



PRESS RELEASE

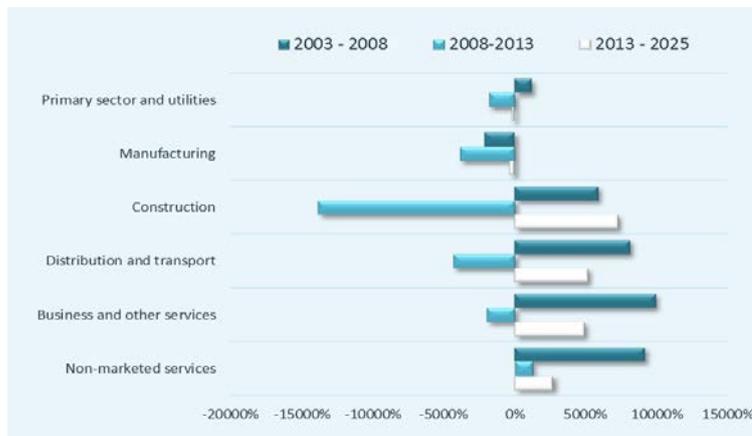
FOR IMMEDIATE RELEASE

Ireland: Employment growth forecast but a smaller labour force

Economic growth is expected to have positive effects on job growth in Ireland and employment is expected to recover to its 2008 pre-crisis level in 2023, but despite more jobs, Ireland’s labour force is forecast to shrink.

The forecasts produced by Cedefop - a European Union (EU) agency that analyses training and the labour market – show that, between now and 2025, most job growth will be in construction – the sector worst hit by the crisis. Other sectors that should see job growth are distribution and transport sector and business and other services and non-marketed (mainly public) services (Figure 1).

Figure 1. **Past and forecast employment, Ireland (millions)**



Source: Cedefop skills forecasts (2015).

Job opportunities include new jobs and vacancies to replace people going to other jobs or leaving the labour market. In Ireland, most job opportunities, around 19%, are forecast to be for high level professional occupations in science, engineering healthcare, business and teaching, followed by around 15% for both service and sales workers and elementary occupations. Reflecting growth in construction, the share of job opportunities for craft and related workers in Ireland, around 12% is well above the EU average of 5% for these types of workers (Figure 2).

Less encouraging is that labour market participation - the proportion of people of working age either working or looking for work - is forecast to fall from 60% in 2013 to around 55% in 2025, close to the EU forecast average of 55.5%.

Labour market participation can fall for several reasons. More young people staying in education and training longer before looking for their first job reduces participation. However, in the longer term this can be positive as it leads to a more highly qualified labour force. According to Cedefop, by 2020, around 63% of 30 to 34 year olds in Ireland will have high level qualifications, well above the EU's target of 40%.

An ageing population can also reduce labour market participation as more people retire. Ireland's labour force is getting older. Population growth is projected to be mainly in the age groups over 45 years (Figure 2). But participation also falls because people of working age leave the labour market for other reasons, such as family responsibilities, illness or disability, while some just give up hope of finding a job. Such people, should they wish to return to the labour market need to have opportunities, including training to help them find a new job.

As well as welcome news about jobs overall, the forecasts show that demography and not just economics are influencing employment. To achieve high levels of employment, economic growth is not enough. People need to be encouraged to stay in or return to the labour market.

Figure 2. **Changes in working-age population and labour force by age, 2013-25, Ireland (%)**



Source: Cedefop skills forecasts (2015).

Notes to editors

- Cedefop skill supply and demand forecasts up to 2025 take account of global economic developments up to October 2014. Forecasts assume a modest economic recovery will slowly increase confidence in the EU, leading to higher investment, consumer spending and exports. Inflation stays in target range and interest rates low, while higher tax revenues help governments reduce debt. Assumptions reflect the latest Eurostat population forecast (Europop 2013) and the European Commission's short-term macroeconomic forecast (November 2014).
- Cedefop's forecasts cover 28 EU Member States plus Iceland, Norway and Switzerland. Results, assumptions and methodology are regularly updated and reviewed by national experts. Forecasts use harmonised data and methodology to allow cross-country comparisons and do not substitute national forecasts. Employment data correspond to those reported in national accounts.

- Forecasts for the EU and each Member State are available [here](#).

###

Read Cedefop's press releases [here](#).

Subscribe to Cedefop's other media products (newsletter, magazine, briefing notes, etc.) by creating a user account on our website: www.cedefop.europa.eu/user/register

Contact

Press Officer: Rosy Voudouri

Tel: +30 2310 490012, e-mail: rosy.voudouri@cedefop.europa.eu

Department contact: Steve Bainbridge

Tel: +30 2310 490029, e-mail: steve.bainbridge@cedefop.europa.eu

Head of Department for Communication: Gerd Oskar Bausewein

Tel: +30 2310 490288, e-mail: gerd-oskar.bausewein@cedefop.europa.eu

About Cedefop

The European Centre for the Development of Vocational Training (Cedefop), an agency of the European Union based in Thessaloniki, Greece, supports European policy-making in the field of vocational education and training. www.cedefop.europa.eu

