

IDA Ireland, LinkedIn and Microsoft have partnered to bring you quarterly updates on Ireland's employment dynamics using LinkedIn's high frequency labour market insights.

Labour market recovery continued in the final quarter of 2021

The LinkedIn Hiring Rate¹ in Ireland remained strong at the end of 2021. Hiring rates continued to exceed 2019 levels of hiring (pre-pandemic) despite the heightened level of restrictions that were in place in December 2021. Hiring

rates in the last 2 months of 2021 were on average **22% higher** than the same periods in 2019. Hiring rates in January 2022 were on average **28% higher** than in the same month in 2019².

Fig.1 LinkedIn Hiring Rate (February, 2020 - January, 2022)



Source: LinkedIn

Remote working trend continues

A range of other workplace trends continue to be observed, with ongoing growth in the number of employers offering remote and hybrid working options. The latest data available from LinkedIn revealed that almost one in five (19%) Irish job postings on the online professional network in December offered the option of

remote work, up from 1 in 7 (14%) at the time of LMP Edition 4. This represents a 118% year-on-year increase in the availability of flexible work roles and also placed Ireland second highest for the availability of remote roles across eight markets³ monitored by LinkedIn.

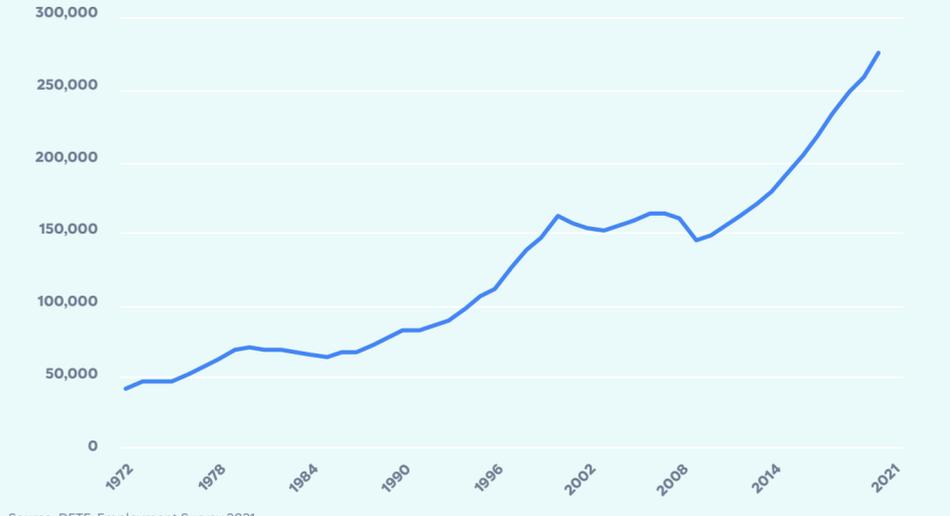
A year of remarkable jobs growth

While Covid-adjusted unemployment increased in December as new restrictions were introduced in response to Covid-19, the overall picture for the year was a positive one with a strong rebound evident across the labour market – supported by Ireland's openness to trade and investment. In recent weeks, Ireland's enterprise agencies have reported high levels of employment growth within their portfolios of client companies in 2021.

Amid an ongoing pandemic that largely prevented engagement with existing and prospective investors taking place in person, IDA Ireland saw the largest net increase in foreign direct investment (FDI) employment since records began in 1972.

Enterprise Ireland reported the highest net jobs gain in a single year for its client base of exporting Irish enterprises, reflecting an external economic landscape that, while still highly volatile, was improved on conditions in 2020.

Fig.2 IDA Ireland client base employment in a historical context



Source: DETE, Employment Survey 2021

Regional context

Regional development remains a key area of focus for Ireland's enterprise policy, and this is reflected in the results of the enterprise agencies. IDA Ireland and Enterprise Ireland both recorded employment growth in each region of the country in 2021. IDA Ireland and Enterprise Ireland clients now directly employ over **292,000** people outside of Dublin.

Ireland's economic recovery during 2021 supported enterprises of all sizes across the country. Employment in over **7,100** small businesses that received financial assistance from their Local Enterprise Offices (LEOs) stood at **35,700** in 2021 – with **85%** of these jobs outside

of Dublin. These businesses are also continuing to transform and expand, with 131 LEO supported companies transferring to Enterprise Ireland to continue their growth journeys and to maximise their export potential.

7,100 small businesses received financial assistance from their Local Enterprise Offices in 2021

292,000 people directly employed in the regions by IDA Ireland and Enterprise Ireland clients

Focus on sectors

Beneath the aggregate LinkedIn Hiring Rate and the high-level employment results reported by Ireland's enterprise agencies, a number of sectoral trends are apparent. Sectors more exposed to Covid-19 and its associated impacts are beginning to recover and other less exposed sectors are building on the resilient growth seen in the first year of the pandemic.

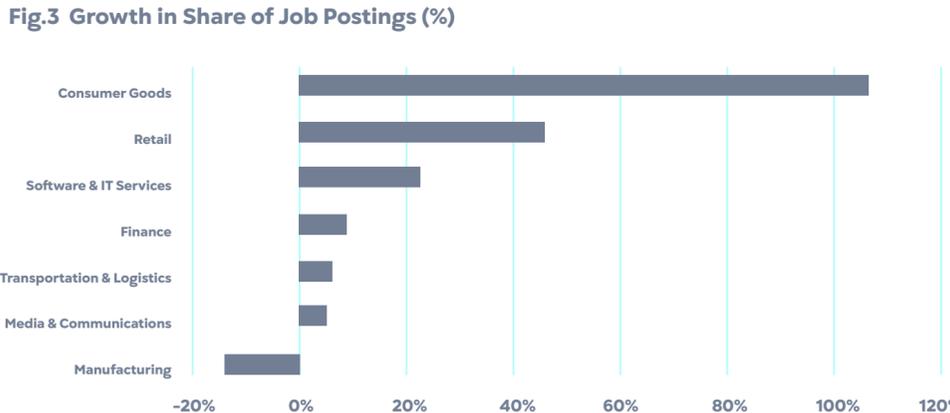


Job postings across sectors

Consumer Goods and Retail sectors saw increases of **106%** and **45%** respectively in their share of jobs posted on LinkedIn by companies in Ireland between 2020 and 2021.

The share of job postings in the Software and IT Services industry, which remained buoyant in 2020, increased by **22%** year-on-year, while there were increases of **9%** in the Finance industry and **6%** in Transport and Logistics. While the Manufacturing sector's share of total job postings declined, in volume terms it did experience a year-on-year increase.

Fig.3 Growth in Share of Job Postings (%)



Source: LinkedIn

Life Sciences and Tech remain key growth drivers at sector level

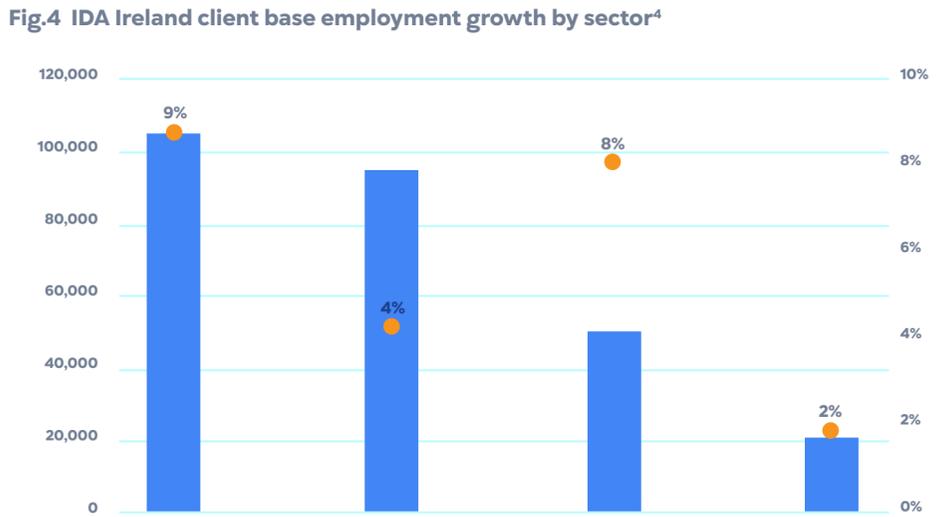
There was employment growth across sectors within IDA's client base in 2021, reflecting Ireland's focus on attracting and expanding FDI in the sectors and activities that underpin the modern global economy and have – on aggregate – continued to grow over the pandemic period.

Growth was led by ICT Services, with employment in the sector totalling over 100,000 for the first time. This strong performance was also evident in other services sectors as Business and Financial Services firms

continued to expand their global facing activities in Ireland. MNCs in Pharmaceuticals and Medical Devices were the key drivers behind employment growth in Modern Manufacturing as global demand for medical products remained buoyant.

Enterprise Ireland also saw strong growth across its sectors of focus in 2021, led by Life Sciences, Business Services and Digital Technology – chiming with the performance of companies nationally and internationally in these sectors that are central to providing the medical and technology needs of people around the world.

Fig.4 IDA Ireland client base employment growth by sector⁴



Source: DETE, Employment Survey 2021

Fig.5 Enterprise Ireland client base employment growth by sector



+14%
Life Sciences



+9%
Cleantech



+10%
Digtch



+7%
Construction



+6%
Engineering



+6%
Consumer Food,
Seafood & Horticulture

Source: DETE, Employment Survey 2021

The year ahead

The continued strength of hiring rates highlighted by LinkedIn data and the remarkable performance of companies supported by Ireland's enterprise agencies during 2021 provide a platform for continued growth in 2022. Forthcoming editions of the Labour Market Pulse

will continue to monitor labour market conditions as Covid restrictions are lifted and the pandemic moves to a new phase. It will also consider key themes beyond the impact of the pandemic, including trends in digital skills, diversity and inclusion, and sustainability.

1 There are two million members on LinkedIn in Ireland. This compares against an Irish labour force of 2.4m, according to the CSO. A paper, published with the World Bank, provides a good example of how LinkedIn data has been validated by a global organisation (World Bank & LinkedIn (2018)Data Insights: Jobs, Skills and Migration Trends Methodology & Validation Results). The LinkedIn Hiring Rate (LHR) is the number of LinkedIn members who added a new employer to their profile in the same month the new job began, divided by the total number of LinkedIn members in that country.
2 We compare the 14-day rolling sum with the same day in 2019, to enable comparison with pre-pandemic levels of hiring.
3 France, Spain, Ireland, Netherlands, Sweden, UAE, Germany, UK
4 Within these sectoral categories Modern Manufacturing consists of Pharmaceuticals, Medical Devices, and Computer, Electronic & Optical Products. Traditional Manufacturing consists of all other types of Manufacturing activity.