



**WESTERN
DEVELOPMENT
COMMISSION**

Timely Economic Indicators for the Western Region

April 2021



Luke McGrath
Economist
Policy Analysis Team
lukemcgrath@wdc.ie

WDC Insights
Providing insights on key issues for
the Western Region of Ireland

Introduction

The Western Development Commission (WDC) has compiled a set of timely economic indicators to help assess economic activity in the Western Region (WR) and Atlantic Economic Corridor (AEC) closer to real-time.¹ The indicators chosen are all published at least quarterly by official sources and can provide insight on what to expect once further official data become available. See the detailed methodology [here](#). The report is largely statistical, please see the accompanying [WDC Insights Blog](#) for a commentary.

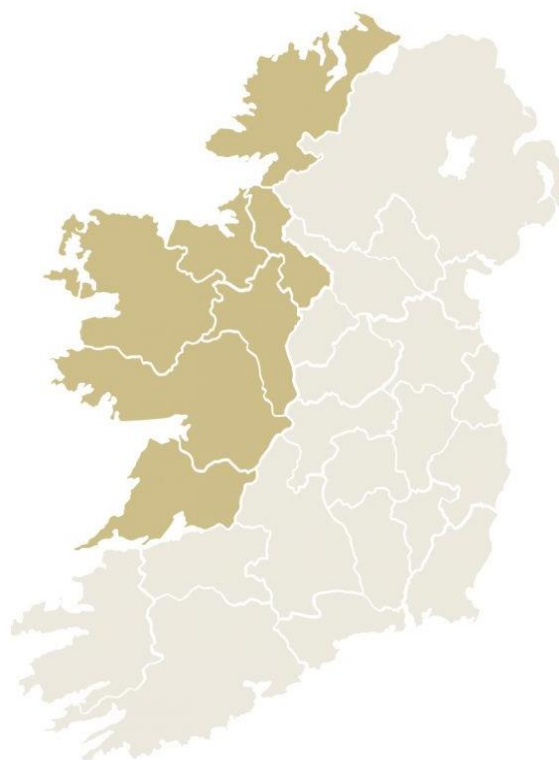
The WDC acknowledges that the indicator set is limited given the availability of official high-frequency county-level economic data. To address this limitation [supplementary ad-hoc reports](#) based on alternative data sources are produced. The WDC has recently released a comprehensive regional analysis of the economic impact of COVID during 2020, [Regional Economic Impact of COVID-19: 2020 in Economic Statistics](#).

What is covered in the timely economic indicator set?

Table 1. Timely Economic Indicator Set

Labour Market
<ul style="list-style-type: none">• Persons in receipt of the Pandemic Unemployment Payment (PUP)• Persons in receipt of the Temporary Wage Subsidy Scheme (TWSS/EWSS)• Persons on the Live Register (LR)
Consumption
<ul style="list-style-type: none">• Vehicles licensed for the first time
Housing & Construction
<ul style="list-style-type: none">• New dwelling completions• Planning permissions• Commencement notices• House prices & rents

Figure 1. The Western Region



¹ Under the WDC Act 1998 the WDC's statutory remit is to '...foster and promote the economic and social development of the Western Region'. The Western Region is the seven counties of Mayo, Roscommon, Galway, Sligo, Leitrim, Donegal and Clare. The AEC is set out in Ireland 2040 as an initiative to drive balanced regional development and encompasses the Western Region as well as Kerry and Limerick.

Why timely economic indicators are particularly important at the regional level?

The lag between the data reference period and the publication of official national income accounts and other economic statistics has prompted considerable effort into the development of national real-time economic indicators. The lag is often considerably longer for county and regional data. For example, the latest available regional income accounts relate to 2018 and 2019 and were published in February 2021, a lag of up to thirty-six months between the data reference period and publication. This demonstrates the need for timelier regional and county level indicators of economic activity.

Insights on Regional Economic Activity

Labour Market

- PUP Claims have stabilised since February. At the end of March, Kerry (25%) had the highest PUP share of the labour force in receipt of the PUP nationally, and Donegal (21%) was 2nd.
- EWSS supports as a share of the labour force in the WR and AEC have been below the national average since November.

Consumption

- During 2020, an annual decline in new car registrations of 7-9% in the WR and AEC was recorded, compared with a national decline of 25%.
- During January 2021, a key month for new car sales, registrations fell 17% (18%) year on year in WR (AEC).

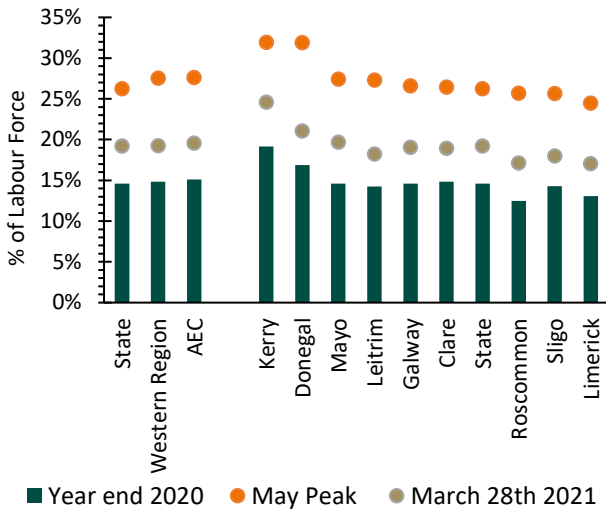
Housing & Construction

- From Q4 2020, sales volumes have stabilised following a collapse since the onset of the pandemic.
- Rents rose annually in all AEC counties during Q4 2020. Leitrim recorded the highest increase nationally.
- 2020 saw an annual increase in dwelling completions but a decline in commencement notices and planning permissions in the WR and AEC.

Read the WDC Policy Team's Insights Blog and sign up to our mailing list at <https://westerndevelopment.ie/insights/>

Labour Market

Figure 2. % of Labour Force receiving PUP: Selected Dates

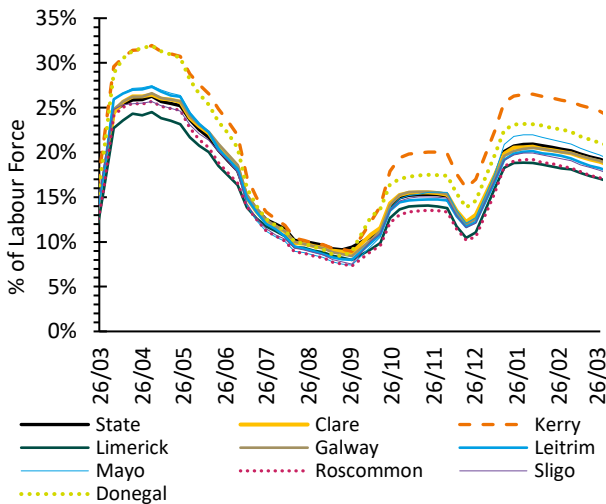


Source: Own Calculations from CSO Live Register (9/4/21)

PUP share of the labour force at 17-25% across WR and AEC at the end of March.

- As detailed in our recent report, [Regional Economic Impact of COVID-19](#). The WR & AEC counties are heavily exposed to the economic impacts of COVID-19 and thus impacted comparatively hard by lockdown measures.
- At the end of March, Kerry (25%) had the highest PUP share of the labour force nationally, and Donegal (21%) was 2nd.
- Roscommon (17%) had the lowest share in the WR & AEC, 19th nationally.

Figure 3. % of Labour Force in receipt of PUP by county

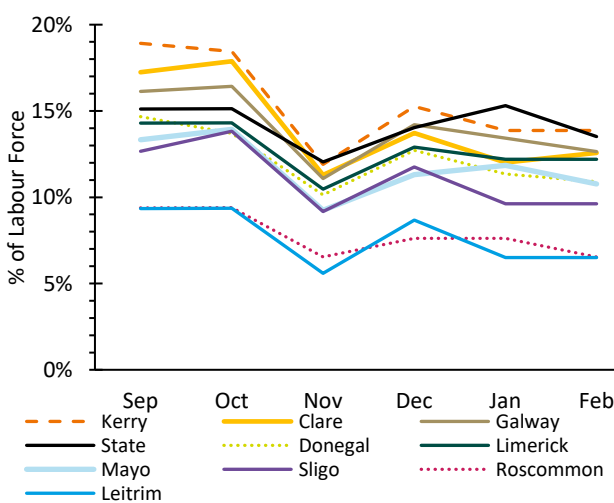


Source: Source: Own Calculations from CSO Live Register (9/4/21)

PUP claims stabilise from February

- At year-end 2020, PUP claims in the WR (AEC) reached 57,565 (71,581). As a share of the labour force, this was equivalent to 13% for the WR and AEC.
- During the first week of February, WR (AEC) claims reached 81,706 (117,207) or 21% of the labour force.
- PUP claims then stabilised and declined to 74,688 (107,282) or 19% (20%) of the labour force by the end of March.

Figure 4. EWSS Recipients in AEC as % of Labour Force



Source: Own Calculations from Revenue COVID-19 Support Schemes statistics

Less EWSS supports in WR & AEC

- EWSS supports, as a % of the labour force, in the WR and AEC have been below the national average since November.
- During February the national average was 13.5% compared with the WR (AEC) at 11% (11.5%).
- All AEC counties were below the national average in February, except Kerry (14%).

Table 2. Total Persons in Receipt of PUP and as % of Labour Force by County.

Reference Week	May Peak	Year End 2020	Jan 31 st	March 28 th
Clare	14,952 (26%)	7,361 (13%)	11,624 (21%)	10,726 (19%)
Donegal	22,719 (32%)	10,399 (15%)	16,505 (23%)	15,013 (21%)
Galway	33,320 (27%)	15,739 (13%)	25,526 (20%)	23,862 (19%)
Leitrim	4,071 (27%)	1,818 (12%)	2,989 (20%)	2,716 (18%)
Mayo	16,479 (27%)	7,619 (13%)	13,191 (22%)	11,834 (20%)
Roscommon	7,624 (26%)	3,133 (11%)	5,685 (19%)	5,090 (17%)
Sligo	7,768 (26%)	3,661 (12%)	6,024 (20%)	5,447 (18%)
Western Region	106,933 (28%)	57,565 (13%)	81,544 (21%)	74,688 (19%)
Limerick	22,086 (25%)	9,974 (11%)	17,002 (19%)	15,385 (17%)
Kerry	22,341 (32%)	11,877 (17%)	18,517 (26%)	17,209 (25%)
AEC	151,360 (28%)	82,730 (13%)	117,063 (21%)	107,282 (20%)
State	605,528 (26%)	336,635 (13%)	481,171 (21%)	443,247 (19%)

Source: CSO Live Register (9/04/21.). Share of the labour force in parenthesis.

Table 3. Total Persons in Receipt of EWSS and as % of Labour Force by County.

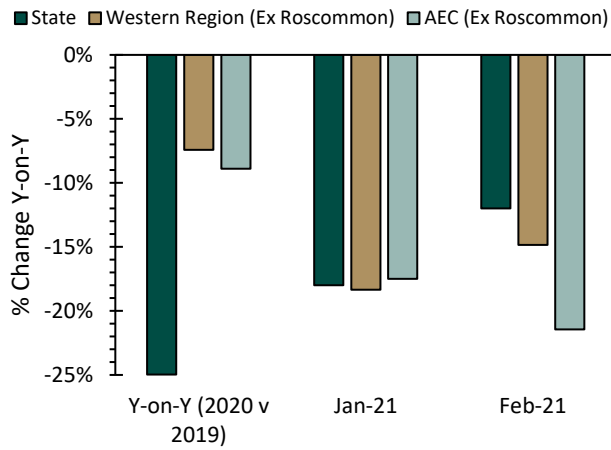
Reference Week	November	December	January	February
Clare	6,383 (11%)	7,757 (14%)	6,787 (12%)	7,110 (13%)
Donegal	7,215 (10%)	9,050 (13%)	8,080 (11%)	7,757 (11%)
Galway	13,875 (11%)	17,776 (14%)	16,806 (13%)	15,837 (13%)
Leitrim	833 (6%)	1,293 (9%)	970 (7%)	970 (7%)
Mayo	5,550 (9%)	6,787 (11%)	7,110 (12%)	6,464 (11%)
Roscommon	1,943 (7%)	2,262 (8%)	2,262 (8%)	2,586 (7%)
Sligo	2,775 (9%)	3,555 (12%)	4,202 (10%)	3,878 (10%)
Western Region	38,573 (10%)	48,480 (13%)	44,925 (12%)	42,986 (12%)
Limerick	9,435 (10%)	11,635 (13%)	10,989 (12%)	10,989 (12%)
Kerry	8,325 (12%)	10,666 (15%)	9,696 (14%)	9,696 (14%)
AEC	56,333 (10%)	70,781 (13%)	65,610 (12%)	63,670 (12%)
State	277,500 (12%)	323,200 (14%)	352,700 (15%)	311,600 (14%)

Source: Revenue COVID-19 Support Schemes statistics. Share of the labour force in parenthesis. The TWSS closed on 31 Aug. and replaced with the Employment Wage Subsidy Scheme (EWSS). The CSO has noted that “we are not yet in a position to disseminate this information” thus no data for the EWSS scheme or the total number of persons in receipt of state income supports excluding overlaps is available from the CSO. See previous reports for details of TWSS supports.

Consumption

New Private Cars

Figure 5. Year on Year % change in New Private Cars Licensed for the First Time



Source: Own Calculations from CSO (TEM22) *Ex. Roscommon, as it distorts the WR/AEC aggregates due to the activity of a national car hire company see [here](#). June was excluded for both years as June 2020 data was unavailable.

Declines in new car registrations

- Total new car registrations during 2020 declined 7-9% in the WR and AEC year-on-year. Nationally, registrations fell 25%.
- January is a key month for new car sales due to the **dual registration system**. On an annual basis, new private car registrations fell by 18% (19%) in the WR (AEC).
- During February, there was a sharper annual decline in registrations in the WR and AEC (15-21%) than observed nationally (12%).

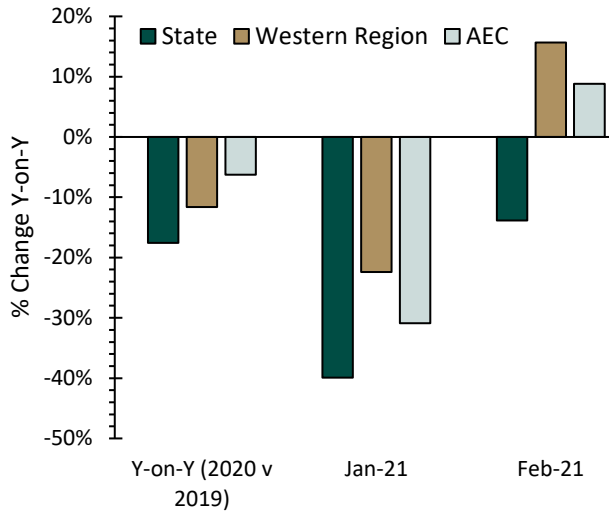
Table 4. New Private Cars Licensed for the First Time.

Month	2020 (Total)	January 2021	February
Donegal	2,020 (-5%)	396 (-16%)	331 (-1%)
Leitrim	404 (+5%)	77 (-10%)	59 (-11%)
Sligo	984 (-2%)	185 (-29%)	168 (-2%)
Galway	3,279 (-10%)	672 (-17%)	459 (-25%)
Mayo	1,586 (-11%)	316 (-27%)	254 (-3%)
Clare	1,916 (-7%)	436 (-12%)	284 (-14%)
Roscommon	1,108 (-74%)	198 (-11%)	140 (-28%)
Western Region (Ex Roscommon)	10,189 (-7%)	2,082 (-18%)	1,555 (-12%)
Limerick	3,128 (-14%)	779 (-13%)	460 (-7%)
Kerry	1,953 (-8%)	426 (-20%)	337 (+8%)
AEC (Ex Roscommon)	15,270 (-9%)	3,287 (-17%)	2,352 (-9%)
State	82,120 (-25%)	16,948 (-18%)	11,672(-12%)

Source: CSO (TEM22). Year on year % change in parentheses. See previous TEI reports for previous months. June was excluded from both years as June 2020 data was unavailable.

New Goods Vehicles

Figure 6. Year on Year % change in New Goods Vehicles Licensed for the First Time



Source: Own Calculations from CSO (TEM14). October was excluded from both years as no data for October 2020 was available.

New Goods Vehicle Registrations rise in February in WR & AEC

- During 2020, new goods vehicle registrations declined 6-12% in the WR and AEC, on an annual basis. The decline nationally was 18%.
- During February, registrations rose in the WR (AEC) by 16% (9%) compared with a national decline (-14%).

Table 5. New Goods Vehicles Licensed for the First Time.

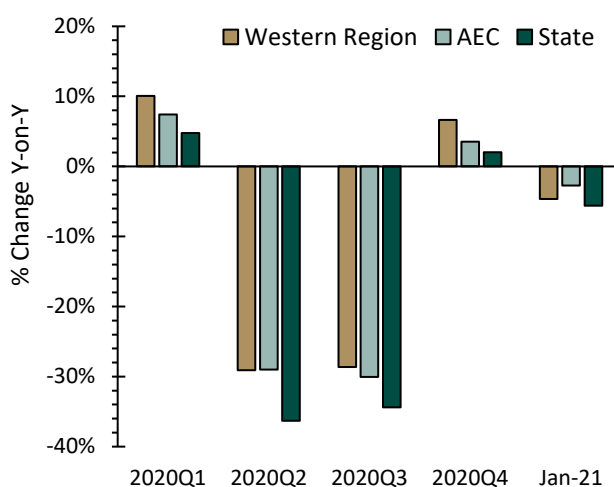
Month	2020	January 2021	February 2021
Donegal	362 (-4%)	52 (+16%)	60 (-6%)
Leitrim	99 (+18%)	8 (-56%)	13 (0%)
Sligo	214 (-13%)	30 (+3%)	34 (+17%)
Galway	624 (-20%)	63 (-28%)	128 (+25%)
Mayo	428 (-9%)	39 (-37%)	78 (+56%)
Clare	267 (-14%)	21 (-42%)	36 (-23%)
Roscommon	192 (-7%)	19 (-10%)	35 (+30%)
Western Region	2,186 (-12%)	232 (-22%)	384 (+16%)
Limerick	786 (+4%)	73 (-48%)	111 (-10%)
Kerry	534 (+5%)	62 (-32%)	98 (+10%)
AEC	3,506 (-6%)	367 (-31%)	593 (+9%)
State	18,982 (-18%)	1,529 (-40%)	2,349 (-14%)

Source: CSO (TEM14). Year on year % change in parentheses. See previous TEI reports for previous months.

Housing

Sales Volumes

Figure 7. Year on Year % change in Sales Volumes



Source: Own Calculations from CSO (HPM03)

Stabilisation in Sales Volumes

- Since the onset of the pandemic, annual house sales collapsed by circa. 30%. During Q4, annual sales volumes increased nationally (2%) and in the WR and AEC (4-7%).
- A decline in sales volumes returned during Q1 2021 but was more moderate at 6% nationally and 3-5% in the WR and AEC.

House Prices

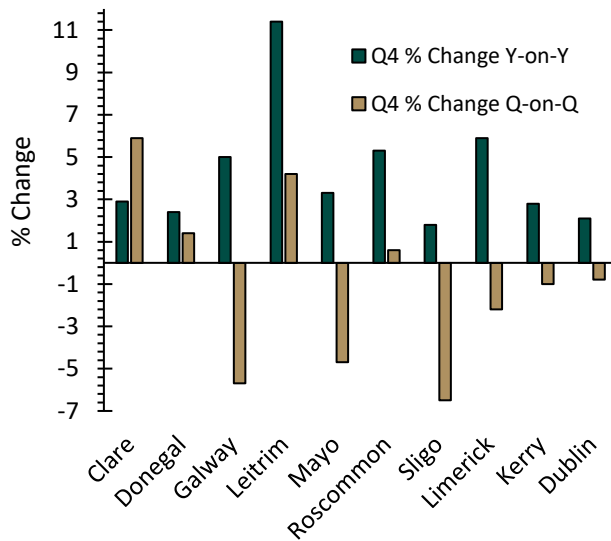
Table 6. Median House Prices based on Market Transactions of all Properties in € Thousands.

Month	November	December	January 2021
State	270.0 (1.1%)	280.0 (7.7%)	270.0 (5.9%)
Donegal	142.4 (3.6%)	145.0 (18.4%)	130.0 (13.0%)
Leitrim	120.0 (14.3%)	110.0 (10.0%)	105.4 (19.8%)
Sligo	132.0 (-16.7%)	150.0 (20.0%)	122.0 (-26.1%)
Galway City	255.0 (-4.8%)	300.0 (10.3%)	307.5 (8.9%)
Galway County	225.0 (-3.9%)	211.5 (-2.5%)	216.0 (4.1%)
Mayo	135.0 (-10.0%)	160.0 (13.5%)	155.0 (6.9%)
Roscommon	124.5 (3.4%)	110.0 (-9.8%)	144.0 (10.7%)
Dublin	395.0 (3.9%)	395.0 (6.5%)	395.0 (9.7%)
Limerick City	210.0 (12.9%)	197.0 (39.7%)	155.0 (0.3%)
Limerick County	237.5 (5.6%)	252.5 (15.8%)	230.0 (9.3%)
Clare	193.0 (10.3%)	188.8 (-3.7%)	192.8 (0.8%)
Kerry	177.0 (4.1%)	187.5 (7.1%)	195.0 (16.6%)

Source: CSO (HPM03). Year on Year % change in parentheses. See previous TEI reports for previous months.

Average Rents

Figure 8. 2020Q4 Year on Year % change in Standardised Rents



Source: Residential Tenancies Board Rent Index Reports

Annual Growth in Rents

- Rents rose annually in all AEC counties during Q4 2020. Increases ranged from 1.8% in Sligo to 11.4% in Leitrim. The biggest increase in the country was recorded in Leitrim.
- Rents fell, compared to the previous quarter, in five AEC counties (Galway, Mayo, Sligo, Limerick and Kerry).

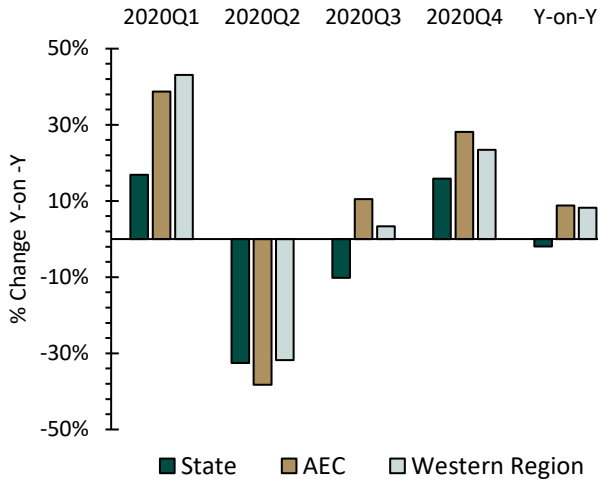
Table 7. Residential Tenancies Board Standardised Rent (Euro).

Month	2020Q4	2020Q3	2020Q2	2020Q1	Q4 % Change Y-on-Y	Q4 % Change Q-on-Q
Clare	778	736	728	740	2.9	5.9
Donegal	626	618	616	606	2.4	1.4
Galway	1,016	1,178	1,075	1,041	5.0	-5.7
Leitrim	626	600	599	554	11.4	4.2
Mayo	697	733	695	684	3.3	-4.7
Roscommon	671	674	641	620	5.3	0.6
Sligo	762	812	739	754	1.8	-6.5
Limerick	1,003	1,022	988	957	5.9	-2.2
Kerry	803	802	792	789	2.8	-1.0
Dublin	1,745	1,758	1,709	1,735	2.1	-0.8

Source: Residential Tenancies Board Rent Index Reports. Year on Year % change in parentheses.

Dwelling Completions

Figure 9. Year on Year % change in Dwelling Completions



Annual Increase in Dwelling Completions in the WR and AEC.

- During 2020, total dwelling completions rose by 8% (9%) in the WR (AEC) compared with a national decline of 2%.

Source: Own Calculations from CSO (NDQ06)

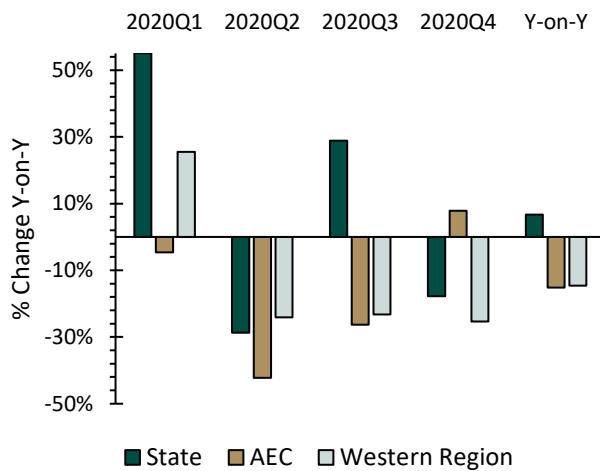
Table 8. Total Dwelling Completions.

	2020Q1	2020Q2	2020Q3	2020Q4
Clare	76 (38%)	76 (-36%)	113 (11%)	133 (24%)
Donegal	121 (42%)	99 (-11%)	133 (0%)	221 (117%)
Galway County	192 (32%)	124 (-37%)	198 (-1%)	341 (38%)
Galway City	57 (90%)	31 (-21%)	47 (-49%)	71 (-23%)
Leitrim	5 (-55%)	5 (-55%)	12 (9%)	15 (114%)
Mayo	124 (28%)	53 (-35%)	130 (37%)	116 (-34%)
Roscommon	28 (-28%)	31 (-14%)	48 (26%)	64 (31%)
Sligo	74 (573%)	14 (-67%)	52 (44%)	39 (34%)
Western Region	677 (43%)	433 (-32%)	733 (3%)	1000 (23%)
Limerick	128 (47%)	64 (-61%)	138 (8%)	189 (9%)
Kerry	83 (4%)	58 (-43%)	182 (57%)	251 (79%)
AEC	888 (39%)	555 (-38%)	1053 (10%)	1440 (28%)
State	4966 (17%)	3237 (-33%)	5073 (-10%)	7400 (16%)

Source: Residential Tenancies Board Rent Index Reports. Year on Year % change in parentheses.

Planning Permissions (Units for which Permissions Granted)

Figure 10. Year on Year % change in Planning Permissions



Annual decline in planning permissions in WR and AEC

- During 2020, planning permissions fell by 15% in the WR and AEC compared with a rise nationally (7%).

Source: CSO (BHQ12)

Table 9. Planning Permissions - Houses (Number).

	2020Q1	2020Q2	2020Q3	2020Q4
Clare	38 (-67%)	64 (-18%)	116 (49%)	176 (2%)
Donegal	145 (15%)	138 (39%)	285 (20%)	162 (9%)
Galway County	234 (39%)	50 (-60%)	204 (-39%)	168 (35%)
Galway City	12 (31%)	25 (56%)	32 (-67%)	5 (-97%)
Leitrim	15 (200%)	3 (-83%)	25 (92%)	16 (60%)
Mayo	101 (4%)	28 (-62%)	95 (-15%)	104 (46%)
Roscommon	88 (203%)	4 (-87%)	24 (-31%)	22 (-44%)
Sligo	114 (245%)	10 (-47%)	41 (-59%)	33 (14%)
Limerick	109 (-49%)	51 (-72%)	93 (-50%)	280 (189%)
Kerry	82 (-53%)	33 (-66%)	80 (1%)	141 (107%)
State	5091 (4%)	3063 (-38%)	5728 (17%)	4432 (-10%)

Source: CSO (BHQ12). Year on Year % change in parentheses. See previous TEI reports for previous months.

Table 10. Planning Permissions One-Off Houses.

	2020Q1	2020Q2	2020Q3	2020Q4
Clare	31 (-53%)	15 (-77%)	63 (21%)	49 (32%)
Donegal	92 (-1%)	31 (-62%)	124 (9%)	88 (4%)
Galway County	131 (-9%)	41 (-63%)	153 (22%)	140 (37%)
Galway City	8 (14%)	2 (-50%)	8 (n/a)	3 (-57%)
Leitrim	15 (200%)	3 (-73%)	12 (20%)	12 (20%)
Mayo	76 (15%)	23 (-68%)	76 (25%)	55 (-13%)
Roscommon	19 (-34%)	4 (-87%)	24 (-23%)	22 (5%)
Sligo	22 (5%)	4 (-60%)	20 (-23%)	20 (-31%)
Limerick	74 (10%)	36 (-36%)	59 (-9%)	56 (37%)
Kerry	50 (-15%)	23 (-57%)	59 (-23%)	48 (-29%)
State	1,355 (-7%)	669 (-52%)	1,754 (16%)	1,514 (20%)

Source: CSO (BHQ12). Year on Year % change in parentheses. See previous TEI reports for previous months.

Table 11. Planning Permissions - Multi-Development.

	2020Q1	2020Q2	2020Q3	2020Q4
Clare	7 (-85%)	49 (277%)	53 (104%)	127 (-7%)
Donegal	53 (61%)	107 (529%)	161 (31%)	74 (17%)
Galway County	103 (329%)	9 (-44%)	51 (-76%)	28 (27%)
Galway City	4 (-88%)	23 (92%)	24 (-76%)	2 (-99%)
Leitrim	n/a	n/a	13 (n/a)	4 (n/a)
Mayo	25 (-19%)	5 (150%)	19 (-63%)	49 (513%)
Roscommon	69 (n/a)	n/a	n/a	n/a
Sligo	92 (667%)	6 (-33%)	21 (-72%)	13 (n/a)
Limerick	35 (-76%)	15 (-88%)	34 (-72%)	224 (300%)
Kerry	32 (-72%)	10 (-78%)	21 (950%)	93 (n/a)
State	3,736 (8%)	2,394 (-33%)	3,974 (17%)	2,917 (-20%)

Source: CSO (BHQ12). Year on Year % change in parentheses. See previous TEI reports for previous months.

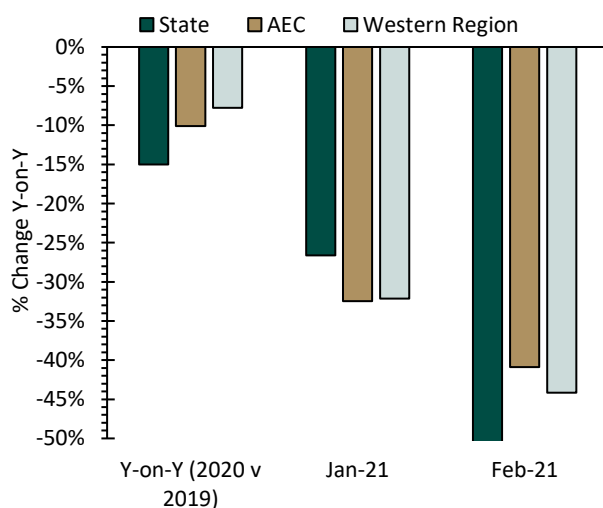
Table 12. Planning Permissions Private Flats/Apartments.

	2020Q1	2020Q2	2020Q3	2020Q4
Clare	3 (-40%)	n/a	12 (-40%)	83 (2667%)
Donegal	13 (1200%)	21 (163%)	67 (272%)	31 (675%)
Galway County	8 (100%)	n/a	49 (-47%)	27 (-45%)
Galway City	65 (10%)	80 (82%)	58 (-74%)	2 (-100%)
Leitrim	4 (n/a)	2 (n/a)	1 (n/a)	1 (n/a)
Mayo	12 (500%)	1 (n/a)	n/a	n/a
Roscommon	26 (n/a)	n/a	8 (300%)	1 (n/a)
Sligo	n/a	n/a	8 (-68%)	1 (-67%)
Limerick	12 (-67%)	16 (-74%)	16 (-67%)	204 (1940%)
Kerry	4 (-71%)	2 (-60%)	10 (-64%)	7 (-13%)
State	9,041 (249%)	4,208 (-9%)	7,871 (52%)	5,104 (-29%)

Source: CSO (BHQ12). Year on Year % change in parentheses. See previous TEI reports for previous months.

Commencement Notices

Figure 11. Year on Year % change in Commencement Notices



Source: The Department of Housing, Local Government and Heritage: BCMS Commencement Notice Data.

Sharp decline in commencement notices at the start of 2021.

- During 2020, there was a fall in commencement notices of 8% (10%) in the WR (AEC) compared with a national decline of 15%.
- In the first two months of 2021, there has been a considerable decline nationally (27-50%) and in the WR and AEC (32-44%).

Table 13. Commencement Notices

	2020	January 2021	February 2021
Clare	194 (-18%)	8 (-11%)	12 (-43%)
Donegal	253 (-10%)	10 (-33%)	19 (12%)
Galway County	425 (1%)	22 (-24%)	16 (-52%)
Galway City	44 (5%)	3 (200%)	0 (n/a)
Leitrim	42 (121%)	3 (50%)	2 (-50%)
Mayo	232 (-14%)	8 (-43%)	8 (-58%)
Roscommon	84 (-32%)	3 (-57%)	3 (-63%)
Sligo	81 (5%)	0 (n/a)	2 (71%)
Limerick	195 (-19%)	12 (-20%)	7 (-36%)
Kerry	194 (-16%)	10 (-44%)	12 (-20%)
State	5,235 (-15%)	259 (-27%)	216 (-50%)

Source: The Department of Housing, Local Government and Heritage: BCMS Commencement Notice Data. Year on year % change in parentheses. See previous TEI reports for previous months.

Read the WDC Policy Team’s Insights Blog and sign up to our mailing list at

<https://westerndevelopment.ie/insights/>



**WESTERN
DEVELOPMENT
COMMISSION**

Luke McGrath
Economist
Western Development Commission
April 2021

lukemcgrath@wdc.ie

Supporting communities to grow,
investing in businesses to scale and
planning for the future of the Western Region.

Dillon House, Ballaghaderreen,
Co Roscommon, F45 WY26

Phone: +353 (0)95 986 1441
Email: info@wdc.ie

westerndevelopment.ie