

# Facts about Ireland

September 2016



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# Economy

Ireland is a small highly globalised economy, with a large exporting sector, and a significant number of multinational corporations. The Irish economy entered its 5th year of economic expansion in 2016 with growth in consumer spending, tax revenue, building and construction and expansion in both manufacturing and services sectors.

## Real GDP Growth

COUNTRY	2016 (F)	2017 (F)	2018 (F)
<b>IRELAND</b>	<b>4.9</b>	<b>3.2</b>	<b>3.1</b>
SWEDEN	3.6	2.6	2.2
LUXEMBOURG	3.5	3.1	3.3
AUSTRALIA	2.9	2.7	2.9
NEW ZEALAND	2.8	2.7	2.6
SPAIN	2.6	2.3	2.0
UNITED KINGDOM	1.8	1.1	1.7
GERMANY	1.7	1.4	1.4
SINGAPORE	1.7	2.2	2.6
NETHERLANDS	1.7	1.6	1.8
UNITED STATES	1.6	2.2	2.1
BELGIUM	1.4	1.4	1.4
HONG KONG SAR	1.4	1.9	2.8
AUSTRIA	1.4	1.2	1.2
FRANCE	1.3	1.3	1.6
DENMARK	1.0	1.4	1.7
PORTUGAL	1.0	1.1	1.2
SWITZERLAND	1.0	1.3	1.5
FINLAND	0.9	1.1	1.3
NORWAY	0.8	1.2	1.8
ITALY	0.8	0.9	1.1
GREECE	0.1	2.8	3.1

Source: IMF Economic Outlook 2016

# Talent & Education

Our young workforce is capable, highly adaptable, educated and committed to achievement. Ireland has the youngest population in Europe with one third of the population under 25 years old.

## Population by Region & Population Projections

REGION	TOTAL 2011	TOTAL PROJECTIONS 2026	% INCREASE
REGION	000's	000's	
DUBLIN	1,262	1,345	6.6%
SOUTH-WEST	662	690	4.2%
MID-EAST	534	559	4.7%
MIDLANDS	283	292	3.2%
BORDER	516	522	1.2%
SOUTH-EAST	499	511	2.4%
WEST	441	453	2.7%
MID-WEST	378	385	1.9%
<b>TOTAL</b>	<b>4,575</b>	<b>4,757</b>	<b>4.0%</b>

Source: Central Statistics Office (CSO) 2016

## % Population Under 25 Years

COUNTRY	TOTAL
<b>IRELAND</b>	<b>33.3</b>
NORWAY	31.0
CYPRUS	30.5
FRANCE	30.4
UK	30.3
DENMARK	29.9
SWEDEN	29.6
NETHERLANDS	28.9
BELGIUM	28.8
LUXEMBOURG	28.7
FINLAND	28.3
POLAND	26.9
SWITZERLAND	26.3
HUNGARY	26.1
AUSTRIA	26.0
CZECH REPUBLIC	25.5
PORTUGAL	25.1
SPAIN	24.8
GREECE	24.7
GERMANY	23.9
ITALY	23.6

Source: Eurostat, 2016

# Talent & Education

Ireland has one of the most educated workforces in the World, according to the OECD 52% of 25-34 year olds have a third level qualification; 10% higher than the OECD average.

Source: OECD - Education at a Glance 2015

Ireland's education system is amongst the best in the World. It ranks in the top 10 globally for:

- Higher Education achievement<sup>1</sup>
- Quality of education<sup>2</sup>
- Meeting the needs of a competitive economy<sup>1</sup>

Source: <sup>1</sup>IMD Competitiveness Yearbook 2016

<sup>2</sup>WEF Global Competitiveness Report 2015-2016

- In 2015 over 265,000 students enrolled in third level courses across Ireland's universities and colleges.
- Over 30% of students enrolled in Science, Technology, Engineering and Maths (STEM) courses
- Over 20% of students enrolled in Social Sciences, Business and Law courses

DISCIPLINE	UGRAD	POST GRAD	TOTAL
SOCIAL SCIENCE, BUSINESS & LAW	44,638	11,584	21%
SCIENCE, MATHEMATICS & COMPUTING	44,510	10,783	21%
HEALTH AND WELFARE	39,307	10,466	19%
HUMANITIES AND ARTS	33,018	6,024	15%
ENGINEERING, MANUFACTURING & CONSTRUCTION	26,212	4,153	11%
EDUCATION	11,306	5,441	6%
SERVICES	10,205	592	4%
AGRICULTURE AND VETERINARY	3,933	593	2%
GENERAL PROGRAMMES	5,718	481	2%
<b>TOTAL</b>	<b>218,847</b>	<b>50,117</b>	<b>100%</b>

Source: Higher Education Authority, 2016.

## Graduate Output by Field of Study 2014

DISCIPLINE	UGRAD	POSTGRAD	TOTAL
SOCIAL SCIENCE, BUSINESS & LAW	18,022	8,473	31%
HEALTH AND WELFARE	10,111	3,918	17%
SCIENCE, MATHEMATICS & COMPUTING	8,618	3,706	15%
HUMANITIES AND ARTS	8,310	2,078	12%
ENGINEERING, MANUFACTURING & CONSTRUCTION	7,090	1,457	10%
EDUCATION	2,311	3,885	7%
SERVICES	3,408	217	4%
GENERAL PROGRAMMES	1,447	148	2%
AGRICULTURE & VETERINARY	1,058	113	2%
<b>TOTAL</b>	<b>60,375</b>	<b>23,995</b>	<b>100%</b>

Source: Higher Education Authority, 2016.

# Talent & Education

The Irish Government has put a number of additional programmes in place to address the demand for skilled employees required by companies in Ireland.

The Springboard Programme assists those unemployed to gain employment by retraining and acquiring new skills. Courses focus on IT, communication, international languages and international financial services. Almost 6,000 places across 36 higher education colleges providing 180 courses are available through this programme focussing on the areas of technology, green economy, biopharma sectors and others. For more Information see [www.springboardcourses.ie](http://www.springboardcourses.ie).

Training - The government supported Jobs plus Initiatives encourages and rewards employers who offer employment opportunities to the long term unemployed. This scheme offers up to €10,000 for a qualifying recruit payable on a monthly basis over a 2 year period. Registration is available online at [www.jobsplus.ie](http://www.jobsplus.ie).

## Increasing Number of Technology Graduates

The Government's technology skills action plan aims to make Ireland a global leader for technology talent and skills. The target is to meet 74% of forecast industry demand for high-level technology skills from the education system by 2018, up from the current level, estimated at over 60%.

In line with industry norms, it is envisaged that remaining demand will be met by continuing to attract highly skilled people from abroad. This will be achieved through a number of measures one being the issuance of up to 2,000 employment permits per year to experienced technology professionals with skills in high demand. In addition to this through the Tech Life Initiative, the government plan to increase the number of people working in tech in Ireland by 3,000 per year. Log on to [www.techlifeireland.com](http://www.techlifeireland.com) for more information.

# Talent & Education

## Multi-Cultural Society

17% of Ireland's population is international and over half a million (514,068 people) Irish residents speak a foreign language fluently. Polish is the most common followed by French, Lithuanian, German, Russian, Spanish and Romanian. Of the 514,068 people who speak a foreign language at home 145,919 were Irish nationals.

Ireland remains a preferred location for young Europeans; in 2014 alone over 59k Europeans came to work in Ireland.

## Foreign Nationals living in Ireland

	2014
UK	39,728
POLAND	27,013
ROMANIA	22,061
BRAZIL	19,526
SPAIN	14,138
ITALY	10,542
FRANCE	9,830
USA	9,145
LITHUANIA	7,699
INDIA	7,523
GERMANY	6,708
HUNGARY	5,597
PORTUGAL	4,670
LATVIA	4,638
VENEZUELA	4,263
CHINA	3,689
SLOVAKIA	3,314
PAKISTAN	3,245
KOREA	2,993
CROATIA	2,796
NETHERLANDS	2,364
BULGARIA	2,228
CANADA	2,192
AUSTRALIA	2,110
MEXICO	1,701
OTHER	34,571
<b>TOTAL</b>	<b>254,284</b>

Source: CSO 2016 – PPSN Allocations by Country.

# Talent & Education

## IMD World Competitiveness, 2016 Key Rankings

The annual IMD World Competitiveness Yearbook (WCY) assesses the ability of nations to create and maintain an environment in which enterprises can compete globally. Ireland has moved up the international competitiveness achieving many milestones as listed below

- 1st for most competitive country in the Eurozone
- 3rd position in the EU
- 5th position in the OECD.
- From 16th to 7th Globally

Ireland achieved 1st place in a number of sub-factor rankings as illustrated below

Flexibility & Adaptability of people are high when faced with new challenges

<b>IRELAND</b>	<b>1</b>
CHINA HONG KONG	2
PHILIPPINES	3
ICELAND	4
ISRAEL	5
UAE	6
POLAND	7
NEW ZEALAND	8

Finance skills are readily available

<b>IRELAND</b>	<b>1</b>
CHINA HONG KONG	2
SWITZERLAND	3
DENMARK	4
NORWAY	5
NETHERLANDS	6
USA	7
BELGIUM	8

The national culture is open to foreign ideas

<b>IRELAND</b>	<b>1</b>
CHINA HONG KONG	2
UAE	3
CANADA	4
NETHERLANDS	5
NEW ZEALAND	6
SINGAPORE	7
SWEDEN	8

Foreign Investors are free to acquire control in domestic companies

<b>IRELAND</b>	<b>1</b>
CHINA HONG KONG	2
UK	3
FINLAND	4
AUSTRIA	5
DENMARK	6
SWEDEN	7
GERMANY	8

Investment incentives are attractive to foreign investors

<b>IRELAND</b>	<b>1</b>
SINGAPORE	2
SWITZERLAND	3
LUXEMBOURG	4
UK	5
CHINA HONG KONG	6
NETHERLANDS	7
ISRAEL	8

# Connected Research

Ireland has a strong national research ecosystem with 14 priority areas for government investment in research. This research is been conducted across 38 research centers in Ireland’s third level colleges. The 14 priority areas have been clustered in 6 themes as the table illustrates.

## Ireland’s standing in Global Research

Ireland is 14th in global rankings for the quality of scientific research. Field specific global excellence (citations):

- 2nd for Chemistry
- 2nd for Nanotechnology
- 2nd for Immunology
- 3rd for Animal and Dairy
- 3rd for Agricultural Science
- 4th for Materials Science
- 4th for Mathematics

Source: Thomson Reuters Incite 2016 Report

## Priority Areas

+	<b>Technology</b>	Future Network & Communications
		Data Analytics Management, Security & Privacy
		Digital platforms, Content & Applications
+	<b>Health &amp; Medical Technologies</b>	Connected Health and Independent Living
		Medical Devices
		Diagnostics
		Therapeutics, synthesis, formulation, processing & drug delivery
+	<b>Sustainable Food</b>	Food for Health
		Sustainable Food Production & Processing
+	<b>Energy</b>	Marine Renewable Energy
		Smart Cities & Smart Grids
+	<b>Manufacturing &amp; Materials</b>	Manufacturing Competitiveness
		Processing Technologies & Novel Materials
+	<b>Innovation in Services &amp; Business Processes</b>	Innovation in Services & Business Processes

Source: Department of Jobs, Enterprise & Innovation – National Research Prioritisation Report.

+

Ireland ranked 7th out of 128 countries in the 2016 Global Innovation Index.

+

Ireland is ninth in terms of research impact (citations per paper) on the Thomson-Reuters InCites global scientific rankings. (Irish Research Council, 2016)



# Labour Costs

Since 2008 Irish labour costs have remained relatively stable compared to a number of EU countries which have experienced significant increases in wages and salaries.

## Euro Labour Costs P/Hour 2015 (Total Labour Costs)

	PER HOUR 2008	PER HOUR 2015	%CHANGE 2008/2015
NORWAY	37.80	51.20	35%
AUSTRIA	26.40	32.40	23%
FINLAND	27.10	33.00	22%
DENMARK	34.60	41.30	19%
BELGIUM	32.90	39.10	19%
SWEDEN	31.60	37.40	18%
LUXEMBOURG	31.00	36.20	17%
GERMANY	27.90	32.20	15%
NETHERLANDS	29.80	34.10	14%
FRANCE	31.20	35.10	13%
<b>IRELAND</b>	<b>28.90</b>	<b>30.00</b>	<b>4%</b>

Source: Eurostat, 2016


## Ireland's tax wedge is one of the lowest in the OECD

(Tax wedge is income tax plus employees and employers social security contributions 2015 as a % of the labour costs.)

LOCATION	2015
BELGIUM	55.3
AUSTRIA	49.5
GERMANY	49.4
HUNGARY	49.0
ITALY	49.0
FRANCE	48.5
FINLAND	43.9
CZECH REPUBLIC	42.8
SWEDEN	42.7
PORTUGAL	42.1
EU21	41.8
SPAIN	39.6
GREECE	39.3
TURKEY	38.3
LUXEMBOURG	38.3
NORWAY	36.6
DENMARK	36.4
NETHERLANDS	36.2
OECD AVERAGE	35.9
POLAND	34.7
ICELAND	34.0
JAPAN	32.2
USA	31.7
CANADA	31.6
UK	30.8
AUSTRALIA	28.4
<b>IRELAND</b>	<b>27.5</b>
SWITZERLAND	22.2
KOREA	21.9
ISRAEL	21.6
MEXICO	19.7
NEW ZEALAND	17.6
CHILE	7.0

Source: OECD 2016

## Cost of Living

-  Inflation below the EU average since 2008
-  On-going relative competitiveness improvements
-  The cost of housing has decreased with residential rents down circa 5% in Dublin from peak levels, residential house prices stable in Dublin since 2008 with decreases outside Dublin.
-  In its Action Plan for Housing the Irish Government commits to a number of measures to increase supply of housing to 25,000 every year by 2020. This is over double current supply.

### Snapshot of Rents for 2 Bed Properties (€ per month)

	2008	2015	Decrease %
DUBLIN CITY	1,286	1,221	-5%
CORK CITY	971	903	-7%
GALWAY CITY	859	847	-1%
LIMERICK CITY	760	617	-19%
WATERFORD CITY	634	510	-19%
LETTERKENNY	526	494	-6%

Source: PRTB Rent Report, 2016

### Residential House Prices - New Houses

	Q1 2008	Q1 2016	Change %
Dublin City Centre	397,697	402,211	1%
Cork City	316,232	273,731	-13%
Galway City	296,367	269,960	-9%
Limerick City	280,934	228,740	-19%
Waterford City	302,604	211,448	-30%

Source: Department of the Environment, 2016

# Tax

Ireland's corporate tax rate is 12.5%. This applies to all Irish corporate trading profits. The PWC 'Paying Taxes 2016: The Global Picture' has ranked Ireland 1st in Europe for ease of paying business taxes.

## Personal Tax/Social Security

### Social Security Contributions 2017

PAYE Related Social Insurance is payable by employers and employees. The contributions from 1st January 2017 are:

#### PRSI Employer

Standard class "A1" (> €500 a week) - 10.75% on all income

#### PRSI Employee

4% on all earnings

#### Universal Social Charge

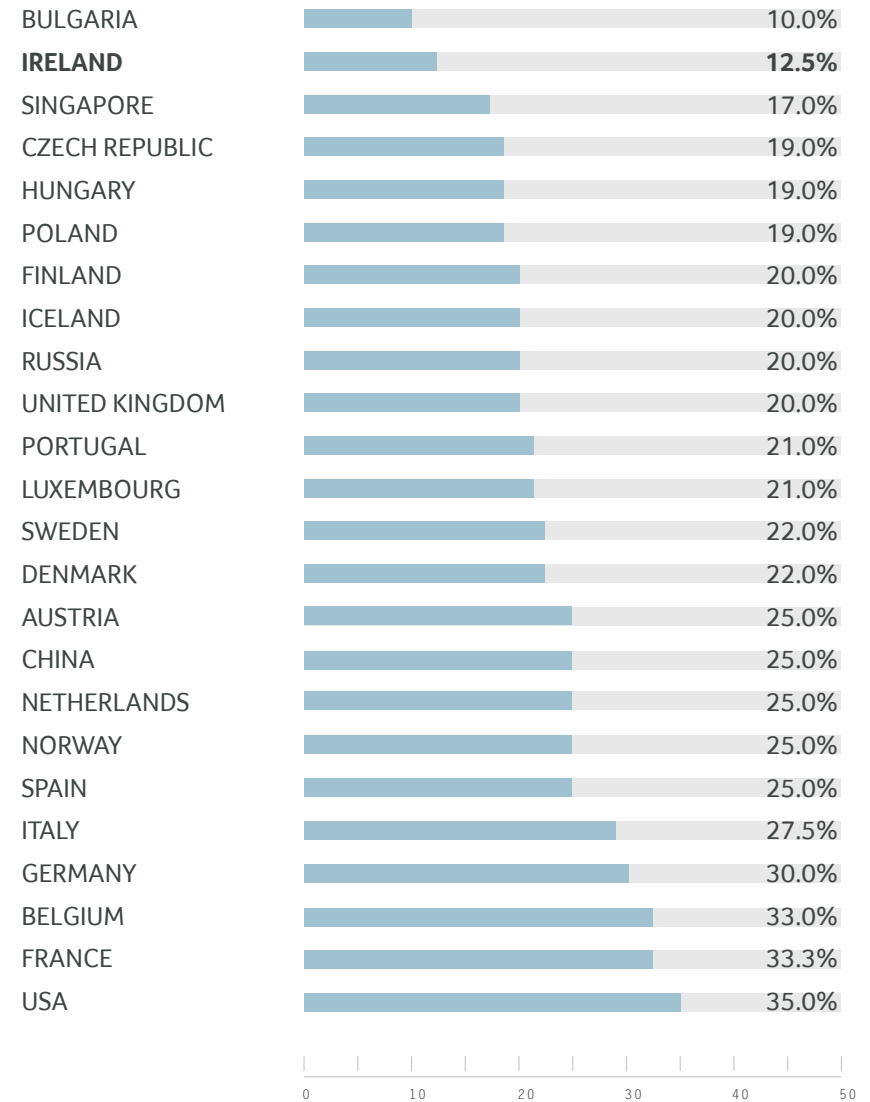
0% < €13,000.00  
 0.5% to €12,012.00  
 2.5% €12,012.01 to €18,772.00  
 5.0% €18,772.01 to €70,044.00  
 8.0% > €70,044.00

## Personal Tax/Social Security

PERSONAL TAXABLE INCOME (€) AND RATE		
SINGLE/WIDOWED WITHOUT DEPENDENT CHILDREN	FIRST 33,800 @ 20%	BALANCE @ 40%
SINGLE/WIDOWED QUALIFYING FOR ONE-PARENT FAMILY TAX CREDIT	FIRST 37,800 @ 20%	BALANCE AT 40%
MARRIED ONE INCOME	FIRST 42,800 @ 20%	BALANCE @ 40%
MARRIED TWO INCOMES	FIRST 67,600 @ 20%	BALANCE @ 40%

Source: Revenue Commissioners 2016

## Corporate Tax Rates



Source: KPMG 2016

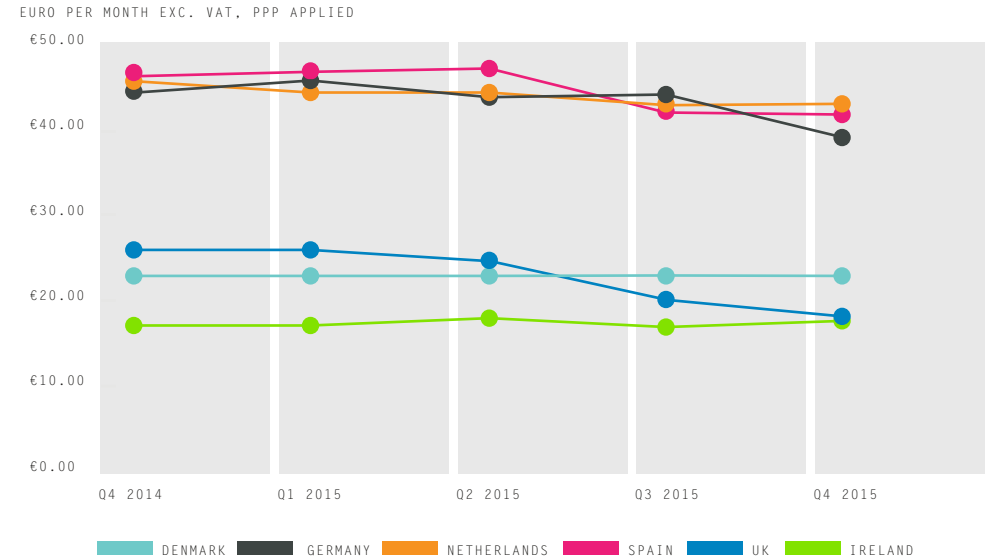
# Infrastructure

## Telecommunications

Ireland has one of the most advanced and competitive telecommunications infrastructures in Europe. The telecommunications market is fully de-regulated and numerous companies have entered the market. Large investments in recent years have resulted in state-of-the-art optical networks with world class national and international connectivity.

The Diagram shows that, from an international cost comparison perspective, Ireland (€17.70) ranks in first place for mobile business broadband. The average price in Ireland is 41% cheaper than the average price for all of the countries included in the analysis.

## Business Mobile Broadband Basket (International comparison)



Source: ComReg – Q1 2016 Report

# Utilities

## Electricity, Oil and Gas

FUEL	FORM	UNIT OF SUPPLY	AVG. PRICE PER UNIT (€)
OIL	GAS OIL	LITRE	0.7200
	LIGHT FUEL OIL	LITRE	0.6660
	MEDIUM FUEL OIL	LITRE	0.6240
	HEAVY FUEL OIL	LITRE	0.5840
L.P.G.	COMMERCIAL CYLINDERS	KG	1.8310
	BULK L.P.G. (0-3 TONNES)	LITRE	0.5710
	BULK L.P.G. (3.1 - 40 TONNES)	LITRE	0.4770
NATURAL GAS	BAND L1 < 278 MWH PER ANNUM	KWH	0.0632
	BAND L2 >=278 < 2778 MWH PER ANNUM	KWH	0.0475
	BAND L3 >=2,778 < 27,778 MWH PER ANNUM	KWH	0.0408
	BAND L4 >=27,778 < 277,778 MWH PER ANNUM	KWH	0.0325
ELECTRICITY	BAND 1A < 20MWH PER ANNUM	KWH	0.2321
	BAND 1B >=20 < 500 MWH PER ANNUM	KWH	0.1862
	BAND 1C >=500 < 2,000 MWH PER ANNUM	KWH	0.1531
	BAND 1D >=2000 < 20,000 MWH PER ANNUM	KWH	0.1234
	BAND 1E >=20,000 < 70,000 MWH PER ANNUM	KWH	0.1067
	BAND 1F >=70,000 < 150,000 MWH PER ANNUM	KWH	0.0970

Source: SEAI April 2016

Note: all prices are inclusive of 13.5% VAT

## Water

Irish Water is Ireland's national water utility that is responsible for providing and developing water services throughout Ireland. Irish Water's remit includes bringing water and waste water services of the 34 Local Authorities together under one national service provider. Household charges for the residential market are currently suspended while the government is conducting a review to establish a sustainable long term funding model for the delivery of household water and waste water services by Irish Water.

The table below lists the cost per Cubic Meter for each Local Authority of bringing the water and waste water services together under one national service provider.

## Water Rates per Cubic Metre €

COUNTY	AREA	RATE €
LIMERICK	CITY	2.70
LIMERICK	COUNTY	2.70
WATERFORD	COUNTY	2.35
GALWAY	COUNTY	2.45
GALWAY	CITY	2.10
CORK	CITY	2.44
CORK	COUNTY	2.13
DUBLIN	DUN LAOGHAIRE / RATHDOWN	2.28
DUBLIN	NORTH DUBLIN FINGAL CO. CO.	2.21
DUBLIN	CITY	1.99
DUBLIN	SOUTH COUNTY	1.93

Source: Irish Water 2016

# Property

## Key Developments in the market:

Significant number of new office construction projects underway: will deliver 3.5 million square foot of office accommodation to the market.

Refurbishments of existing buildings are also well underway: will deliver 900,000 square foot.

Recent price increases, concentrated in prime Dublin City Centre property - prime headline rent €619m<sup>2</sup> / €57.50ft<sup>2</sup>  
Value in suburbs:

- South Suburbs €269m<sup>2</sup> / €25 ft<sup>2</sup>
- North Suburbs €161m<sup>2</sup> / €18 ft<sup>2</sup>
- West Suburbs €151m<sup>2</sup> / €18 ft<sup>2</sup>

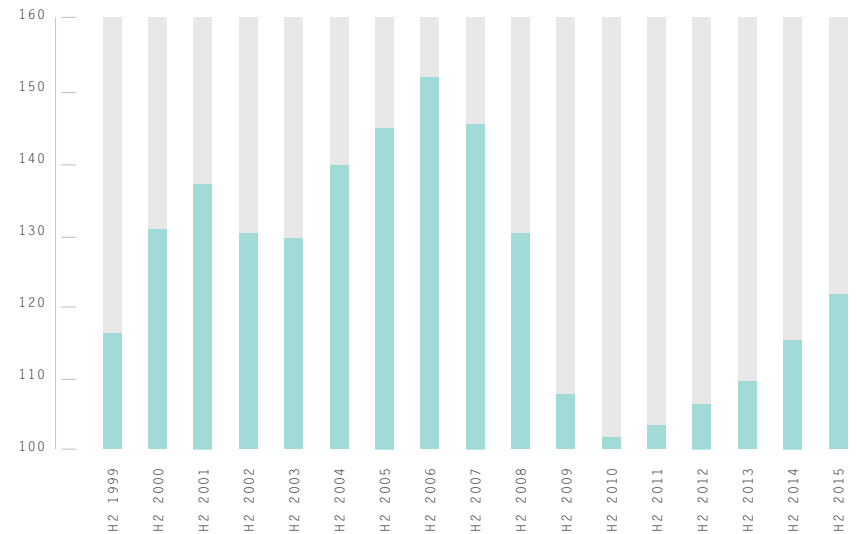
Value remains in commercial property market, particularly in regional locations.

## Commercial / Industrial € / m<sup>2</sup>

LOCATION	OFFICE RENTS PER SQ FT PER ANNUM	INDUSTRIAL RENTS PER SQ FT PER ANNUM
CORK	€15 - 28	€4 - 8
GALWAY	€15 - 25	€4 - 8
LIMERICK / SHANNON	€12 - 18	€3 - 7
WATERFORD	€10 - 15	€3 - 8
SLIGO	€6 - 10	€3 - 7
ATHLONE	€10 - 15	€4 - 8
DUNDALK	€12 - 18	€3 - 7

Source: IDA Ireland, 2016

## Index of Construction Tender Prices



Source: Society of Chartered Surveyors Ireland (SCSI), 2016

# Transportation

## International Road Freight Costs (Door to Door)

ROUTE	DESTINATION	AVG PER TRAILER €
IRELAND	LONDON	1,000
IRELAND	AMSTERDAM	1,450
IRELAND	BRUSSELS	1,300
IRELAND	PARIS	1,600
IRELAND	BERLIN	2,000
IRELAND	VIENNA	2,500
IRELAND	MILAN	2,500
IRELAND	WARSAW	2,900
IRELAND	PRAGUE	2,250

Source: Irish International Freight Association 2016

## Weekly Flight Schedule

DESTINATION	DUBLIN	CORK	SHANNON
LONDON	364	56	42
UK OTHER	488	74	17
PARIS	87	7	4
LYON	8		1
FRANKFURT	35		
MUNICH	21	2	
BERLIN	25		2
DUSSELDORF	18	2	
MADRID	36		
BARCELONA	38	4	
BRUSSELS	37		
LUXEMBOURG	6		
MILAN	28	2	
ROME	26		
AMSTERDAM	35	13	
COPENHAGEN	17		
STOCKHOLM	11		
PRAGUE	11		
ZURICH	16		1
BASEL	3		
GENEVA	11		
WARSAW	11		2
BUDAPEST	13		
NEW YORK	48		20
BOSTON	14		7
CHICAGO	25		5
ATLANTA	7		
CHARLOTTE	7		
PHILADELPHIA	7		7
SAN FRANCISCO	7		
WASHINGTON	11		
LOS ANGELES	3		
DUBAI	14		
ABU DHABI	14		
TORONTO	28		

Source: Airport Authorities, June 2016.  
Based on summer schedule

# IDA Global Office Network



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