



## **Report Infocus**

### **Employment, unemployment and participation**

- Young people are worse off  
in 2019 than in 1999

At the end of 2019, the national unemployment rate had just about recovered to a level comparable to the best years of the Celtic Tiger era. The employment rate (the share of the working age population in employment) had not fully recovered however, and the labour market participation rate (those in employment and those seeking employment relative to the working age population) had quite a way to go to return to pre-crash levels. The participation rate had been stubbornly flat despite seven years of strong economic and employment growth from 2012 on with a slight uptick only in the last year of available data.

The headline figures mask considerable differences by age group. The unemployment rate for those under 35 had not recovered by 2019. For older groups, employment and participation rates had recovered from the financial crisis (and in some cases even improved upon the Celtic Tiger era) but remained much worse for younger groups, even relative to the late nineteen nineties.

Tables 1 and 2 show the absolute number of the Irish labour force, and the rate of participation. The labour force grew by 36.5 per cent in the two decades up to the end of 2019. At the same time, both the absolute number and share of younger cohorts (15-19, 20-24) in the labour force fell significantly between 2008 and 2012.

Similar trends were reflected in labour force participation rates of younger cohorts. The national participation rate grew moderately on an annual basis in 2019 for the first time since 2012 (62.2 to 62.7 per cent). However, it still had not recovered from 2008 and at 62.7 per cent was 3.5 points lower than in 2007 (66.2 per cent). Ireland does not compare favourably to top European performers in this indicator, driven by low levels of female participation (McDonnell &

Nugent 2018). For the 15-19 and 20-24-year-old groups, participation rates were at least 15 percentage points lower in 2019 than in 1999 (45.0 compared to 24.2 per cent and 85.8 compared to 70.5 per cent respectively). Third level students with part-time jobs are included as participating in the labour market. This has implications for social mobility with increased rental costs in cities and third level fees over the past decade. Education grants for lower income households as they stand, are not sufficient to cover the costs of third level education.<sup>1</sup> Thus, fewer opportunities for part-time work will mean university is not possible for many from disadvantaged backgrounds.

**Table 1 Labour Force (ooo)**

	1999 Q4	2001 Q4	2003 Q4	2005 Q4	2007 Q4	2009 Q4	2011 Q4	2013 Q4	2015 Q4	2017 Q4	2019 Q4
15 - 19 yrs	149.3	133.9	116.9	122.2	126.7	85.9	70.2	64.1	63.6	76.3	78.1
20 - 24 yrs	265.7	271.7	277.7	289.2	323.8	274.1	221.4	208.3	202.2	194.3	213.9
25 - 34 yrs	479.2	516.8	544.4	603.8	657	644.6	620	580.3	554	542.3	522.5
15+	1815.8	1912.9	1988.9	2162	2347.6	2271.3	2228.3	2247.8	2292.2	2374.8	2471.7

Source: CSO (2020a) Labour Force Survey - [Table QLF 18](#)

**Table 2 ILO Participation Rate (15 years and over) (%)**

	1999 Q4	2001 Q4	2003 Q4	2005 Q4	2007 Q4	2009 Q4	2011 Q4	2013 Q4	2015 Q4	2017 Q4	2019 Q4
15-19 yrs	45	42.4	38.9	42	43.1	29.5	24.9	22.3	21.3	24.4	24.2
20-24 yrs	85.8	83.7	82.8	84.7	86.8	80.9	76	75	73.5	68.6	70.5
25-34 yrs	85.2	85.1	84.4	85.2	85.1	83.8	83.1	82.8	83.8	85.5	84.8
15+	61.6	62.4	62.5	64.7	66.2	63.1	61.9	61.8	61.8	62.2	62.7

Source: CSO (2020a) Labour Force Survey - Table QLF 18

1 <https://tinyurl.com/y9t4lwo9>

**Table 3 Employment (ooo)**

	1999 Q4	2001 Q4	2003 Q4	2005 Q4	2007 Q4	2009 Q4	2011 Q4	2013 Q4	2015 Q4	2017 Q4	2019 Q4
15 - 19 yrs	135.8	121.6	103.2	108.7	111.7	57.3	41.8	44.7	48.1	60.8	66.8
20 - 24 yrs	248.6	254	259.5	270.5	299.9	208.4	163.4	162.7	169.3	176.7	197.3
25 - 34 yrs	456.7	497	521.1	578.1	622.8	556.4	518.9	503.6	502	508.1	498.2
15+	1723.1	1833.2	1899.5	2070.1	2232.9	1970.4	1888.2	1971	2085.4	2230.8	2361.2

Source: CSO (2020a) Labour Force Survey -Table QLF 18

**Table 4 ILO Employment Rate (15- 64) (%)**

	1999 Q4	2001 Q4	2003 Q4	2005 Q4	2007 Q4	2009 Q4	2011 Q4	2013 Q4	2015 Q4	2017 Q4	2019 Q4
15 - 19 yrs	40.9	38.5	34.4	37.4	38	19.6	14.9	15.5	16.1	19.4	20.7
20 - 24 yrs	80.3	78.3	77.4	79.2	80.4	61.5	56.1	58.6	61.5	62.4	65
25 - 34 yrs	81.2	81.8	80.7	81.6	80.7	72.4	69.5	71.9	75.9	80.1	80.8
15-64	66.9	68.3	68.1	70.6	71.3	62.3	60.1	62.7	65.5	68.3	70.2

Source: CSO (2020a) Labour Force Survey -Table QLF 18

Tables 3 and 4 show the absolute numbers in employment in the Irish economy as well as the employment rate. The number in employment at the end of 2019 (2.3 million) was 37.0 per cent higher than at the turn of the century (1.7 million). The employment rate was close to full recovery from the effects of the crash in 2008 by 2019 (70.2 compared to 71.3 in 2007). However, the headline figure again conceals intergenerational inequalities. The number and share of 15-19 year olds in employment at the end of 2019 was about half what it was in 1999 and more than 15 points lower for the next age group. Approximately two in five 15-19 year olds were employed in the decade preceding the financial crisis compared to just 1 in 5

in 2019. The employment rate for those in their early twenties was just 65.0 compared to 80.4 per cent in 2007. Although the share of these groups in full-time education has risen in that time, this shows a much lower share of students with part-time jobs than during the Celtic tiger. In 2007, 32.3 per cent of students (15- 25) were in employment compared to 18.6 in 2018 (CSO 2020).

Dropping by over ten points during the recession, the employment rate for 25-34 year olds gradually caught back up to 2007 levels between 2012 and 2019, though it was still slightly lower than in 2005.

In absolute terms, the number of unemployed (those without but seeking employment) in 2019 was still elevated relative to the decade leading up to the Irish financial crisis. The unemployment rate at the end of 2019 was similar to the best performing years pre-crisis at 4.7 per cent however, though it did not match the record low (Table 5). The headline figures again mask heterogeneity by age group. For the under 25's the number of unemployed dropped below those recorded leading up to 2008 in 2019 after a steady trend downwards post 2012. The unemployment rates for all three groups under 35 however, were still elevated in 2019 relative to their pre-crisis peaks. This was especially the case for the youngest group of jobseekers. The 20-24 and 25-34 year old groups were close to a full-recovery.

**Table 5 Unemployment (ooo)**

	1999 Q4	2001 Q4	2003 Q4	2005 Q4	2007 Q4	2009 Q4	2011 Q4	2013 Q4	2015 Q4	2017 Q4	2019 Q4
15-19 yrs	13.6	12.3	13.7	13.4	15.1	28.7	28.3	19.4	15.5	15.5	11.4
20-24 yrs	17	17.8	18.2	18.7	23.9	65.7	58	45.6	32.8	17.6	16.7
25-34 yrs	22.5	19.8	23.4	25.7	34.1	88.2	101.2	76.7	52	34.2	24.3
15+	92.7	79.7	89.3	91.9	114.7	300.9	340.1	276.8	206.8	144	110.6

Source: CSO (2020a) Labour Force Survey -Table QLF 18

**Table 6 ILO Unemployment Rate (15- 74) (%)**

	1999 Q4	2001 Q4	2003 Q4	2005 Q4	2007 Q4	2009 Q4	2011 Q4	2013 Q4	2015 Q4	2017 Q4	2019 Q4
15 - 19 yrs	9.1	9.2	11.7	11	11.9	33.4	40.3	30.3	24.4	20.3	14.5
20 - 24 yrs	6.4	6.5	6.5	6.5	7.4	24	26.2	21.9	16.2	9.1	7.8
25 - 34 yrs	4.7	3.8	4.3	4.3	5.2	13.7	16.3	13.2	9.4	6.3	4.7
15+	5.1	4.2	4.5	4.3	4.9	13.3	15.3	12.4	9.1	6.1	4.5

Source: CSO (2020a) Labour Force Survey -Table QLF 18





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