

# Labour Market Pulse

Edition 7 (December 2022)



IDA Ireland, LinkedIn and Microsoft have partnered to bring you quarterly updates on Ireland's employment dynamics using LinkedIn's high frequency labour market insights.

Fig.1 LinkedIn Hiring Rate



Source: LinkedIn Hiring Rate

## Labour Market Trends

- After a strong performance in H1 2022, the hiring rate has started to decline from post-pandemic highs, sitting **12.7% lower in October 2022 than October 2021** but still above hiring rates in October 2019 (+6.3%) and 2020 (+6.8%).<sup>1</sup>

- Employment in Ireland hit a record high in Q2 2022, with **2.55 million people employed**, the highest number in the State's history. This was maintained in Q3 2022. Therefore, while the hiring rate declined later in 2022 when compared with the same time in 2021, employment levels remain at historical highs. In 2022, IDA Ireland reported the highest foreign direct investment (FDI) employment level ever and a 9% increase on 2021.

- There are numerous challenges facing the global economy, however Ireland is approaching them from a position of **high employment, strong economic growth, and robust public finances**.

## The Green Transition's Impact on Skills

- Work has started at the international, EU, and national levels to identify and develop the skills needed to achieve climate objectives and investment in the green economy is becoming increasingly important.<sup>2,3</sup>
- LinkedIn has developed a taxonomy to classify skills in the context of the green transition. This taxonomy forms the basis of the analysis in this Pulse.<sup>4,5,6</sup>

## Demand for Green Talent is growing

- The share of green talent on LinkedIn globally increased from 9.6% to 13.3% between 2015 and 2021.<sup>7</sup> This was driven partially by new sustainability-focused jobs but more so by jobs in other sectors with sustainable elements, such as Compliance Managers or Data Scientists.

- Ireland mirrors global and European talent trends with **13% of LinkedIn members in Ireland considered "green talent"** in 2021 compared to 13% of members globally and 12% of members across Europe.

- While Irish businesses recognise the importance of sustainability, on average, 75% of businesses lack dedicated resources for identifying sustainability strategies and/or ESG implementation and reporting, according to a recent University College Cork (UCC) report.<sup>8</sup>

- The majority of businesses also feel they had yet to develop or had only basic competences in required sustainability skills.

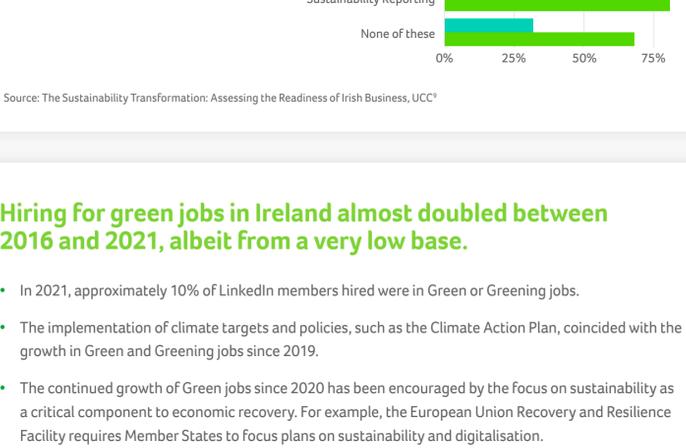


Fig.2 Sustainability Responsibility within Businesses



Source: The Sustainability Transformation: Assessing the Readiness of Irish Business, UCC<sup>9</sup>

Fig.3 Sustainability Skills in Irish Businesses



Source: The Sustainability Transformation: Assessing the Readiness of Irish Business, UCC<sup>9</sup>

## Hiring for green jobs in Ireland almost doubled between 2016 and 2021, albeit from a very low base.

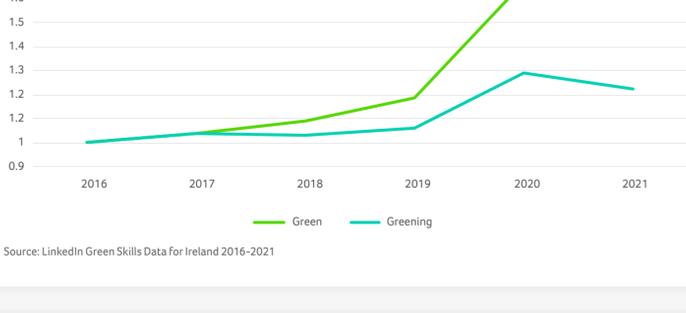
- In 2021, approximately 10% of LinkedIn members hired were in Green or Greening jobs.
- The implementation of climate targets and policies, such as the Climate Action Plan, coincided with the growth in Green and Greening jobs since 2019.
- The continued growth of Green jobs since 2020 has been encouraged by the focus on sustainability as a critical component to economic recovery. For example, the European Union Recovery and Resilience Facility requires Member States to focus plans on sustainability and digitalisation.
- In Ireland, the top Green jobs were:



Source: LinkedIn Green Skills Data for Ireland 2016-2021<sup>10</sup>

- It is estimated that the Irish economy will need to fill over 20,000 new jobs by 2030 just to support leading Green economy sectors (6% of total forecast labour force growth).<sup>11</sup> A Microsoft report prepared in advance of COP27 found that most sustainability appointments globally were in-house selections, further emphasising the importance of investment in lifelong learning, training, and upskilling initiatives so that the required future skills need is met.<sup>12</sup>

Growth in Green and Greening Jobs 2016-2021



Source: LinkedIn Green Skills Data for Ireland 2016-2021

## Upskilling in Green will be key for the green transition

- Between 2016-2021, the most commonly added green skills in Ireland were:<sup>13</sup>



Four of the five fall within the top 10 most in-demand green skills required by employers globally.

Fig. 4 Global Picture of Top In-Demand Green Skills Required by Employers (2021)

Skill name	Green skill category	Share of job postings requiring the skill (out of job postings requiring any green skill)
Sustainability	Sustainable Development	27.6%
Remediation	Environmental Remediation	8.8%
Occupational Safety and Health Advisor (OSHA)	Environmental Policy	8.6%
Climate	Ecosystem Management	5.6%
Renewable Energy	Renewable Energy Generation	5.4%
Environmental Awareness	Ecosystem Management	4.9%
Environment, Health and Safety (EHS)	Environmental Auditing	3.7%
Solar Energy	Renewable Energy Generation	2.6%
Corporate Social Responsibility	Environmental Policy	2.5%
Recycling	Environmental Remediation	2.1%

Source: LinkedIn Global Green Skills Report 2022

- Data from Enterprise Ireland on green skills and training delivery in 2021 highlights business need for green skills, with top courses focused on Environmental Sustainability, Lean Practice, Resource Efficiency, the Circular Economy, Sustainable Procurement, and Greening the Supply Chain.

## Green FDI

- Foreign direct investment in the green economy is growing rapidly. The renewable energy sector was the biggest recipient of FDI globally in both 2020 and 2021, taking over from coal, oil and gas which had been the traditional leader. Investment in green mobility has also resulted in growth of FDI to the automotive sector.<sup>14</sup>
- IDA Ireland partnered with clients on 15 sustainability projects in 2021, building Ireland's capacities in the green economy and improving the sustainability of MNC operations across the country. Recent announcements include the opening of Ireland's largest self-supply solar project by MSD in Ballydine and Mainstream Renewable Power's expansion to support growth and offshore energy development.

<sup>1</sup> LinkedIn has over two million members in Ireland. The LinkedIn Hiring Rate (LHR) is the number of LinkedIn members who added a new employer to their profile in the same month the new job began, divided by the total number of LinkedIn members in that country. This comprehensive coverage of labour force working across a range of companies and business in Ireland provides near real-time insights on the labour market.  
<sup>2</sup> This is reflected in FDI flows, with record levels of investment in the clean energy sector in 2021. FDI Intelligence, the FDI Report 2022.  
<sup>3</sup> This is reflected in FDI flows, with record levels of investment in the clean energy sector in 2021. FDI Intelligence, the FDI Report 2022.  
<sup>4</sup> Expert Group on Future Skills Needs, Skills for Zero Carbon report; European Centre for the Development of Vocational Training (CEDEFOP), Green Employment and Skills Transformation  
<sup>5</sup> LinkedIn taxonomy definitions from the Global Green Skills Report 2022: (1) Green skills: are those that enable the environmental sustainability of economic activity; (2) Green jobs: are those that cannot be performed without extensive knowledge of green skills; (3) Greening jobs: are those that can be performed without green skills but typically require some green skills.  
<sup>6</sup> The LinkedIn results presented in this Pulse represent the world seen through the lens of LinkedIn data, which is based on the composition of LinkedIn membership in Ireland. As such, it is influenced by the representation of certain occupations on the site and how members choose to use the site, which can vary based on professional, social, and regional culture, as well as overall site availability and accessibility. These variances were not accounted for in the analysis.  
<sup>7</sup> LinkedIn Economic Graph, economicgraph.linkedin.com  
<sup>8</sup> Green talent consists of LinkedIn members in Green or Greening jobs, or with green skills on their profile, LinkedIn Green Skills Report 2022  
<sup>9</sup> The Sustainability Transformation: Assessing the Readiness of Irish Businesses, UCC and Microsoft. This report surveyed senior executives of 380 businesses of all sizes across Ireland to understand the readiness of Irish businesses for the transition to a net zero future.  
<sup>10</sup> Ibid  
<sup>11</sup> Growth measured using Compound Annual Growth Rate (CAGR)  
<sup>12</sup> Expert Group on Future Skills Needs, Skills for Zero Carbon report  
<sup>13</sup> Microsoft, Closing the Sustainability Skills Gap  
<sup>14</sup> LinkedIn defines skills as concepts that describe knowledge or a personal characteristic that connects members to economic opportunity. LinkedIn sees skills in three ways: industry knowledge, interpersonal, and tools & technologies. Industry knowledge can imply expertise in the listed areas, i.e., expertise in Sustainability, in Renewable Energy. "Adding skills" is a LinkedIn member adding the listed skill to the "Skills" section at the bottom of their profile.  
<sup>15</sup> The FDI Report 2022