an increase in employment between 2012 and 2013 and eight had a decline. Transport equipment had the largest employment growth over the period with agriculture, forestry and fishing, computer facilities management, and electrical equipment also increasing employment notably. Mining and quarrying, other IT and computer services, and financial services had the greatest declines.