Regional Planning Guidelines: An Economic Update

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Goodbody Economic Consultants
Ballsbridge Park, Ballsbridge, Dublin 4
• Tel: 353-1-6410482 • Fax: 353-1-6682388
www.goodbody.ie/consultants/ • e-mail – econsultants@goodbody.ie

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1. Introduction

The purpose of this report is to update the data presented in Section 6 (Economic Development Strategy and Employment Trends) of the Regional Planning Guidelines for the Greater Dublin Area 2004-2016. The Guidelines were written in 2003, so much of the data presented related to 2002 or in the case of output data, the year 2000. This report aims to give a more current viewpoint of the regional economy in terms of output, employment, inward investment, population growth and the location of jobs, all in the context of regional development.

2. Overview of Regional Economy

2.1 Regional Output and Employment

As already mentioned the original Guidelines were written in 2003, at which time the latest available output data related to the year 2000. Unfortunately this lag in output data continues, so in reviewing the growth that has occurred in the regional economies since the original publication, we have recourse to output data for 2003. Current labour force and employment data have always been available.

In 2003, regional output in the GDA amounted to over €56 billion and accounted for 45.2 per cent of output for the economy as a whole. Between 2000 and 2003, regional output grew by 32.9 per cent in nominal terms. This was similar to economic growth nationally (35.1 per cent in nominal terms), implying that regional share of output continues to remain broadly static.

The number of people employed in the Greater Dublin Area has risen to 820.6 thousand, an increase of 9.0 per cent since 2003. This compares to an increase of just 5.1 per cent over the preceding three-year period between 2000 and 2003, suggesting an increasing rate of growth in employment in the region.

Table 1: Outputs and Employment in the GDA, 2000-2006

	2000	2003	2006
Output (€ millions)	42,502	56,484	-
Employment (000s)	716.7	753.1	820.6

Source: CSO
Note 1: 2003 is the latest year for available output data at regional level; data are in nominal prices
Note 2: 2006 employment figures are based on Q1 and Q2, 2006

Of the total regional output of €56.5bn in 2003, output of the service sector was €38.6bn, with the industrial sector accounting for €17.2bn, and the agricultural sector making up the balance at €0.4bn. Thus the service sector accounts for 68.3 per cent of regional output, which is an increase since the year 2000 when it accounted for 62.2 per cent. At national level, the sector accounts for 59.1 per cent of output, compared to 2000 when it accounted for 53.8 per cent. This would indicate that the sector as a whole is continuing to grow and the GDA is maintaining its high share of service activities.

During the 1990s, the country as a whole and the regions experienced exceptional growth in manufacturing industries. This growth has not been maintained post-2000 and in accordance with the services sector growth as detailed above, outputs of the industrial sector have fallen proportionately over the period since 2000. In that year they accounted for 36.8 per cent of all regional outputs. In 2003 they accounted for 30.5 per cent.

Table 2: Outputs in the GDA by Sector, 2000 & 2003

	Outputs 2000		Outputs 2003	
	€ millions	**%**	**€ millions**	**%**
Agriculture	425	1.0	427	0.7
Industry	15,678	36.8	17,215	30.5
Services	26,544	62.2	38,570	68.3
Total	**42,502**	**100.0**	**56,484**	**100.0**

Source: CSO

Note: Total Outputs for the GDA do not equal the sum of the three sectors shown due to the effect of the Statistical Discrepancy

The structure of output continues to be reflected in patterns of employment as indicated in Table 3. The growth in services can again be seen with the sector now accounting for 75.9 per cent of employment in the GDA, up from 74.7 per cent in 2003 and 73.6 per cent in 2000. Consequently, employment in the industrial sector has fallen from 24.2 per cent of all regional employment in 2000, to 23.3 per cent in 2003 and 22.3 per cent in 2006.

Table 3: Employment in the GDA by Sector, 2000-2006

	Employment 2000		Employment 2003		Employment 2006	
	000s	**%**	**000s**	**%**	**000s**	**%**
Agriculture	15.7	2.2	15.2	2.0	14.7	1.8
Industry	173.7	24.2	175.7	23.3	182.9	22.3
Services	527.3	73.6	562.3	74.7	623.0	75.9
Total	**716.7**	**100.0**	**753.1**	**100.0**	**820.6**	**100.0**

Source: CSO

2.2 A Breakdown of the Industrial Sector

The Industrial sector accounts for 30.5 per cent of regional output and 22.3 per cent of regional employment. Broadly speaking this sector includes mining, quarrying, manufacturing, utilities and construction. The two most significant sub-sectors in terms of output and employment are the manufacturing and construction sectors.

2.2.1 The Construction Sector

The construction sector has seen notable rates of growth over the last decade. In 1995, fixed capital formation expenditure on construction was 11 per cent of GNP[1]. In 2005 it represented nearly 24 per cent of GNP. Construction expenditure as a proportion of GNP is predicted to reach almost 25 per cent in 2007[2] but many commentators feel that this period of growth may be near an end, and that a slow down of some form is inevitable. An over-exposure to this sector could be detrimental to the regional economy if such a slow down were to occur.

In 2003 employment in the construction sector accounted for 9.5 per cent of all employment in the GDA and 10.8 per cent at national level. In 2006 the sector accounts for 10.9 per cent of regional employment and 13.0 per cent nationally[3]. The increase for the GDA region as a whole is not as significant as the increase in the proportion for the country as a whole. Of note however, are the proportions for the Mid East region which have always been higher than those for the country as a whole indicating that this region is significantly exposed to changes that might occur in the construction sector.

Table 4: Employment in the Construction Sector as a Proportion of Total Employment, 2003-2006

	2003 (%)	2004 (%)	2005 (%)	2006* (%)
Dublin Region	7.8	8.0	9.1	9.4
Mid East Region	14.2	13.5	14.8	15.0
GDA	9.5	9.5	10.7	10.9
State	10.8	11.5	12.6	13.0

Source: QNHS
*Note: Data for 2006 are based on Q1 and Q2

[1] This includes spending on roads and the acquisition cost of land (DKM, 2005)
[2] ESRI 2006
[3] CSO QNHS: Data based on Q1 and Q2 2006

When construction employment within the region is expressed as a proportion of all construction employment, the region's share has actually started to fall back. In 2003, 36.7 per cent of construction employment occurred in the GDA. This proportion now stands at 33.9 per cent. More notably, the proportion of all construction employment that occurs in the Mid East region has fallen from 14.7 per cent in 2003 to 12.8 per cent in 2006, suggesting that much of the recent sectoral growth has occurred elsewhere in the country and that regional growth rates are slowing.

Table 5: Regional Construction Employment as a Proportion of Total Construction Employment, 2003-2006

	2003 (%)	2004 (%)	2005 (%)	2006* (%)
Dublin Region	22.0	20.8	21.4	21.1
Mid East Region	14.7	13.1	13.3	12.8
GDA	36.7	33.9	34.7	33.9

Source: QNHS
*Note: Data for 2006 are based on Q1 and Q2

2.2.2 The Manufacturing Sector

The data collected for the Census of Industrial Production allows further analysis of output of the manufacturing sector, providing a breakdown of gross value added by the various industry sub-sectors excluding construction. Table 6 below details the percentage breakdown at both national and regional levels.

Table 6: Gross Value Added by Industrial Firms by Type of Industry in Ireland and in the Greater Dublin Area, 2004*

NACE code	Description	Gross Value Added in Ireland (€000)	Proportion (%)	Gross Value Added in the GDA (€000)	Proportion (%)
10-14, 40-41	Mining, Quarrying & Utilities	3,770,736	5.7	362,442	1.6
15-16	Food, Beverages & Tobacco	10,112,477	15.3	1,927,517	8.3
17-18	Textiles & Textile Products	282,396	0.4	94,938	0.4
20	Wood & Wood Products	428,292	0.6	64,330	0.3
21-22	Pulp, Paper, Printing & Publishing	12,136,690	18.3	10,993,771	47.5
24	Chemicals, Chemical Products & Man-Made Fibres	23,239,797	35.1	4,293,937	18.5
25	Rubber & Plastics	617,479	0.9	159,014	0.7
26	Other Non-Metallic Mineral Products	935,384	1.4	265,990	1.1
27-28	Basic Metals & Fabricated Metal Products	914,803	1.4	225,907	1.0
29	Machinery & Equipment	745,572	1.1	112,977	0.5
30-33	Electrical & Optical Equipment	11,880,704	17.9	4,234,744	18.3
34-35	Transport Equipment	520,883	0.8	207,904	0.9
36-37, 19, 23	Manufacturing N. E. C.	635,817	1.0	216,718	0.9
	Total	**66,221,030**	**100.0**	**23,160,189**	**100.0**

Source: CSO, Census of Industrial Production 2004
*Note: 2004 is the most recent year for available data
**Census results relate to all local units engaged in industrial activity which have an average of three or more persons engaged during the year. Non-respondents are fully estimated using basic details determined either by telephone contact or field officer visit

The data suggest that the contribution of the various industry sub-sectors to regional output is broadly in line with that of the country as a whole. Four sub-sectors dominate:

- Pulp, paper, printing and publishing;
- Chemicals, chemical products and man-made fibres;
- Electrical and optical equipment; and,
- Food, beverages and tobacco.

Of most note is the pulp, paper, printing and publishing sub-sector which accounts for 47.5 per cent of regional industrial output and 18.3 per cent at national level. In terms of actual industrial units, this sub-sector accounts for 21.4 per cent of all units at regional level and 12.3 per cent nationally. Other than manufacture of pulp, paper and paper products, the sector also includes the publishing of newspapers, books, journals and periodicals, as well as the publishing and reproduction of sound recordings, and the reproduction of recorded media, video recording and computer media.

The chemicals, chemical products and man-made fibres sub-sector accounts for 18.5 per cent of regional industrial output and 35.1 per cent at national level. This sub-sector would include the manufacture of pharmaceutical products as well as fertilizers, pesticides, detergents, paints and varnishes, to name a few.

The electrical and optical equipment sub-sector accounts for 18.3 per cent of regional industrial output and 17.9 per cent of industrial output for the country as a whole. This sub-sector includes but is not limited to, the manufacture of office equipment and machinery, computers and computer components, as well as medical devices.

2.3 Inward Investment

Inward investment continues to play a significant role in the ongoing development of the economy. In the year 2000, foreign firms accounted for 85.9 per cent of gross value added and 48.1 per cent of employment in the manufacturing sector for the country as a whole. In 2004, the contribution of these foreign firms to gross value added had increased to 88.4 per cent and they continued to provide 48.0 per cent of employment.[4]

The ongoing importance of inward investment for the GDA may be gauged from the following table which sets out employment in manufacturing and internationally traded service companies supported by the State agencies.[5] Although employment in all agency-supported companies has started to fall slightly, foreign firms continue to account for more than half of total employment with this proportion increasing at a steady rate.

[4] Source: Census of Industrial Production, 2000 & 2004
[5] IDA Ireland, Enterprise Ireland, Shannon Development and Údarás na Gaeltachta

Table 7: Full-Time Employment in Agency-Supported Manufacturing and International Services Firms, in the GDA, 2001 – 2005

Type of Employment	2001	2002	2003	2004	2005
Employment in Foreign Firms	70,897	69,905	66,997	66,883	67,305
Employment in Indigenous Firms	60,560	58,155	55,681	53,978	53,360
Total Employment	131,457	128,060	122,678	120,861	120,665
Foreign as a Proportion of Total (%)	53.9	54.6	54.6	55.3	55.8

Source: Forfás Annual Employment Data 2005

There are currently 534 companies in the GDA that are supported by IDA Ireland. This compares to 600 in 2002. The majority of them (88.8 per cent in 2005) are based in Dublin. Table 8 gives a breakdown of companies in IDA-supported companies by county for 2003, 2004 and 2005. Table 9 gives a breakdown of employment. The data indicate that although every county except Meath has experienced a fall in the number of IDA-supported companies, every county except Wicklow has experienced increases in actual employment.

It should also be noted, however, that on a regional basis just 11.2 per cent of IDA supported companies in the GDA are based in the Mid East region, as are 22.2 per cent of the permanent jobs in these companies.

Table 8: IDA-Supported Companies by County 2003-2005

	2003	2004	2005
Dublin	503	486	474
Kildare	27	24	25
Meath	17	17	17
Wicklow	22	20	18
GDA	**569**	**547**	**534**

Source: IDA Ireland

Table 9: Permanent Jobs in IDA-Supported Companies, 2003-2005

	2003	2004	2005
Dublin	49,678	52,011	54,612
Kildare	10,510	10,855	11,649
Meath	1,181	1,246	1,327
Wicklow	3,805	3,531	2,641
Total GDA	**65,264**	**67,643**	**70,229**

Source: IDA Ireland
Note: Data refer to permanent jobs and other jobs

Financial Services and International Services continue to account for a large proportion of foreign companies in the GDA. Of the 534 companies supported by the IDA in the region, 39.9 per cent are in the Financial Services sector, which accounted for 42.0 per cent of IDA-supported companies in the region in 2002. International Services account for 28.3 per cent of companies, up slightly since 2002 when they accounted for 27.3 per cent. The majority of these companies are based in Dublin, home of the International Financial Services Centre (IFSC). The International and Financial Services sectors also account for over half (56.8 per cent) of employment.

Table 10: Sectoral Breakdown of IDA-Supported Companies and Employment in IDA-Supported Companies in the GDA, 2005

Sector	Proportion of All Companies (%)	Proportion of All Employment (%)
Financial Services	39.9	17.6
International Services	28.3	39.2
Metals & Engineering	15.9	24.0
Chemicals	9.2	15.0
Paper & Print	2.1	1.7
Plastics & Rubber	1.9	0.8
Non-metal Minerals	0.9	0.7
Miscellaneous Manufacturing	0.6	0.0
Textiles	0.6	0.2
Mining & Quarrying	0.4	0.5
Food, Drink & Tobacco	0.4	0.2
Total	100.0	100.0

Source: IDA Ireland

In 2005, thirteen new companies set-up in the GDA with the assistance of the IDA, bringing with them 277 jobs. All of these companies set up in the Dublin region with over half setting up in Dublin City and a quarter setting up in Fingal.

3. The Labour and Jobs Markets

3.1 The Labour Market

With unemployment rates remaining fairly static, the labour market has seen growth rates not dissimilar to those in employment. The current rate of unemployment in Dublin stands at 4.8 per cent, compared to 4.3 per cent in 2003 and 3.4 per cent in 2000. In the Mid East region the unemployment rate is just 3.3 per cent compared with 3.4 per cent in 2003 and 3.7 per cent in 2000. Accordingly, the labour market in the GDA has seen growth of 9.4 per cent since 2003, which is in line with the 9.0 per cent growth seen in employment. The Mid East region experienced a higher rate of growth (11.7 per cent) in its labour force than the Dublin region (8.5 per cent).

Table 11: The Labour Market in the GDA, 2003 & 2006

	Labour Market 2003 (000s)	Labour Market 2006 (000s)	% Change '03-'06	Unemployment Rate 2003 (%)	Unemployment Rate 2006 (%)
Dublin	576.0	625.2	8.5	4.3	4.8
Mid East	209.0	233.4	11.7	3.4	3.3
GDA	785.0	858.6	9.4	-	-

Source: CSO, QNHS

3.2 Population Growth

The definitive results of Census 2006 will be published between April and December 2007, but preliminary results recently published indicate population growth of 8.2 per cent in the GDA over the last four years. As is illustrated in Table12, at regional level the Mid East experienced significant growth (15.1 per cent) compared to Dublin (5.6 per cent). At county level, Fingal experienced the highest rate of growth followed by Meath, Kildare and then Wicklow.

Table 12: Population Growth in the GDA, 2002-2006

County	2002	2006*	Rate of Growth (%)
Dublin City	495,781	505,739	2.0
Dun Laoghaire/Rathdown	191,792	193,688	1.0
Fingal	196,413	239,813	22.1
South Dublin	238,835	246,919	3.4
Dublin Region	**1,122,821**	**1,186,159**	**5.6**
Kildare	163,944	186,075	13.5
Meath	134,005	162,621	21.4
Wicklow	114,676	126,330	10.2
Mid East Region	**412,625**	**475,026**	**15.1**
Greater Dublin Area	**1,535,446**	**1,661,185**	**8.2**

Source: CSO Census
*Note: Data for 2006 are preliminary figures only

There are two main components to this growth in population: natural increase and net migration. Net migration is the difference between migration into and out of a given area. There are two elements to migration. Firstly, there is the urbanisation of the hinterlands that has seen significant numbers of young people moving to new development areas in Fingal, Kildare, Meath and Wicklow. Secondly, there are the recent increases in immigration to Ireland by foreign nationals, particularly in light of EU enlargement. The CSO produces annual estimates of non-Irish immigrants to Ireland, and estimates for the year ending April 2006 saw an increase of 32.0 per cent on estimates for the preceding twelve-month period.[6]

Table 13 shows the overall change in population in each local authority area over the period 2002-2006, as well as the proportion of that change that can be attributed to net migration.

[6] Source: CSO, *Population and Migration Estimates*, April 2006. Note: this data is not available at county or regional level.

Table 13: Changes in Population and Net Migration in the GDA, 2002-2006

County	Change in Population 2002-2006	Estimated Net Migration 2002-2006	Net Migration as % of Population Change
Dublin City	9,958	141	1.4
Dun Laoghaire/Rathdown	1,896	-2,485	-
Fingal	43,400	29,690	68.4
South Dublin	8,084	-5,712	-
Dublin Region	63,338	21,634	34.2
Kildare	22,131	12,301	55.6
Meath	28,616	21,175	74.0
Wicklow	11,654	7,043	60.4
Mid East Region	62,401	40,519	64.9
Greater Dublin Area	125,739	62,153	49.4

Source: Census 2006, Preliminary Report

3.3 Travel to Work

A reasonable indicator of the extent to which towns experience balances between labour market population and jobs may be gauged from the proportion of residents in the town that find work locally and the proportions of those that travel various distances to work. Table 14 below gives a proportionate breakdown of the distances travelled to work by people living in various hinterland towns. The data presented in the table are taken from the results of the 1996 and 2002 Census.

Every town listed saw a fall in the proportion of people working locally (within 0-4 miles of home) over the intercensal period. Accordingly there are increasing proportions of workers living in hinterland towns who have to travel greater distances to work. In Ashbourne, 72.8 per cent of workers have to travel ten miles or more to work, as do 69.3 per cent of those living in Balbriggan, 62.4 per cent of those living in Celbridge and 60.3 per cent of those living in Greystones.

At regional level, just 20.7 per cent of workers living in the Dublin region travel ten miles or more to work which compares to 54.4 per cent of workers living in the Mid East region. Accordingly, almost half of all Dublin workers travel four miles or less to work compared to less than a third of workers living in the Mid East.

Table 14: Proportion of Workers by Distance Travelled to Work in various Hinterland Towns (1996 & 2002) %

Town	Location	0-4 miles (%) 1996	0-4 miles (%) 2002	5-9 miles (%) 1996	5-9 miles (%) 2002	10+ miles (%) 1996	10+ miles (%) 2002
Balbriggan	Co. Dublin	32.8	24.5	6.2	6.2	60.9	69.3
Portmarnock	Co. Dublin	22.1	21.1	34.1	30.2	43.9	48.7
Rush	Co. Dublin	25.4	21.3	13.6	13.3	61.0	65.3
Swords	Co. Dublin	-	36.6	-	25.6	-	37.9
Athy	Kildare	71.1	51.6	4.3	3.7	24.6	44.7
Celbridge	Kildare	25.2	21.2	13.7	16.4	61.1	62.4
Leixlip	Kildare	29.4	24.2	16.1	17.2	54.5	58.6
Maynooth	Kildare	33.1	25.5	9.2	12.7	57.8	61.8
Naas	Kildare	42.1	35.0	9.0	9.9	48.9	55.0
Newbridge	Kildare	60.2	45.3	16.0	14.0	23.8	40.7
Ashbourne	Meath	-	19.7	-	7.5	-	72.8
Dunboyne	Meath	-	19.9	-	21.8	-	58.3
Navan	Meath	65.0	41.6	4.7	4.3	30.3	54.1
Trim	Meath	-	31.1	-	13.6	-	55.2
Arklow	Wicklow	74.3	57.0	3.6	4.3	22.1	38.7
Bray	Wicklow	45.3	38.9	15.7	19.3	39.0	41.8
Greystones	Wicklow	24.7	23.6	15.6	16.0	59.6	60.3
Wicklow	Wicklow	54.7	40.1	4.0	5.5	41.3	54.4

Source: CSO Census
Note: 1996 Census data are not available for Swords, Ashbourne, Dunboyne and Trim.

The additional increases in the hinterland populations that have so far been recorded in the 2006 Census results would imply that the proportions of workers living in the hinterlands and travelling greater distances to work continue to increase. This in turn indicates significant growth in the number of commuters travelling from the hinterlands to Dublin to work.

With increasing numbers of commuters travelling longer distances to work, data relating to the time taken to travel to work is also of interest. This data was collected for the first time in Census 2002 and as the full results of Census 2006 have yet to be published, it is not yet possible to compare data over intercensal periods. Table 15 shows the proportions of workers in each county by the length of time that it takes them to travel to work. It should be noted that data for Dublin is not available at local authority level.

Table 15: Proportion of Workers by Time Taken Travelling to Work by County, 2002 (%)

	Less than 15 mins (%)	Less than 30 mins (%)	45 mins or more (%)	1 hour or more (%)
Dublin	16.6	31.2	26.1	13.4
Mid East	25.0	24.4	33.4	22.6
Kildare	24.6	25.4	32.2	21.4
Meath	23.6	25.0	34.4	23.3
Wicklow	27.4	22.2	34.3	22.6
GDA	18.8	29.5	28.0	15.8

Source: Census 2002

At first glance, a higher proportion of workers living in the Mid East have shorter journeys to work with 25.0 per cent having journeys of 15 minutes or less compared to 16.6 per cent of workers in Dublin. However, when the data for longer journeys is taken into account, it becomes clear that a longer journey to work is more likely for those living in the Mid East than for those living in Dublin. A third of workers living in the Mid East have journeys of 45 minutes or more compared to a quarter of those living in Dublin. Furthermore, 22.6 per cent of those living in the Mid East have to endure journeys of 1 hour or more compared to just 13.4 per cent of those living in Dublin.

3.4 The Jobs Market

Probably the best indicator of the imbalances that exist between the location of the labour force and the location of jobs in the GDA is the jobs ratio. The jobs ratio is the total number of jobs divided by the labour force. In the original Guidelines, the DTO provided data on the location of jobs within the GDA. The data were derived from sample surveys and estimates based on visual observations of development. In the intervening period, new refined methods have been developed that use place of work data collected via the Census to get more accurate results. Table 16 below uses 2002 data to show the distribution of jobs and the labour force by local authority area.

Table 16: Distribution of Jobs and Labour Force by Local Authority Area, 2002

Local Authority Area	Jobs	Labour Force	Jobs Ratio
Dublin City	382,784	250,330	1.53
Dun Laoghaire Rathdown	72,086	86,896	0.83
Fingal	76,535	98,448	0.78
South Dublin	95,383	119,632	0.80
Dublin	**626,788**	**555,306**	**1.13**
Kildare	57,000	79,220	0.72
Meath	36,331	63,134	0.58
Wicklow	35,818	52,016	0.69
Mid East	**129,149**	**194,370**	**0.66**
GDA	**755,937**	**749,676**	**1.01**

Source: DTO

As would be expected, Dublin City accounts for half (50.6 per cent) of all jobs in the region. South Dublin is the next most important with 12.6 per cent of jobs. Only Dublin City has more jobs than resident labour force, with all the other local authority areas having a labour force that exceeds the jobs available in their area.

The imbalance between jobs and labour force outside Dublin City is not unexpected, as the pattern of commuting to the city centre is well established. However, the scale of the imbalance between jobs and labour force is a matter of concern, especially in relation to Meath and Wicklow.

The jobs ratio has been used to measure the sustainability of settlements, and although very little research has been undertaken on this issue, it has been suggested that on sustainability grounds, the ratio should not fall below 0.7.[7] Where a significant proportion of jobs in an area are filled by non-residents, the target ratio would need to be set at a higher level to ensure the increased availability of jobs to local people. The jobs ratio is as low as 0.58 for Meath and 0.69 for Wicklow, giving a ratio for the Mid East region as a whole of just 0.66 in 2002.

The data collected in Census 2006 has not yet been analysed, but preliminary estimates indicate that the jobs ratio in the Mid East region has not improved.

[7] Source: Sustainable Settlements: A Guide for Planners, Designers and Developers. University of the West of England 1995.

3.5 The Quality of Jobs Available

Further analysis of the jobs data indicates that further regional imbalances exist between counties in terms of the quality of jobs available. Table 17 below shows the distribution within each county of jobs by socio-economic group.

Table 17: Distribution of Jobs by County and Socio-Economic Group, 2002 (%)

	Dublin City	DLRCC	Fingal	South Dublin	Kildare	Meath	Wicklow
Employers, managers & professionals	50.9	54.2	39.8	40.1	36.0	30.9	36.9
Other non-manual	30.8	27.4	28.8	27.3	24.1	23.5	25.0
Manual skilled	7.4	5.8	11.2	13.7	12.3	14.9	11.4
Manual semi-skilled	5.9	5.9	11.0	11.1	14.4	11.9	11.5
Manual unskilled	2.8	2.6	4.6	3.7	3.8	3.9	4.3
Other	2.2	4.1	4.6	4.1	9.4	14.9	10.9
All	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Goodbody Economic Consultants based on CSO data
Note: 'Other' includes own account workers, farmers and agricultural workers

At regional level, almost half (48.1 per cent) of jobs in the Dublin region fall into the employers, managers and professionals category. This compares with just one-third (34.8 per cent) of jobs in the Mid East region.

At county level, Dun Laoghaire Rathdown has the highest proportion of jobs in this category (54.2 per cent) followed by Dublin City (50.9 per cent). Meath has the lowest proportion (30.9 per cent) followed by Kildare (36.0 per cent) and Wicklow (36.9 per cent).

4. Conclusions and Recommendations

4.1 Conclusions

A number of elements continue to drive the economy of the region as a whole. These include:

- Growth in output, which increased in nominal terms by 32.9 per cent over the period 2000-2003;
- Growth in employment, which increased by 9.0 per cent between 2003 and 2006;
- Strong growth in the services sector, which now accounts for 68.3 per cent of regional output and 75.9 per cent of regional employment;

- The breakdown of the industrial sector is largely unchanged with construction and manufacturing being the most significant sub-sectors; and,
- Inward investment continues to play a crucial role in the ongoing development of the region.

However, there are a number of points to note in relation to the Mid East region that indicate that the imbalance between this region and the Dublin region continues:

- There is a greater reliance on the construction sector, whereby 15.0 per cent of employment in the Mid East is in construction compared to 9.4 per cent of employment in the Dublin region;
- There are lower levels of inward investment, whereby the Mid East hosts just 11.2 per cent of all IDA-supported companies in the GDA and has just 22.2 per cent of employment in these companies;
- The jobs ratio is significantly lower (0.66 in the Mid East compared to 1.13 in the Dublin region); and,
- The quality of jobs is poorer, in that just a third of jobs in the Mid East fall into the employers, managers and professionals category, compared to almost half of jobs in the Dublin region.

Ireland has attracted significant foreign investments over the last number of years and now has one of the highest levels of foreign direct investment (FDI) relative to the size of the economy. More recently there has been a dynamic shift in the profile of investors and a greater focus is now placed on higher value-added manufacturing and services. With globalisation, manufacturing activities continue to change with some elements migrating to lower cost locations, leaving Ireland to compete for the more advanced and complex manufacturing. Such advanced manufacturing needs high levels of productivity to compete against low-cost locations.

The challenge of good regional spread of FDI increases as the higher value parts of business value chains are targeted. The need for a large, highly skilled labour supply, supporting infrastructure and business services, tends to draw investors towards cities. For most investments, competition is from city regions with a population base of over a million people. In Ireland, only Dublin and its hinterlands have a population of this size.[8] Put in context, the success of hinterland towns in attracting inward investment is dependent on strong transport links both between towns and hinterlands. In this way, larger labour catchments can be created. Transport 21 has a crucial role to play in this. Such links require not only investment in radial and non-radial roads but also substantial investment in public transport.

Inward investment decisions are also influenced by the quality of the built, social and cultural environments. In this context there is also a need to

[8] IDA Annual Report, 2005

improve the quality of public infrastructure generally, which includes improvements to local facilities and amenities.

4.2 Recommendations

Every effort should be made to diversify and strengthen the economic structure of the Mid East Region in particular.

There should be a continued focus on attracting inward investment in high-tech manufacturing and services companies to the GDA as a whole and, particularly, the Mid East Region.

This will require the Transport 21 programme to be advanced as quickly as possible.

In addition to the Transport 21 investments, an Outer Orbital Route is linking Hinterland Development Centres is also required.

The growing focus on public transport, especially on radial routes, should be continued to ensure that the congestion and costs to industry associated with car commuting is minimised.

Significant additional expenditure on improving the quality of the built environment and the range of amenities on offer could pay dividends in terms of attracting inward investment.