Ireland
Vital Statistics

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Contents

Introduction 3
Economy 4
Demographics 6
Education 10
Wages & Salaries 11
Working Hours and Holidays 13
Telecommunications 14
Electricity 16
Water 16
Oil and Gas Prices 16
Factory and Office Prices 17
Cost of Living 17
Transport 18
Foreign Investment in Ireland 19

Introduction

As Ireland continues its transition into a leading 21st century innovation-led economy, FDI will continue to play a significant role in our future growth and economic prosperity. Since the beginning of the new millennium, the manner in which IDA Ireland does its business has been evolving in line with changes in the global economic environment. Our focus is aligning around significantly increasing investment across three key pillars, namely Global Services, High Technology Manufacturing and Research, Development and Innovation (RD&I).

1) *Global Services*

Ireland, like many other highly developed countries, is experiencing strong growth in the services sector. Services by their nature make intensive use of advanced technology and require a highly skilled workforce. Ireland is an important location within the EU for a number of distinct service sectors, namely computer software, IT services, international financial services and regional services' headquarters and a viable internationally traded services sector is a key component of sustainable growth.

2) *High Technology Manufacturing*

During the last three years, in excess of €5bn in FDI projects approved by IDA Ireland were in manufacturing. These manufacturing investments are increasingly associated with product or process development activities. They are at the leading edge of technology where productivity and creativity are contingent on the skills, capability and agility of the labour force. IDA had built a strong international reputation in this area and manufacturing is the bed-rock on which growth in Ireland's FDI was founded.

Future manufacturing projects will increasingly include significant development activities. The focus will primarily be on attracting investment in capital and skills intensive activities, where labour cost is not a significant competence in demand fulfilment management. Mirroring the rest of our economy, manufacturing is also in transition. Higher technological investment and higher value products will be the hallmark of future manufacturing operations in Ireland.

3) *Research, Development and Innovation (RD&I)*

The Government's coherent vision of establishing Ireland as a location for world-class research and innovation has shown strong results in 2008. As a result of the joint marketing programmes and initiatives undertaken by IDA Ireland and its sister agencies, Ireland is rapidly gaining a reputation as a keen competitor for global Research and Innovation from both multinationals and world-leading research institutes.

Ireland is gaining increasing recognition as a location in which to innovate and is empowering some of the leading global corporations to carry out research, development and innovation across a wide platform of activities, thereby enabling their future potential to create and commercialise new processes, products and services.

General

Population in each Province 2006

Province	Persons	% Change in Population since 2002
Leinster	2,295,123	+9.0%
Munster	1,173,340	+6.6%
Connacht	504,121	+8.6%
Ulster (part of)	267,264	+8.3%
State	4,239,848	+8.2%

***Source**: Census 2006, CSO July 2006.*

Largest Cities and Towns

Total Population (including suburbs or environs) 2006

City / Town	Population	City / Town	Population
Greater Dublin Area*	1,187,176	Tralee	22,744
Cork City	190,384	Kilkenny	22,179
Limerick City	90,757	Sligo	19,402
Galway City	72,729	Navan	24,851
Waterford City	49,213	Carlow	20,724
Dundalk	35,085	Naas	20,044
Drogheda	35,090	Wexford	18,163
Bray	31,901	Clonmel	17,008
Swords	33,998	Newbridge	18,520
Ennis	24,253	Longford	8,836

**The Greater Dublin Area includes Dublin City, Dun Laoghaire-Rathdown, Fingal and South Dublin.*

***Source**: Census 2006, CSO July 2006.*

Economy

In the second quarter of 2009 there was an annual decrease in employment of 174,300 or 8.2%, the largest annual decline since 1975. The average rate of unemployment in 2008 was 6.0%. However output growth in 2008 was -3.0% in real GDP terms, driven in significant part by the downturn in construction investment and by the effect of the overall international economy over much of the year. Inflation in consumer prices averaged 3.1% in 2008. The prediction for Irish output growth in 2009 and 2010 is not quite as favourable against the backdrop of a contraction in the economy in 2008. Irish living standards, as measured by a metric like output per capita in purchasing power terms, is ranked 8th place among the top countries globally by the OECD.

Country	Real GDP Growth % 2008	2009	2010(F)	2011(F)
Ireland	**-3.0**	**-7.5**	**-2.3**	**1.0%**
UK	0.7%	-2.9%	1.9%	2.5%
France	0.3%	-0.5%	1.4%	2.0%
Germany	1.0%	-2.2%	1.5%	2.2%
Netherlands	2.0%	-4.3%	0.7%	2.0%
Spain	0.9%	-3.6%	-0.3%	0.9%
Portugal	0.0%	-2.8%	0.8%	1.5%
Switzerland	1.8%	-1.9%	0.9%	1.9%
USA	1.1%	-0.3%	2.5%	3.0%
Japan	-0.7%	-1.1%	1.4%	2.2%
Euro Area	0.5%	-2.1%	1.2%	2.0%

***Source**: OECD Economic Outlook No. 86, Nov. 2009.*

Inflation (HICP)

Country	2008	2009	2010(f)	2011(f)
Ireland	**3.1%**	**-1.7**	**-0.7**	**0.4%**
UK	3.6%	2.1%	1.7%	0.5%
France	3.2%	0.1%	1.0%	0.6%
Germany	2.8%	0.2%	1.0%	0.8%
Netherlands	2.2%	0.9%	0.3%	0.7%
Spain	4.1%	-0.4%	0.8%	0.1 %
Portugal	2.7%	-0.9%	0.7%	1.0%
Switzerland *	2.4%	-0.6%	0.6%	0.4%
USA *	3.8%	-0.4%	1.7%	1.3%
Japan *	1.4%	-1.2%	-0.9%	-0.5%
Euro Area	3.3%	0.2%	0.9%	0.7%

***Source**: OECD Economic Outlook No. 86, Nov.2009. (*CPI)*

Unemployment (% of Labour Force)

Country	2008	2009	2010(f)	2011(f)
Ireland	**6.0%**	**11.9%**	**14.0%**	**13.8%**
UK	5.7%	8.0%	9.3%	9.5%
France	7.4%	9.1%	9.9%	10.1%
Germany	7.2%	7.6%	9.2%	9.7%
Netherlands	2.9%	3.7%	5.2%	5.5%
Spain	11.3%	18.1%	19.3%	19.0%
Portugal	7.6%	9.2%	10.1%	9.9%
Switzerland	3.5%	4.3%	4.9%	4.8%
USA	5.8%	9.2%	9.9%	9.1%
Japan	4.0%	5.2%	5.6%	5.4%
Euro Area	7.5%	9.4%	10.6%	10.8%

***Source**: OECD Economic Outlook No. 86, Nov. 2009.*

Annual Average GDP Growth Rate 2006 - 2008

Country	%
Ireland	**3.6**
Spain	3.1
Belgium	2.5
USA	2.3
UK	2.3
Netherlands	2.0
Denmark	1.6
France	1.6
Germany	1.1
Italy	0.9

Source: *OECD Economic Outlook No. 86, Nov. 2009.*

Exports / Imports of Goods and Services

	2006	2007	2008
Imports	€60,857m	€63,486m	€57,131m
Exports	€86,772m	€89,226m	€86,287m
Trade Surplus	€25,915m	€25,741m	€29,157m

Source: *External Trade, Central Statistics Office, June 2009.*

Destination of Exports, January – March 2009

European Union	60.4%
USA	22.1%
Switzerland	3.5%
Japan	2.0%
China/Singapore	3.2%
Rest of World	8.8%

Source: *External Trade, Central Statistics Office, June 2009.*

External Trade

	Imports	Exports	Surplus
Jan. 2009	€3,899m	€7,223m	€3,324m
Feb. 2009	€4,147m	€7,747m	€3,600m
Mar. 2009	€4,139m	€7,333m	€3,194m
Apr. 2009	€3,909m	€7,771m	€3,862m

Source*: External Trade, Central Statistics Office, June 2009.*
**Apr. figures are preliminary.*

Main Points – Economy

- Between 1999 and 2004 GDP growth rates in Ireland grew faster than any of the OECD countries.
- The IMD World Competitiveness Yearbook 2009 ranks Ireland 6th for GDP per capita at Purchasing Power Parity (PPP), ahead of France (13th) and the UK (17th).
- Ireland's unemployment rate of 11.9% is just slightly higher than the Euro-zone average of 9.4%.
- Ireland's Educational System ranks 8th in the world for meeting the needs of a competitive economy (*Source: IMD Yearbook 2009*).

Demographics

According to the Census undertaken in April 2006, Ireland's population is 4,239,848 persons, compared with 3,917,203 persons in April 2002, representing an increase of 322,645 persons or 8.2% in four years. The population of all four provinces increased between 2002 and 2004. Since the Census was last undertaken in 2002 Ireland's population has increased further to over 4 million.

Population by Age Group April 2009 (000's)

	Total	% of Total
0-14	937.7	21.0%
15-24	583.4	13.0%
25-44	1,445.3	32.4%
45+	1,493.1	33.6%
Total	4,459.5	100.0%

Source: *Population and Migration Estimates, CSO, Sept. 2009*

Population by Age Group and Region, April 2008

Region	0–14	15–24	25–44	45+	Total
Border	106.4	68.3	146.7	171.2	492.5
Dublin	228.7	173.6	436.9	378.5	1,217.8
Mid-East	119.1	67.9	177.7	149.6	514.5
Midland	59.9	36.3	82.6	87.7	266.8
Mid-West	77.4	53.2	113.4	127.8	371.9
South-East	104.2	68.3	146.8	168.5	487.8
South-West	129.5	90.6	202.3	221.6	644.6
West	86.3	59.3	129.3	151.0	426.1

Source: *Population and Migration Estimates, CSO, Aug. 2008*

Population Projections by Region 2021

Region	Total (000's)	Av. Annual % increase
Border	546	1.2
Dublin	1,440	1.3
Mid-East	623	2.2
Midland	296	1.4
Mid-West	410	1.0
South-East	537	1.3
South-West	705	1.0
West	513	1.6
Total	5,070	1.4

Source: *Regional Population Projections, CSO. May 2005.*

Ireland – a young, well educated and productive workforce

One of the reasons why so many companies choose Ireland is because of the unique workforce – Ireland has the youngest population in Europe with over 35% under the age of 25 years.

Future Availability of workforce

% Population under 25 in the years 2010 & 2015

Country	% Population under 25 2010	2015
USA	34.4	33.4
Ireland	**33.9**	**32.9**
France	30.6	29.9
United Kingdom	30.6	29.8
Netherlands	29.8	29.0
Europe	28.1	26.6
Hungary	27.1	26.0
Portugal	26.1	25.2
Czech Republic	26.7	25.4
Germany	24.6	22.8
Spain	25.3	25.2
Japan	23.5	21.9

Source*:* Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, *World Population Prospects: The 2008 Revision.*

Average age of the population in the years 2010 & 2015

Country	Median Age (yrs) 2010	2015
Ireland	**34.6**	**36.3**
USA	36.6	37.2
Hungary	39.8	41.1
United Kingdom	39.9	40.3
France	40.1	41.3
Czech Republic	39.6	41.2
Europe	40.2	41.5
Portugal	41.0	42.8
Spain	40.2	41.9
Netherlands	40.8	42.3
Germany	44.3	46.6
Japan	44.6	46.4

Source*:* Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, *World Population Prospects: The 2008 Revision.*

Labour Force ('000)

The latest figures from the Quarterly National Household Survey relate to the period April – June 2009.

	Total
At Work	1,938.5
Unemployed	264.6
Total	2,203.1

Source: *Quarterly National Household Survey, CSO. Sept. 2009.*

Ireland's total investment in knowledge (including investment in public and private spending on higher education) increased by an average annual rate of over 10% over the past decade compared with averages of around 3% by the EU and the OECD.

Surveys show that foreign investors consider the quality and the 'can do' flexible attitude of Irish people to be two of the country's greatest advantages.

Flexibility and Adaptability of Workforce 2009 when faced with new challenges

Ireland	**7.85**
USA	6.98
Netherlands	6.91
UK	6.31
Portugal	5.92
Japan	5.71
Czech Republic	5.46
Germany	5.27
Spain	4.89
Hungary	4.00
France	3.78

Source*: IMD World Competitiveness Yearbook, 2009.*

Labour Productivity 2008 – GDP (PPP) per person employed per hour (US$)

France	50.14
Ireland	**49.63**
USA	47.78
Netherlands	45.74
Germany	41.26
UK	39.08
Spain	38.62
Japan	37.28
Czech Republic	27.44
Portugal	25.84
Hungary	25.31

Source*: IMD World Competitiveness Yearbook, 2009.*

Skilled Labour 2009 (country score)

Ireland	**7.90**
Japan	7.24
USA	6.67
Germany	6.49
France	6.06
Netherlands	5.96
Hungary	5.74
UK	5.60
Czech Republic	5.58
Portugal	5.16
Spain	4.36

Source*: IMD World Competitiveness Yearbook, 2009.*

Net Migration ('000)

The total number of immigrants into the State in the year to April 2008 fell by 26,000 to 83,800, while the number of emigrants has shown a marginal increase on the previous year to 45,300. As a result net migration is estimated to have fallen from 67,300 in the year ending April 2007 to 38,500 in the most recent period. The effect brings the population estimate to 4.42 million in April 2008.

'000	'03	'04	'05	'06	'07	'08
Emigrants	29.3	26.5	29.4	36.0	42.2	45.3
Immigrants	60.0	58.5	84.6	108	109	83.8
Net Migration	30.7	32.0	55.1	71.8	67.3	38.5

Source: Population and Migration Estimates, CSO, Aug. 2008.

Components of Population Change

	Year Ending	
	Apr 2008	Apr 2009
Natural Increase	44,600	45,100
Net Migration	38,500	-7,800
Population Change	83,100	37,300

Source: Population and Migration Estimates, CSO, Sept. 2009.

Births, Deaths and Estimated Net Migration

Components of Population Change 2007 - 2009			
	2007	2008	2009
Births	65,800	72,300	74,500
Deaths	27,000	27,700	29,400
Natural Increase	38,800	44,600	45,000
Change in Population	106,100	83,100	37,300
Estimated Net Migration	67,300	38,500	-7,800

Source: Population and Migration Estimates, CSO, Sept. 2009.

Main Points

- The 2006 Census was the first in which the population of Leinster exceeded two million persons. Overall the increase in the Leinster region since 2002 (+9.0%) was higher than that for the State as a whole (+8.2%). The populations of both Kildare and Meath both increased by over a fifth.
- The population of all counties apart from Cork City increased between 2002 and 2006. In total nine counties experienced an increase of 10% or more.
- The population as a whole has reached over 4 million for the first time – at 4,239,848 persons.
- Ireland's dependency ratio is among the most favourable in Europe. By 2007 it is projected by the United Nations that at 47% it will be the second lowest (after Spain) in the EU. Ireland has one of the youngest populations in Europe with 35% under the age of 25.
- Over the twelve-month period to June 2009 the labour force increased to reach 2,203,100.
- All counties benefited from the combined effect of inward and internal migration flows during 2002 to 2006. The counties that gained most were Meath, Kildare, Westmeath, Wexford and Laois.
- New entrants to the workforce (school leavers, immigrants and women) ensure labour availability in the future.
- The population of the Dublin region is projected to increase by over ½ million persons in the period to 2031.
- The young population (those aged 0-14 years) will increase by over a fifth in the Dublin region over the 35-year period due to rising births. However, in all other regions there will be fewer younger persons in 2031 compared with 1996. Overall the population of the State is projected to age on average by about 7½ years over the course of the 35-year period.

Corporation Tax

2009 Corporate Tax rate for selected countries

Ireland	**12.5%**
United Kingdom	28%
Belgium	33.99%
France	33.33%
Netherlands	25.5%
Spain	30%
Austria	25%
Germany	32.92%
China	25%
Czech Republic	20%
Poland	19%
Latvia	15%
Cyprus	10%
Lithuania	15%
Hungary	16%
Luxembourg	28.59%
Portugal	26.5%
Sweden	26.30%
Denmark	25%
Malta	35%
USA	35%

Source: *Deloitte & Touche & IMD June 2009.*

% Increase in profit required to achieve the same distributable income available in Ireland

Netherlands	17.45%
UK	21.53%
China	16.67%
Belgium	32.56%
France	33.45%
Germany	25.00%
USA	44.63%
Japan	48.31%

Source: *Deloitte & Touche May 2009.*

- Since 2003 Ireland's corporate tax regime has changed to a rate of 12.5%. This applies to all Irish corporate trading profits.
- A rate of 25% applies to non-trading (passive) income.
- Existing overseas operations, which were eligible for a 10% rate, will retain entitlement to this rate until the end of year 2010.

Education

Ireland's educational system has reflected, benefited from and reinforced some important cultural characteristics: creativity, flexibility, nimbleness, agility, pragmatism and informality. Ireland has one of the best education systems in the world according to the independent IMD World Competitiveness Yearbook 2009 (ranks 8th). Almost 1 million people are in full time education.

Numbers in full-time Education 2004/2005 ('000)

	Total	% of Total
Primary	449.5	49.00%
Secondary	335.2	36.50%
Third Level	133.7	14.50%
Total	918.4	100.0%

Source: *Department of Education and Science, 2006.*

Rate of Retention at Second Level

1965	20%
1970	33%
1980	52%
1990	70%
2000	76%
2004	77%

Source*: Department of Education and Science, 2006.*

The rate of retention at second level corresponds to the estimated percentage of entrants to Junior cycle in a given year who complete second level with a Leaving Certificate (including Leaving Certificate Applied).

IT Graduate Output by Field of Study 2005/06

Discipline	Cert./ Diploma	Degree/ Masters/ Ph.D	Total
Business	3,982	2,719	6,701
Law	353	204	556
Accounting & Finance	726	454	1,180
Arts	617	817	1,434
Design	514	262	776
Sciences	888	711	1,599
Computing	1,282	1,159	2,441
Engineering	3,889	1,432	5,321
Healthcare	1,261	1,081	2,342
Tourism/Leisure	779	339	1,118
Other	349	20	369
Total	**14,640**	**9,197**	**23,837**

Source*: Higher Education Authority, April 2007.*

University Graduate Output by Field of Study 2005/06

Discipline	Cert./ Diploma	H.Dip Degree/ Masters/ Ph.D	Total
General Programmes	107	15	122
Education	88	3,134	3,222
Humanities & Arts	332	5,910	6,242
Social Sciences, Bus. & Law	457	7,938	8,395
Sciences	118	4,203	4.321
Engineering, Manuf. & Constr.	32	2,060	2,092
Agriculture	44	288	332
Health & Welfare	753	4,655	5,408
Services	636	148	784
Total	**2,567**	**28,351**	**30,918**

Source: *Higher Education Authority, April 2007.*

Some Comparative Educational Data

Public Expenditure on Education as % of GDP by level of education in 2006

Country	Total % All levels	Primary & Secondary %	Tertiary %
Belgium	6.0	4.0	1.3
France	5.6	3.9	1.2
Portugal	5.3	3.9	0.8
UK	5.3	3.7	1.0
Netherlands	5.5	3.6	1.5
Ireland	**4.9**	**3.7**	**1.1**
Italy	4.7	3.4	0.8
Germany	4.4	2.8	1.1
Czech Rep.	4.4	2.8	1.0

Source*: Education at a Glance, OECD 2009.*

The Educational System 2009 meets the needs of a competitive economy (country score)

Netherlands	6.87
Belgium	6.87
Ireland	**6.85**
Germany	6.13
France	5.87
UK	5.14
USA	4.81
Spain	3.27

Source*: IMD World Competitiveness Yearbook, 2009.*

Higher Education Achievement 2006 - % of population that attained at least tertiary education for persons aged 25-34

Ireland	**42.0**
Belgium	41.0
France	41.0
Spain	39.0
USA	39.0
UK	37.0
Netherlands	36.0
Germany	22.0

***Source**: IMD World Competitiveness Yearbook, 2009.*

Pattern of First Destination of Award Recipients in Higher Education (2001 - 2004)

First Destination	2001 (%)	2002 (%)	2003 (%)	2004 (%)
Gained Employment				
-Ireland	47	45	46	49
-Overseas	6	6	5	7
Seeking Employment	3	3	3	3
Further Studies	41	42	40	36
Not available for work/study	4	4	5	6
Totals	100	100	100	100
Number of respondents	28054	27046	27331	25647

***Source:** The Higher Education Authority, 2006.*

Main Points – Education

- In 2006, 54,110 students sat their Leaving Certificate Examination.
- In 2004/2005 there were 88,671 students studying Science subjects in the Leaving Certificate Programme, with a further 89,743 studying a second Language and 61,877 studying Business subjects.
- The Department of Education and Science report that the student population in 2nd level education currently stands at 335,162 and in 3rd level 133,691 (2004/2005 figures).
- A high percentage of new entrants to third level education choose Business, Engineering or Computer Science courses.
- Ireland produced a record number of 56,463 third level graduates in 2005.
- Of these almost 33,825 (60%) are graduates with qualifications in Engineering, Computer/Software Engineering, Business Studies and Science.
- In 2006, 40.2% of the population aged 25-34 in Ireland had 3d level education compared with 28.6% across the EU27.

Wages & Salaries

Avg. Gross Industrial Earnings and Hours Worked (€) Q4 2008

	Per Hour	Per Week	Hours worked per week
All Industries	21.37	812.06	38.0
Manufacturing	20.74	783.97	37.8

***Source**: Industrial Earnings and Labour Costs, CSO. June 2009*

Average Gross Weekly Earnings of Clerical, Managerial & All Employees (€) Q4 2008

	Clerical	Managerial	All Employees
All Industries	775.08	1,210.66	812.06
Manufacturing	749.16	1,183.86	783.97

***Source**: Industrial Earnings and Labour Costs, CSO. June. 2009*

Average Gross Earnings/Hours Worked for all industrial workers by sector (€) Q4 2008

	Per hour	Per week	Hours worked per week
Industry	24.62	812.12	33.0
Mining & quarrying	24.98	924.74	37.0
Manufacturing	23.90	784.33	32.8
Electr. & waste	34.25	1,134.86	33.1
Financial	35.25	1,017.76	28.9

***Source**: Industrial Earnings and Labour Costs, CSO. June. 2009*

Average Gross Weekly Earnings of Managerial and Clerical staff by sector (€) Q4 2008

	Clerical	Managerial
Industry	773.82	1,211.76

Mining & quarrying	735.62	1,285.68
Manufacturing	748.19	1,184.77
Electr. & waste	949.51	1,578.76
Financial	667.23	1,371.67

***Source**: Industrial Earnings and Labour Costs, CSO. June 2009*

Selection of Comparative Labour Costs in Europe 2009 (hourly € rate)

Employee	Ireland	Germany	Neths.	Switz.
Junior Clerical/Admn	14.46	14.96	19.59	21.96
Senior Clerical	26.44	26.22	29.59	33.58
Senior Secretarial	22.24	22.70	27.29	30.00
Technician – *Entry level*	14.46	14.96	19.59	21.96
Technician – *Senior level*	18.71	19.65	25.17	26.84
Supervisor	26.44	26.22	29.59	33.58
Junior Accountant	22.24	22.70	27.29	30.00
Senior Accountant	32.69	35.79	35.48	44.60
Middle Manager	36.30	39.78	39.98	50.22
Senior Manager	44.75	49.13	50.78	63.68
Dept. Head	55.18	60.68	64.49	80.73
General Manager (major branch opr.)	84.90	87.93	107.91	160.73
Managing Director (subsidiary)	105.94	103.15	142.16	252.38
Director	76.00	81.18	94.02	128.26

***Source:** Federation of European Employers, May 2009.*

Note: FEE figures quoted provide benchmark salary data as at February 1st 2009 for occupational groups in large organisations (>250 employees). Hourly pay data is presented in the form of a midpoint scale for each job. All figures are gross (pre-tax) adult rates, and are inclusive of regular overtime, but do not include variable sales commission, additional holiday pay, 13th month payments, dividends or profit share.

Social Security Contributions 2009

PAYE Related Social Insurance is payable by employers and employees. The contributions from 1st January 2009 are:

Employer:

Employer's contribution to PRSI is 10.75% of gross salary (8.5% if income is €356 per week or less).

Employee:

Employee's contributions are as follows:

PRSI

4% of all earnings except the first €352 per week, up to a ceiling of €50,700.

Health Levies

2% on all income, except those earning €500 per week or less.

2.5% on all income, except those earning €1,925 per week or less.

Personal Tax Rates 2009

	Taxable Income (€) and Rate	
Single/Widowed Without Dependent Children	First 36,400 @ 20%	Balance @ 41%
Single/Widowed Qualifying for one-parent family tax credit	First 40,400 @20%	Balance at 41%
Married One Income	First 45,400 @20%	Balance @ 41%
Married Two Incomes	First 72,800 @20%	Balance @ 41%

Wage Inflation

Since 1987, national pay agreements between employees, employers and government have played a central role in helping monetary policy keep inflation under control by promoting wage moderation.

The current agreement aims to keep Ireland's economy competitive in a rapidly changing world, provide a strong basis for further economic prosperity, improve the quality of life and living standards for all and to bring about a fairer and more inclusive Ireland.

Social Partnership Agreement

Social Partnership is a process by which issues of social policy can be agreed between the Government and the social partners. The social partners include trade unions, employers, farming organisations and the community and voluntary sector.

The Government and the social partners engage in negotiations on social policy issues that result in a social partnership agreement. The most recent social partnership agreement, ***Towards 2016****, was agreed in 2006 and covers a ten year period.*

Towards 2016 covers a wide range of policy areas. The goal of the agreement is to achieve 'a dynamic, internationalised and participatory society and economy, founded on a commitment to social justice and economic development that is both environmentally sustainable and internationally competitive'.

Part one *of the agreement, covering a period of 27 months, uses a lifestyle framework to address challenges for each of the four lifecycle stages. They are children, people of working age, older people and people with disabilities.*

Part two *of the agreement deals with employment conditions including: statutory minimum pay; partnership at the workplace; workplace learning and upskilling; pensions; equal opportunities; and work-life balance.*

The agreement on pay provided for an increase in the minimum wage from January 2007. It also includes agreement on pay increases for private and public sector employees. This increase is 10% and takes place in four phases over 27 months.

For private sector workers, the increases apply from the date of the expiry of the pervious agreement. If an employer claims inability to pay, or if there are other disputes relating to the partnership agreement, they must follow a specified process.

Source: *Social Partnership Unit, Department of the Taoiseach, March 2008*

Main Points

- A series of wage agreements between employers and employees ensures that wage inflation is kept relatively low.
- Ireland's hourly compensation cost for production workers in manufacturing has increased only moderately from €10.56 in 1996 to €15.11 in 2007.
- In Ireland there has been consistent evidence of a strong correlation between company size and the level of remuneration for a particular job. In essence pay levels are determined by three factors:- the job itself, the level of responsibility attached to it and the size of the company.

Working Hours and Holidays

Employment legislation in Ireland governs a few crucial and basic areas. Maximum hours of work for industrial workers are set at 48 hours per week plus 12 hours overtime but, in practice, the average is 39 hours per week. Statutory leave has been increased gradually over the last number of years in Ireland and now the statutory minimum is 4 weeks per annum.

Annualised hours in Europe

'Annualisation' or 'annualised hours' schemes allow employees' working time (and pay) to be calculated and scheduled over the period of a year (or some other period longer than a week, if a broad definition is used). They are a means of achieving working time flexibility which has proved increasingly popular in a number of European countries in recent years, and which has been promoted by EU policy and recommendations.

Statutory Working Hours

Country	Maximum Daily hours	Maximum weekly hours	Average Weekly hours
Ireland	**13**	**48**	**39**
Belgium	8	38	38
Denmark	13	48	37

France	10	48	38
Germany	10	48	38
Italy	13	48	38
Luxembourg	10	48	39
Netherlands	9	48	37
Portugal	8	40	38
Spain	9	40	38
UK	13	48	37

Source: *EIRO March 2008.*

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.

Examples of International Direct Dialling

Destination	Peak Time	Off-Peak Time
UK	0.1535	0.1443
Germany, Benelux, France	0.2420	0.2420
Austria, Denmark, Finland, Spain etc.	0.3872	0.3872
USA & Canada	0.1904	0.1523

Source*: Eircom, April 2008*

Approximate Cost of International FreeFone € per minute(excluding VAT)

Band	Origin of Call		International Freefone Subscriber Subscription Option									
			1	2	3	4	5	6	7	8	9	10
		Base Rate	Subscription Cost of each Option (€)									
			50	650	2,000	5,000	7,500	10,000	15,000	20,000	30,000	40,000
1	UK	.1679	.12	.11	.10	.09	.09	.09	.08	.08	.07	.07
2	Near Europe	.3149	.18	.17	.16	.15	.14	.13	.12	.11	.10	.09
3	Mid Europe	.3988	.24	.23	.21	.19	.18	.17	.16	.15	.14	.13
4	Far Europe & North Africa	.7618	.53	.52	.50	.44	.42	.39	.37	.36	.36	.32
5	USA & Canada	.2413	.17	.17	.16	.13	.13	.12	.10	.09	.09	.09
7	Australia, New Zealand, Japan, Singapore & Hong Kong	.7089	.50	.49	.46	.45	.42	.41	.41	.39	.38	.35
8	Middle East & South Africa	1.028	.72	.70	.67	.59	.59	.59	.59	.54	.52	.50
9	Rest of Pacific Rim	1.015	.71	.70	.67	.58	.41	.41	.41	.40	.40	.40

Source: *Eircom, April 2008. The subscription cost is the committed monthly spend after discount*

Electricity

Sample Electricity Charges for Industrial Electricity in Ireland

	Medium Voltage	High Voltage	
	10kV/20kV	38kV	110kV
Standing Charge (annual)	€3,193.75	€15,056.0	€7,746.03
Summer Unit Price (per kWh)	€0.1275	€0.1100	€0.1066
Winter Unit Price (per kWh)	€0.1689	€0.1651	€0.1601

***Source**: ESB, November 2008.*

International Industrial Electricity Prices 2008

(per kWh)

Country	US$
Ireland	**0.180**
Hungary	0.159
UK	0.134
Spain	0.089
Germany	0.084
Poland	0.115
US	0.062
France	0.061

***Source**: Key World Energy Statistics, International Energy Agency, March 2008.*

Water

The cost of metered water for industrial use in Ireland varies by county. In addition, most local authorities have a charge for meter rental. Again this varies with most charging below €126. Some local authorities also have a minimum charge (c. €60).

Water Rates per cubic metre for 2009

County	Area	Rate €
Dublin	City	1.64
Dublin	North Dublin/Fingal	0.93
Dublin	South Dublin County	1.76
Dublin	Dun Laoghaire /Rathdown	1.17
Cork	City	2.35
Cork	County	2.09
Galway	County	0.93
Limerick	City	1.30
Limerick	County	1.15
Waterford	City	1.15
Waterford	County	1.06

***Source**: Various Local Authorities, June 2009.*

Oil and Gas Prices

International Comparison of Retail Prices

(1st Qtr. 2008)

US$/Unit

Product	Heavy Fuel Oil for Industry Per Tonne	Natural Gas for Industry 10 kcal GCV
Ireland	**442.13**	**569.72**
France	567.66	539.24
Germany	544.83	--
Netherlands	647.56	--
Spain	613.53	444.41
UK	--	396.34
USA	518.83	343.31

***Source:** Key World Energy Statistics, International Energy Agency, 2008.*

Gas Prices

Standard Industrial/Commercial Tariff

Rates per Two Months	Rate per kWh (cent) Exclusive of VAT
0 – 3,000 kWh	5.376
3,001 – 7,500 kWh	4.963
7,501 – 15,000 kWh	4.548
15,001+ kWh	4.136

Source: *Bord Gais, Nov. 2008.*

Gas Prices

Demand and Commodity Tariff

Usage per Year	Rate per kWh (cent) Exclusive of VAT
Tariff 1 450,000 – 2,400,000 kWh p.a. Standing Charge: €2,909 a year plus €145.47 a year for each additional meter installed	3.641
Tariff 2 2,400,000 + kWh p.a. Standing Charge: €8,726 a year plus €145.47 a year for each additional meter installed	3.389

Source*: Bord Gais, Nov. 2008.*

Factory and Office Prices

Factory Rental Costs (per sq. ft. per annum)

Dublin	€6 – €15
Outside Dublin	€3 – €15

Source*: IDA Property Division, June 2008.*

Office Rental Costs (per sq. ft. per annum)

Dublin – City Centre	€14 - €57
Dublin – Suburbs	€10 - €22
Cork	€12 - €23
Galway	€12 - €20
Limerick	€13 - €18
Waterford	€12 - €22

Source*: IDA Property Division, June 2008.*

Comparative World City Office Rental for 2009 – Rank + Costs in Prime Locations (per sq. ft. p.a.)

1. Tokyo (Inner Central)	€129.10
2. London (West End)	€121.37
8. Paris	€80.79
9. London (City)	€72.79
10. Dublin	**€65.79**
15. Singapore	€58.22
18. Zurich	€53.93
21. New York (Midtown)	€48.26
23. Edinburgh	€46.85
24. Madrid	€46.75
27. Manchester	€44.84
37. Munich	€39.38
41. Warsaw	€38.10
42. Prague	€37.44
45. Los Angeles	€37.16
49. Brussels	€35.47

Source*: CB Richard Ellis Global Market Rents, May 2009*

Cost of Living

World Cost of Living 2009

City	Rank
Tokyo	1
Osaka	2
Moscow	3
Geneva	4
Hong Kong	5
Zurich	6
Copenhagen	7
New York	8
Singapore	10
Milan	11
Paris	13
London	16
Dublin	**25**
Amsterdam	29

Source: *Mercer Human Resource Consulting, Cost of Living Survey, June 2009.*

Tokyo has replaced Moscow as the world's most expensive city, according to the latest Cost of Living Survey from Mercer Human Resource Consulting, the global leader for HR and related

financial advice. Osaka is in second place, climbing nine places since last year, whereas Moscow is now in third place.

Since the Euro was introduced in 2002, many European cities have moved up in the rankings. Geneva is the most expensive city in Europe, ranked 4th. High accommodation and transport costs together with the appreciation of the pound against the US dollar have pushed the city up in the rankings. After Geneva, Zurich is the next most expensive city in Europe ranked in 6th position followed by Copenhagen in 7th place. Other high scoring cities include Milan ranked 11h, Paris ranked 13th, London in 16th place and Dublin in 25th position. Many Eastern European cities have dropped sharply in the ranking due to the devaluation of local currencies against the US dollar.

New York remains the most expensive city in North America, at 8th position in the rankings (up from 22nd last year). Other North American cities have risen more steeply in the rankings. Los Angeles 23rd (up 32 places) and Washington is up 41 places to 66th. Due to the strengthening of the dollar, all cities in the US have experienced a rise in this year's rankings.

Transport

Scheduled Flights from Cork, Dublin & Shannon International Airports

Destination	Number of flights per Day		
	Cork	Dublin	Shannon
Amsterdam	2	5	
Atlanta		1	
Barcelona	1	2	
Berlin	1	2	
Boston		2*	1
Brussels		4	1
Budapest		3	
Chicago		3	1**
Copenhagen		2	
Düsseldorf		2	
Frankfurt		6	
London	9	40	7
Los Angeles		1	
Luxembourg		1	
Lyon		1	
Madrid		4	
Milan		4	1
Munich	1	2	
New York		3*	1
Paris	1	12	3
Philadelphia		1	1
Prague	1	2	
Rome	1	2	
Stockholm		1	
UK (other)	12	42	6
Warsaw		1	
Washington		1	
Zurich		2	
Other	16	116	16

**Some flights via Shannon International Airport*

Source: *Airport Authorities, May 2009.*

International Road Freight Costs (Door to Door) 2009

Route	Destination	Avg per Trailer €
Ireland	London	1,275
Ireland	Amsterdam	1,765
Ireland	Brussels	1,950
Ireland	Paris	2,385
Ireland	Berlin	2,485
Ireland	Vienna	2,485
Ireland	Milan	2,825
Ireland	Warsaw	3,250
Ireland	Prague	3,375

***Source**: Irish International Freight Association, June 2009*

International Transit Times (Door to Door) 2009

Irish Port	Destination Port	Times
Dublin	London	24-48 hrs.
Dublin	Amsterdam	48 hrs.
Dublin	Brussels	48 hrs.
Dublin	Paris	72-96 hrs.
Dublin	Berlin	48-72 hrs.
Dublin	Milan	72-96 hrs.
Dublin	Prague	72-96 hrs.
Dublin	Vienna	96 hrs.
Dublin	Warsaw	96 hrs.

***Source**: Irish International Freight Association, June 2009*

Foreign Investment in Ireland

Number and Employment in IDA Client Companies in Ireland 2008

Country of Origin	Number of Companies	Total Employment
Australia	8	195
Austria	4	363
Belgium	13	1,333
Bermuda	16	933
Canada	19	1,007
China	2	16
Denmark	6	506
Finland	4	344
France	46	3,950
Germany	103	10,119
Greece	1	15
India	5	770
Israel	1	73
Italy	29	1.653
Japan	28	2,641
Korea South	3	28
Liechtenstein	1	10
Luxembourg	3	17
Mexico	8	164
Netherlands	32	2,448
Nigeria	1	6
Norway	1	8
Russia	2	26
Singapore	1	122
South Africa	2	21
Spain	3	11
Sweden	11	2,081
Switzerland	28	4,180
Taiwan	1	10
Turkey	2	3
United Kingdom	108	7,775
United States	464	93,987
OVERSEAS	**956**	**134,815**
Ireland**	24	1,228
TOTAL	**980**	**136,043**

***Source**: Forfas Annual Employment Survey 2008.*

*** Accounted for by Irish Financial Services Companies*