

Spring Skills Bulletin 2020

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Profile of Non-Irish Nationals in Employment
in Ireland, Quarter 2 2019



PROFILE OF NON-IRISH NATIONALS IN EMPLOYMENT IN IRELAND, QUARTER 2 2019

Key Points

- In quarter 2 2019, there were 622,700 persons in Ireland who were non-Irish nationals, accounting for 12.7% of the population
- **Non-Irish nationals tended to be considerably younger** than the Irish population – 54% were in the 25-44-year-old cohort, compared to 24% for Irish nationals
- Non-Irish nationals working in Ireland **were better educated** than their Irish counterparts, with the highest education attainment levels observed amongst non-EU nationals
- **The employment rate for non-Irish nationals was higher** than for Irish nationals
- The highest number of **non-Irish nationals worked in the accommodation/food sector**, followed by industry
- Compared to Irish national workers, a high share of non-Irish nationals were working in low skilled occupations; more than a quarter (28%) of non-Irish workers were employed in low skilled occupations, compared to less than a fifth (18%) of Irish workers; this is particularly the case for those from EU countries
- Of the non-Irish nationals working in low skilled occupations, 31% (29,300 persons) had attained third level qualifications (the share for Irish was almost half that, at 16%, amounting to 52,000 persons)

Non-Irish persons working in Ireland tended to be younger, more highly educated, and more likely to be in employment than Irish nationals, but they were more likely than their Irish counterparts to work in low skilled occupations and in sectors such as accommodation & food.

While the reasons for this are unclear, it is likely that non-Irish nationals may require additional supports to integrate fully into the labour market to ensure that their skills are adequately matched to employers' skills needs. FET interventions may be part of the solution to the under-utilisation of the skills of some of the non-Irish population.

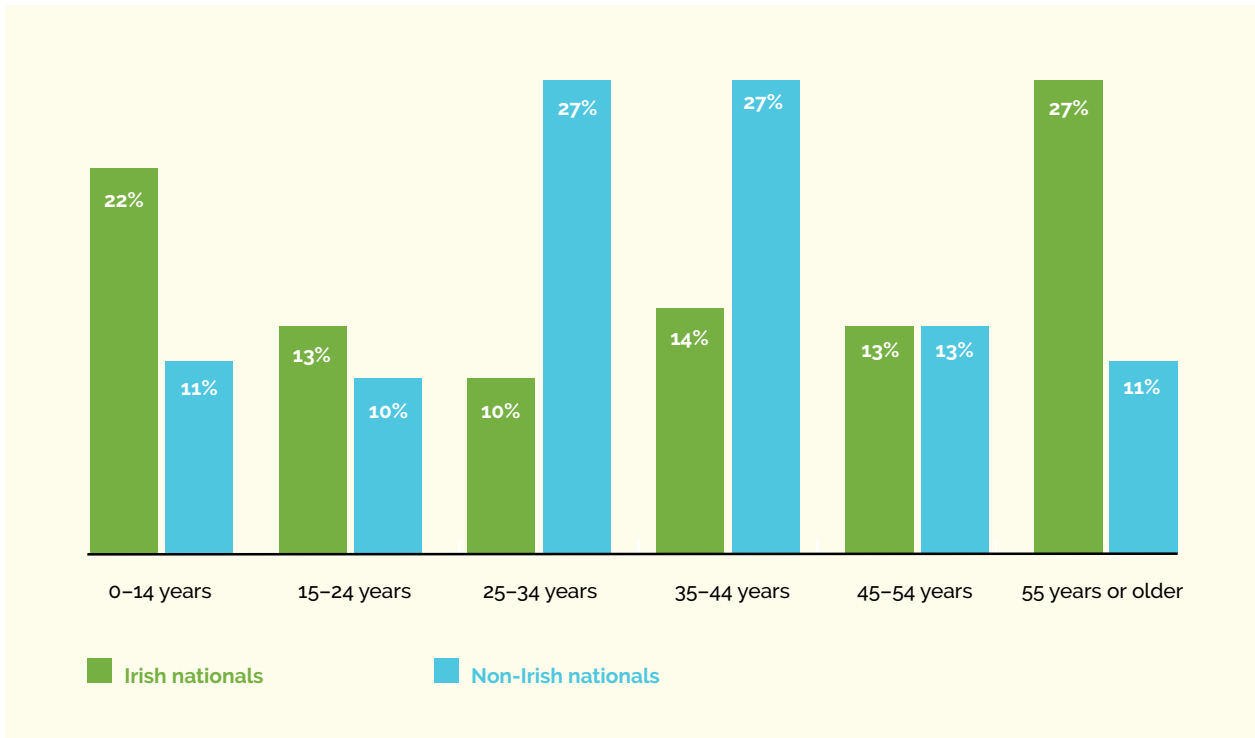
Population

Of the 4.92 million persons in Ireland, 622,700 persons were non-Irish nationals, representing 12.7% of the population in quarter 2 2019. Of the non-Irish population, 55% were EU nationals (339,500 persons), 27% were non-EU nationals (168,700 persons) and 18% were UK nationals (114,500 persons).

Age profile of the non-Irish population

The age distribution of non-Irish nationals **is different to Irish nationals**: 54% were aged 25-44 years, compared to 24% for Irish nationals (Figure 1). Non-EU nationals were the youngest where 67% were in this age group, compared to 59% for EU nationals and 24% for UK nationals.

Figure 1: Irish and non-Irish national population by age group, quarter 2 2019



Source: SLMRU analysis of CSO (LFS) data

Labour market profile

Non-Irish nationals had higher participation and employment rates, broadly similar unemployment rates and lower inactivity rates compared to Irish nationals (Table 1).

Table 1: Labour market indicators for Irish and non-Irish nationals, quarter 2 2019

	State	Irish nationals	Non-Irish
Participation rate (15-64)	73.1%	72.3%	77.3%
In Employment (15-64)	2,222,700	1,845,000	377,700
Employment rate (%) (15-64)	69.1%	68.5%	72.5%
Unemployment rate (%) (15-64)	5.5%	5.4%	6.2%
Economically inactive rate (%) (15-64)	26.9%	27.7%	22.7%

Source: SLMRU analysis of CSO (LFS) data

The remainder of this paper focuses on the 377,700 non-Irish nationals aged 15–64 years who were in employment in Ireland.

See page 11 for definitions (labour market indicators and sectoral classifications).

Was there a difference between the education levels of Irish and non-Irish workers?

Non-Irish nationals in employment were more highly educated than Irish national workers (excluding those who did not state their education level)

- 57% of the non-Irish workers (201,500 persons) had attained a third level qualification, compared to 48% of Irish nationals (872,500 persons)
- At lower levels of educational attainment, 6% of non-Irish workers had at most a lower secondary qualification (e.g. Junior Certificate) (21,900 persons), half the proportion for Irish nationals (224,400 persons) (Figure 2)

Comparing the non-Irish national subgroups in employment,

- **non-EU nationals were by far the most qualified** (72% had a third level qualification); non-EU nationals, however, were a relatively small group in the Irish workforce, and this 72% translated into just 66,100 third level graduates (Table 2)
- 102,800 EU national workers were third level graduates, while 32,600 UK national workers were third level graduates (representing 50% and 57% of their respective workforces)

Figure 2: Education attainment level of Irish and non-Irish nationals in employment, quarter 2 2019



Source: SLMRU analysis of CSO (LFS) data

Table 2: Education attainment level: UK, EU & non-EU nationals in employment, quarter 2 2019

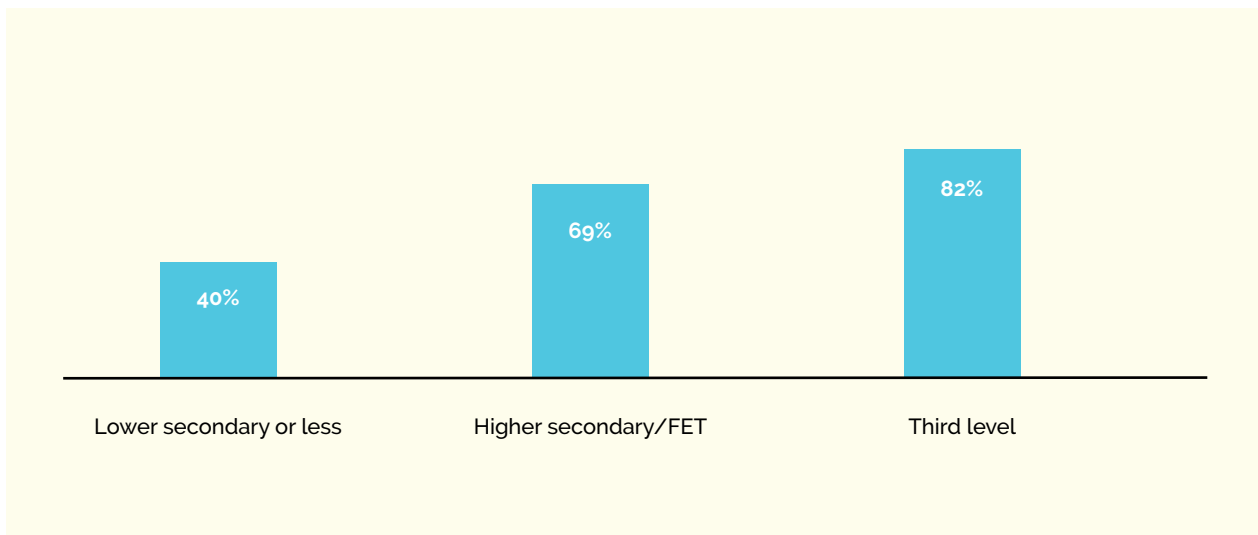
	UK	EU	Non-EU	Non-Irish
Lower secondary or less	24,900	13,500	26,300	21,900
Higher secondary/FET		88,200		131,100
Third level	32,600	102,800	66,100	201,500
Total	57,600	204,500	92,400	354,500

Source: SLMRU analysis of CSO (LFS) data

Employment rates for non-Irish nationals by education level:

- employment rates increased as the level of education attainment increased (Figure 3)
- non-Irish nationals with a third level qualification were twice as likely to be employed as those with a lower secondary or less qualification

Figure 3: Employment rates for non-Irish nationals, quarter 2 2019



Source: SLMRU analysis of CSO (LFS) data

In what sectors did non-Irish nationals work?

Of the 375,400 non-Irish nationals employed (who stated their sector of employment), the sectors with the highest number were:

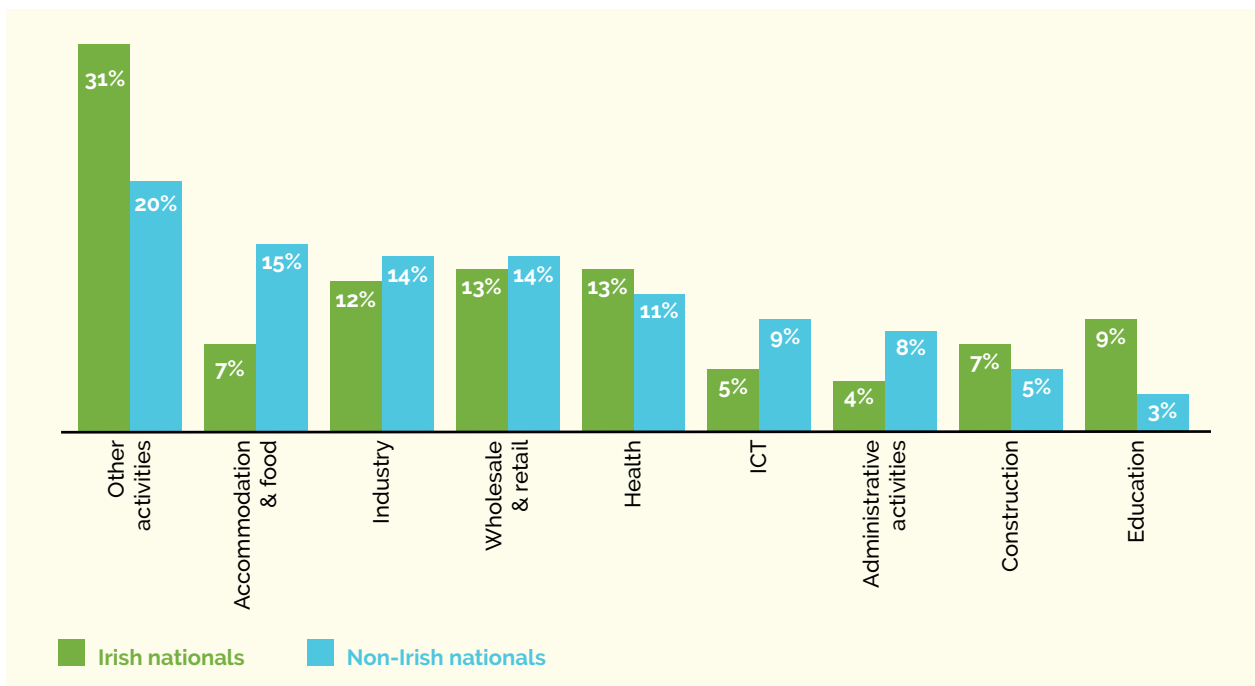
- **Accommodation & food** (58,100 persons)
- **Industry**, particularly low technology manufacturing (53,700)
- **Wholesale & retail** (51,800)
- **Health/welfare** (42,400)
- **ICT** (33,700)
- **Administrative & support service** (29,100)

Combined, **these six sectors accounted for almost three quarters** of all non-Irish nationals in employment.

How does this compare with the Irish national workforce?

- The share of the non-Irish national workers employed in ICT, accommodation/food services and administrative services (which includes contact centre workers and cleaners, among others) was approximately double that of Irish nationals (Figure 4)
- In contrast, at 3%, the share of non-Irish nationals who worked in education was three times smaller than for Irish nationals (9%)

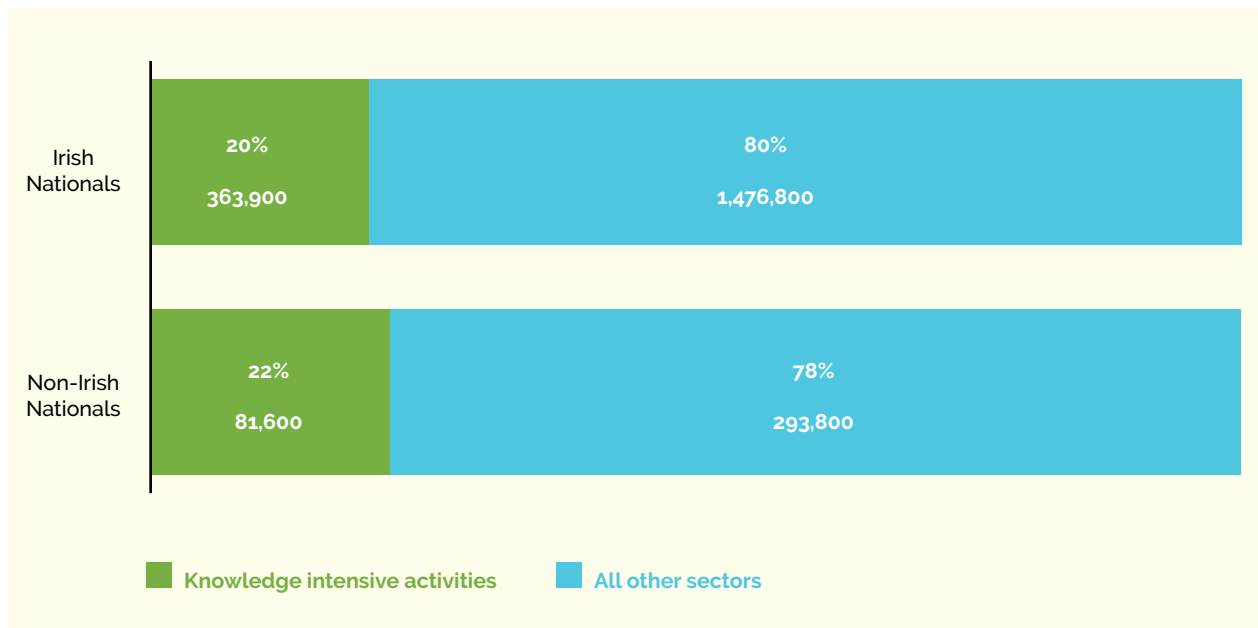
Figure 4: Share of Irish and non-Irish nationals employed (15-64 years) by sector, quarter 2 2019



Source: SLMRU analysis of CSO (LFS) data

How do Irish and non-Irish nationals compare in terms of sector: knowledge intensive activities versus all other activities?

Figure 5: Irish and non-Irish nationals employed in knowledge intensive activities versus all 'other' activities, quarter 2 2019

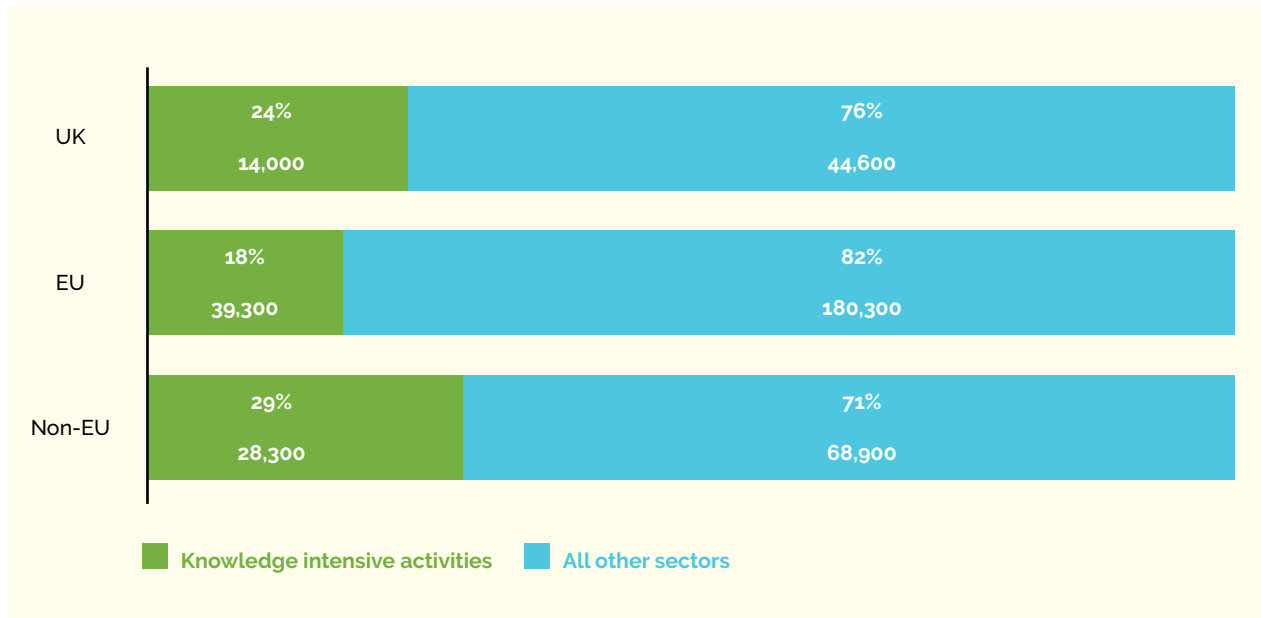


Source: SLMRU analysis of CSO (LFS) data. Total figures exclude those who did not state their sector.

- Sectoral employment may be divided into two broad groups: **knowledge intensive activities (KIA)**¹ and all **'other' activities**
- Of the 375,400 non-Irish national workers who stated their sector of employment, 22% (81,600 persons) were employed in KIA, which was broadly similar to the proportion of 20% observed for the Irish national population of workers (Figure 5)
- However, the proportion of non-Irish national workers employed in KIA varied by non-Irish national group:
 - Non-EU national workers had a larger share employed in KIA (29% of the 97,200 non-EU national workers) compared to 24% of the 58,600 UK national workers and 18% of the 219,500 EU national workers (Figure 6)
 - Nonetheless, in terms of absolute numbers, EU nationals, the largest group of non-Irish working in Ireland, had the highest numbers working in KIA (39,300 persons), followed by non-EU nationals (28,300 persons) and UK nationals (14,000 persons)

1. Knowledge intensive activities include, among others, high-tech manufacturing, ICT, professional and scientific services. See page 11 for a full list of KIA.

Figure 6: Non-Irish nationality groups employed in knowledge intensive activities versus all 'other' activities, quarter 2 2019



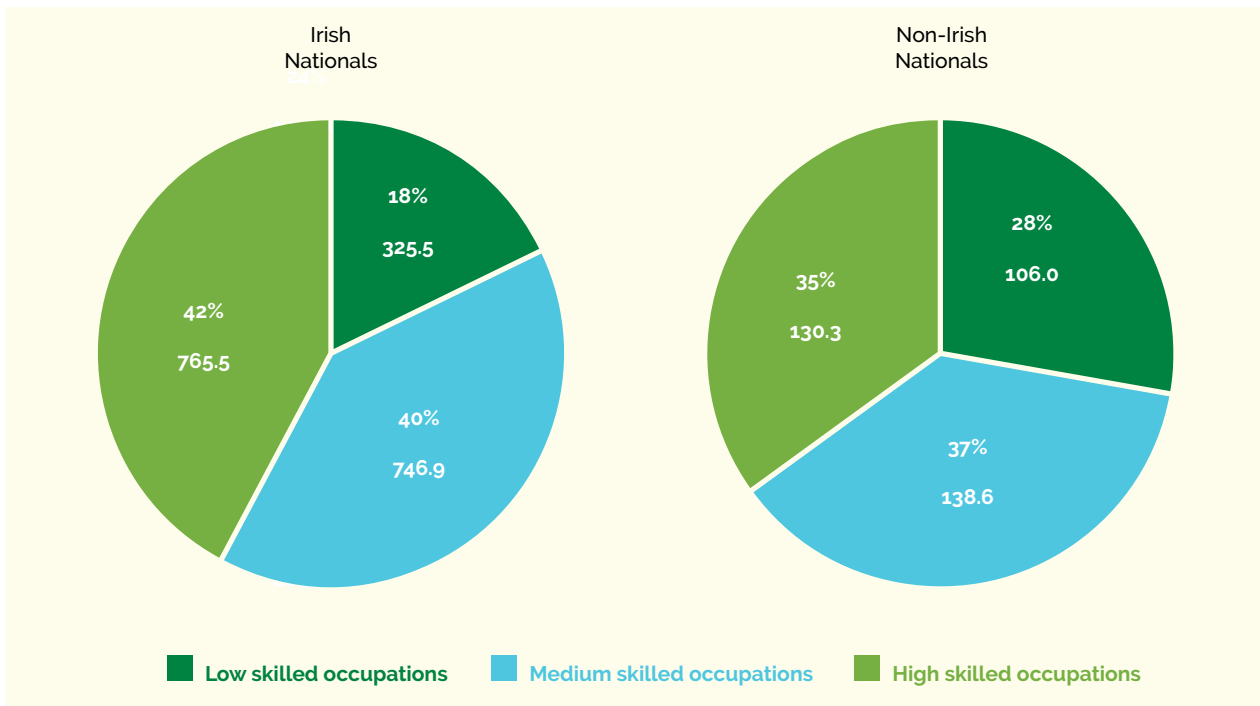
Source: SLMRU analysis of CSO (LFS) data. Total figures exclude those who did not state their occupation.

Did Irish and non-Irish nationals work in different types of occupations?

In this section, an individual's occupation was used as a proxy for skill level. Based on the Standard Occupational Classification (SOC) 2010, employment in occupations was grouped into low skilled occupations (elementary and operatives), medium skilled occupations (administrative, personal services, sales & customer service and skilled trades) and high skilled occupations (managers, professionals and associate professionals).

- In quarter 2, 2019, the distribution of employment by occupational group for non-Irish nationals differed from Irish nationals (Figures 7a & 7b):
 - **a higher proportion of non-Irish nationals worked in low skilled occupations** (28% compared to 18%); this is especially the case for those working in non-KIA sectors (35% for non-Irish, compared to 21% for Irish)
 - a lower proportion worked in both medium skilled (37% compared to 40%) and high skilled occupations (35% compared to 42%)

Figures 7a & 7b: Employment by occupation level for Irish and non-Irish nationals (000s), quarter 2 2019 *Source:*



SLMRU analysis of CSO (LFS) data. Total figures exclude those who did not state their occupation.

In terms of the various non-Irish national sub-groups (Figure 8),

- at 50%, **UK nationals** in employment had the largest share of those working in **high skilled occupations**, followed by **non-EU national** workers, at 46%
- **EU nationals** had the highest share (35%) working in **low skilled occupations**

Figure 8: Non-Irish workers in low, medium and high skilled occupations. quarter 2 2019



Source: SLMRU analysis of CSO (LFS) data. Total figures exclude those who did not state their occupation. The numbers presented with parentheses are small and should be treated with caution.

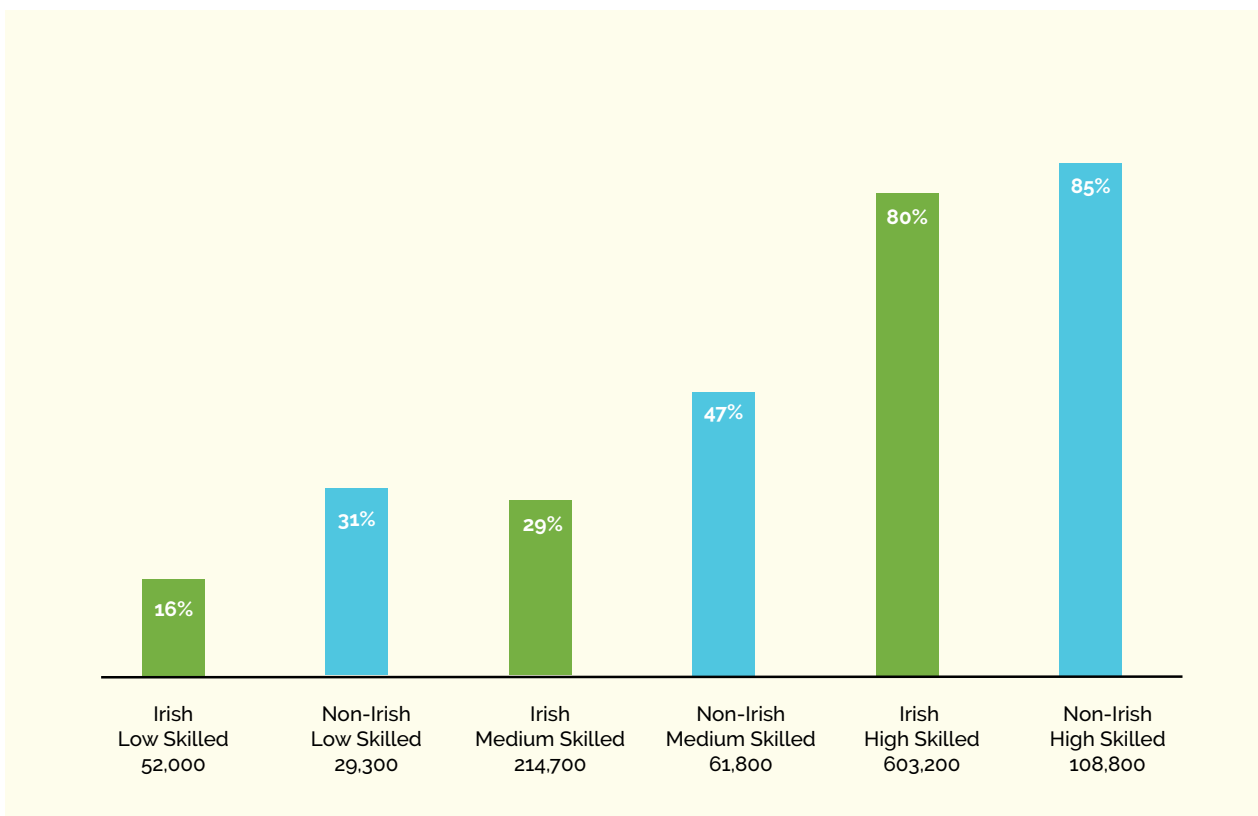
What was the profile of Irish and non-Irish nationals by occupation and educational attainment?

Non-Irish nationals working in **low-skilled occupations** had better education attainment levels compared to their Irish-national counterparts. Non-Irish nationals were almost twice as likely to hold third level qualifications (31% compared to 16%) (Figure 9). In addition, they were far less likely to have at most lower secondary qualifications (13% for non-Irish workers, compared to 29% for Irish workers).

This tendency towards better education profiles for the non-Irish was also evident for those **working in medium-skilled occupations**: almost half (47%, or 61,800 persons) held third level qualifications (compared to 29% of Irish nationals (214,700 persons)).

The educational attainment of non-Irish nationals employed in **high skilled occupations** was also greater than that of Irish nationals: 85% of non-Irish nationals had a third level qualification, exceeding the 80% for the Irish-national population.

Figure 9. Share of Irish and non-Irish third level graduates working in low, medium and high skilled occupations, quarter 2 2019



Source: SLMRU analysis of CSO (LFS) data

Definitions

Knowledge Intensive Activities (Business Industries)

- Mining support service activities
- Manufacture of coke and refined petroleum products
- Manufacture of basic pharmaceutical products and pharmaceutical preparations
- Manufacture of computer, electronic and optical products
- Air transport
- Publishing activities
- Motion picture, video and television programme production and pharmaceutical products
- Programming and broadcasting activities
- Telecommunications
- Computer programming, consultancy and related activities
- Information service activities
- Financial service activities, except insurance and pension funding
- Insurance, reinsurance and pension funding, except compulsory social security
- Activities auxiliary to financial services and insurance activities
- Legal and accounting activities
- Activities of head offices; management consultancy activities
- Architectural and engineering activities; technical testing and analysis
- Scientific research and development
- Advertising and market research
- Other professional, scientific and technical activities
- Veterinary activities
- Employment activities
- Travel agency, tour operator reservation service and related activities
- Creative, arts and entertainment activities

Labour Market

Employed (15-64 years)	Persons 15-64 years who worked in the week before the Central Statistics Office Labour Force Survey (LFS) for one hour or more for payment or profit (including work on the family farm or business), or had a job from which they were temporarily absent (e.g. illness, holidays).
Unemployed (15-64 years)	Persons aged 15-64 who in the week before the LFS (were without work and available for work within the next two weeks), and had taken specific steps to find work in the preceding four weeks of the reference week of the survey.
Working age population	The number of persons in the population aged 15-64
Economically inactive (15-64 years)	The number of persons who are not in employment or unemployed (i.e. actively seeking employment) expressed as a percentage of the working age population
Labour force participation rate (15-64)	The number of persons in the labour force (aged 15-64) expressed as a percentage of the working age population
Employment rate (%) (15-64)	The number of employed persons (15-64 years) expressed as a percentage of the working age population
Unemployment rate (%) (15-64)	The number of unemployed persons (aged 15-64) expressed as a percentage of the labour force (persons aged 15-64)

SOLAS

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