



## IRISH EMPLOYERS DETERMINED TO KEEP HIRING IN Q3 DESPITE ECONOMIC PRESSURES

- Irish Net Employment Outlook increases four percentage-points to +26%.
- Businesses struggling to fill vacancies due to record low unemployment, talent shortages, and economic shocks.
- The Information Technology sector reports the lowest hiring intention, decreasing to +6%.

**DUBLIN, 13 June 2023** – Irish employers remain determined to hire despite vacancies proving difficult to fill, according to the latest ManpowerGroup Employment Outlook Survey. In the third quarter of 2023, the national hiring Outlook is +26%, an increase of four percentage-points on last quarter but down fourteen percentage-points on Q3 2022.

This is with a backdrop of 81% of businesses in Ireland reporting difficulty finding talent with the skills they need and record low unemployment of 3.8% making it challenging for employers to source candidates. With added pressure from rising interest rates and a 4.6% fall in GDP knocking business confidence the hiring market remains balanced between growth optimism and macro-economic limitation factors.

The ManpowerGroup Employment Outlook Survey is based on responses from 410 employers across Ireland. It asks whether employers intend to hire additional workers or reduce the size of their workforce in the coming quarter. It is the most comprehensive, forward-looking employment survey of its kind in the world.

*“Irish employers are battling to fill vacancies in the face of increasing economic pressures and full employment in the economy.”* said John Galvin, Managing Director, ManpowerGroup Ireland. *“Businesses are determined to keep hiring, but ongoing talent shortages and low unemployment are making it difficult to find skilled candidates. Meanwhile, employers are having to weather the economic shocks of high interest rates and a 4.6% fall in GDP in the last quarter.”*

The Information Technology sector reports the lowest hiring intention, with +6% of businesses planning to hire in the third quarter, down -26 percentage-points on last quarter and down -32 percentage-points year-over-year. This is followed by the Consumer Goods & Services Sector (+6%), Industrials & Materials (+18%) and Financials & Real Estate sector (+19%).

*“The larger tech firms that were driving Ireland’s high Employment Outlook a year ago are now not hiring in large volumes, which has had a cascading effect on the rest of the tech market in Ireland; with businesses of all sizes slowing hiring levels. We’re seeing a contraction in GDP contribution of 15.7% in sectors dominated by multinational companies, most notably the tech sector. This is a result of companies being overly optimistic post-pandemic and locking down skilled talent in a talent-scarce market, now being confronted with inflationary pressures, and are absorbing those shocks rather than expanding.*”

Employers in Dublin report a strong Net Employment Outlook of +30%, an increase of five percentage-points on last quarter, and down 18 percentage-points on last year’s record high Outlook. Dublin comes just behind Munster (+38), and is joined by Connaught (+30%), Leinster (+17%), and Ulster [Cavan, Donegal & Monaghan] (+9%).

Galvin explains: *“We’ve seen hiring intentions increase almost universally across the regions. However, a rising Outlook does not necessarily reflect a rise in filled vacancies. With unemployment at a record low and economic pressures making pandemic-era signing bonuses and high salary offers untenable, companies across the country are struggling to attract skilled talent in a cost efficient manner– this is especially notable in Dublin, which has seen some of the smallest growth in hiring plans. Our experience tells us that where Dublin leads, the rest of Ireland usually follows.”*

Employers in the Energy & Utilities sector lead the pack, reporting a Net Employment Outlook of +60%, an increase of +33% on last quarter. This is followed by employers in the Transport, Logistics, and Automotive sector, reporting a hiring intention of +56%, up 21 percentage-points on last quarter. This is the highest Outlook reported globally for this sector. However, these sectors are also experiencing the greatest difficulty attracting talent with the skills they need.

*“We’re seeing record hiring intentions in the Energy & Utilities sector, and the strongest hiring Outlook reported anywhere in our global ManpowerGroup survey for the Transport sector. The issue these sectors face is despite having the resilience to expand in the face of economic headwinds, they can’t find candidates with the right skills. 88% of businesses in the Energy & Utilities sector report difficulty finding skilled talent, and 90% in the Transport sector, more than any other sector in the country. The hiring Outlook is strong, but businesses in this sector are struggling to fill their long-term vacancies.*”

**ENDS**

#### **Irish Hiring Plans by Sector, Region, and Employer Size:**

- Across the sector breakdown we see the following: Health Care & Life Sciences (+32%), Information Technology (+6%), Financials & Real Estate (+19%), Transport, Logistics & Automotive (+56%), Energy & Utilities (+60%), Communication Services [Telecoms/Media/Entertainment] (+50%), Other/None of the Above (+22%), Consumer Goods & Services [Hospitality/Arts/Retail] (+8%), Industrials & Materials (+18%),
- From a regional perspective: Ulster [Cavan, Donegal, and Monaghan] (+9%), Munster (+38%), Dublin (+30%), Connaught (+30%), Leinster (+17%),
- From an employee size perspective: Micro [1-9 employees] (+21%), Small [10-49 employees] (+29%), Medium [50-249 employees] (+12%), Large [250+ employees] (+40%)

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#### **ABOUT THE SURVEY**

The Employment Outlook Survey is the most comprehensive, forward-looking employment survey of its kind, used globally as a key economic indicator. The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting a decrease in hiring activity.

#### **ABOUT MANPOWERGROUP**

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantially more value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity – as a best place to work for Women, Inclusion, Equality and Disability and in 2023 ManpowerGroup was named one of the World's Most Ethical Companies for the 14th year – all confirming our position as the brand of choice for in-demand talent.