



Ireland Employment Outlook

The ManpowerGroup Employment Outlook Survey for the fourth quarter 2020 was conducted by interviewing a representative sample of 415 employers in Ireland. All survey participants were asked, *“How do you anticipate total employment at your location to change in the three months to the end of December 2020 as compared to the current quarter?”*

Interviewing was carried out during the exceptional circumstances of the COVID-19 outbreak. The survey findings for the fourth quarter of 2020 are likely to reflect the impact of the global health emergency, and may be notably different to previous quarters.

Irish employers report muted hiring plans for the coming quarter. While 8% of employers expect to increase payrolls, 12% anticipate a decrease and 76% forecast no change, resulting in a **Net Employment Outlook of -4%**.

Once the data is adjusted to allow for **seasonal variation**, the **Outlook stands at -2%**. Hiring intentions **improve by 9 percentage points in comparison with the prior quarter** but decline by 14 percentage points when compared with this time one year ago.

Throughout this report, we use the term “Net Employment Outlook.” This figure is derived by taking the percentage of employers anticipating total employment to increase and subtracting from this the percentage expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook.

From this point forward, all data discussed in the commentary is seasonally adjusted, unless stated otherwise.

Irish Employers Report Significant Improvement in Hiring Intent for Q4 2020 but Challenges Still Remain for the Irish Economy

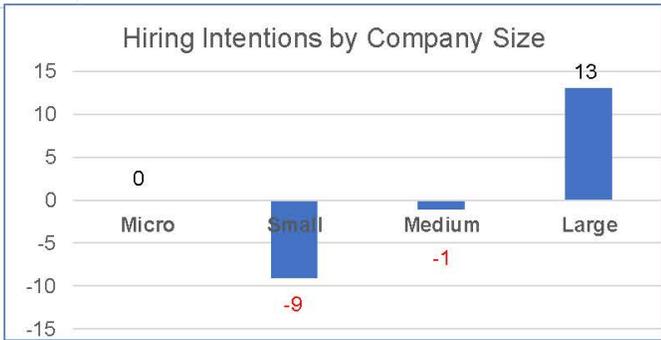
9% Improvement in Net Employment Outlook from Q3 to Q4 2020



Best Performing Industries for Q4 Employment Outlook

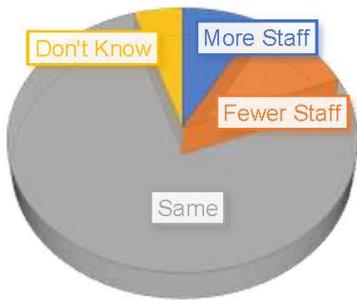
- **Pharmaceuticals (11%)**
- **Construction (6%)**

42% of companies using the government wage subsidy scheme expect to bring all workers back on full-time hours within 6 months



55% of employers expect hiring levels to return within the next year

FULL TIME WORKER 6 MONTH PROJECTION



A 76% majority of companies anticipate full-time staff numbers to remain the same over the next 6 months. 8% expect to add to their full-time head count.

Regional Comparisons

Employers in three of the five regions expect to trim payrolls in the final quarter of 2020. The weakest labor market is forecast in Munster, where the Net Employment Outlook stands at -7%, while Outlooks of -5% are reported in two regions – Connaught and Ulster. Meanwhile, Dublin employers anticipate flat hiring activity with an Outlook of 0% and limited job gains are expected in Leinster, where the Outlook is +3%.

Hiring plans strengthen in all five regions when compared with the previous quarter. Dublin employers report the most notable improvement of 13 percentage points, while the Connaught Outlook increases by 8 percentage points. Elsewhere, improvements of 5 and 4 percentage points are reported in Munster and Leinster, respectively, while the Outlook for Ulster is 3 percentage points stronger.

In a comparison with the same period in 2019, hiring sentiment weakens in all five regions, most notably by 19 percentage points in Munster and by 18 percentage points in Connaught. Considerable declines of 17 and 12 percentage points are reported in Ulster and Dublin, respectively, while the Leinster Outlook is 5 percentage points weaker.

Connaught

With a Net Employment Outlook of -5%, employers anticipate a dull hiring climate during the October to December period. Hiring plans improve by 8 percentage points quarter-over-quarter, but decline by 18 percentage points in comparison with the fourth quarter of 2019.

Dublin

Employers expect a flat labor market in the next three months, reporting a Net Employment Outlook of 0%. While the Outlook is 13 percentage points stronger in comparison with the prior quarter, employers report a decrease of 12 percentage points year-over-year.

Leinster

Job seekers can expect slow-paced workforce gains during the upcoming quarter, according to employers who report a Net Employment Outlook of +3%. Hiring prospects improve by 4 percentage points when compared with the previous quarter, but decline by 5 percentage points in comparison with last year at this time.

Munster

A sluggish labor market is forecast for the final quarter of 2020, with employers reporting a Net Employment Outlook of -7%. The Outlook is 5 percentage points stronger quarter-over-quarter, but declines by a considerable margin of 19 percentage points when compared with this time one year ago.

Ulster

Employers report downbeat hiring intentions for the coming quarter with a Net Employment Outlook of -5%. While hiring sentiment is 3 percentage points stronger in comparison with 3Q 2020, employers report a considerable year-over-year decline of 17 percentage points.



Sector Comparisons

Employers in five of the eight industry sectors expect payrolls to decline during the forthcoming quarter. Manufacturing sector employers anticipate the weakest hiring climate, reporting a gloomy Net Employment Outlook of -12%. Elsewhere, the Outlook of -11% for the Restaurants & Hotels sector reflects dim hiring prospects, while Other Services sector employers report an Outlook of -4%. Subdued hiring activity is forecast for the Other Production sector and the Finance & Business Services sector, where Outlooks stand at -2% and -1%, respectively. Meanwhile, payroll gains are anticipated in three sectors, most notably the Pharmaceuticals sector, with an Outlook of +11%. Construction sector employers forecast a fair hiring pace, reporting an Outlook of +6%, while the Wholesale & Retail Trade sector Outlook is +1%.

Hiring intentions strengthen in six of the eight industry sectors when compared with the previous quarter. A sharp improvement of 37 percentage points is reported in the Restaurants & Hotels sector, and Outlooks increase by 13 and 12 percentage points in the Finance & Business Services sector and the Wholesale & Retail Trade sector, respectively. Considerably stronger hiring plans are also reported in the Construction sector, increasing by 11 percentage points, and the Pharmaceuticals sector, with an improvement of 10 percentage points. However, Manufacturing sector employers report a considerable decline of 9 percentage points.

When compared with this time one year ago, hiring prospects weaken in seven of the eight industry sectors. Steep declines of 30 and 25 percentage points are reported in the Restaurants & Hotels sector and the Manufacturing sector, respectively. In the Other Services sector, employers report a decrease of 18 percentage points, and the Construction sector Outlook is 17 percentage points weaker. Meanwhile, Pharmaceuticals sector employers report an improvement of 2 percentage points.

Construction

Job seekers can expect some hiring opportunities in the coming quarter, according to employers who report a Net Employment Outlook of +6%. Hiring intentions are 11 percentage points stronger in comparison with the prior quarter, but decline by 17 percentage points year-over-year.

Manufacturing

Reporting a Net Employment Outlook for 4Q 2020 of -12%, employers forecast the weakest labor market in more than 10 years. Hiring prospects decline by 9 percentage points quarter-over-quarter and by 25 percentage points when compared with this time one year ago.

Pharmaceuticals

Employers anticipate respectable workforce gains during the next three months, reporting a Net Employment Outlook of +11%. Hiring plans are 10 percentage points stronger when compared with the previous quarter and improve by 2 percentage points in comparison with 4Q 2019.

Other Production

The weakest hiring climate in six years is expected in the October to December period. Employers report a Net Employment Outlook of -2%, remaining relatively stable quarter-over-quarter, but declining by 10 percentage points in comparison with the same period last year.

Finance & Business Services

With a Net Employment Outlook of -1%, employers report subdued hiring prospects for the next three months. Hiring sentiment strengthens by 13 percentage points when compared with the previous quarter, but is 6 percentage points weaker year-over-year.

Restaurants & Hotels

Job seekers can expect a gloomy labor market in the upcoming quarter, according to employers who report a Net Employment Outlook of -11%. While hiring plans improve by a steep margin of 37 percentage points in comparison with the prior quarter, employers report a decline of 30 percentage points when compared with this time one year ago.

Other Services

Employers expect muted hiring activity during the October to December period, reporting a Net Employment Outlook of -4%. The Outlook improves by 3 percentage points when compared with the previous quarter, but is 18 percentage points weaker in a comparison with the final quarter of 2019.

Wholesale & Retail Trade

Slow-paced hiring activity is forecast for the fourth quarter of 2020, with employers reporting a Net Employment Outlook +1%. Hiring intentions are 12 percentage points stronger in comparison with 3Q 2020, but decline by 4 percentage points year-over-year.

Organization Size Comparisons

Participating employers are categorized into one of four organization sizes: Micro businesses have less than 10 employees; Small businesses have 10-49 employees; Medium businesses have 50-249 employees; and Large businesses have 250 or more employees.

Large employers anticipate positive payroll gains during the coming quarter, reporting a Net Employment Outlook of +13%. However, Small employers expect to trim payrolls, reporting an Outlook of -9%. Elsewhere, Medium employers report an uncertain Outlook of -1%, while Micro employers report flat hiring plans with an Outlook of 0%.

In a comparison with the third quarter of 2020, hiring prospects improve in three of the four organization size categories, most notably by 25 percentage points for Large firms. Medium employers report an increase of 21 percentage points and the Outlook for Micro employers is 6 percentage points stronger. However, Small employers report a decline of 3 percentage points.

Medium employers report a sharp decline of 25 percentage points when compared with this time one year ago, and Outlooks are 17 percentage points weaker in both the Small- and Large-size categories. Meanwhile, Micro employers report a slight decrease of 4 percentage points.



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