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Forfas Annual Employment Survey for 1999

Over 34,000 permanent full-time jobs created in manufacturing and internationally traded and financial services in 1999 – Forfás survey

Highlights¹

- Full time employment in manufacturing and internationally traded and financial services rose by almost 13,000 (4.7%) to 290,600 in 1999, the highest level recorded to date
- New jobs created in manufacturing and internationally traded and financial services were over 34,600² in 1999. This was an increase of 8% on 1998 and was the highest level yet achieved
- Job losses were over 21,600, an increase of over 22% on the level of losses recorded in 1998. The rate of increase was highest (over 24%) in foreign-owned firms. Traditional and labour intensive activities such as Clothing/Footwear/Leather, Textiles and Metals and Engineering along with ongoing rationalisation in the Food Sector accounted for the majority of the job losses in 1999.
- 1999 was the eight consecutive year in which increases were recorded in job creation
- Some 75% of the job losses in 1999 was due to company contractions (as opposed to closures) which is an acceleration of the trend in previous years

These are some of the key findings in the Forfás Annual Employment Survey for 1999 which was published today (Wednesday, 22 November 2000).

Commenting on the survey's findings Mr John Travers, Chief Executive Officer, Forfás, said the record level of job growth in manufacturing and internationally traded services in 1999 underlined the continuing strength and expansion of the Irish Economy.

Other findings of the Survey

- The key driver of employment growth was internationally traded/financial services activities which accounted for over 9,500 (73%) of the total increase of almost 13,000 in permanent full time employment in 1999, while manufacturing accounted for almost 3,500 net jobs, 27% of the total
- Foreign owned companies accounted for over 8,700 (67%) of net employment growth while Irish owned firms contributed the balance of almost 4,300 (33%) of net jobs in 1999
- Part-time, temporary and short term contract employment in Enterprise Ireland, IDA Ireland and Údarás na Gaeltachta companies increased by 1,350 from almost 31,900 to over 33,200, an increase of 4.2% in 1999
- On a regional basis, each region, with the exception of the Border and Midlands regions recorded a positive net change in the permanent full-time employment in 1999

Main Results for the ten-year period 1990/1999:

- Overall permanent full-time employment in manufacturing, internationally traded/financial services and other activities increased by over 75,600 (35.2%) over the period.
- Employment in foreign-owned companies grew by over 52,200 a rise of 54.5% between 1990 and 1999.
- Employment in Irish-owned companies grew by over 23,450 (19.7%). Most of the growth in employment has occurred since 1993, particularly in Irish-owned companies.
- Permanent full-time employment in internationally traded and financial services increased by over 38,400 (356.1%) in the period 1990 – 1999.

International Comparisons

OECD figures show that Ireland is unusual in displaying significantly increased manufacturing employment in the period 1989 – 1999. The following table shows percentage changes in manufacturing employment in Ireland and other leading international economies:

Ireland + 20.2%
 UK -16.7%
 Germany³ -30.3%
 USA - 5.3%
 Japan⁴ - 7.1%

The data points to the success Ireland has had in achieving substantial economic growth, even in the manufacturing sector, while other advanced economies have experienced a reduction in employment in this area.

Mr Travers said that while Ireland has enjoyed considerable economic advances in recent years and has the potential to continue this trend for some years ahead, there could be no room for complacency. Significant challenges remain to be tackled in areas such as transport and infrastructure, skills and labour supply and the need for a significant development of the scientific research and innovation capability in the country. Meeting these challenges is essential to maintaining the international competitiveness which has contributed much to our economic performance to date and which is necessary to sustain economic growth.

¹ All figures rounded

² Includes companies under the remit of Enterprise Ireland, IDA Ireland, Shannon Development and Údarás na Gaeltachta. Some jobs in Údarás are classified as other than manufacturing or internationally traded services.

³ Germany since 1991

⁴ Japan since 1995

(ENDS).

Tom O Dwyer, Manager Press & External Communications 01-607 3085
 (Office) or 01-298 3054
