

# **National and Regional Employment in the Drinks and Hospitality Sector in 2019: Structure and Performance**

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Commissioned by **The Drinks Industry Group of Ireland**

**August 2019**

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## Foreword

**The drinks and hospitality sector plays an essential role in turning the cogs of the Irish economy. Drinks and hospitality businesses employ 175,000 people, keeping almost 8% of the entire country in work.**

Between the first quarter of 2012 and the first quarter of this year, drinks and hospitality businesses accounted for over 12% of Ireland's total employment increase; most of this growth occurred in food and beverage-serving roles, in pubs and restaurants up and down the country.

The core drinks industry, which produces, supplies and sells drinks products in Ireland, employs 90,000 people, directly and indirectly. Many, if not most, of these jobs are located away from the capital; almost 70% of all 5,786 drinks manufacturing jobs are held outside of Dublin.

These figures, and others in this report commissioned by the Drinks Industry Group of Ireland and authored by Anthony Foley of Dublin City University, clearly show how important the drinks and hospitality sector is to hundreds of thousands of Irish people, and to the Exchequer.

But in spite of its clearly documented contributions to national and regional employment, Ireland's innovative economy, and to local communities, the sector does not seem to be rated by the Government.

Indeed, Irish drinks and hospitality businesses and consumers must pay one of Europe's highest alcohol excise tax rates. As a nation, we pay the second-highest overall alcohol excise tax in the EU, the highest excise tax on wine, the second highest on beer, and the third highest on spirits.

Combined with a recently raised VAT rate, rising operational costs (particularly insurance), and the increasingly viable threat of a no-deal Brexit and the uncertainty that creates, many drinks and hospitality businesses, especially those in rural Ireland, are in real danger.

In response to this, the Drinks Industry Group of Ireland, which represents Ireland's biggest drinks and hospitality employers and organisations, is calling on the Government to reduce alcohol excise tax by 15% over the next two Budgets: by 7.5% in Budget 2020 and a further 7.5% in Budget 2021.

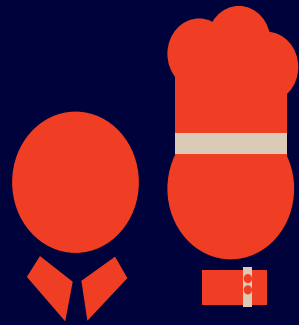
In rural Ireland in particular, where economic opportunity is greatly restricted relative to Dublin, drinks and hospitality businesses, like pubs, restaurants, off-licences and hotels, provide essential jobs and community services. Less money spent paying excise tax means more opportunities for local businesses to hire additional staff or increase hours for their existing employees. It also means that, over the long term, money can be invested in business refurbishments and innovations, creating further room for local growth. Additionally, a reduction in our high excise tax rates will bring us closer in line with our EU neighbours, meaning we are more competitive in the face of a no-deal Brexit.



**Rosemary Garth**

Chair of DIGI and Director of Communications and Corporate Affairs at Irish Distillers

## Key Findings



Drinks and hospitality businesses employ **7.6%** of all Irish workers in **175,000 jobs**.



Between Q1 2012 and Q1 2019, drinks and hospitality jobs accounted for **12.3%** of Ireland's total employment increase.



Most of this drinks and hospitality growth has come from increased employment in food and beverage serving.



**90,000** direct and indirect jobs are created by the drinks industry.



Almost **70%** of all **5,876** drinks manufacturing jobs in Ireland are located outside of Dublin.

## Key Findings

### Background

The objective of this report is to examine the structure and performance of employment in the drinks and hospitality sector.

There are different definitions of what constitutes the tourism, hospitality and drinks sectors. The primary approach in the report is to use the CSO "accommodation and food and beverages service activities" (AFS) classification. This is the classification for which most data are available. There are several CSO sources of employment data for the drinks and hospitality sectors, but they do not produce the same estimates.

### Main conclusions

The hospitality and wider tourism sector, of which the drinks industry is an integral component, contributes a very large share of employment. Ireland's tourism employment as a share of total employment is the fourth highest in the EU. In the past few years, hospitality employment has grown faster than total employment and its share of total employment has increased.

In six of the seven non-Dublin regions, growth in hospitality employment has exceeded growth in total regional employment. The national share of hospitality employment is 7.6%. The regional shares range from 6.2% to 9.7%.

The hospitality sector has a high proportion of female workers, part-time workers, elementary skilled workers; average hourly earnings are lower than in other sectors. The hospitality sector fills a significant role in the labour market in providing opportunities for economically less advantaged socio-demographic groups or regions. Other parts of the wider tourism-related employment have higher labour earnings and high skill levels.

Dublin has 30.1% of AFS employment. Dublin has 52.6% of all information and communications employment, 52.2% of all finance, insurance and real estate employment, and 42.0% of all employment in professional, scientific and technical activities.

### Large role of Irish tourism employment compared to other EU countries

The role of tourism-related employment in Ireland is relatively high compared to other EU countries.

Measured as share of employment in the non-financial business sector in 2016, Ireland's tourism sector share of 13.3% [including activities in addition to hotels, restaurants and bars] was the fourth highest in the EU after Greece [23.9%], Cyprus [20.3%], and Malta [15.3%]. Spain's tourism share of employment was 12.3% and Portugal's was 11.3%. The UK share was 11.6%. The EU average share was 9.4%.

### Summary of national employment performance

- AFS employment accounts for 7.6% of total employment or 7.6 out of every 100 jobs in Q1 2019 compared with 6% in 2011. The AFS Q1 2019 share is the same as Q1 2018.
- The AFS sector provides 175,000 jobs [in Q1 2019].
- AFS employment increased each year since 2011 and total employment increased each year from Q1 2012.
- Over the past seven years, AFS employment growth exceeded total employment growth. AFS employment increased by 44.5% between Q1 2012 and Q1 2019 compared to an increase of 23.5% in total employment.
- Between Q1 2012 and Q1 2019, AFS accounted for 12.3% of the total employment increase.
- The female share of AFS employment is 55.2% compared to 46.2% for total employment and 54.3% for services employment.
- AFS provides 9.1% of all female employment and 6.3% of all male employment.



- The non-national AFS employment share is 30.1% compared with 16.3% for total employment.
- 40.9% of AFS employment is part-time compared to 20.5% for total employment.
- Full-time jobs in AFS increased by 48.9% between 2012 and 2019 compared to 28.7% in total employment.
- There is a wider tourism category than AFS. On previous ratios it could be 1.5 times the AFS level. This would translate into a wider tourism employment of 262.5. The Irish Tourism Industry Confederation (ITIC) estimates this wider measure of tourism to employ 265k persons.
- Bars and restaurants [and other food/beverage services] account for 69.5% of the total AFS employment and hotels and other accommodation accounts for 30.5%.
- Over the full 2011-2019 period, food and beverage services employment grew by 57.4% compared to accommodation employment growth of 48.9%.
- Since 2015 the food and beverages services employment increased by 39.2% while accommodation decreased by 1.1%. In recent years, the growth in AFS employment has come from food and beverages serving.
- Food serving provided 79.2k jobs in 2016 compared to 41.3k jobs in beverage serving. Accommodation provided 59.3k jobs according to the ASI source.
- The shares of total AFS employment according to the ASI for 2016 are food serving enterprises, 44.1% [these are mainly restaurants; public houses are a major provider of food but these are included in the beverage serving classification], accommodation [mainly hotels], 33.0%, and beverage serving [mainly public houses], 23.0%.

### Summary of regional performance

- Hospitality employment, defined as AFS, as a % of regional total employment ranges from 9.7% in the Border region to 6.2% in the Mid-East. The State share is 7.6%.
- The Dublin share of 7.5% is almost the same as the State figure of 7.6%. Dublin's AFS share of total regional employment is higher than three other regions.
- At the State level, AFS accounts for 9.1% of all female jobs. The shares in the eight regions range from 7.0% [Mid-East] to 14.5% in the Border region.
- Three of the eight regions have AFS shares of regional female employment that are above 10%.
- The rest of the country [excluding Dublin] has 69.4% of the total employment and an almost similar figure of 69.9% of the AFS employment.
- Dublin has 30.6% of total employment and 30.1% of AFS employment.
- AFS contributes more to female regional employment than it does to male regional employment. 68.8% of all female employment is in the rest of the country but 71.6% of AFS female employment is in the rest of the country.
- The rest of the country has 69.9% of total male employment and 68.0% of AFS male employment.
- Of the eight regions, seven had higher growth in AFS employment than in regional total employment between 2012 and 2019. The exception was the West where AFS employment increased by 14.4% and total regional employment increased by 21.6%.
- The AFS performance contributed to regional development in that AFS growth exceeded total and other sector regional employment growth. However, Dublin performed better than the rest of the country between 2012 and 2019 with an AFS employment growth of 66.5% compared to 36.8% in the rest of the country.
- A degree of caution should be attached to interpretation of short-term changes in regional totals as reported in the Labour Force Survey [LFS] because some of the reported annual changes are difficult to explain.
- The 2016 Census of Population reported the percent shares of national employment in the rest of the country: hotel and similar accommodation, 78%; other accommodation, 80%; restaurants, 66%; events catering, 59%; and bars, 73%. The total employment rest of country share was 69.4%.
- Dublin has 30.6% of total employment and 30.1% of AFS employment. However, Dublin is overrepresented relative to its national total employment share in the high-skill sectors. Dublin has 52.6% of all information and communications employment, 52.2% of all finance, insurance and real estate employment, and 42.0% of all employment in professional, scientific and technical activities.

### Summary of county employment performance

- Based on the Census of Population data, the national AFS share of employment is 5.8%. The LFS equivalent figure for Q1 2016 is 7.3%.
- The range of Census of Population county AFS shares is 4.1% [Longford] to 10.5% [Kerry]. Sixteen counties are below the national average of 5.8%. One county is on 5.8% [Wicklow]. Nine counties have shares above 5.8%.
- These nine are Clare, Donegal, Galway, Kerry, Kilkenny, Leitrim, Sligo, Waterford and Wexford. Of these nine six are part of the Atlantic Way tourism region. The other three are in the Ancient East region.

### Summary of employment in the drinks industry

- For the purposes of this report, the drinks sector includes, in addition to public houses and other bars, the manufacturing sector, the substantial off-licence sector with almost 2,000 full off-licences, as well as many more wine off-licences, full- and wine-licensed restaurants, wholesalers, and other distributors and drinks-related visitor attractions.
- The broader drinks sector directly employs about 64k persons in both part-time and full-time jobs. When direct, indirect and multiplier-related employment is included, a total of about 90k jobs are associated with the drinks industry.
- The 2016 Census of Population reported a beverages manufacturing total of 5,876 persons. Dublin accounted for 1,786 of these, or 30.4%, with 4,090, or 69.6%, located in the rest of the country. Cork had 1,183 manufacturing jobs in beverages. Five other counties each had beverages manufacturing employments of above 200 persons.

### Summary of comparison to other sectors

- AFS employment had the second-highest rate of employment increase of the 14 sectors of total employment between Q1 2011 and Q1 2019. Its growth of 54.7% was below the construction growth of 62.5%.
- Administrative and support services employment increased by 41.4% and information and communications grew by 39.5%. All other sectors had increases of less than 30%.
- Between Q1 2011 and Q1 2019, full-time jobs in AFS increased by 61.7%. This was the second-largest increase of the 14 sectors.
- AFS was behind construction, which had an increase of 72.4% in full-time jobs.

### Summary of earnings and occupations

- The AFS sector has relatively low average labour earnings compared to other sectors. This arises from the nature of the skills mix and production systems in the sector.
- Other tourism-related sectors such as airports and air transport have relatively high average earnings and also have high skill levels.
- The AFS average hourly wage for Q1 2019 is €13.31 compared with the highest rate of €36.58 in financial and insurance activities.
- The AFS wage is the lowest of the sectors listed in the report. The next lowest three sectors after AFS are "other service activities" [€16.60], "administrative and support service activities" [€19.20] and "wholesale/retail, motor repair" [€19.77]. All other sectors are higher than €20. Three sectors are above €30 per hour.
- CSO data from the 2015 ASI show the much higher earnings level in non-hospitality "tourism"-related sectors compared to, for example, hotel accommodation. Annual labour earnings in hotels were €18.7k in 2015, while earnings in water transport were €35.4k, air transport was €71.6k, and travel agency/reservations average earnings were €33.4k.
- Average earnings in drinks manufacturing is relatively high in comparison to total manufacturing and to individual sectors in manufacturing.
- Average wages and salaries per person engaged in drinks manufacturing was €53.4k compared to €44.8k in manufacturing as a whole, according to the latest 2014 CSO data.



- Elementary occupations were 53.7% of total in AFS compared to 10.9% in total national employment. Managers, directors and senior officials were 8.0% of total national employment and 11.8% of AFS employment. Skilled trades were 14% of total employment compared to 20.7% in AFS. Administrative and secretarial workers were 9.9% of total employment and 4.5% of AFS employment.
- The wholesale/retail sector had a 25.9% proportion of employees on the minimum wage or less. This was the highest proportion but was closely followed by AFS, where 24.7% of employees were on the minimum wage or less. These two sectors are substantially higher than the rest of the sectors.
- Professional/associate professional/technical occupations are a very small proportion of AFS employment compared to overall national employment.

## 1. Objective and introduction

The objective of this report is to examine the structure and performance of employment in the drinks and hospitality sector. It updates and develops a 2018 DIGI [Drinks Industry Group of Ireland] report on the same topic.

At time of writing the latest employment data refer to Q1 2019. There are different definitions of the drinks, hospitality and tourism sectors that lead to different measures of the employment contribution of the sector. This report clarifies the differences between the sectoral classifications and this issue is discussed more fully in Appendix 1.

The report deals with the direct employment in the sector, such as the jobs directly created in pubs, hotels, restaurants and other enterprises. A sector can also generate indirect and multiplier jobs through the purchase of inputs and the employment impact of the spending generated by the wages and salaries of the direct jobs.

This report focuses on the direct employment generated by the drinks and hospitality sector. It should also be noted that other sectors could claim part of the hospitality and drinks employment as indirect and multiplier employment generated by these other sectors. For example, direct employment in the food processing or information technology sectors generates employment in a sector such as drinks and hospitality through the spending of the earnings generated by the food processing or information technology sectors.

There are other labour market and employment contribution indicators apart from employment or number of jobs, such as wages/salaries and occupations. Earnings are briefly considered in the report, and the limited sectoral occupational data are also examined. However, the primary focus is on the direct contribution of the sector to jobs at the national and regional levels.

Section 2 of the report briefly deals with classification of the drinks, tourism and hospitality sector and the sources of employment data. These methodology issues are covered more fully in Appendix 1. Section 3 gives a summary of the economic background of the hospitality and drinks sector covering consumption, consumers, enterprises and exports from which the employment derives. Sections 4 to 7 deal with the sector's employment contribution at the national and sub-national levels. Section 8 compares the hospitality employment performance to other sectors. Section 9 deals with earnings and occupations. Conclusions are presented in Section 10.

The role of tourism-related employment in Ireland is relatively high compared to other EU countries. [Eurostat Statistics Explained, Online publications, "Tourism industries-employment", 2019]. Tourism is defined in the following calculation in its broad interpretation of accommodation and food services plus other activities, such as air and sea passenger transport, car hire, renting and leasing of sports and recreational goods, and travel agencies and tour operators.

Measured as share of employment in the non-financial business sector in 2016, Ireland's tourism sector share of 13.3% was fourth highest in the EU after Greece [23.9%], Cyprus [20.3%], and Malta [15.3%]. Spain's tourism share of employment was 12.3% and Portugal's was 11.3%. The UK share was 11.6%. The EU average share was 9.4%.

Failte Ireland estimates that in 2018 international visitors' distribution of expenditure in Ireland was 30% bed and board, 36% other food and drink [which probably includes retail food and off-licence drink as well as meals out], 6% sightseeing and entertainment, 14% internal transport, 13% shopping and 1% miscellaneous. While hospitality is the dominant share at up to 66%, other expenditure is substantial. Overseas visitors spent a total of €5.2089 billion in Ireland and carrier receipts were €1.725 billion which indicates a large volume of carrier activity and associated employment. In 2018 there were 9.580 million overseas visitors. Domestic tourist expenditure is in addition to the overseas visitor expenditure.



## 2. Classification of sector and data sources

The drinks industry is deeply integrated within the wider hospitality sector but also includes activities that are not included in the official measures of the drinks and hospitality sector.

Public houses and other bars are included in the statistical classification of accommodation and hospitality, which is broadly regarded as the hospitality sector. Hotels are also included in the sector, as are restaurants.

Alcohol sales are a substantial part of sales in both activities. The 2018 Crowe Ireland Annual Hotel Industry Survey reports that alcohol sales were 17.4% of total hotel revenue in 2017. The alcohol shares ranged from 14.1% in Dublin hotels to 21.2% in the Midlands and East.

While tourists avail of the services of the hospitality sector, the sector also provide day-to-day services to local people in the course of their normal life, such as lunches while working. The food services sector also includes activities, such as work canteens, which would not be considered part of the hospitality sector. Therefore, the hospitality sector's total employment is not related to tourism whether domestic or international.

The drinks industry as defined by DIGI covers several activities that are not included in hospitality/accommodation and food services, such as manufacturing, off-licences, wholesalers/distributors, and drinks-themed visitor centres.

Hospitality activities as measured in NACE 55 and 56 [accommodation and services] exclude several other tourist related activities, such as:

- Travel agencies and other reservation services etc.
- Water passenger transport services
- Transport equipment rental services
- Road passenger transport services
- Railway passenger transport services
- Sport and recreation activities
- Cultural activities
- Air passenger transport services

While these are not “hospitality” activities, they are relevant to the report because tourism-related jobs in these activities are directly related to the tourism activity which generates jobs in the accommodation and food/beverage serving activities. As shown in the report, accommodation and food/beverage serving activities are characterised by low skills levels and low wages, but the other tourism-related activities generate much higher wages and higher skills.

As shown in the report, there are incomplete statistics on the different hospitality/drinks/tourism activities of relevance to the report. Sometimes, there are different sources for the same activity and these sources give different estimates of the employment in the particular sectors. The primary approach in the report is to use the statistics available for the NACE classification of accommodation and food and beverage services. The most up to date [Q1 2019] source for this data is the CSO LFS.

The report uses the unadjusted [for seasonality] data series because details such as regional breakdown, full-time/part-time and occupations are not published on a seasonally corrected basis. We also use the Q1 2019 data, which is the latest available, but employment in accommodation and food/beverages services is generally highest in the summer months. The seasonally adjusted Q1 2019 total accommodation and food/beverage services employment is 177.5k persons while the unadjusted figure is 175k.

## 3. Economic background to the hospitality and drinks sector

The alcohol market is large. The total personal consumption of alcohol [including on- and off-licence consumption] in 2018 was €7,569 million at current market prices, which was 7.1% of total personal consumption on goods and services.

The alcohol total of €7,569 million compares with €7,806 million expenditure on food [excluding meals out], €3,706 million on clothing and footwear, and €2,488 million on durable household goods. According to the CSO, the alcohol market in monetary terms is divided into 25.2% in off-licences and 74.8% in on-licensed premises.

The VAT and excise in the alcohol market expenditure is approximately €2,622 million, or 34.6% of the overall expenditure. This is comprised of €1,240 million in excise and an estimated €1,382 million in VAT.

Alcohol is consumed by a very large majority of the population. The 2015 Irish Health Survey reported that 81% of people above the age of 15 years consume alcohol. The figure for males is 83% and for females it is 79%. The 81% represents 3.117 million consumers.

The export and trade contribution of the beverages sector is shown below:

- Exports of €1.435 billion in 2018 based on CSO data [€1.482 billion when based on Bord Bia data]
- Trade surplus in beverages of €587 million in 2018
- Beverages exports are 1.69 times imports
- High domestic content in alcohol exports
- Substantial potential to increase alcohol exports and to diversify markets
- Global growth of Irish whiskey sales has been excellent in recent years
- 65% of Irish beer market supplied domestically
- About one third of Irish spirits market supplied domestically
- Over 80% of Irish cider market supplied domestically

There are thousands of enterprises involved in the drinks industry as defined by DIGI. These include public houses and other bars, off-licences, manufacturers, wholesalers, importers, licensed restaurants, and visitor centres. The Revenue Commissioners' alcohol licence data illustrate the large number of enterprises in the sector. An enterprise may have more than one licence.

As of 2018 there were:

- 93 brewing licences
- 45 distilling licences
- 17 cider manufacturing licences
- 27 rectifier and compounding licences
- 964 dealer licences
- 8,142 publican and other bar licences
- 2,329 wine on-licences [restaurants]
- 1,977 spirits off-licences
- 476 special restaurant licences
- 3,412 wine off-licences [including about 2,000 wine off-licences that also have spirits and beer licences]



## 4. National employment performance and structure

The national employment performance of the accommodation and food services [AFS] sector is outlined in Table 4.1.

This table presents the AFS employment and the total employment performance from Q1 2007 to the latest available period of Q1 2019. The data is from the non-seasonally corrected series. AFS employment provides 7.6% of total jobs in Q1 2019. This compares with 6.0% at its lowest share in 2011 and 6.5% in 2007. The AFS share of total employment increased in 2016, 2017 and 2018. The 2019 share was unchanged from 2018.

**Table 4.1 Person aged 15 years and over in Employment by NACE Rev 2 Economic Sector, Q1 2007 to 2019, thousand**

Accommodation and food service activities													
	2007 Q1	2008 Q1	2009 Q1	2010 Q1	2011 Q1	2012 Q1	2013 Q1	2014 Q1	2015 Q1	2016 Q1	2017 Q1	2018 Q1	2019 Q1
Employment	142.1	139.8	129.0	135.1	113.1	121.1	125.7	140.2	141.3	152.6	161.2	169.6	175.0
Total													
Employment	2,186.9	2,219.5	2,054.1	1,936.0	1,880.4	1,863.2	1,892.0	1,950.7	2,014.4	2,080.8	2,158.4	2,220.5	2301.9
AFS share of total	6.5	6.3	6.3	7.0	6.0	6.5	6.6	7.2	7.0	7.3	7.5	7.6	7.6

Source: Labour Force Survey, Database, CSO

Of the quarters shown, total national employment declined each year from Q1 2008 to Q1 2012. The Q1 2012 total employment level was 1.8632 million, which was 356.3k jobs or 16.1% less than the Q1 2008 level of 2.2195 million. After 2012, total employment increased each year to reach 2.2301 million in Q1 2019, which surpassed the pre-collapse peak level of Q1 2008.

AFS employment followed a slightly different pattern. Of the quarters shown, it peaked in 2007, declined in 2008 and 2009, increased in 2010, and declined in 2011. From 2011 there was an increase each year up to 2019. 2019 is the eighth consecutive year in which employment in AFS increased. The Q1 2019 AFS employment level is substantially greater than the pre-economic collapse level. The Q1 2019 AFS employment is 23.2% higher than Q1 2007. Total employment in Q1 2019 is 3.7% higher than the level of Q1 2008.

Between Q1 2011 and 2019, AFS employment increased by 54.7% and national employment

increased by 22.4%. Between Q1 2012 and Q1 2019, AFS employment increased by 44.5% compared to the total employment increase of 23.5%.

Between Q1 2012 and Q1 2019, AFS accounted for 12.3% of the total employment increase. AFS employment increased by more than total employment in both the recovery period and in the period since the economic collapse. This is illustrated by the increase in share of AFS employment in total. It was 6.5% in Q1 2007 and 7.6% in 2018 and 2019. Since Q1 2017 the AFS share has remained almost constant: 7.5% in 2017, 7.6% in 2018, and 7.6% in 2019.

Table 4.2 presents details of the male/female structure of the AFS sector

**Table 4.2 Persons aged 15 years and over, female and male, in employment (thousand) by quarter, and NACE Rev 2 economic sector, Q1 2019**

Q1 2019						
	Total	Agriculture, forestry and fishing [A]	Industry [B to E]	Construction [F]	Services [G to U]	Accommodation and food services activities [I]
<b>Total</b>	2301.9	103.8	287.7	144.6	1,759.1	175.0
<b>Male</b>	1237.5	91.3	204.7	133.6	803.9	78.4
<b>Female</b>	1064.4	12.4	83.0	11.1	955.2	96.6
<b>Female %</b>	46.2	11.9	28.8	7.7	54.3	55.2

Source: CSO, Labour Force Survey

The female share of total employment is 46.2%. The services sector has a 54.3% female share while industry and construction have low female shares of 28.8% and 7.7% respectively. The female share of agricultural, forestry and fishing employment is 11.9%. Females are the majority of workers in AFS with a share of 55.2%.

AFS provides 9.1% of all female employment and 6.3% of all male employment.

The nationality structure of the AFS sector is shown in Table 4.3. There were 52.7k non-Irish workers in AFS in Q1 2019, which was 30.1% of the total AFS employment. This compared with 16.3% for total employment. The AFS sector is more dependent on non-national labour than the economy as a whole but between 2012 and 2019 the share has remained almost the same. In Q1 2012 the AFS non-Irish employment share was 31.5% and in total employment the share was 14.7%. Between Q1 2012 and Q1 2019, AFS Irish national employment grew by 47.5% and AFS non-national employment grew by 38.0%. The corresponding changes for total employment were Irish 21.1% and non-national 37.4%.

**Table 4.3 Persons aged 15 years and over in employment (thousand) by NACE Rev 2 economic sector, nationality and quarter**

Accommodation and food service activities [I]		
	Q1 2012	Q1 2019
Irish	82.9	122.3
Non-Irish	38.2	52.7
All nationalities	121.1	175.0
Non-Irish share %	31.5	30.1
All NACE economic sectors		
Irish	1590.2	1,926.6
Non-Irish	273.1	375.3
All nationalities	1863.2	2,301.9
Non-Irish share %	14.7	16.3

Source: CSO, Labour Force Survey



The full-time/part-time feature of employment is shown in Table 4.4. This is an important aspect of labour market impact. The part-time share of total employment was 20.5% in Q1 2019.

The AFS sector is much more part-time intensive with a share of 40.9%. The part-time share of AFS employment in Q1 2012 at 42.6% was a little higher than in 2019, 40.9%. The total employment part-time share was also a little larger in 2012 than in 2019 [23.7% vs 20.5%].

Over the period, in total employment part-time jobs increased by 7.0% and full-time jobs increased by 28.7%. In AFS, part-time jobs increased by 38.6% and full-time jobs increased by 48.9%.

**Table 4.4 Persons aged 15 years and over in employment (ILO) (thousand) by full-and part-time status, quarter and NACE Rev 2 economic sector**

All NACE economic sectors		
	Q1 2012	Q1 2019
Full-time	1,421.1	1,828.9
Part-time	442.2	473.0
All employment status	1,863.2	2,301.9
Part-time share %	23.7	20.5
Accommodation and food service activities (I)		
Full-time	69.5	103.5
Part-time	51.6	71.5
All employment status	121.1	175.0
Part-time share %	42.6	40.9

Source: CSO, Labour Force Survey

As noted above, there is a wider tourism category than AFS. As already noted, international tourists who stay in hotels, eat in restaurants or drink in pubs have to travel to Ireland, which generates employment in airports, ports, air lines and ferry companies. These tourists also use car hire companies and travel agencies and tour operators. A portion of the employment in these sub-sectors depends directly on tourists.

International and domestic tourists also support employment in fee-charging visitor centres, as well as employment in general retail. Exact and accurate details on the wider category are not available but on previous ratios it could be 1.5 times the AFS level. This would translate into a wider tourism employment of 262.5k. On a more conservative 1.4 ratio, the larger sector would be 245k persons. As of July 2019, ITIC estimated this wider measure of tourism to employ 265k persons. Clearly there is a substantial difference between employment levels in the wider tourism category and the narrow AFS sector. There is also a substantial difference between the two classifications in skill levels and earnings as discussed in section 9.

The breakdown of AFS employment into accommodation and food and beverage services is outlined in Table 4.5 below. Food and beverage serving is restaurants and bars with a few other categories. Accommodation is hotels with a few other categories.

**Table 4.5 Persons aged 15 years and over in employment, AFS classified by accommodation and food and beverage services**

	Q1 2011	Q1 2012	Q1 2013	Q1 2014	Q1 2015	Q1 2016	Q1 2017	Q1 2018	Q1 2019	% Increase 2011 to 2019
Accommodation [55]	35.8	47.9	46.9	52.4	53.9	54.3	58.7	52.6	53.3	48.9
Food and beverage service activities [56]	77.3	73.3	78.8	87.8	87.4	98.4	102.5	117.0	121.7	57.4
AFS	113.1	121.1	125.7	140.2	141.3	152.6	161.2	169.6	175.0	54.7
Food and beverage share of AFS %	68.3	60.5	62.7	62.6	61.9	64.5	63.6	69.0	69.5	

Source: CSO, Labour Force Survey

Bars and restaurants [and other food/beverage services] account for 69.5% of the total AFS employment, and hotels and other accommodation account for 30.5%. This is similar to the breakdown of 2011, but between 2011 and 2012 the food and beverages services share declined to 60.5%. Since 2012, the food services share has increased to 2019 but not consistently each year. Since 2015, the food and beverages services employment increased by 39.2% while accommodation decreased by 1.1%.

In recent years, the growth in AFS employment has come from food and beverages serving. Accommodation employment peaked in 2017 while food and beverage services employment has continued to increase each year from 2015 to date [2019]. The accommodation employment performance as indicated by the LFS is a little surprising in the context of the increase in the number of hotels in very recent years. Over the full 2011-2019 period, food and beverage services employment grew by 57.4% compared to accommodation employment growth of 48.9%.

Apart from the Census of Population, the only source of employment information for the two sub-sectors within food and beverages services is the CSO's Annual Services Inquiry, the latest of which relates to 2016.

Details are presented in Table 4.6. Food serving activities employment greatly exceeds beverage services employment. Food serving provided 79.2k jobs in 2016 compared to 41.3k jobs in beverage serving. Accommodation provided 59.3k jobs according to the ASI source. Of the total AFS employment, food serving accounted for 44.1%, accommodation accounted for 33.0%, and beverage serving accounted for 23.0%.

**Table 4.6 Employment in accommodation, beverage serving activities and food serving activities, 2008-2016 (from Annual Services Inquiry)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	% share 2016
Accommodation [55]	56,365	50,511	47,383	48,149	49,045	50,676	52,473	55,945	59,262	33.0
Food and beverage service activities [56]	107,308	103,558	100,785	98,225	101,690	104,429	108,624	114,277	120,565	67.0
Beverage serving activities [563]	43,835	41,728	39,192	38,703	38,790	38,677	39,140	40,174	41,331	23.0
Food serving activities [56 less 563]	63,473	61,830	64,366	59,522	62,900	65,752	69,484	74,103	79,234	44.1

Source: CSO, Annual Services Inquiry

### Summary of national employment performance

- AFS employment accounts for 7.6% of total employment, or 7.6 out of every 100 jobs, in Q1 2019 compared to 6% in 2011. The AFS Q1 2019 share is the same as Q1 2018.
- The AFS sector provides 175.0k jobs [in Q1 2019].
- AFS employment has increased each year since 2011 and total employment has increased each year from Q1 2012.
- Over the past seven years, AFS employment growth exceeded total employment growth. AFS employment increased by 44.5% between Q1 2012 and Q1 2019 compared to an increase of 23.5% in total employment.
- Between Q1 2012 and Q1 2019, AFS accounted for 12.3% of the total employment increase.
- The female share of AFS employment is 55.2% compared to 46.2% for total employment and 54.3% for services employment.
- AFS provides 9.1% of all female employment and 6.3% of all male employment.
- The non-national AFS employment share is 30.1% compared with 16.3% for total employment.
- 40.9% of AFS employment is part-time compared to 20.5% for total employment.
- Full-time jobs in AFS increased by 48.9% between 2012 and 2019 compared to 28.7% in total employment.
- There is a wider tourism category than AFS. On previous ratios it could be 1.5 times the AFS level. This would translate into a wider tourism employment of 262.5. ITIC estimates this wider measure of tourism to employ 265k persons.
- Bars and restaurants [and other food/beverage services] account for 69.5% of the total AFS employment and hotels and other accommodation account for 30.5%.
- Over the full 2011-2019 period, food and beverage services employment grew by 57.4% compared to accommodation employment growth of 48.9%.
- Since 2015, the food and beverages services employment increased by 39.2% while accommodation decreased by 1.1%. In recent years, the growth in AFS employment has come from food and beverages serving.
- Food serving provided 79.2k jobs in 2016 compared to 41.3k jobs in beverage serving. Accommodation provided 59.3k jobs according to the ASI source.
- The shares of total AFS employment according to the ASI for 2016 are food serving enterprises, 44.1% [these are mainly restaurants; public houses are a major provider of food but these are included in the beverage serving classification], accommodation [mainly hotels], 33.0%, and beverage serving [mainly public houses], 23.0%.

## 5. Regional employment performance

Hospitality employment, defined as AFS, as a % of regional total employment ranges from 9.7% in the Border region to 6.2% in the Mid-East [Table 5.1].

In absolute terms the level ranges from 8,700 jobs in the Midlands to 52,600 in the Dublin region. The Dublin share is slightly lower than the State figure at 7.5%. Dublin's AFS share of total regional employment is the joint third highest of the eight regions in the State. The regions with AFS shares above the national share of 7.6% are Border, 9.7%, South-West 8.8% and Mid-West 8.1%.

**Table 5.1 Persons aged 15 years and over in employment (thousand) by quarter, NACE Rev 2 economic sector and region**

	State	Border	West	Mid-West	South-East	South-West	Dublin	Mid-East	Midland
<b>Q1 2019</b>									
Both sexes									
Accommodation and food service activities [I]	175.0	17.8	14.3	17.4	14.1	29.1	52.6	21.0	8.7
Total employment	2,301.9	182.9	213.6	215.8	187.5	329.2	704.9	341.3	126.7
AFS share of regional total %	7.6	9.7	6.7	8.1	7.5	8.8	7.5	6.2	6.9

Source: CSO, Labour Force Survey

AFS is more significant for female employment in the regions than for total employment [Table 5.2]. At the State level, AFS accounts for 9.1% all female jobs. The shares in the eight regions range from 7.0% [Mid-East] to 14.5% in the Border region.

Three [Border, Mid-West and South-West] of the eight regions have AFS shares of female employment which are 10% or higher.

**Table 5.2 Female persons aged 15 years and over in employment (thousand) by quarter, NACE Rev 2 economic sector and region**

	State	Border	West	Mid-West	South-East	South-West	Dublin	Mid-East	Midland
<b>Q1 2019</b>									
Female									
Accommodation and food service activities [I]	96.6	11.9	7.4	10.4	7.2	16.2	27.4	11.1	5.1
ALL NACE economic sectors	1,064.4	81.9	99.0	97.7	86.5	155.0	332.3	157.9	54.0
AFS share %	9.1	14.5	7.5	10.6	8.3	10.5	8.2	7.0	9.4

Source: CSO, Labour Force Survey





The Dublin employment distribution, relative to the rest of the country, is outlined in Table 5.3.

**Table 5.3 Dublin compared to rest of country in total and AFS employment, Q1 2019**

	Dublin	Rest of country	Total	Rest of country share %
Total employment	704.9	1597.0	2301.9	69.4
AFS employment	52.6	122.4	175.0	69.9
Total female employment	332.3	732.1	1064.4	68.8
AFS female employment	27.4	69.2	96.6	71.6
Total male employment	372.6	864.9	1237.5	69.9
AFS male employment	25.1	53.3	78.4	68.0

Source: CSO, Labour Force Survey

The rest of the country [state excluding Dublin] has 69.4% of the total employment and 69.9% of the AFS employment. AFS employment is only slightly less concentrated in Dublin than total employment.

While this may appear surprising, given much of the regional focus on tourism, it reflects several factors. AFS refers to activities in addition to tourism such as work canteens and “normal everyday meal out” spending. The latter would reflect internal regional income levels and populations. A very large proportion of international tourists spend time in Dublin. Dublin has a substantial concentration of tourism facilities.

There is an interesting difference between males and females. AFS contributes more to female regional employment than it does to male employment. 68.8% of all female employment is in the rest of the country but 71.6% of AFS female employment is in the rest of the country. The rest of the country has 69.9% of total male employment and 68.0% of AFS male employment.

The contribution of AFS employment growth to regional development in the 2012 to 2019 period [Table 5.4] is now examined.

**Table 5.4 Persons aged 15 years and over in employment (thousand) by region, quarter and NACE Rev 2 economic sector Q1 2012-Q1 2019**

	Accommodation and food service activities (I)	All NACE economic sectors
<b>State Q1 2012</b>		
Both sexes	121.1	1,863.2
<b>Q1 2019</b>		
Both sexes	175.0	2,301.9
% change	44.5	23.5
<b>Border Q1 2012</b>		
Both sexes	9.6	145.1
<b>Q1 2019</b>		
Both sexes	17.8	182.9
% change	85.4	26.1

<b>West Q1 2012</b>		
Both sexes	12.5	175.6
<b>Q1 2019</b>		
Both sexes	14.3	213.6
% change	14.4	21.6
<b>Mid-West Q1 2012</b>		
Both sexes	12.4	188.9
<b>Q1 2019</b>		
Both sexes	17.4	215.8
% change	40.3	14.2
<b>South-East Q1 2012</b>		
Both sexes	10.3	153.4
<b>Q1 2019</b>		
Both sexes	14.1	187.5
% change	36.9	22.2
<b>South-West Q1 2012</b>		
Both sexes	23.0	276.2
<b>Q1 2019</b>		
Both sexes	29.1	329.2
% change	26.5	19.2
<b>Dublin Q1 2012</b>		
Both sexes	31.6	543.5
<b>Q1 2019</b>		
Both sexes	52.6	704.9
% change	66.5	29.7
<b>Mid-East Q1 2012</b>		
Both sexes	15.6	281.9
<b>Q1 2019</b>		
Both sexes	21.0	341.3
% change	34.6	21.1
<b>Midland Q1 2012</b>		
Both sexes	6.2	98.6
<b>Q1 2019</b>		
Both sexes	8.7	126.7
% change	40.3	28.5

Source: CSO, Labour Force Survey.

Seven of the eight regions had higher growth in AFS employment than in regional total employment over the 2012-2019 period. The exception was the West with an AFS employment growth of 14.4% compared to a total regional employment growth of 21.6%. The range of regional AFS employment growth rates was 14.4% [West] to 85.4% [Border].

The AFS performance contributed to regional development in that AFS employment growth exceeded total employment growth in seven of the eight regions. However, Dublin performed better than six of the other seven regions with an AFS growth of 66.5% compared to 85.4% in the Border and 40.3% in the third-highest regions of Mid-West and Midland.

A degree of caution should be attached to interpretation of short-term changes in regional totals as reported in the LFS. The LFS regional totals are shown in Table 5.5 for Q1 of each year from 2012 to 2019.

Unusual annual changes are apparent in several cases. For example, Border AFS employment increases greatly in 2017, drops by a very large 29% between 2017 and 2018, then increases greatly in 2019. The scale of the 2017 decline, despite possible Brexit effects, is difficult to rationalise.

The West's AFS employment declined greatly in 2015, increased greatly in 2016 and grew very substantially in each of 2017 and 2018. However, the West's Q1 2019 employment declined greatly compared with 2018. South-East employment increased greatly in 2014. South-West employment, between 2012 and 2018, grew by only 6.5% but between 2018 and 2019 it increased by 18.8%. Dublin's AFS employment greatly increased in 2014, declined in 2017 and greatly increased in 2018. Midland employment increased greatly in 2018.

**Table 5.5 Persons aged 15 years and over in AFS employment (thousand) by NACE Rev 2 economic sector, region and Q1 2012 to Q1 2019**

<b>Accommodation and food service activities (I)</b>								
<b>Both sexes</b>								
	<b>Q1 2012</b>	<b>Q1 2013</b>	<b>Q1 2014</b>	<b>Q1 2015</b>	<b>Q1 2016</b>	<b>Q1 2017</b>	<b>Q1 2018</b>	<b>Q1 2019</b>
State	121.1	125.7	140.2	141.3	152.6	161.2	169.6	175.0
Border	9.6	9.4	11.4	13.4	14.2	17.6	12.5	17.8
West	12.5	12.4	12.6	9.0	11.6	16.2	19.8	14.3
Mid-West	12.4	12.5	12.9	11.3	13.9	16.4	16.4	17.4
South-East	10.3	9.5	12.2	12.6	11.5	13.8	13.9	14.1
South-West	23.0	21.0	20.9	23.7	22.2	24.8	24.5	29.1
Dublin	31.6	36.1	45.8	46.1	51.6	47.3	54.4	52.6
Mid-East	15.6	19.0	18.1	19.7	22.1	18.3	19.9	21.0
Midland	6.2	6.0	6.3	5.6	5.4	6.7	8.4	8.7

Source: CSO, Labour Force Survey

The 2016 Census of Population reported the following regional employment distribution for some of the sub-sectors within AFS. This refers to the lower AFS Census total compared to the LFS. The indicator refers to percent of total AFS sub-sector in the rest of the country (country excluding Dublin); hotel and similar accommodation, 78%; other accommodation, 80%; restaurants, 66%; events and catering, 59%; and bars, 73%. The total employment rest of country share was 69.4%.

The Dublin versus the rest of the country shares of employment for a range of sectors are shown in Table 5.6.

**Table 5.6 Persons aged 15 years and over in employment (thousand) by NACE Rev 2 economic sector, Dublin and national, Q1 2019**

	<b>State</b>	<b>Dublin</b>	<b>Dublin as % of country</b>
<b>Agriculture, forestry and fishing (A)</b>			
Both sexes	103.8	..	0
<b>Industry (B to E)</b>			
Both sexes	287.7	49.6	17.2
<b>Construction (F)</b>			
Both sexes	144.6	35.6	24.6
<b>Wholesale and retail trade, repair of motor vehicles and motorcycles (G)</b>			
Both sexes	304.7	91.6	30.1
<b>Transportation and storage (H)</b>			
Both sexes	105.8	40.1	37.9
<b>Accommodation and food service activities (I)</b>			
Both sexes	175.0	52.6	30.1
<b>Information and communication (J)</b>			
Both sexes	118.0	62.1	52.6
<b>Financial, insurance and real estate activities (K,L)</b>			
Both sexes	111.0	57.9	52.2
<b>Professional, scientific and technical activities (M)</b>			
Both sexes	139.3	58.5	42.0
<b>Administrative and support service activities (N)</b>			
Both sexes	110.4	38.7	35.1
<b>Public administration and defence, compulsory social security (O)</b>			
Both sexes	110.8	38.2	34.5
<b>Education (P)</b>			
Both sexes	179.4	51.4	28.9
<b>Human health and social work activities (Q)</b>			
Both sexes	286.7	82.4	28.7
<b>Other NACE activities (R to U)</b>			
Both sexes	118.0	39.4	33.4
<b>All NACE economic sectors</b>			
Both sexes	2,301.9	704.9	30.6

Source: CSO, Labour Force Survey

As already noted, Dublin has 30.6% of total employment and 30.1% on AFS employment. However, Dublin is overrepresented relative to its national employment share in the high skill sectors. Dublin has 52.6% of all information and communications employment and 52.2% of all finance, insurance and real estate employment. Dublin has 42.0% of all employment in professional, scientific and technical activities. Dublin is also overrepresented to a smaller degree in transportation and storage, administration, public administration and "other" activities.

The rest of the country has a higher than average share in agriculture, industry, construction, wholesale and retail (small difference), accommodation and food services (small difference) education and health and social work.



### Summary of regional performance

- Hospitality employment, defined as AFS, as a % of regional total employment ranges from 9.7% in the Border region to 6.2% in the Mid-East. The State share is 7.6%.
- The Dublin share of 7.5% is almost the same as the State figure of 7.6%. Dublin's AFS share of total regional employment is higher than three other regions.
- At the State level AFS accounts for 9.1% of all female jobs. The shares in the eight regions range from 7.0% [Mid-East] to 14.5% in the Border region.
- Three of the eight regions have AFS shares of regional female employment that are above 10%.
- The rest of the country [country excluding Dublin] has 69.4% of the total employment and an almost similar figure of 69.9% of the AFS employment.
- Dublin has 30.6% of total employment and 30.1% of AFS employment.
- AFS contributes more to female regional employment than it does to male regional employment. 68.8% of all female employment is in the rest of the country but 71.6% of AFS female employment is in the rest of the country.
- The rest of the country has 69.9% of total male employment and 68.0% of AFS male employment.
- Of the eight regions, seven had higher growth in AFS employment than in regional total employment between 2012 and 2019. The exception was the West where AFS employment increased by 14.4% and total regional employment increased by 21.6%.
- The AFS performance contributed to regional development in that AFS growth exceeded total and other sector regional growth. However, Dublin performed better than the rest of the country between 2012 and 2019 with an AFS employment growth of 66.5% compared to 36.8% in the rest of the country.
- A degree of caution should be attached to interpretation of short-term changes in regional totals as reported in the LFS because some of the reported annual changes are difficult to explain.
- The 2016 Census of Population reported the percent shares of national employment in the rest of the country were: hotel and similar accommodation, 78%; other accommodation, 80%; restaurants, 66%; events catering, 59%; and bars, 73%. The rest of country's total employment share was 69.4%.
- As noted, Dublin has 30.6% of total employment and 30.1% of AFS employment. However, Dublin is overrepresented relative to its national share in the high skill sectors. Dublin has 52.6% of all information and communications employment, 52.2% of all finance, insurance and real estate employment, and 42.0% of all employment in professional, scientific and technical activities.

## 6. County employment performance

As discussed in Appendix 1, the earlier QNHS and the current LFS provide regional employment data but there are no county data. The only county source is the Census of Population information.

As noted in the discussion on sources, there is a very large difference between the LFS and the Census AFS employment totals. The LFS classification of employment is "persons who worked in the week before the survey for one hour or more for payment or profit, including work on the family farm or business and all persons who had a job but were not at work because of illness, holidays etc. in the week". The employment classification used for the CP is that of "Principal Economic Status". Consequently, a full-time university student who worked part-time would be included as employed in the LFS but not in the CP.

Nonetheless, it is useful to provide details of the CP county AFS employment. Table 6.1 shows the differences between the April 2016 Census of Population AFS regional totals and the Q1 2016 LFS. The differences are large and, unfortunately, vary between the regions.

**Table 6.1 Persons aged 15 years and over in employment (thousand) by NACE Rev 2 economic sector, region and quarter, accommodation and food service activities**

	Q1 2016	April 2016
	LFS	CENSUS OF POPULATION
State	152.6	116.9
Border	14.2	9.9
West	11.6	12.5
Mid-West	13.9	10.6
South-East	11.5	10.5
South-West	22.2	18.9
Dublin	51.6	34.0
Mid-East	22.1	14.5
Midland	5.4	5.7

Source: CSO, databases.

The LFS Q1 2016 national total of AFS employment is 30.5% higher than the Census total. The Border region LFS is 43% higher than the Census total. In the West, the LFS figure is less than the CP. The Mid-west LFS total is 31% higher than the CP total. The South-East is 9.5% higher. The South-West LFS total is 17.5% higher. The Dublin figure is 51.8% higher. Mid-East is 52.4%. The Midland's region LFS total is lower than the Census total.

The Census AFS county totals and shares of county total employment are shown below in Table 6.2. The 2016 Census AFS employment total is substantially less than the Q1 2016 LFS AFS employment figure.



**Table 6.2. County employment in AFS based on Census of Population, 2016**

	<b>Census employment AFS 2016</b>	<b>AFS share of county Employment %</b>
Carlow	1,203	5.5
Cavan	1,586	5.2
Clare	3,360	6.8
Cork	12,459	5.4
Donegal	4,602	7.9
Dublin	33,989	5.5
Galway	7,447	6.8
Kerry	6,450	10.5
Kildare	4,436	4.6
Kilkenny	2,575	6.2
Laois	1,711	5.1
Leitrim	825	6.5
Limerick	4,302	5.6
Longford	619	4.1
Louth	2,698	5.4
Mayo	2,889	5.6
Meath	3,893	4.7
Monaghan	1,129	4.4
Offaly	1,421	4.6
Roscommon	1,184	4.6
Sligo	1,731	6.7
Tipperary	2,921	4.6
Waterford	2,761	6.1
Westmeath	1,980	5.6
Wexford	3,924	6.8
Wicklow	3,451	5.8
<b>Total</b>	<b>116,918</b>	<b>5.8</b>

Source: CSO and own estimates

Two counties, Longford and Leitrim, each have less than 1,000 AFS jobs on the CP measure. Eight counties each have between 1,000 and 2,000 AFS jobs. Four counties each have more than 5,000 AFS jobs. The other 12 counties each have between 2,000 and 5,000 jobs.

Based on the Census of Population data, the national AFS share of employment is 5.8%. The LFS equivalent figure for Q1 2016 is 7.3%. Using the Census, national AFS share for comparisons we get the following situation.

The range of shares is 4.1% [Longford] to 10.5% [Kerry]. Sixteen counties are below the national average of 5.8%. One county is on 5.8% [Wicklow]. Nine counties have shares above 5.8%. These nine are Clare, Donegal, Galway, Kerry, Kilkenny, Leitrim, Sligo, Waterford, and Wexford. Of these nine six are part of the Atlantic Way tourism region. The other three are in the Ancient East region.

### Summary of county employment performance

- Based on the Census of Population data, the national AFS share of employment is 5.8%. The LFS equivalent figure for Q1 2016 is 7.3%.
- The range of Census of Population county AFS shares is 4.1% [Longford] to 10.5% [Kerry]. Sixteen counties are below the national average of 5.8%. One county is on 5.8% [Wicklow]. Nine counties have shares above 5.8%. These nine are Clare, Donegal, Galway, Kerry, Kilkenny, Leitrim, Sligo, Waterford and Wexford. Of these nine six are part of the Atlantic Way tourism region. The other three are in the Ancient East region.

## 7. Employment in the drinks industry

The largest source of employment in the drinks industry is the on-licensed trade of public houses and other bars. For the purposes of this report, the drinks sector includes, in addition to public houses and other bars, the manufacturing sector, the substantial off-licence sector with almost 2,000 full off-licences as well as many more wine off-licences, full and wine-licensed restaurants, wholesalers and other distributors, and drinks-related visitor attractions. Aggregate employment on drinks manufacturing is available from the LFS. County manufacturing employment is available from the Census of Population.

Other drinks sector activities include the substantial off-licence sector, with almost 2,000 full off-licences in the country, as well as many more wine off-licences, full- and wine-licensed restaurants, wholesalers and other distributors, and drinks-related visitor attractions. Unfortunately, there is very limited data available for employment in these activities.

The hospitality data reviewed in this report includes the bars element of the drinks industry but does not include the other elements.

Employment totals for beverage-serving activities [NACE 56.3] from the Annual Services Inquiry were referred to in Table 4.6. These are 38.8k persons in 2012, 38.7k in 2013, 39.1k in 2014, 40.2k in 2015 and 41.3k in 2016. The Census of Population reports a much smaller bars employment level.

Between 2016 and 2018, the volume of activity in bars has increased by only 2.3%. There also have been upward official revisions to previous employment estimates. This would suggest a bars employment of about 42k in 2018/2019.

Between drinks-related employment in hotels and employment other bars, licensed restaurants [drink related employment] wholesalers, off-licences and visitor attractions there is an estimated 16,000 jobs.

The average 2017 beverages manufacturing total from the LFS was 5.4k but this had increased to 6.7k for 2018 as a whole. The Q1 2019 beverages manufacturing level according to the LFS was 7.7k. Beverages manufacturing includes soft drinks as well as alcohol, so all of the 7.7k jobs do not belong to alcohol manufacturing.

On the basis of about 6k alcohol-related manufacturing jobs, the broader drinks sector directly employs about 64k persons in both part-time and full-time jobs. Including direct, indirect and multiplier-related employment generates a total of 90k jobs associated with the drinks industry.

Obviously, the AFS sector directly employs a much larger total of 175k persons as shown in this report than the 42k in bars or the 64k in bars, off-licences, alcohol-related employment in restaurants, manufacturing, wholesalers, and visitor centres.

The 2016 Census of Population reported a beverages manufacturing total of 5,876 persons compared to 5.1k as the average of quarters 1 and 2, 2016, in the LFS. Dublin accounted for 1,786 of these or 30.4% with 4090 or 69.6% located in the rest of the country. Cork had 1,183 manufacturing jobs in beverages. Five other counties each had beverages manufacturing employments of above 200 persons.



### Summary of employment in the drinks industry

- For the purposes of this report, the drinks industry includes, in addition to public houses and other bars, the manufacturing sector, the substantial off-licence sector, with almost 2,000 full off-licences, as well as many more wine off-licences, full- and wine-licensed restaurants, wholesalers and other distributors, and drinks-related visitor attractions.
- The broader drinks sector directly employs about 64k persons in both part-time and full-time jobs. This is composed of public houses/bars [42k], manufacturing [6k], and 16k in the other drinks activities. Including direct, indirect and multiplier-related employment generates a total of about 90k jobs associated with the drinks industry.
- The 2016 Census of Population reported a beverages manufacturing total of 5,876 persons. Dublin accounted for 1,786 of these or 30.4% with 4090 or 69.6% located in the rest of the country. Cork had 1,183 manufacturing jobs in beverages. Five other counties each had beverages manufacturing employments of above 200 persons.

## 8. Hospitality compared to other sectors

The hospitality/AFS employment performance between Q1 2011 and Q1 2019 is compared with the other 13 sectors into which total employment is classified.

AFS employment had the second-highest rate of employment increase of the 14 sectors. Its growth of 54.7% was below the construction growth of 62.5%. In third place was administrative and support services with 41.4% growth. In fourth place was information and communication with an increase of 39.5%. All other sectors had increases of less than 30%.

**Table 8.1 Person aged 15 years and over in employment (thousand) by NACE Rev 2 economic sector and Q1 2011 to Q1 2019**

	Q1 2011	Q1 2019	% change 2011 to 2019
Both sexes			
Agriculture, forestry and fishing [A]	107.5	103.8	-3.4
Industry [B to E]	238.9	287.7	20.4
Construction [F]	89.0	144.6	62.5
Wholesale and retail trade, repair of motor vehicles and motorcycles [G]	274.4	304.7	11.0
Transportation and storage [H]	87.7	105.8	20.6
Accommodation and food service activities [I]	113.1	175.0	54.7
Information and communication [J]	84.6	118.0	39.5
Financial, insurance and real estate activities [K,L]	101.2	111.0	9.7
Professional, scientific and technical activities [M]	110.1	139.3	26.5
Administrative and support service activities [N]	78.1	110.4	41.4
Public administration and defence, compulsory social security [O]	93.9	110.8	18.0
Education [P]	141.2	179.4	27.1
Human health and social work activities [Q]	248.0	286.7	15.6
Other NACE activities [R to U]	105.3	118.0	12.1
All NACE economic sectors	1,880.4	2,301.9	22.4

Source: CSO, Labour Force Survey

As already noted, there is a large incidence of part-time employment in the AFS sector. The growth in full-time employment is identified in Table 8.2. Over the period in question, full-time jobs in AFS increased by 61.7%. This was the second-largest increase of the 14 sectors. AFS followed construction, which had a full-time employment growth of 72.4%.

**Table 8.2 Persons aged 15 years and over in employment (ILO) (thousand) by full-time status, NACE Rev 2 economic sector and Q1 2011 to Q1 2019**

	Q1 2011	Q1 2019	% change 2011 to 2019
Full-time			
All NACE economic sectors	1,426.7	1,828.9	28.2
Agriculture, forestry and fishing [A]	91.8	88.5	-3.6
Construction [F]	75.3	129.8	72.4
Wholesale and retail trade; repair of motor vehicles and motorcycles [G]	173.2	210.0	21.2
Transportation and storage [H]	74.4	93.0	25.0
Accommodation and food service activities [I]	64.0	103.5	61.7
Information and communication [J]	76.7	109.7	43.0
Professional, scientific and technical activities [M]	92.5	119.3	29.0
Administrative and support service activities [N]	53.1	78.1	47.1
Public administration and defence; compulsory social security [O]	83.8	98.0	16.9
Education [P]	106.6	139.0	30.4
Human health and social work activities [Q]	162.8	211.1	29.7
Industry [B to E]	214.7	272.9	27.1
Financial, insurance and real estate activities [K, L]	89.3	100.5	12.5
Other NACE activities [R to U]	63.3	69.6	10.0

Source: CSO, Labour Force Survey

### Summary of comparison to other sectors

- AFS employment had the second-highest rate of employment increase of the 14 sectors of total employment between Q1 2011 and Q1 2019. Its growth of 54.7% was below the construction growth of 62.5%.
- Administrative and support services employment increased by 41.4% and information and communications grew by 39.5%. All other sectors had increases of less than 30%.
- Over Q1 2011 to Q1 2019, full-time jobs in AFS increased by 61.7%. This was the second-largest increase of the 14 sectors.
- AFS was behind construction, which had an increase of 72.4% in full time jobs.

## 9. Earnings and occupations

The complete labour market impact of a sector relates to more than the number of jobs. The level of earnings per job is also of significance.

The CSO data on hourly earnings for Q1 2019 are shown in Table 9.1. Average hourly earnings per employee in AFS are the lowest of all the listed sectors. The AFS level is €13.31 compared with the highest rate of €36.58 which is in financial and insurance activities. The next lowest three sectors after AFS are “other service activities” [€16.60], administrative and support service activities” [€19.20] and “wholesale/retail, motor repair” [€19.77]. All other sectors are higher than €20. Three sectors are above €30 per hour.

**Table 9.1 Average hourly earnings [euro] by economic sector NACE Rev 2 and quarter, euro**

All employees	Q1 2019
All NACE economic sectors	23.93
Mining and quarrying [B]	24.80
Manufacturing [C]	23.93
Construction [F]	20.97
Wholesale and retail trade; repair of motor vehicles and motorcycles [G]	19.77
Transportation and storage [H]	22.95
Accommodation and food service activities [I]	13.31
Information and communication [J]	34.19
Financial and insurance activities [K]	36.58
Real estate activities [L]	24.17
Professional, scientific and technical activities [M]	26.95
Administrative and support service activities [N]	19.20
Public administration and defence; compulsory social security [O]	26.23
Education [P]	35.95
Human health and social work activities [Q]	22.81
Arts, entertainment and recreation [R]	20.15
Other service activities [S]	16.60

Source: CSO

The AFS sector is a relatively low average labour earnings sector. This arises from the nature of the skills mix and production systems in the sector. It is generally acknowledged that a high proportion of low and minimum wage jobs arise in the AFS sector.

AFS also provides many skilled jobs such as managers, accountants, marketing executives, HR executives, and IT specialists, as well as large numbers of lower skilled occupations. However, as shown below, the proportion of highly skilled occupations in AFS is relatively low. However, the wider tourism classification includes other sectors with higher skills levels and higher earnings.

Average earnings in drinks manufacturing are relatively high in comparison to total manufacturing and to individual sectors in manufacturing. The latest CSO beverages manufacturing earnings data refer to 2014. Average wages and salaries per person engaged was €53.4k compared to €44.8k in manufacturing as a whole.

As stated earlier, there are more jobs related to tourism than those in the hospitality sector jobs, such as air transport. The tourism-related hospitality jobs are linked and related to these other jobs. The transport and storage sector’s average hourly earnings are €22.95, and within this sub-

sector, transport earnings are higher than storage. Much of transport’s employment is related to tourism.

The 2015 ASI provides earnings information on some of the other tourism industries in addition to hospitality. The data shows the much higher earnings level in these “tourism”-related sectors compared to, for example, hotel accommodation. Annual 2015 earnings in hotels were €18.7k while earnings in water transport were €35.4k, air transport, €71.6k and travel agencies, €33.4k.

**Table 9.2 Employees, earnings and average annual earnings 2015, certain tourism sub-sectors**

	Water transport [50]	Air transport [51]	Hotels and similar accommodation [551]	Travel agency, tour operator and other reservation service and related activities [79]
<b>Wages and salaries [euro, thousands] 2015</b>	24,404	578,809	943,998	171,799
<b>All employees [number] 2015</b>	689	8,089	50,378	5,146
<b>Average wages and salaries per employee, k euro</b>	35.4	71.6	18.7	33.4

Source: CSO, ASI 2015

As shown in Table 9.3 the earnings levels in the three sub-sectors of accommodation and food services are broadly similar. They range from €20.6k to €21.7k.

**Table 9.3 Employees, earnings and average annual earnings 2016, three sub-sectors of accommodation and food**

	Hotels and similar accommodation [551]	Event catering and other food service activities [562]	Beverage serving activities [563]
<b>Wages and salaries [euro thousand] 2016</b>	1,157,002	254,183	763,385
<b>All employees [number] 2016</b>	53,401	11,702	37,074
<b>Average wages and salaries per employee, k euro</b>	21.7	21.7	20.6

Source: CSO, ASI 2016.

The CSO QNHS Minimum Wage Estimates 2017 reported that in the period Q2-Q4 2016, the average share of employees who were on the minimum wage or less was 10.1%.

The wholesale/retail sector had a 25.9% proportion on the minimum wage or less. This was the highest proportion but was closely followed by AFS, where 24.7% of employees were on the minimum wage or less. These two sectors are substantially higher than the rest of the sectors. The third-highest sector was industry at 10.3%, followed by other NACE at 8.6%, and health and social work at 7.6%. The CSO reported that females were more likely to be on the minimum wage or less than males, and part-timers were more likely than full-timers.

Limited occupational data are available from the LFS, but it is sufficient to give a reasonable indication of the occupational mix of AFS.



Total employment in AFS is 175k persons but occupational data are available for only 166.4k persons. The missing 8.6k persons relate to five occupational groups, professional; associate professional/technical; sales/customer services; process/plant/machine operatives; and others/not stated. Each of these five groups fall under the limit of discretion/uncertainty as operated by the CSO or are unavailable for other reasons.

The largest occupation group in AFS is elementary occupations. These are occupations that usually require a minimum general level of education [that is, that which is acquired by the end of the period of compulsory education]. Some occupations at this level will also have short periods of work-related training in areas such as health and safety, food hygiene, and customer service requirements. [SOC 2020]

Elementary occupations were 53.7% of total in AFS compared to 10.9% of total national employment. Managers, directors and senior officials were 8.0% of total national employment and 11.8% of AFS employment. Skilled trades were 14% of total employment compared to 20.7% in AFS. Administrative and secretarial workers were 9.9% of total employment and 4.5% of AFS employment.

As noted, professional and associate professional staff are not separately identified for AFS in the LFS. An earlier QNHS reported an associate professional and technical share of 2.7% for AFS compared to 11.8% for total employment.

We can also note that the five missing groups in AFS, which include professional and associate professional occupations, as well as other groups, amount to 4.9% of all AFS employment. Consequently, the professional/associate professional and technical group must be equal to or less than 4.9%. For professionals/associate professionals/technical staff, the national overall share is 32.4%.

Overall, the AFS sector has a high proportion of elementary occupations compared to total employment and also has a high proportion of skilled trades and directors/managers. The latter reflects the high proportion of small enterprises. AFS has a very low proportion of professional/associate professional/technical staff compared to overall national employment.

**Table 9.4 Persons aged 15 years and over in employment (ILO) [thousand] by detailed occupational group, quarter and NACE Rev 2 economic sector**

All occupational groups	All NACE economic sectors	Accommodation and food service activities (I)		
		% of total	% of total	
<b>Q1 2019</b>	2,301.9	100	175.0	100
<b>Managers, directors and senior officials</b>				
<b>Q1 2019</b>	183.1	8.0	20.6	11.8
<b>Professional</b>				
<b>Q1 2019</b>	475.6	20.7	..	..
<b>Associate professional and technical</b>				
<b>Q1 2019</b>	268.5	11.7	..	..
<b>Administrative and secretarial</b>				
<b>Q1 2019</b>	228.5	9.9	7.9	4.5
<b>Skilled trades</b>				
<b>Q1 2019</b>	321.5	14.0	36.3	20.7
<b>Caring, leisure and other services</b>				
<b>Q1 2019</b>	191.8	8.3	7.7	4.4
<b>Sales and customer service</b>				
<b>Q1 2019</b>	188.7	8.2	..	..
<b>Process, plant and machine operatives</b>				
<b>Q1 2019</b>	180.9	7.9	..	..
<b>Elementary</b>				
<b>Q1 2019</b>	250.9	10.9	93.9	53.7
<b>Other/Not stated</b>				
<b>Q1 2019</b>	12.3	0.5	..	..
<b>AFS 5 unidentified groups</b>	1,126.0	48.9	8.6	4.9

\* .. indicates that the observation is missing or fall under the limit of discretion/uncertainty.

Source: CSO, Labour Force Survey

The employment contribution of the hospitality tourism sector has been characterised as having a high incidence of low-paid, part-time and low-skilled jobs. These characteristics do arise as identified in this report. However, the sector still serves a significant economic and social need.

Not all labour force participants seek full-time employment. The sector provides acceptable and valid part-time employment opportunities to students, homemakers, farmers and those other full-time workers who seek additional earnings opportunities. It meets a significant demand for different types of employment.

Labour force participants are characterised by a wide mix of skills including those with limited skills, educational qualifications and abilities. The hospitality sector provides opportunities for those jobseekers. A smaller hospitality sector would not provide the required number of employment opportunities for many labour force participants and would increase their unemployment rate.





To borrow the words of the Eurostat Statistics Explained online publication, “Tourism industries-employment 2019”, tourism can provide jobs for “economically less advantaged socio-demographic groups or regions” [page 1].

Other tourism-related activities have higher skill levels than AFS.

### Summary of earnings and occupations

- The AFS sector is a relatively low average labour earnings sector. This arises from the nature of the skills mix and production systems in the sector.
- Other tourism-related sectors such as airports and air transport have relatively high average earnings and also have high skill levels.
- The AFS average hourly wage for Q1 2019 is €13.31 compared with the highest rate of €36.58 in financial and insurance activities.
- The AFS wage is the lowest of the sectors listed in the report. The next lowest three sectors after AFS are “other service activities” [€16.60], “administrative and support service activities” [€19.20] and “wholesale/retail, motor repair” [€19.77]. All other sectors are higher than €20. Three sectors are above €30 per hour.
- CSO data from the 2015 ASI shows the much higher earnings level in non-hospitality “tourism”-related sectors compared to, for example, hotel accommodation. Annual labour earnings in hotels in 2015 were €18.7k, while earnings in water transport were €35.4k, air transport earnings were €71.6k, and travel agency/reservations average earnings were €33.4k.
- Average earnings in drinks manufacturing are relatively high in comparison to total manufacturing and to individual sectors in manufacturing.
- Average wages and salaries per person engaged in drinks manufacturing were €53.4k compared to €44.8k in manufacturing as a whole, according to the latest 2014 CSO data.
- Elementary occupations were 53.7% of total in AFS compared to 10.9% in total national employment. Managers, directors and senior officials were 8.0% of total national employment and 11.8% of AFS employment. Skilled trades were 14% of total employment compared to 20.7% in AFS. Administrative and secretarial workers were 9.9% of total employment and 4.5% of AFS employment.
- The wholesale/retail sector had a 25.9% proportion on the minimum wage or less. This was the highest proportion but was closely followed by AFS where 24.7% of employees were on the minimum wage or less. These two sectors are substantially higher than the rest of the sectors.
- Professional/associate professional/technical occupations are a very small proportion of AFS employment compared to overall national employment.

## 10. Conclusions

Drinks and hospitality employment in Ireland is substantial. It has grown in excess of total employment in the past several years.

The role of tourism-related employment in Ireland is relatively high compared to other EU countries. Measured as share of employment in the non-financial business sector in 2016, Ireland’s tourism sector share of 13.3% was fourth highest in the EU after Greece [23.9%], Cyprus [20.3%], and Malta [15.3%]. Spain’s tourism share of employment was 12.3% and Portugal’s was 11.3%. The UK share was 11.6%. The EU average share was 9.4%.

Hospitality employment has contributed to regional development. In six of the seven regions, excluding Dublin, hospitality employment has grown faster than total employment in that region. Between 2011 and 2019, the hospitality employment growth was the second highest, after construction, of fourteen sectors.

The sector has a higher female share of employment than of total employment, and its importance for female employment is higher than for total employment.

Hospitality employment has a higher part-time component than overall employment and has a higher non-national share. It is also the sector with the lowest average hourly earnings. Despite the high part-time share, it had the second-largest growth of the fourteen sectors in full-time employment between 2011 and 2019.

There are different estimates of the employment contribution of the sector from the various available sources. These have been outlined in the report.

Most data are available for the category of accommodation and food service activities (including bars) from the CSO Labour Force Survey. However, this category excludes other tourism-related activities such as coaches, car hire, visitor centres and air and sea transport. Inclusion of these significantly increases the employment contribution of tourism.

It should be noted that accommodation and food service employment does not derive solely from tourism as is usually understood. Restaurants and bars are used by non-tourist domestic residents as part of normal everyday living. Food services, for example, include work canteens. Consequently, the geographic spread of accommodation and food service [AFS] employment should not be treated as equivalent to the geographic spread of tourism activity. AFS employment is determined by a location’s population and general employment level as well as by tourism. Even with no inward tourism, a location will still require restaurants and bars to meet local indigenous needs.

An interesting issue arises with the sector’s contribution to regional development. A substantial issue in Irish regional development is the economic dominance of Dublin. In Q1 2019, Dublin accounted for 30.6% of total national employment but accounted for an almost similar share, 30.1%, of national AFS employment. Between 2012 and 2019, national AFS employment increased by 44.5% but Dublin’s AFS employment increased by 66.5% and the rest of the country increased by only 36.8%. Dublin received 39% of the AFS increase despite accounting for only 26.1% of the 2012 AFS total.

Despite Dublin getting much of the 2012-2019 increase in AFS employment, most of the other regions also did well from AFS employment. In six of the other seven regions, the growth of AFS employment exceeded the growth of regional total employment.

The economy is doing well out of AFS employment, and from wider tourism employment. All regions are gaining, but Dublin is gaining proportionately more.

From a national and regional tourism perspective, there is a need to foster overall national growth to ensure all regions benefit from the growth, and that regions outside Dublin gain a larger share than has been the case over the period covered in the report. However, it is to be emphasised that AFS is not directly equivalent to “tourism” and part of the Dublin AFS employment level and growth relates to internal regional demand factors.

The Irish economy is currently approaching full employment and has had an excellent employment generation record over the past several years. Consequently, it could be argued that the employment role of AFS and the wider tourism sector is of lower policy priority than in periods of high unemployment. The same argument could apply to ongoing Government efforts to attract new foreign direct investment and develop indigenous industry through the Industrial Development Agency and Enterprise Ireland and its extensive industrial development policy framework.



Despite the current strong labour market situation, there will be a continuing need for additional future job creation because of expected population and labour force increases. In addition, the employment structure is characterised by continual change where existing sectors and enterprises decline because of national and international competitiveness changes and structural change.

Consequently, parts of the current stock of jobs will disappear and will have to be replaced by new jobs. Current CSO demographic projections expect, on a low rate of inward migration, that the labour force will increase from 2.339 million in 2016 to 2.629 million in 2031, an increase of 290k, or 12.4%, with continuing increases thereafter.

In addition, while the national labour market may be characterised by full or near full employment, regional, county or local labour markets may still experience above average unemployment or outward migration and require additional job creation. Consequently, the employment role of the AFS, wider tourism and drinks sectors will continue to be of significance to the economy.

## Appendix: methodology

### A.1. Classification of sectors

European industrial activity is classified into groups according to the NACE [Revision 2] classification. However, drinks and hospitality do not constitute a specific sectoral classification.

From a DIGI perspective, the drinks industry includes manufacturing of beverages [beer, spirits and cider], the on-licence retail sector of pubs, hotels and other bars, licensed restaurants [both full and wine only], full- and wine off-licences, and wholesale/distribution companies. In addition, drinks-related visitor attractions are included by the industry. This definition of the drinks industry includes manufacturing, retail and wholesale distribution, aspects of hotels and restaurants and drinks-related visitor centres.

The Central Statistics Office publishes employment data for NACE 55 and 56 that include accommodation and food and beverages services [including bars]. This aggregate is often referred to as the tourism or hospitality category. However, NACE 55 and 56 refer to only certain activities of tourism, such as hospitality activities. Other tourism-related activities such as visitor attractions, coaches, car-hire and transport are included in other NACE sectors.

Failte Ireland and the Government have referred to a definition of tourism that is broader than NACE 55 and 56. The 2015 tourism policy report [People, Place and Policy, Growing Tourism to 2025] stated:

“The tourism sector supports 140,000 jobs in the accommodation and food sector alone, and overall employment in tourism is estimated to be in the region of 200,000.”

This results in a ratio of 1.429 between the CSO and broader measures of hospitality employment. The FI Tourism Facts 2015 report notes that CSO employment was 139.9k and the wider hospitality total approximately 220k persons. The 139.9k refers to Q3 2015. The resulting ratio on these latest figures is 1.573. However, the Q4 2015 CSO total is 143.1k and the resulting ratio based on this is 1.537. ITIC estimates the current broader measure of tourism at 265k persons.

Moving from the CSO NACE 55 and 56 measure of employment to the broader tourism definition is hindered by lack of exact data and involves subjective assumptions. It is particularly difficult to move from the CSO measure to the wider measure on a regional basis because the additional activities are not evenly spread across regions. NACE 55 and 56 includes bars, hotels and restaurants. However, it also includes non-tourism activity such as work canteens and “ordinary” lunches in restaurants. From a drinks industry perspective, non-licensed restaurants are also included.

Bars are included fully as part of the drinks industry, but a significant portion of their activity relates to food service. Due to data limitations it is not possible to use an exact classification for the drinks and hospitality sector. Hence, the primary data used is the CSO NACE 55 and 56 combined category of accommodation and food service activities. Where data are available, information on the other elements of the drinks industry including manufacturing are included.

The full composition of NACE 55 and 56 is shown below:

#### Composition of NACE 55 and 56

NACE code: description

- 55 Accommodation
- 55.1 Hotels and similar accommodation
- 55.2 Holiday and other short-stay accommodation
- 55.3 Camping grounds, caravan parks
- 55.9 Other accommodation
- 56 Food and beverage service activities
- 56.1 Restaurants and mobile food service activities
- 56.2 Event catering and other food service activities
- 56.3 Beverage-serving activities [includes pubs, other bars, fruit juice bars, coffee shops]



Activities that are not tourism or hospitality-related such as work or hospital canteens are included in the above classification.

The Eurostat definition of “tourism” employment, which is referred to in the introduction, includes NACE classes H491, H4932, H4939, H501, H511, I551, I552, I553, I561, I563, N771, N7721 and division N79.

## A.2. Data sources for employment and differences in estimates

There are several CSO sources of employment data for the drinks and hospitality sectors and some of its subsectors. Unfortunately, there are not comprehensive up-to-date data available for each of the sub-sectors and industries within the hospitality sector.

These sources are: Labour Force Survey; Quarterly National Household Survey (which was replaced in 2017 by the Labour Force Survey); Annual Services Inquiry; Census of Industrial Production and Census of Population.

In addition, Failte Ireland used to carry out an employment survey but this ceased in 2011. The latest Annual Services Inquiry refers to 2016. The latest Census of Industrial Production also refers to 2016 but the beverages industry employment details are not separately identified, so the latest employment data for beverages manufacturing from this source is 2014.

The Labour Force Survey is the principal official source of employment data and it is the dataset that is most used in this report. The lowest level of disaggregation for which statistics are available in this source is the two-digit level in the NACE classification. This means that public houses which are in NACE 56.3 are not separately identified and, instead, are included with restaurants and other food service activities. They are separately identified in the Annual Services Inquiry.

The Labour Force Survey and its precursor, the Quarterly National Household Survey, are sample surveys of persons. The Annual Services Inquiry and the Census of Industrial Production collect statistics from enterprises. The latter two aim to provide full coverage of their sectors and, as such are each a census, not a sample survey.

The information in the Census of Population is provided by persons and aims for 100% coverage. However, the Census form is completed by one individual for the all the members of the household. The latest statistics from this source refer to 2016.

The long-defunct Failte Ireland survey is referred to because it provided detailed sub-sectoral employment. For example, it separately identified the level of employment in the public house sector. This facilitated the comparison of different employment estimates for various sub-sectors within the hospitality sector.

Unfortunately, the different sources give different estimates of employment. Some of the differences are caused by differences in the provider of information. Employment levels in the Annual Services Inquiry are based on information supplied by enterprises. Employment details in the Quarterly National Household Survey are provided by the persons themselves. A person who is working part-time may describe themselves as “not working” in the household survey while the employing enterprise may report them as part-time employees. Enterprises and individuals may report different sectors of employment for the same person. In the Census of Population, one person is providing all the information for the members of the household and may be incorrect in some information.

In addition, a sample survey has a higher margin of error, especially in more disaggregated information, than a census or full coverage approach. There have been substantial revisions to recent employment data arising from different collection methodologies and from adjustments necessitated by higher than expected population and employment levels identified in the 2016 Census of Population. The impact of these changes is referred to later.

First, some of the differences that arise from the various employment data sources are identified.

The Failte Ireland 2010 Tourism Employment Survey, published in 2011, was a sample survey of enterprises. It reported the employment for public houses of 51,563 persons for 2010 and 53,983 persons in 2009. These included year-round full-time and part-time and seasonal full-time and part-time jobs.

The Annual Services Inquiry for 2009 and 2010 provided employment details for beverage-serving activities [NACE 56.3], which includes some other activities besides pubs. It is a larger sector than public houses. It estimated 2009 employment to be 41,728 persons and 2010 employment to be 39,192 persons.

Between the two sources for 2010 there is a substantial difference in the pub employment estimate:

51,563 compared to 39,192. It should be recalled that the FI data is from a sample survey with a relatively low response rate and the CSO data are based on a census approach.

The details from the two most recent ASIs are shown below. The 2015 ASI reports the following hospitality sector employment for 2015:

- NACE 55 and 56 170,222
- Accommodation 55,945
- Restaurants and other food 74,103
- Beverage serving 40,174

Before the revisions caused by the Census of Population and Labour Force Survey-related adjustments, the Quarterly National Household Survey reported the following employment figures for NACE 55 and 56 for each of the four quarters in 2015. The quarters range from 132.3k persons to 143.1k persons with an annual average of 138.0k persons. There is a very large difference in the estimates from the two sources.

**Table A2.1 Persons aged 15 years and over in employment (thousand) by NACE Rev 2 economic sector and quarter, QNHS 2015**

State Accommodation and food service activities (I)				
	Q1 2015	Q2 2015	Q3 2015	Q4 2015
	132.3	136.7	139.9	143.1

Source: CSO

The Quarterly National Household Survey provides a two-digit classification for the Q1 accommodation and food services activities. These are not revised for the latter two adjustments.

Accommodation employment was reported as 50.3k compared with 55.9k in the Annual Services Inquiry. Food and beverage services together had an employment of 82.1k from the household survey compared to the Annual Services Inquiry estimate of 114.3k. There are substantial differences in the employment estimates for the food and beverage serving activities [NACE 56] from the two sources, 82.1k versus 114.3k.

The same issues arise with the 2016 ASI. The 2016 ASI reports the following hospitality sector employment for 2016:

- NACE 55 and 56 179,827
- Accommodation 59,262
- Restaurants and other food 79,234
- Beverage serving 41,331

Before the revisions caused by the Census of Population and Labour Force Survey-related adjustments, the Quarterly National Household Survey reported the following employment figures for NACE 55 and 56 for each of the four quarters in 2016. The quarters range from 142.4k persons to 153.2k persons with an annual average of 147.4k persons.



**Table A2.2 Persons aged 15 years and over in employment (thousand) by NACE Rev 2 economic sector and quarter, QNHS 2016**

State Accommodation and food service activities (I)			
Q1 2016	Q2 2016	Q3 2016	Q4 2016
142.4	145.8	153.253.2	148.048.0

Source: CSO

Another data issue arises in comparing the Census of Population hospitality sector employment data with the Labour Force Survey data. According to the Census of Population, the 2016 employment in accommodation and food services activities, which refers to April 2016, was 116.9k. The sub-sectoral details are presented in Table 3.2. This compared with the Labour Force Survey that reported 152.6k persons in Q1 and 155.2k persons in Q2 in employment in the sector.

The beverage-serving activities total of 20.3k from the Census of Population that refers to April 2016 is very different to the 2015 Annual Services Inquiry total of 40,174.

The above illustrates that there are difficulties in identifying the level of employment in the hospitality sector and its sub-sectors. As already stated, this report primarily depends on the new Labour Force Survey data.

The Labour Force Survey and the Census of Population use two different classifications to establish the numbers in employment. The classification used for the LFS results is the ILO (International Labour Office) labour force classification.

The ILO classification of employment is “persons who worked in the week before the survey for one hour or more for payment or profit, including work on the family farm or business and all persons who had a job but were not at work because of illness, holidays etc. in the week”. The employment classification used for the CP is that of “Principal Economic Status”. Consequently, a full-time university student who worked part-time would be included as employed in the LFS but not in the CP.

**Table A2.3 Employment in accommodation and food service activities NACE 55 and 56, Census of Population**

5510 Hotels and similar accommodation	40482
5580 Other provision of short-stay accommodation	1646
5610 Restaurants and mobile food service activities	45030
5620 Event catering and food service activities	9446
5630 Beverage serving activities (incl. bars and coffee shops)	20314
<b>Total</b>	<b>116918</b>

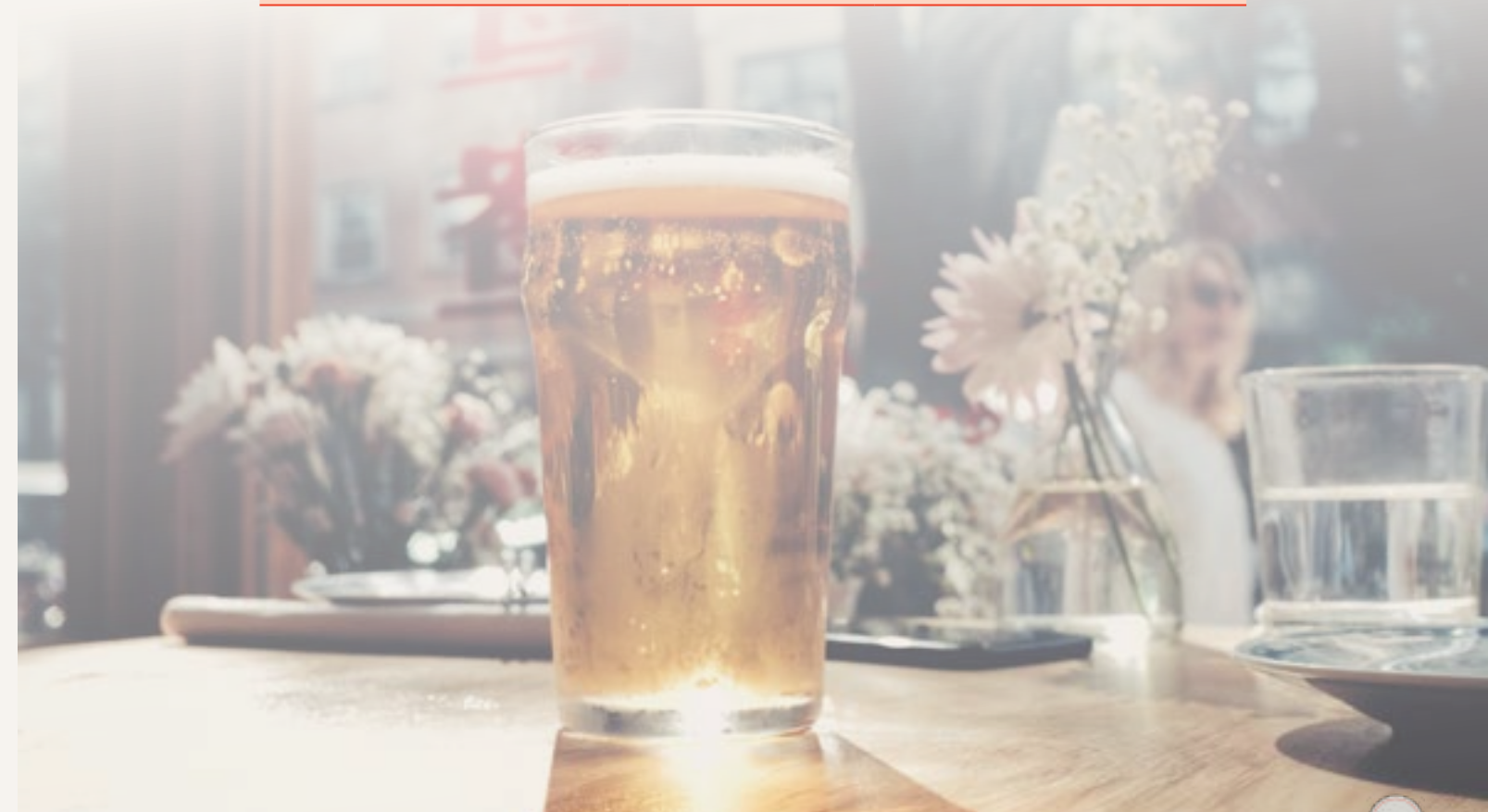
Source: Census of Population, statistics provided to author by CSO.

There have also been changes to the regional compositions. Louth is now included with Mid-East instead of Border and all of Tipperary is included with Mid-West instead of being divided between Mid-West and South-East. Adjusted regional totals on the new compositions for some employment indicators have been made by the CSO back to 2012.

The two regional compositions are shown in A.3 and A.4.

**A.3 NUTS2 and NUTS3 Regions post-Q1 2018**

Northern and Western	Southern	Eastern and Midland
<b>Border</b>	<b>Mid-West</b>	<b>Dublin</b>
Cavan	Clare	Dublin City
Donegal	Limerick City and County	Dun Laoghaire-Rathdown
Leitrim	Tipperary	Fingal
Monaghan		South Dublin
Sligo		
<b>West</b>	<b>South-East</b>	<b>Mid-East</b>
Galway City	Carlow	Kildare
Galway County	Kilkenny	Meath
Mayo	Waterford City and County	Wicklow
Roscommon	Wexford	Louth
	<b>South-West</b>	<b>Midland</b>
	Cork City	Laois
	Cork County	Longford
	Kerry	Offaly
		Westmeath



#### A.4 NUTS2 and NUTS3 Regions pre-Q1 2018

<b>Border, Midland and Western</b>	<b>Southern and Eastern</b>
<b>Border</b>	<b>Dublin</b>
Cavan	Dublin City
Donegal	Dun Laoghaire-Rathdown
Leitrim	Fingal
Louth	South Dublin
Monaghan	
Sligo	Mid-East
	Kildare
<b>Midland</b>	<b>Meath</b>
Laois	Wicklow
Longford	
Offaly	<b>Mid-West</b>
Westmeath	Clare
	Limerick City
<b>West</b>	<b>Limerick County</b>
Galway City	North Tipperary
Galway County	
Mayo	<b>South-East</b>
Roscommon	Carlow
	Kilkenny
	South Tipperary
	Waterford City
	Waterford County
	Wexford
	<b>South-West</b>
	Cork City
	Cork County
	Kerry

## About

The Drinks Industry Group of Ireland (DIGI) is the umbrella organisation for the drinks and hospitality industry in Ireland. DIGI's membership spans brewers, distillers, distributors and the retail sector [both the on-trade—pubs, hotels and restaurants—and the independent off-licence sector].

DIGI's members include:

- Alcohol Beverage Federation of Ireland
- Irish Hotels Federation
- Licensed Vintners Association
- National Off-Licence Association
- Restaurants Association of Ireland
- Vintners Federation of Ireland

90,000 jobs across the country are dependent on the drinks industry alone. It purchases over €1.1 billion of Irish produce annually, exports goods worth over €1.25 billion, and provides millions in income tax, PRSI receipts, and tax on profits every year. It is also a vital element of Ireland's wider hospitality sector and internationally renowned tourism offering.

DIGI, through its Support Your Local campaign, seeks to highlight the positive economic, cultural and social contribution that the drinks and wider hospitality sector makes to Ireland, nationally and locally. We work with stakeholders to create conditions that ensure the industry's stability and continued growth.





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LOCAL

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Connect with us at:

[www.supportyourlocal.ie](http://www.supportyourlocal.ie) | [www.drinksindustry.ie](http://www.drinksindustry.ie)

Or via Twitter at: [@DIGI\\_Ireland](https://twitter.com/DIGI_Ireland)

[#SYL19](https://twitter.com/DIGI_Ireland)