



The Western Region's Sectoral Profile

This *WDC Insights* examines the jobs profile of the Western Region by sector, highlighting some of the key findings of the WDC report 'The Western Region's Labour Market 2004-2014'.¹ Analysing the sectoral profile of jobs² provides insights on the nature of the region's economy and helps to identify areas of growth and decline. This analysis will be useful in developing policies for job creation, enterprise and skills for the region.

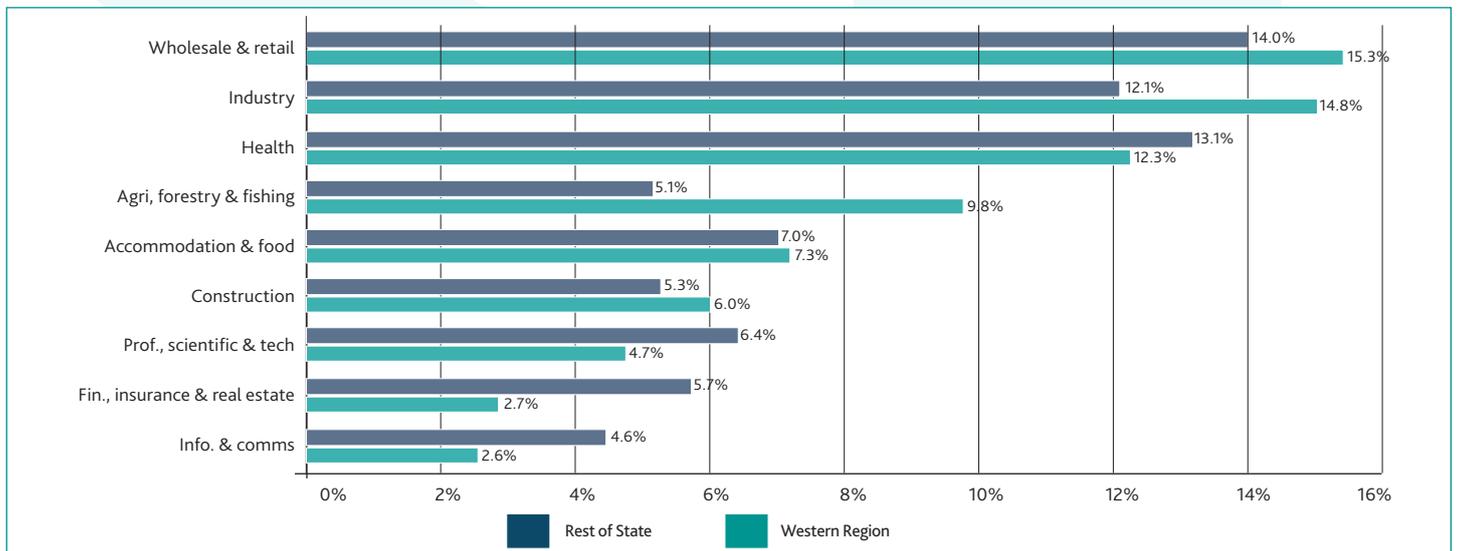
Greater reliance on traditional sectors and local services in the Western Region

There are 312,000 people employed in the Western Region, of which 30% work in the two largest sectors of Wholesale and Retail, and Industry (Fig. 1). Of the region's top seven sectors, all but one (Health) account for a greater share of jobs in the region than the rest of the state. The share working in Agriculture is almost twice that elsewhere.

About a quarter (25.6%) of the region's jobs are in the predominantly public sectors of Health, Education and Public Administration combined.³ For the first time in 2004-2014 the Western Region now has a lower share of such jobs than the rest of the state (26.3%).

The Western Region relies more than the rest of the state on jobs in the traditional sectors (Industry, Agriculture, and Construction) and local services (Wholesale and Retail, and Accommodation and Food Service) which depend on domestic spending and tourism. Knowledge intensive services play a much smaller role than elsewhere. This structure has resulted in a lower paid occupational profile in the region which has higher shares working in skilled trades, operative and sales occupations and lower shares working in the better paid managerial, professional and associate professional occupations.

Fig. 1: Percentage of employment in selected sectors in the Western Region and rest of the state, Q1 2014



Source: CSO, Quarterly National Household Survey, Q1 2014, Table 2. Special run.

1. WDC (2015), The Western Region's Labour Market 2004-2014 <http://www.wdc.ie/publications/reports-and-papers/>
2. All data is from Quarter 1 of the CSO's Quarterly National Household Survey (QNHS) and is a special data run for the seven county Western Region.
3. Not all employment in the Health and Education sectors is in the public sector.



Large contribution by Western Region to industry, but small role in knowledge services

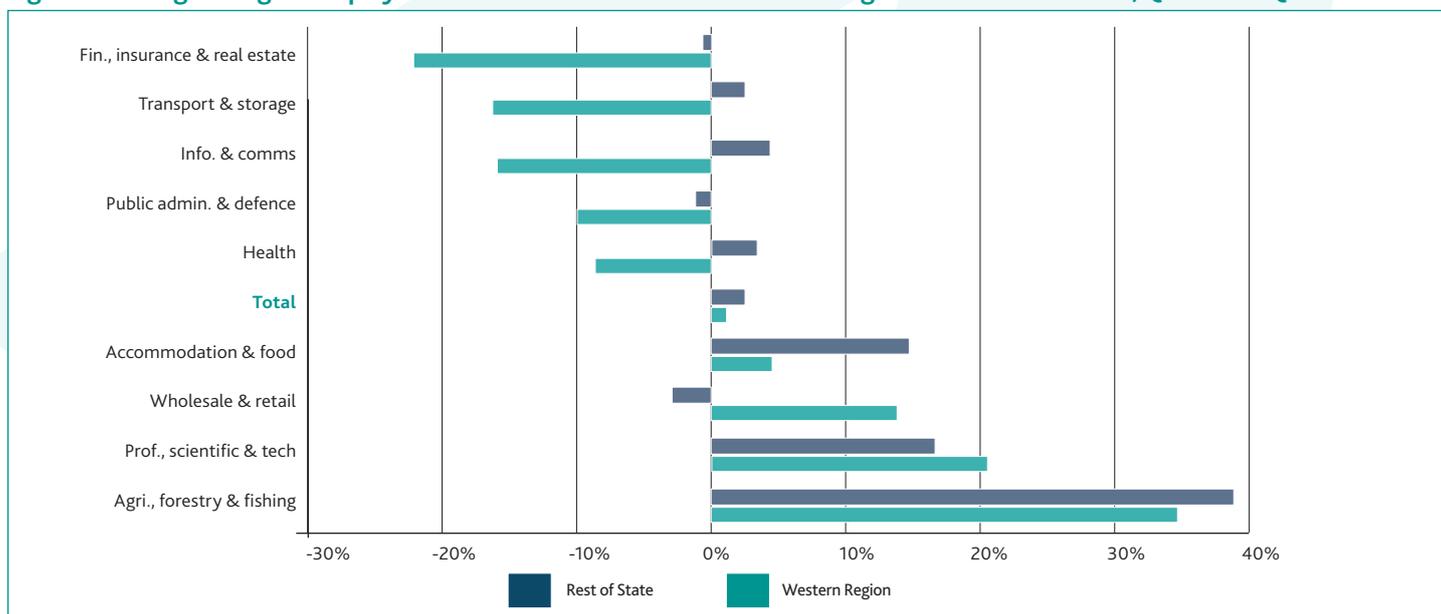
The Western Region has 16.5% of all jobs nationally. The region has a particular strength in Industry with 19.5% of all Industry jobs in the country in 2014, up from 16% in 2007. This increase in the region's contribution was not due to growth in Industry jobs, which remained quite stable in the region, but because of more substantial declines elsewhere. The region's MedTech cluster has contributed to this stability.

The region accounts for its lowest shares of national jobs in knowledge intensive services – Financial (8.7%), Information and Communication (9.9%), and Professional services (12.6%). The region's share of all Financial, and Information and Communication jobs has declined since 2012, down from 12.1% and 11% respectively. The region is losing ground in these high value sectors which also support innovation across the economy.

Recent jobs growth in agriculture, professional and local services; Jobs declining in knowledge intensive and public services

Between 2012 and 2014 the Western Region had lower jobs growth than the rest of the state, 1.4% compared with 3.9% (Fig. 2). Agriculture grew⁴ as did professional and local services, sectors which rely on local demand and tourism, showing some upturn in spending. Knowledge intensive and public services performed very poorly in the region.

Fig. 2: Percentage change in employment in selected sectors in the Western Region and rest of the state, Q1 2012 to Q1 2014



Source: CSO, Quarterly National Household Survey, Q1 2014, Table 2. Special run.

Policy implications

The region's manufacturing strength is a key regional and national asset and facilitating manufacturing enterprises to sustain and expand their operations should be a policy priority. The reasons for the region's worsening position in knowledge intensive services need to be identified and addressed. Some jobs recovery is underway in the region in agriculture, professional and local services, however many other sectors have falling job numbers in the region while they are growing elsewhere, reinforcing the need for tailored regional job creation actions.

Download the WDC report 'The Western Region's Labour Market 2004-2014' and the *WDC Insights* 'The Western Region's Labour Market' from <http://www.wdc.ie/publications/reports-and-papers/>

The WDC would like to acknowledge the assistance of Brian Ring and Martina O' Callaghan of the Central Statistics Office. Source: CSO, Quarterly National Household Survey, www.cso.ie

4. The CSO has noted some concerns over the impact of new sampling on the employment figures for Agriculture.