

Hospitality Skills in Ireland:

Supply and demand in
the aftermath of COVID-19

May 2024

**Produced by the Skills & Labour Market
Research Unit (SLMRU) in SOLAS in
collaboration with Fáilte Ireland**

Foreword

Spotlight on Tourism

by **Jenny De Saullés**,

Director of Sector Development, Fáilte Ireland

As one of the last sectors to reopen following COVID-19, the impact of the pandemic on the tourism sector is well-documented. Although the pandemic had profound repercussions on the industry's skilled workforce, with employees leaving in their thousands for careers in other sectors, it has brought unprecedented change to how tourism businesses recruit, retain and develop talent.

We welcome this comprehensive report from SOLAS which provides us with an updated picture of the workforce across accommodation and food service provision in Ireland, which is an important part of the wider tourism ecosystem and how its makeup has changed post-pandemic. The figures show that there are more part-timers than ever before, the age profile of the workforce has shifted lower and there has been an increase of newcomers to the sector.

The latter point is reinforced in our own Fáilte Ireland research which identified one in three workers to the industry as being new in 2021, underlining the extent of the skills gap across the sector, and across roles.

As a result of this, there has been growing demand for education and training provision in the sector as outlined in this report. Following the pandemic, the report shows an uplift in training for front of house skills with ETB training in the areas of bar skills, barista training, food and culinary preparation and customer service rising by 134% as the industry reopened following the pandemic.

This rise in the need for specific upskilling is also reflected in Fáilte Ireland data, with thousands of workers at all levels from front of house to middle management accessing our online learning opportunities in 2022 in areas from induction and customer service to professional development courses and upskilling aimed at driving business performance.

We know that overall, the numbers of students entering further and higher education courses in the tourism and hospitality sector have been challenging in recent years which threatens a key pipeline of future talent for the sector. No doubt the impact of the pandemic and wider perceptions of careers in the industry have compounded this. However, it is encouraging to see stable demand for opportunities for further professional development at levels 9-10.

As the industry started to reopen in late 2021, Fáilte Ireland carried out a wide-ranging body of research into the wider tourism and hospitality sector's labour market, some of the findings of which are outlined in this report. We garnered insights from over 5,000 employees with the support of Jobs.ie as well as 1,000 business owners and recruitment

agents. From the employees' perspective, it was clear that much more needed to be done to make working in the industry rewarding and appealing in a red-hot labour market. Reward and recognition compared to other sectors were called out as one of the main reasons employees were leaving, as well as the need for clear career paths and opportunities for progression.

Businesses responded comprehensively through a range of measures including increased pay and benefits, greater flexibility, more stable work patterns and opportunity for progression and development. Employers in the tourism sector have placed their people high on their corporate agenda, through committing to employee engagement programmes such as the Fáilte Ireland Employer Excellence Programme to continuously enhance their workplace.

There is now evidence that employees' perceptions are changing, with improvements coming through in employee surveys around recognition of the non-pay, unique or special benefits of working in tourism businesses as well as the career opportunities the sector offers. 64% (+9%pts on 2022) of employees now say that they enjoy special and unique benefits working in their business, with 88% of employees saying they now see tourism as a long-term career (+17%pts).

For Fáilte Ireland's part, our focus in the years ahead is on not only enriching Ireland for tourists, but on enriching Ireland through tourism. A key driver of this is an industry that offers quality employment across the regions, helping to sustain local economies.

Despite the changes to the wider sector's workforce, SOLAS' report demonstrates how employment in the sector continues to benefit parts of Ireland that other sectors don't reach, delivering balanced regional development.

The data shows that, as a vast sector with a huge array of roles, and a significant job creator in the economy, the sector provides both 'jobs' and 'careers'. Jobs that enable those looking for flexibility the opportunity to build transversal skill sets and work part-time, as well as roles that offer progression and a long-term career where passion is consistently referenced as a key motivator.

Although significant progress has been made in just a few short years, we cannot rest on our laurels, with employee trends and the labour market fast-evolving not just here in Ireland, but across the world.

Overall, insights from this report signal an ongoing need for additional staff to accommodate future demand and to replace those workers who leave due to retirement or other reasons. This provides useful guidance in terms of the potential direction of travel for education and training provision going forward with employers actively looking for a strong mix of transversal and job-specific skills.

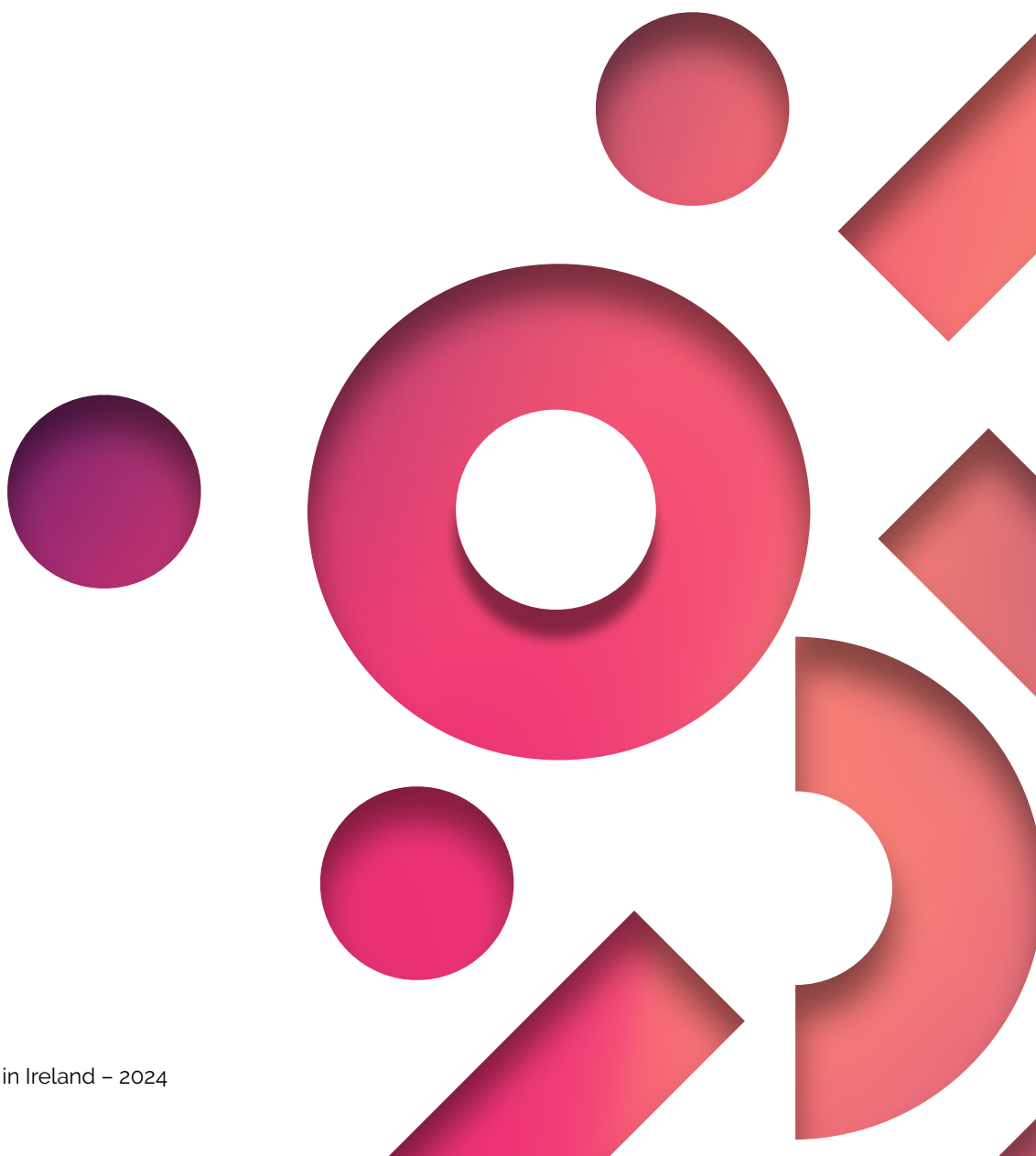
Looking to the future, having a skilled and agile workforce will be the cornerstone of the sector's resilience and prosperity. As well as supporting employers to continuously enhance careers in the sector and working collectively to build the industry's reputation, Fáilte Ireland will work with partners across the skills ecosystem to ensure that we are

building capability and skills in the industry in a way that is both responsive and forward-looking. Shared bodies of research will be central to developing plans in this space in a way that is driven by insight and data. This will support the industry to continue to build the adaptability and resilience required to take on ever-evolving societal and economic change, as well as being in a strong and competitive position to grow sustainably and offer a world-class visitor experience.



Jenny De Saulles

Fáilte Ireland's Director of Sector Development



Foreword

by **Andrew Brownlee**,
CEO of SOLAS

SOLAS is very pleased to introduce this report that details the recent employment trends in the hospitality sector in Ireland. The report has been compiled by the Skills and Labour Market Research Unit in SOLAS, which provides analyses of the demand and supply of skills in Ireland. Bringing together the latest data available from a wide range of national and international sources, the report highlights the key employment indicators for hospitality skills as well as the extent to which COVID-19 related restrictions impacted and changed the employment landscape in these areas. In addition, the report incorporates results of Fáilte Ireland's research on tourism careers. We hope that the insights provided in this report will facilitate informed decision making in introducing measures to address the future skills needs of this sector, particularly in the aftermath of economic restrictions resulting from COVID-19, the cost-of-living crisis, and the twin transition of green and digital skills.

The accommodation and food sector accounts for almost 7% of total national employment in Ireland, and the Further Education and Training (FET) sector is keenly aware of the potential opportunities these areas have to offer FET learners, be they young people, new labour market entrants and re-entrants, or those already in the sector seeking to progress in their careers.

FET serves as a resource for people to upskill and reskill throughout lifetimes and careers and is becoming the go-to place for the development of specialist skills for some of Ireland's critical industries. Due to the flexibility of FET provision, it is perfectly placed to meet the changing needs of Irish society by responding to and driving the demand for key skills areas including hospitality. SOLAS has worked with stakeholders such as the National Apprenticeship Office, Education and Training Boards, Fáilte Ireland, and industry representatives to expand course offerings in food and hospitality areas in recent years. A range of provision is now available including new apprenticeship programmes, as well as the Skills to Advance programmes and micro-credentials – bite-sized learning options that offer guaranteed accredited qualifications to employees at little or no cost to employers.

Ireland is at record employment levels and, together with a near historic low unemployment rate, the demand for skills in the labour market is now particularly high. As a result, employers in the accommodation and food services sector face competition from those in many other sectors when recruiting staff. In recognition of the current environment, as we have seen from the Fáilte Ireland research, employers have actively taken steps to provide job opportunities that are attractive to a range of different types of workers: flexible working options such as part-time work are being offered, with the opportunity to develop skills and build alternative career paths.

We hope that this report will be a valuable and useful resource and that the data can be used to plan future FET provision that responds to the skills needs of Ireland's accommodation and food sector. This will ensure that we have a resilient, dynamic, and skilled workforce, that can adapt quickly in an everchanging work environment. We look forward to continuing to work with our industry partners to provide skills-based training that meets the demands of the sector with the ultimate goal that all learners can benefit from the exciting career opportunities the hospitality sector has to offer.



Andrew Brownlee
CEO of SOLAS

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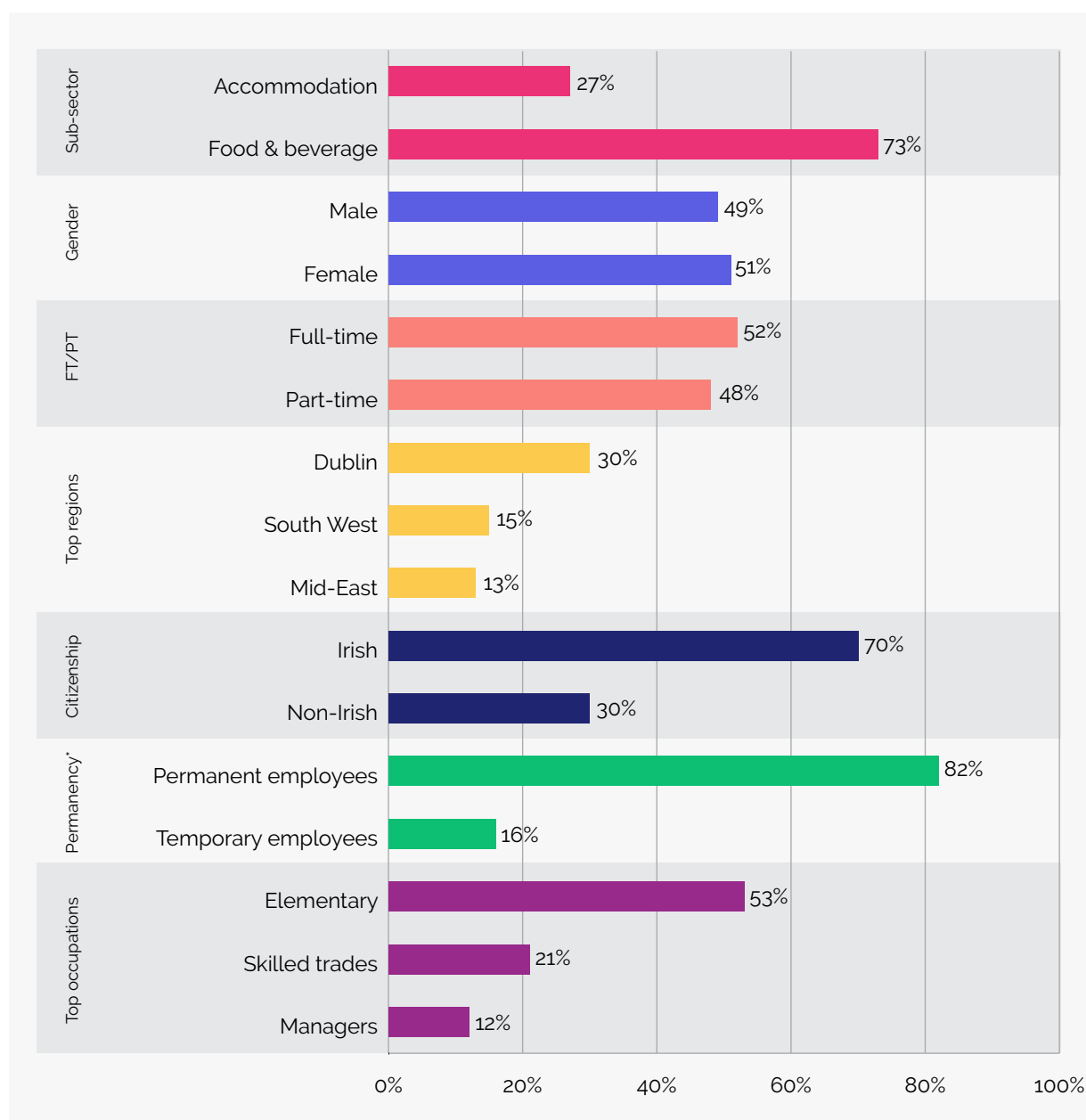
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List of Abbreviations

AFS	Accommodation and food services
CSO	Central Statistics Office
DETE	Department of Enterprise, Trade and Employment
DSP	Department of Social Protection
EWSS	Employment Wage Subsidy Scheme
ETBI	Education and Training Boards Ireland
FET	Further Education and Training
HE	Higher Education
HEA	Higher Education Authority
LFS	Labour Force Survey
NFQ	National Framework of Qualifications
OVATE	Online Vacancy Analysis Tool for Europe
PLSS	Programme and Learner Support Systems
PUP	Pandemic Unemployment Payment
QQI	Quality and Qualifications Ireland
SLMRU	Skills and Labour Market Research Unit
TWSS	Temporary COVID-19 Wage Subsidy Scheme

Key indicators for the accommodation and food sector, Quarter 4 2023



Source: SLMRU (SOLAS) analysis of CSO LFS data

* Excludes not stated and refers to employees only

- **Sub-sector:** almost three quarters of employment was in the food and beverage services sub-sector
- **Gender:** over half (51%) of those employed were female, compared to 47% nationally
- **FT/PT:** almost half (48%) of those employed were working part-time, compared to 22% nationally
- **Regions:** Dublin accounted for the highest share of employment and, at 30%, is in line with Dublin's overall share of employment

- **Citizenship:** 70% of those employed in the AFS sector were Irish citizens, compared to 81% nationally
- **Permanency:** 82% of employees were in permanent employment, compared to 89% nationally
- **Top occupations:** elementary occupations accounted for over half (53%) of employment in the AFS sector but accounted for 10% of total employment in Ireland.

Introduction

This report was prepared by the Skills and Labour Market Research Unit (SLMRU) in SOLAS in collaboration with Fáilte Ireland. The aim of the report is to provide an overview of recent employment trends in the accommodation and food sector and more specifically, where possible, hospitality occupations. While the majority of persons employed in hospitality occupations are employed in the accommodation and food sector, a smaller share are employed across other sectors in the economy. Equally, hospitality occupations do not account for total employment in the accommodation and food sector with approximately a fifth working in non-hospitality occupations (e.g. accountants, administrators, cleaners). This is further detailed in Section 3.

The accommodation and food sector is a significant employer in Ireland, accounting for almost 7% of total employment. The restrictions as a result of the COVID-19 pandemic had a particularly severe impact on this sector. Understanding the extent of the recovery will be an important step in determining future skills needs. A detailed analysis of the sector has not been produced since the 2015 report by the Expert Group on Future Skills Needs (EGFSN)¹ and, as such, it was considered timely to undertake a further examination of the demand and supply of skills relevant to the sector.

Scope

For the most part, this report utilises data available through the CSO, primarily the Labour Force Survey and Census, to examine the demand for skills in the accommodation and food sector across a number of indicators including gender, age, education level, citizenship, geographical location, full-time/part-time status and permanency of the role. The report also utilises additional datasets available through the CSO, namely earnings and hours worked and business demography data. This analysis is further enhanced with datasets obtained by the SLMRU including employment permits, skills associated with online job vacancy advertisements, forecasts produced by Cedefop and supply data (sourced through SOLAS/ETBI, QQI and the HEA). The report examines the latest available data for these sources with comparisons with pre-COVID-19 levels.

Although the report provides analysis of potential future trends (from the Cedefop forecasts) it is not intended as a detailed assessment of future skills requirements for the sector. Rather, it is the intention that this analysis can be used as a basis to build any future skills analysis required for the sector.

1 Expert Group on Future Skills Needs (2015). *Assessment of Future Skills Requirements in the Hospitality Sector in Ireland, 2015-2020*.

Report structure

Section 1 details labour market indicators from the Labour Force Survey for the accommodation and food services (AFS) sector and analyses the impact of the COVID-19 pandemic restrictions on the sector. In Section 2, a more detailed analysis of employment is provided through the Census 2022 data. To note, the numbers employed in the AFS sector differ between the Labour Force Survey (in Section 1) and the Census; more detail on these differences are provided in Appendix A. Section 3 focuses on hospitality occupations which span both the AFS sector and other sectors of the economy. Other key data sources are outlined in Section 4 including business demography, employment permits, earnings, hours worked and vacancy rates for the AFS sector. Education and training provision is provided in Section 5, with forecasts for employment in the AFS sector detailed in Section 6. The report concludes with future outlooks for hospitality occupations from our annual National Skills Bulletin and commentary on recent research produced by Fáilte Ireland.



1. Overview of employment in the accommodation and food sector

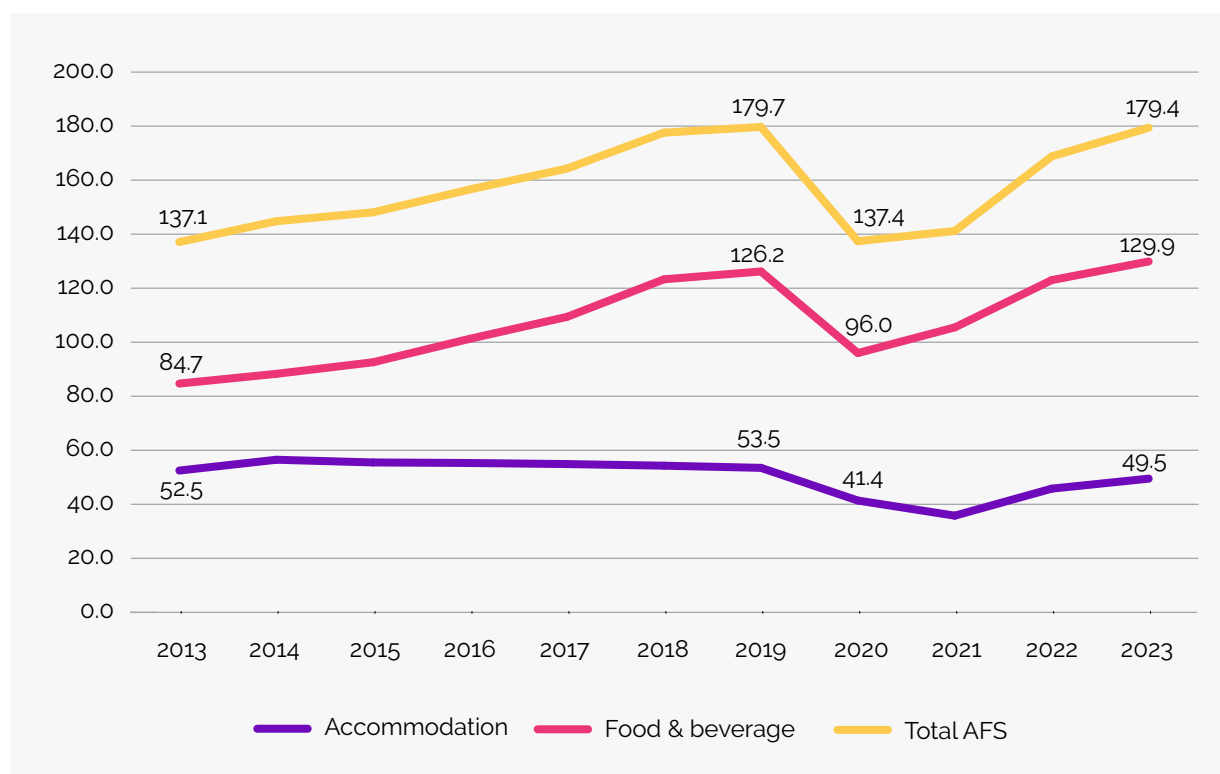
In quarter 4 2023, with 183,100 persons employed, accommodation and food was the sixth largest sector of employment in Ireland, accounting for 6.8% of national employment.

1.1 Employment in the accommodation & food sub-sectors

The accommodation and food sector comprises two segments: accommodation and food and beverage service activities. The **food & beverage** services sub-sector accounted for 72% of total employment in the AFS sector in 2023 (annual average), with the share increasing from 62% in 2013. Employment in this sub-sector grew strongly in the period from 2013 to 2019, by nearly 42,000, to reach 126,200 persons. With the onset of the COVID-19 pandemic, employment fell by over 30,000 in the following year. In recent years, employment has recovered, with 2023 levels exceeding that of 2019.

In contrast, employment levels in the **accommodation** sub-sector did not grow over the 2013-2019 period. With the onset of the pandemic, employment fell in 2020, which continued in 2021, before employment began to recover; however, in 2023, at 49,500 persons employed, the numbers remained below pre-COVID-19 levels.

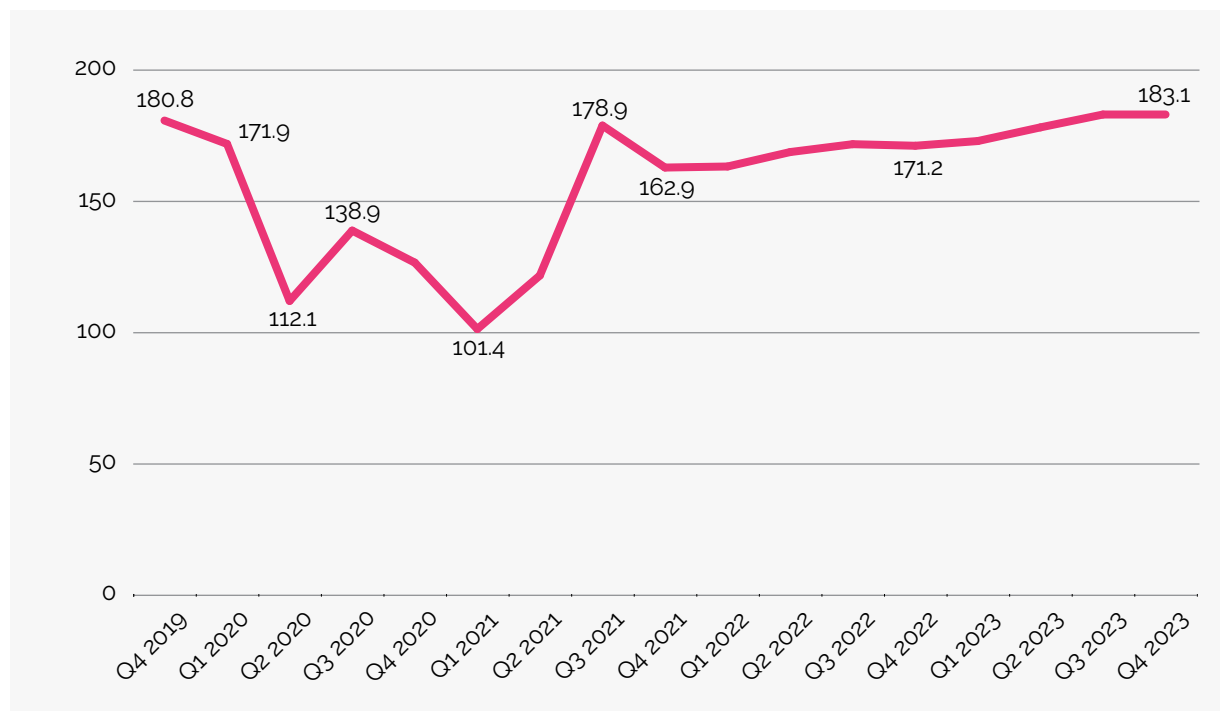
Figure 1.1: Employment in AFS by sub-sector (000s), 2013-2023 (Annual Average)



Source: SLMRU (SOLAS) analysis of CSO LFS data

Figure 1.2 provides a more detailed analysis of the AFS sector over a more recent time period by quarter. In quarter 4 2023, employment in the accommodation and food sector returned to above its pre-COVID-19 pandemic levels for the first time (180,800 persons in quarter 4 2019). After experiencing a sharp decline in employment during the first year of the COVID-19 pandemic (between quarter 1 2020 and quarter 1 2021), employment levels increased strongly until quarter 3 2021 (to 178,900 persons), and then declined in quarter 4 2021. Since quarter 4 2021, employment levels remained relatively stable, with gradual increases observed.

Figure 1.2: Employment (000s) in AFS sector, Quarter 4 2019-Quarter 4 2023

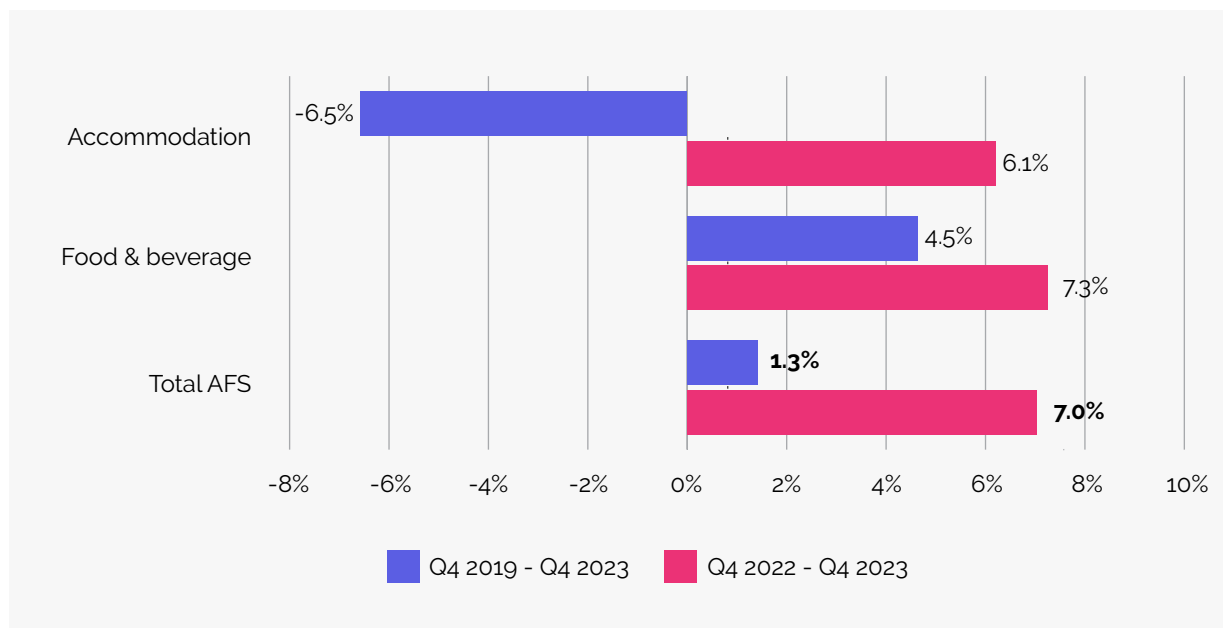


Source: SLMRU (SOLAS) analysis of CSO LFS data

Figure 1.3 shows that in the one-year period, quarter 4 2022 to quarter 4 2023, employment in the accommodation and food sector increased by 7.0% (or 11,900 more persons), higher than the increase nationally (at 3.4%). While employment increased in both the accommodation and food and beverage services sub-sectors, the largest relative and absolute increase was observed for food and beverages (7.3%), or 9,000 more persons. Food and beverages accounted for three quarters of the increase in overall employment in the accommodation and food sector in the one-year period.

Comparing quarter 4 2023 with quarter 4 2019, employment in the accommodation and food sector increased by 1.3% (or 2,200 more persons), compared to a 13.8% increase for total employment across all sectors. Employment in food and beverage services increased by 4.5% (or 5,700 more persons), exceeding pre-COVID-19 pandemic levels in quarter 4 2019. In contrast, employment in accommodation declined by 6.5% (or 3,500 fewer persons), with employment having yet to fully recover to pre-pandemic levels.

Figure 1.3: Employment change (%) in AFS by sub-sector



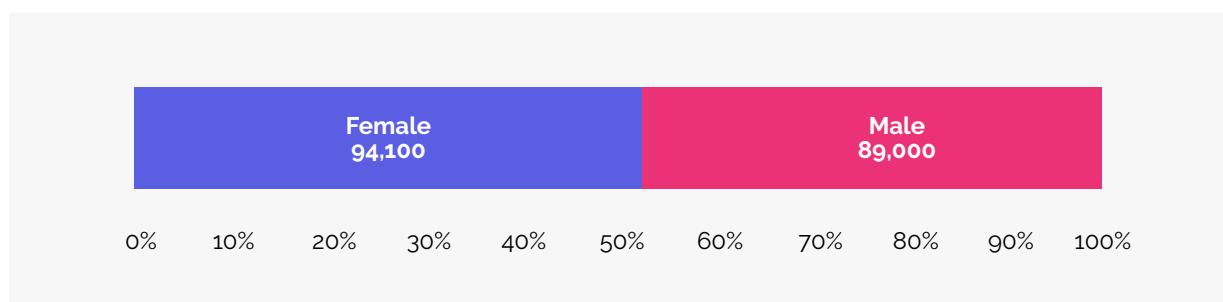
Source: SLMRU (SOLAS) analysis of CSO LFS data

1.2 Employment in AFS by gender

In quarter 4 2023, of the 183,100 persons employed in the accommodation and food sector, 51% (or 94,100 persons) were female, higher than the share of females employed nationally (at 47%). Males accounted for 49% of employment (or 89,000 persons) (Figure 1.4).

Compared to quarter 4 2022, the share of females employed in the sector was one percentage point higher, while 3 percentage points lower than the share observed in quarter 4 2019.

Figure 1.4: Employment in AFS by gender, Quarter 4 2023

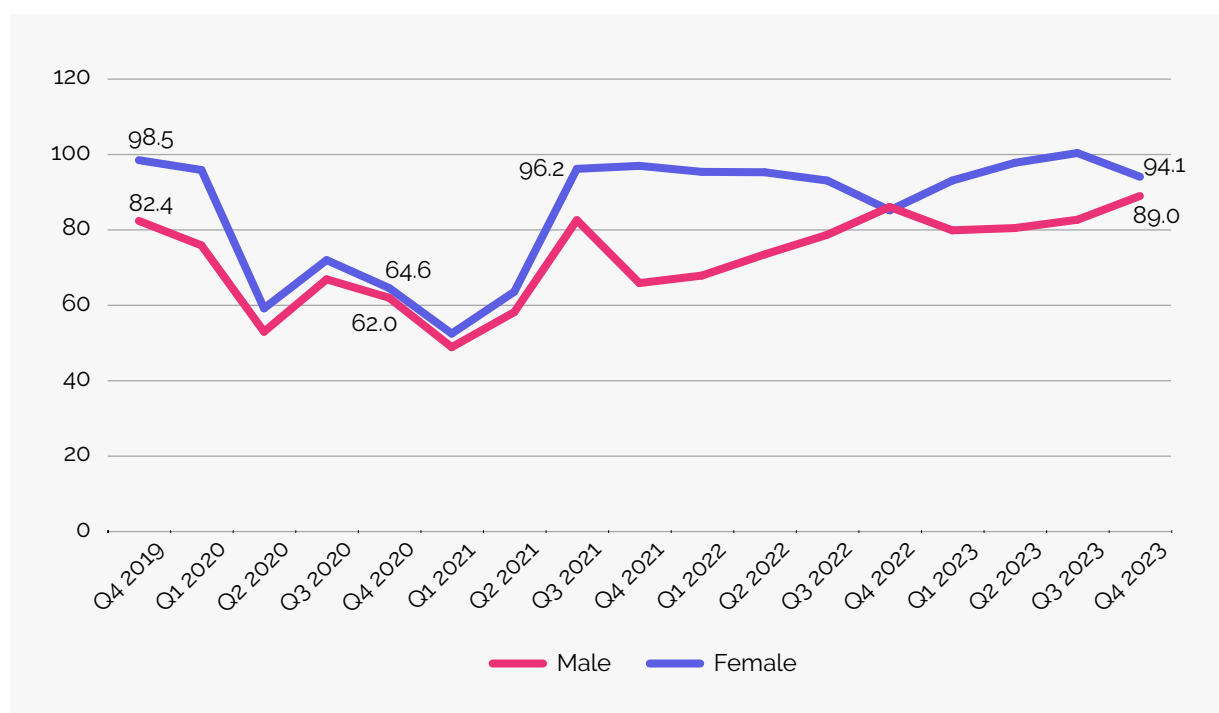


Source: SLMRU (SOLAS) analysis of CSO LFS data

With the exception of quarter 4 2022, the number of females employed in the accommodation and food sector outnumbered the number of males over the period examined in Figure 1.5. The numbers converged over the period quarter 2 2020 to quarter 2 2021, with relatively small differences in the employment levels for the genders. Between quarter 4 2022 and quarter 4 2023, female employment increased by 10.4% (or 8,900 persons), while male employment increased by 3.4% (or 2,900 persons).

Compared to quarter 4 2019, female employment declined by 4.5% (or 4,400 persons), while male employment increased by 8% (or 6,600 persons).

Figure 1.5: Employment (000s) in AFS by gender, Quarter 4 2019-Quarter 4 2023



Source: SLMRU (SOLAS) analysis of CSO LFS data

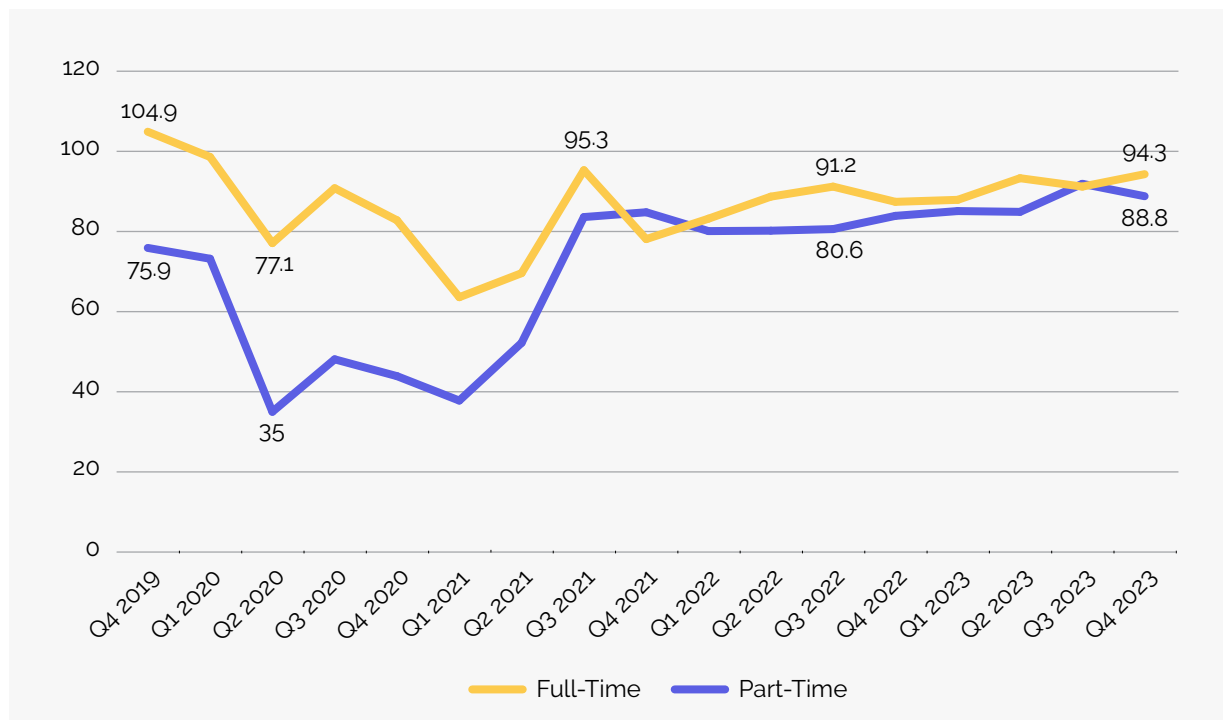
1.3 Employment in AFS by full-time/part-time

In quarter 4 2023, 48.5% (or 88,800 persons) of those employed in the accommodation and food sector were in part-time employment, considerably higher than the national average share (at 22%), and the highest share observed compared to all other sectors.

Between quarter 4 2022 and quarter 4 2023, the share of workers who worked part-time decreased by 0.5 percentage points (from 49%). In absolute terms, the number of persons in part-time employment increased by 4,900 persons, or 5.8% (similar to the national average, at 5.5%), while the number of persons in full-time employment increased by 6,900 persons (or 7.9%) (Figure 1.6).

Compared to quarter 4 2019, the share of workers who worked part-time in quarter 4 2023 increased by 6.5 percentage points (from 42%). The number of persons in part-time employment increased by 17% (or 12,900 persons) over this time period; in contrast, the number of persons in full-time employment has yet to recover to pre-COVID-19 pandemic levels, with 10,600 less persons in employment than in quarter 4 2019.

Figure 1.6: Employment (000s) in AFS by full-time/part-time, Quarter 4 2019 - Quarter 4 2023



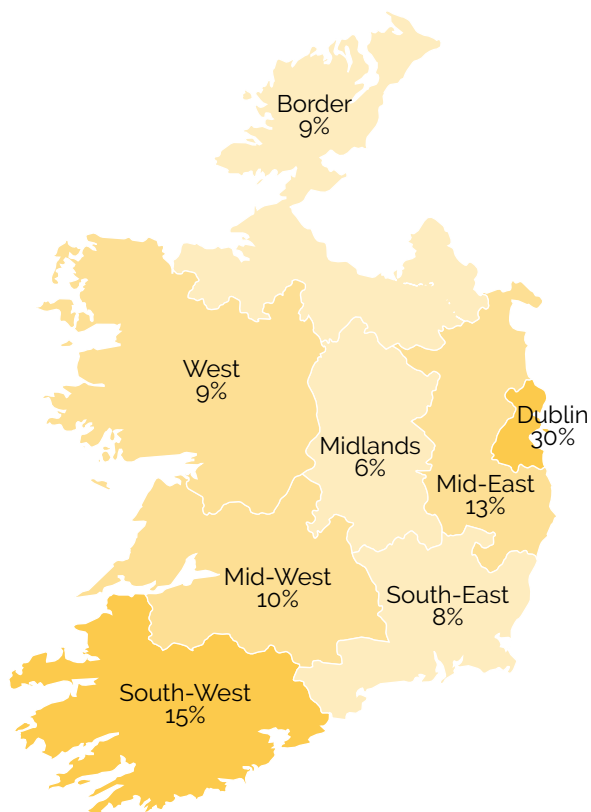
Source: SLMRU (SOLAS) analysis of CSO LFS data

1.4 Employment in AFS by region

In quarter 4 2023, of the 183,100 persons employed in the accommodation and food sector nationally, Dublin accounted for the largest share (at 30%), followed by the South West region (at 15%) and the Mid-East (at 13%) (Figure 1.7). In contrast, the Midland region (at 6%) accounted for the lowest share, followed closely by the South East region (at 8%).

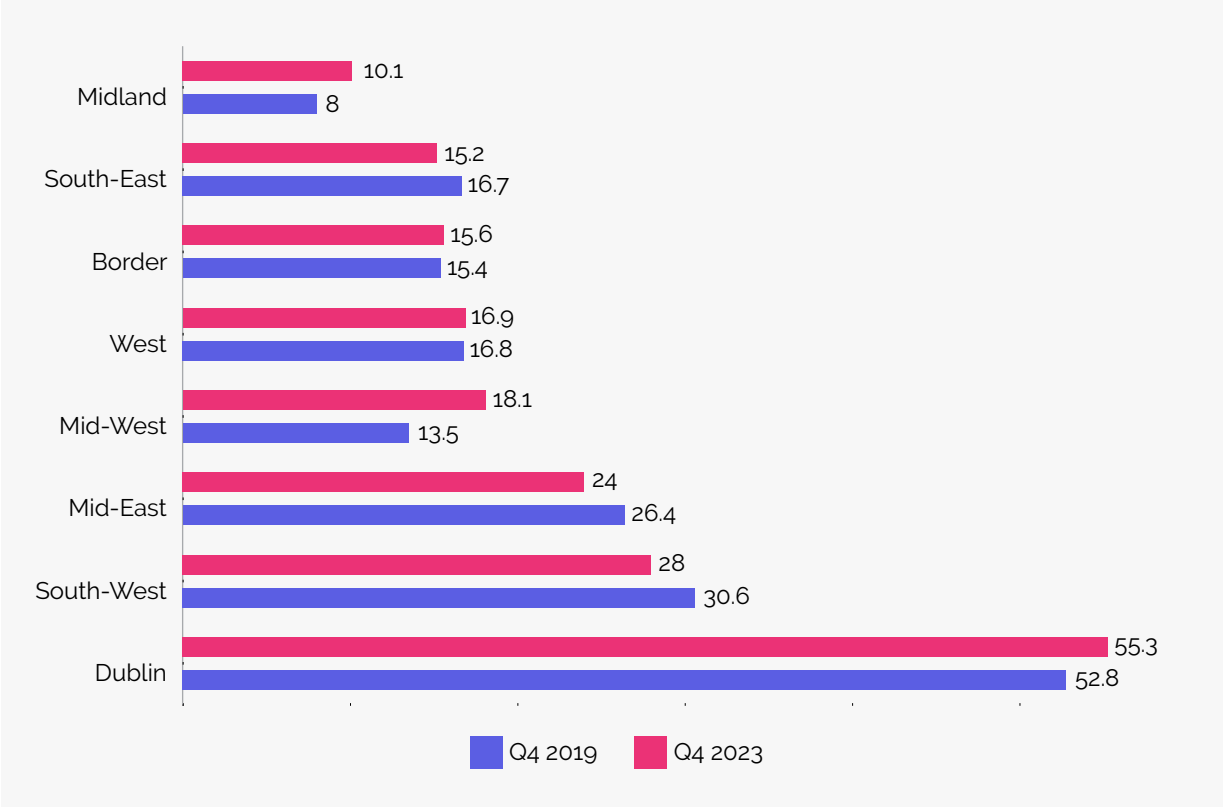
Figure 1.7: Employment in AFS sector by region, Quarter 4 2023

Source: SLMRU (SOLAS) analysis of CSO LFS data



In quarter 4 2023, employment in the accommodation and food sector exceeded pre-COVID-19 (quarter 4 2019) levels in all but the South East, Mid-East and South West regions. The strongest growth over the period was in the Mid-West region with an additional 4,600 persons employed.

Figure 1.8: Employment (000s) in AFS sector by region, Quarter 4 2019 and Quarter 4 2023

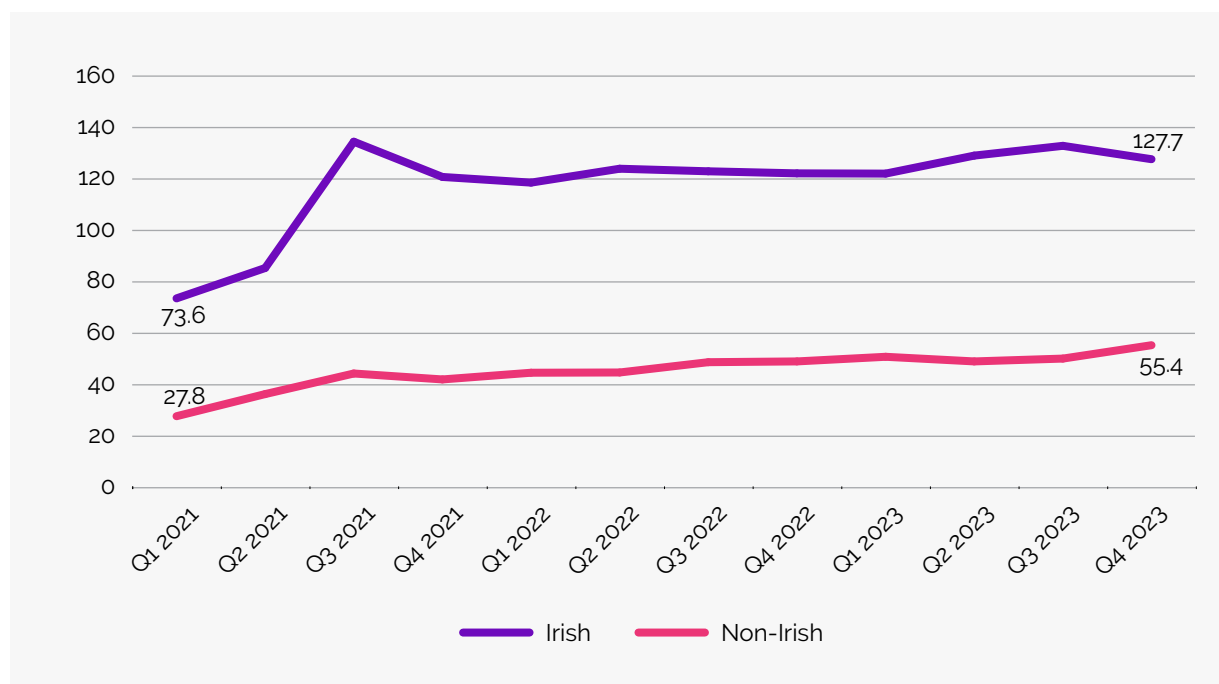


Source: SLMRU (SOLAS) analysis of CSO LFS data

1.5 Employment in AFS by citizenship

In quarter 4 2023, 70% of those employed in the AFS sector were Irish citizens; this is three percentage points below the share in quarter 1 2021. Employment grew strongly for both Irish and non-Irish citizens in the AFS sector over the time period, with an increase of 54,100 and 27,600 respectively (Figure 1.9). Of the 55,400 non-Irish citizens in quarter 4 2023, 38% were from EU15-EU27 countries.

Figure 1.9: Employment (000s) in AFS by citizenship, Quarter 1 2021* – Quarter 4 2023



Source: SLMRU (SOLAS) analysis of CSO LFS data

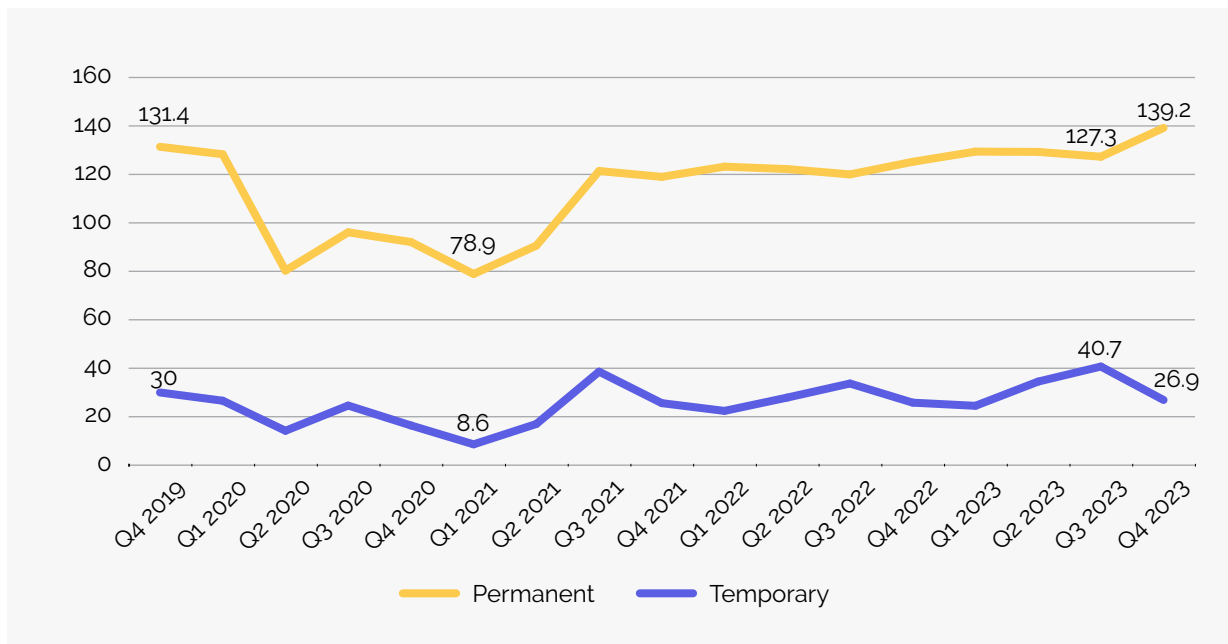
* Due to a change in the question in the Labour Force Survey in Quarter 1 2021, it is not possible to compare to pre-2021

1.6 Permanency of employment in AFS

In quarter 4 2023, 82% of employees in the AFS sector were employed in permanent positions compared to 91% for all sectors. Employment for permanent employees fell sharply in 2020 as a result of the COVID-19 restrictions, although has seen recovery since. Indeed, with a strong quarterly growth since quarter 3 2023 (an additional 11,900 persons) employment levels in quarter 4 2023 exceeded pre-pandemic levels (Figure 1.10).

The number of temporary employees also fell as a result of COVID-19 restrictions, with numbers employed falling as low as 8,600 persons in quarter 1 2021. Following growth in quarter 2 and 3 2023, the number of temporary employees in the AFS sector fell to 26,900 in quarter 4 2023 below pre-pandemic levels.

Figure 1.10: Employment (000s) in AFS sector by employment status, Quarter 4 2019 - Quarter 4 2023



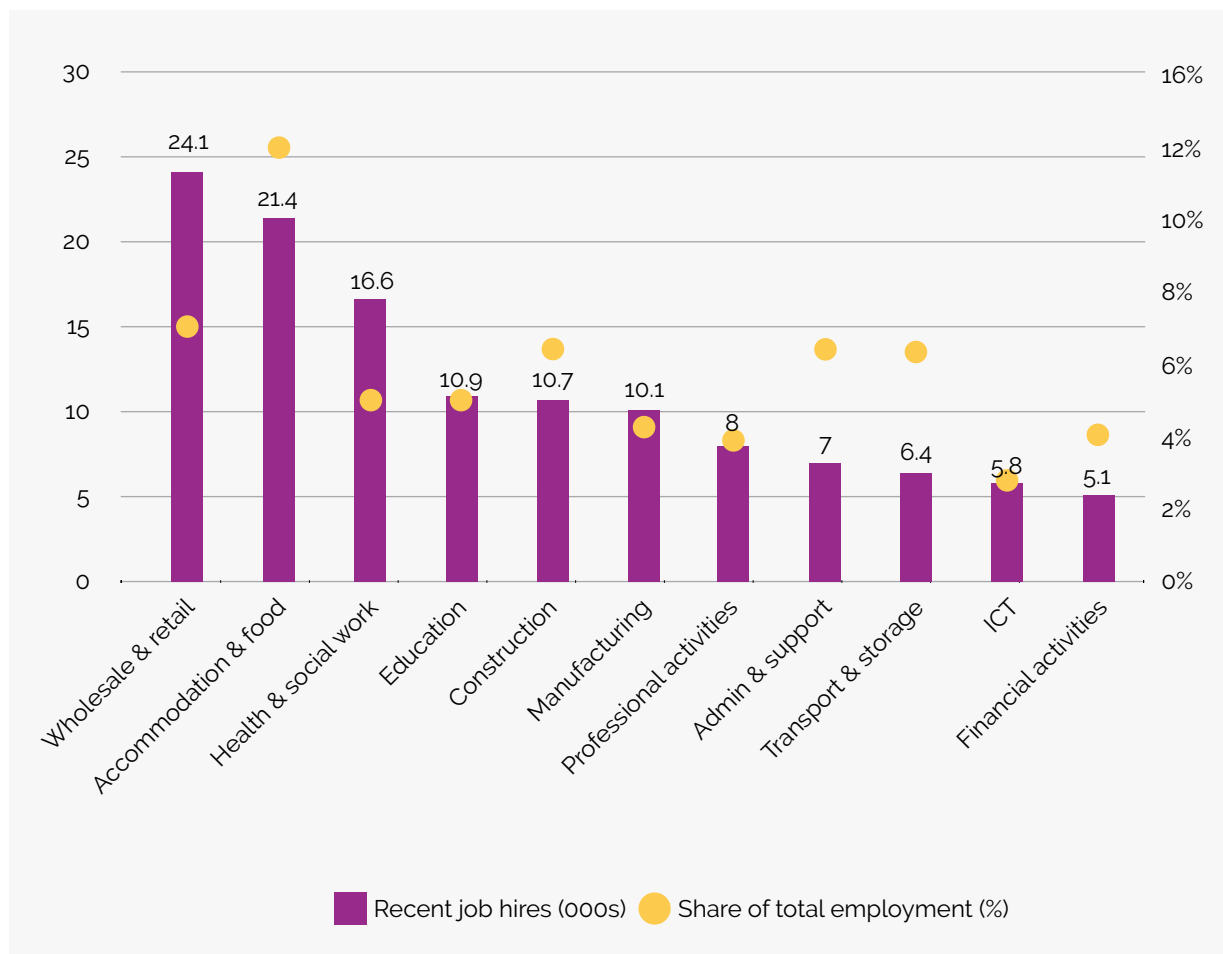
Source: SLMRU (SOLAS) analysis of CSO LFS data

1.7 Recent job hires in AFS

A total of 145,000 persons in the total workforce began their most recent employment within the previous three months (referred to here as recent job hires) in quarter 3 2023 (the latest available data for this variable). The AFS sector had the second highest level of recent job hires, at 21,400, after the wholesale & retail sector (Figure 1.11). Recent job hires accounted for 12% of all employment in the AFS sector, the highest share across all sectors.



Figure 1.11: Recent job hires by sector* (000s) and share of total employment by sector, Quarter 3 2023

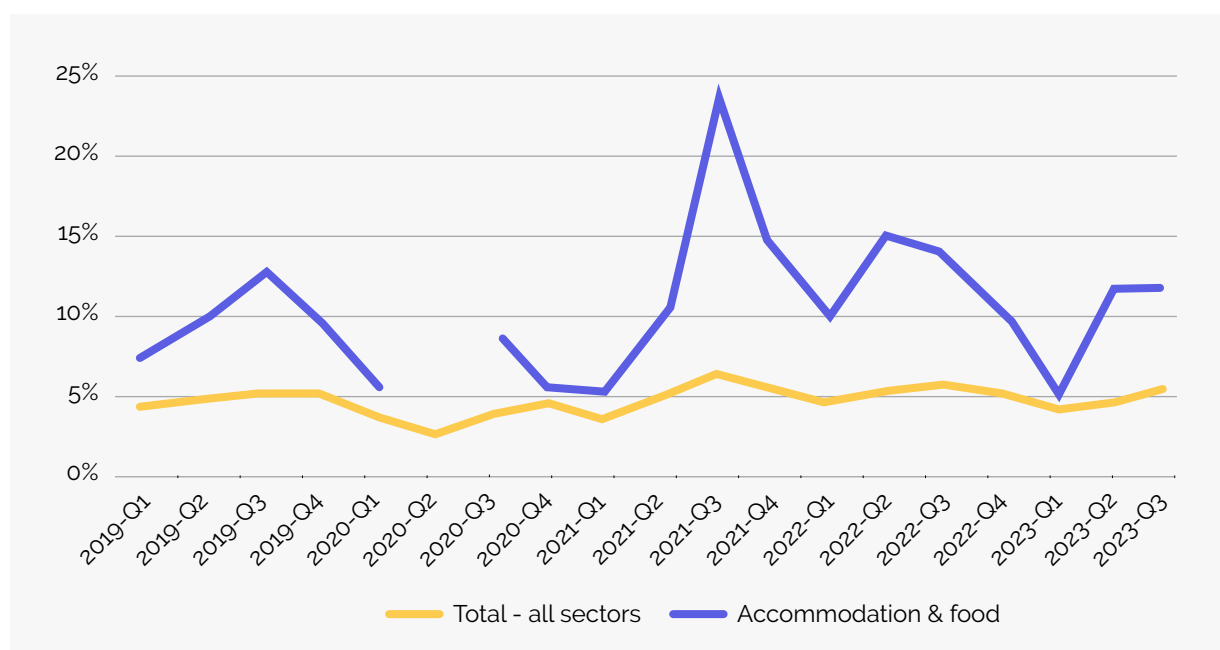


Source: Eurostat

* The number of recent job hires were too small to report for a number of sectors

The share of recent job hires in the AFS sector was above the total for all sectors across the time period examined in Figure 1.12 (excluding quarter 2 2020 where the numbers were too small to report). The impact of COVID-19 restrictions is evident in Figure 1.12, with little hiring in 2020, and a significant increase in hiring in quarter 3 2021 as restrictions eased. Also to note is the cyclical nature of hirings in AFS, with increased new hires in quarter 3 across most of the time period examined.

Figure 1.12: Recent job hires (%) in AFS sector and total economy, Quarter 1 2019 – Quarter 3 2023



Source: Eurostat

Note: data too small to report in quarter 2 2020

1.8 Employment in AFS by occupation

Elementary occupations, which include waiters/waitresses, bar staff and kitchen assistants, were the largest group employed in the AFS sector, at almost 100,000 persons, or 53%, in quarter 4 2023 (Table 1.1). In the intervening quarters between quarter 4 2019 and quarter 4 2023, employment levels for skilled trades (e.g. chefs) occupations fell as a result of COVID-19 restrictions; quarter 4 2023 was the first quarter to see employment levels return to pre-pandemic levels. The largest employment gains between quarter 4 2019 and quarter 4 2023 were for those employed in both elementary and administrative occupations, with an additional 5,900 and 3,800 persons employed respectively.

Table 1.1: Employment in AFS by broad occupational group (000s), Quarter 4 2019, Quarter 4 2021 and Quarter 4 2023

	Quarter 4 2019	Quarter 4 2021	Quarter 4 2023
Elementary	91.4	89.5	97.3
Skilled trades	37.6	26.7	37.9
Managers	24.3	22.0	22.6
Administrative	6.5	7.4	10.3
Personal services	7.0	5.8	..
Sales & customer service	7.2	..	..
Total employed	180.8	162.9	183.1

Source: SLMRU (SOLAS) analysis of CSO LFS data

*[...] Denotes that the numbers are too small to report; excludes professionals, associate professionals, operatives and other/not stated as the numbers were too small to report

1.9 Additional employment indicators for AFS

Self-employed

In quarter 4 2023, 6.7% of all persons employed in the AFS sector were self-employed. This compares to a share of 12.6% for all sectors. The share of self-employed in the AFS sector fell by 2.1 percentage points when compared to quarter 4 2019, with numbers falling from 15,900 to 12,300 persons.

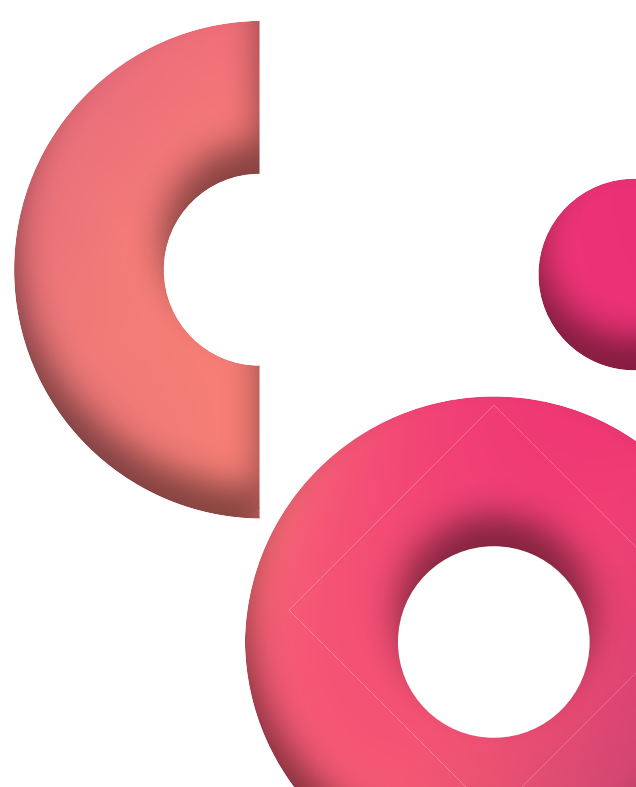
Students

In quarter 4 2023, 45,100 persons employed in the AFS sector identified their principal economic status as student, 15,900 more persons than in quarter 4 2019. Students accounted for 25% of employment in AFS in quarter 4 2023, compared to 16% in quarter 4 2019. Of all students in the total workforce, a third were employed in AFS sector in quarter 4 2023.

Table 1.2: Student employment in AFS sector and as % of total workforce, Quarter 4 2019-Quarter 4 2023

	Quarter 4 2019	Quarter 4 2023
Student employed in AFS	29,200	45,100
% of all employment in AFS that were students	16.2%	24.6%
% of all students in AFS as a share of total workforce	29.6%	33.1%

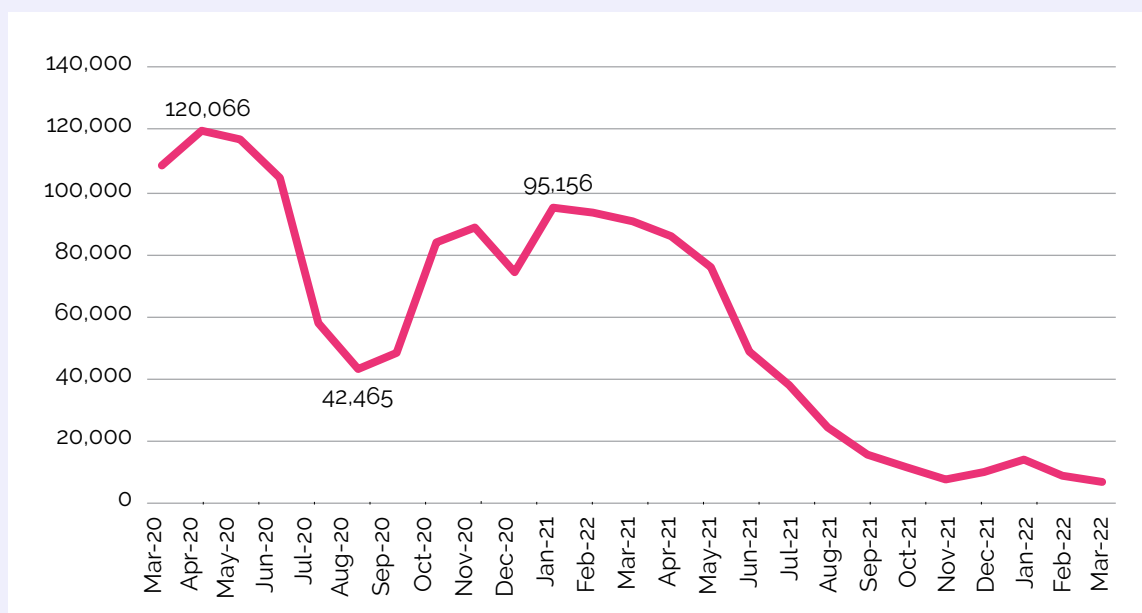
Source: SLMRU (SOLAS) analysis of CSO LFS data



Box A: Impact of the COVID-19 pandemic

The accommodation and food sector was particularly impacted by the COVID-19 pandemic. It is thought that the majority of those employed in the sector as the pandemic restrictions began in 2020 had been in receipt of at least one pandemic unemployment payment (PUP) by October 2021, representing 20% of all PUP recipients at the time.² The number of persons in receipt of PUP peaked in April 2020 at 120,000, with numbers fluctuating in the subsequent months depending on the level of restrictions in existence (Figure A1). The PUP closed to new applicants in July 2021, with a phased transition in place to move PUP recipients to other jobseeker payments thereafter.

Figure A1: Number of persons employed in AFS sector in receipt of the PUP, March 2020-March 2022



Source: SLMRU (SOLAS) analysis of CSO data

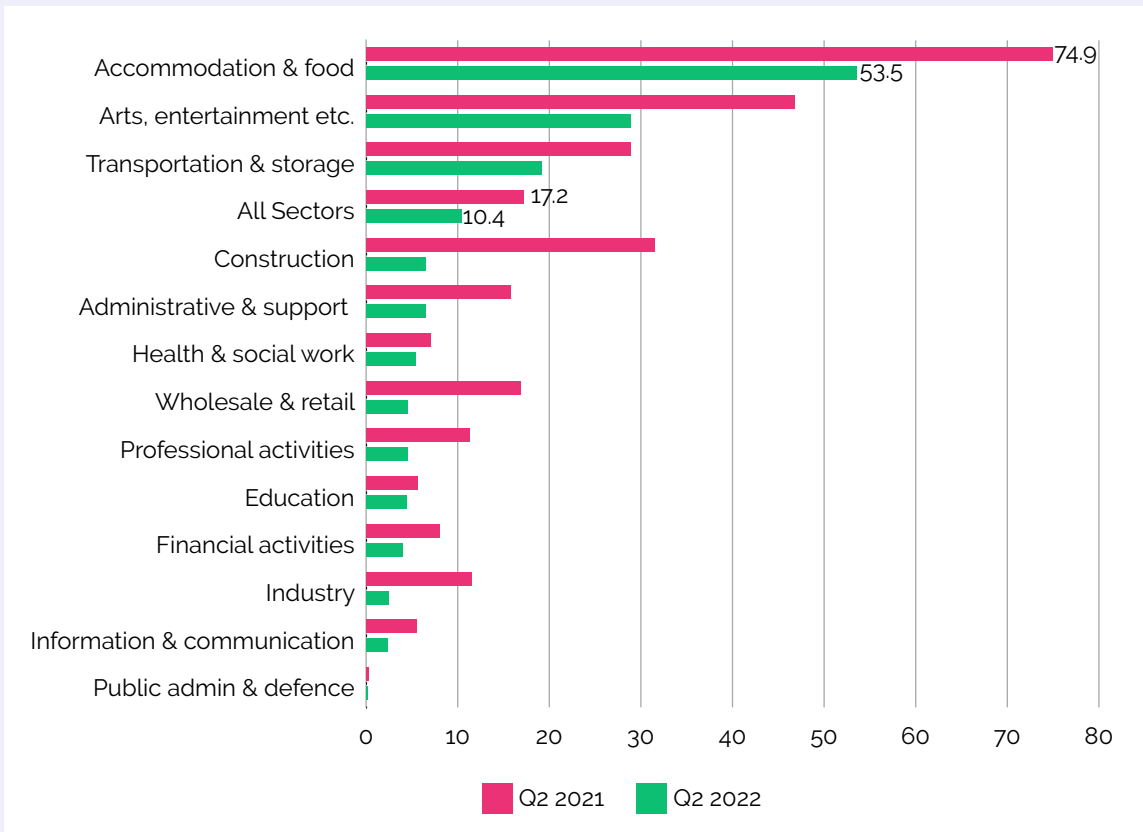
Analysis produced by the DSP in October 2021 showed that of the approximately 123,000 persons previously employed in the AFS sector who had exited the PUP and returned to work, 58% had returned to their previous employer.³ Of those that began work with a new employer, 36% remained in the AFS sector, with the remaining 64% commencing employment across various sectors such as wholesale and retail and administrative and support services.

2 Dwan-O'Reilly, J. & McNelis, M. (2022) "Trends in Post-PUP Employment: Examining the employment transitions of those closing their Pandemic Unemployment Payment claims". Department of Social Protection Working Paper

3 [PUP Labour Market Transitions Analysis \(www.gov.ie\)](https://www.gov.ie/en/publications-and-statistics/publication/2022-09-20-pup-labour-market-transitions-analysis/)

The Temporary COVID-19 Wage Subsidy Scheme (TWSS), facilitated by Revenue, ran until August 2020 when it was replaced by the Employment Wage Subsidy Scheme (EWSS) which ended for most employers in April 2022 and for the remainder in May 2022. In quarter 2 2021, three-quarters of all employment in the accommodation and food sector were supported by the EWSS, far exceeding that of any other sector (Figure A2). By quarter 2 2022, the share had fallen by over 20 percentage points to 53.5% but remained the highest share across all sectors.

Figure A2: Percentage of employments directly supported by the EWSS, Quarter 2 2021 & Quarter 2 2022

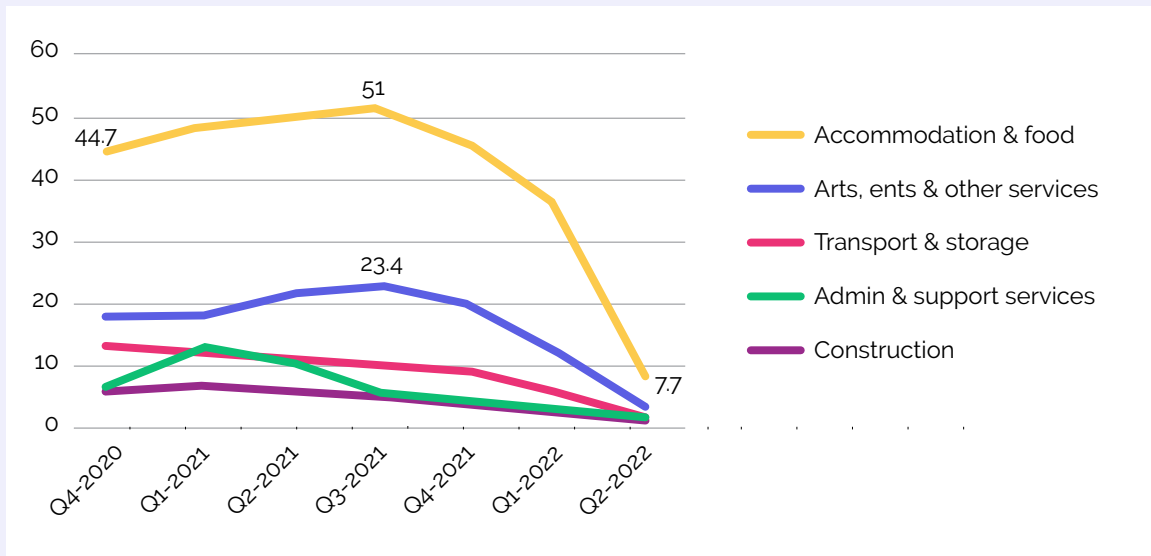


Source: CSO Labour Market Insights Bulletin, Series 12 Q2 2022

CSO analysis of Revenue data reveals that in quarter 2 2022, EWSS subsidy payments accounted for 0.5% of total earnings, compared to 4.7% in quarter 2 2021⁴. At 7.7%, the share of total earnings in quarter 2 2022 was highest in the accommodation and food sector, although this was a significant decline on quarter 3 2021 when EWSS payments accounted for approximately half of total earnings for the AFS sector (Figure A3).

4 <https://www.cso.ie/en/releasesandpublications/br/b-lfs/labourmarketinsightbulletinseries12q22022/>

Figure A3: EWSS payments as a percentage of total earnings for selected sectors, Quarter 4 2020 – Quarter 2 2022



Source: CSO Labour Market Insights Bulletin, Series 12 Q2 2022

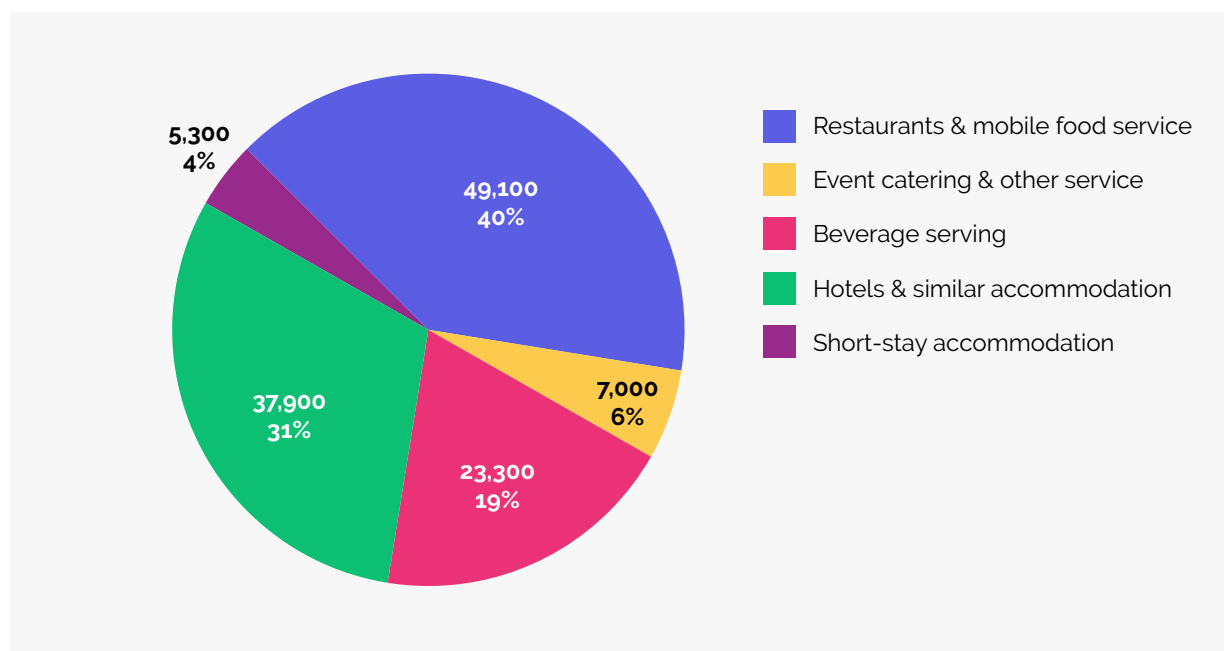
2. Detailed employment data from Census

Census data, produced every five years, allows for more in-depth analysis of employment in the AFS sector than is available in the quarterly Labour Force Survey. To note, however, due to differences in how data is collected for the two survey instruments (as detailed in Appendix A), reported employment levels differ; in the LFS in quarter 2 2022 employment in AFS stood at 168,200, whereas the Census (conducted in April 2022) indicates that employment totalled 122,600 persons. For this reason, the distribution of key attributes, rather than the total figures, will be the primary focus of this chapter.

2.1 Employment by AFS sub-sector

Restaurants and mobile food services accounted for 40% of total employment in the accommodation and food sector in the 2022 Census, with beverage serving and event catering accounting for 19% and 6% respectively (Figure 2.1). Employment in hotels and similar accommodation accounted for almost a third (31%) of employment with short-stay accommodation having the smallest share, at 4%.

Figure 2.1: Employment in AFS by detailed sub-sector, 2022



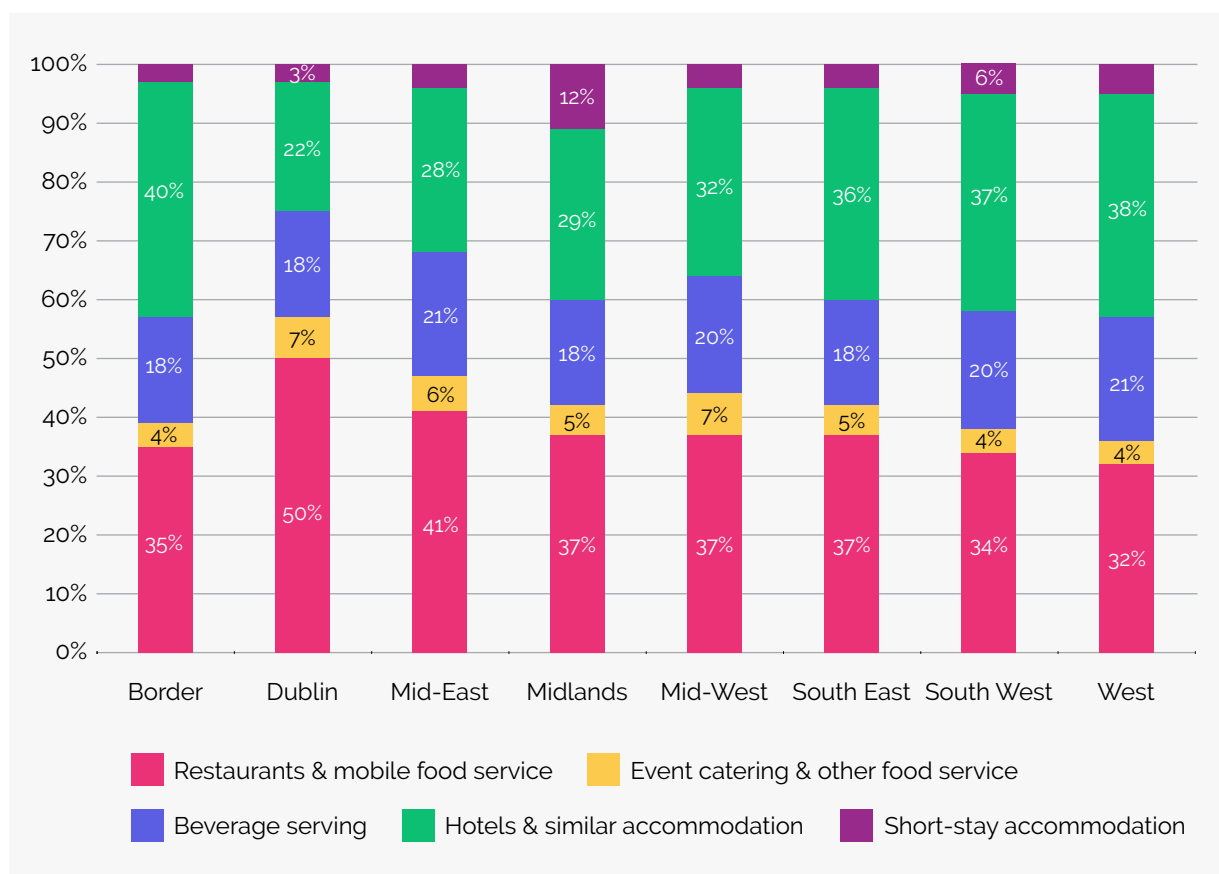
Source: SLMRU (SOLAS) analysis of CSO Census

2.2 Employment in AFS by sub-sector and region

Dublin accounted for the highest absolute employment in restaurants and mobile food services, at 17,600 persons; this sub-sector accounted for a half of AFS employment in Dublin.

Of those employed in the AFS sector in the Border region, 40% were employed in hotels and similar accommodation, the highest share across all regions; this was one of only three regions (including the South West and West) where the share employed in hotels and similar accommodation was higher than the share employed in restaurants and mobile food service (Figure 2.2).

Figure 2.2: Employment in AFS by detailed sub-sector and region, 2022

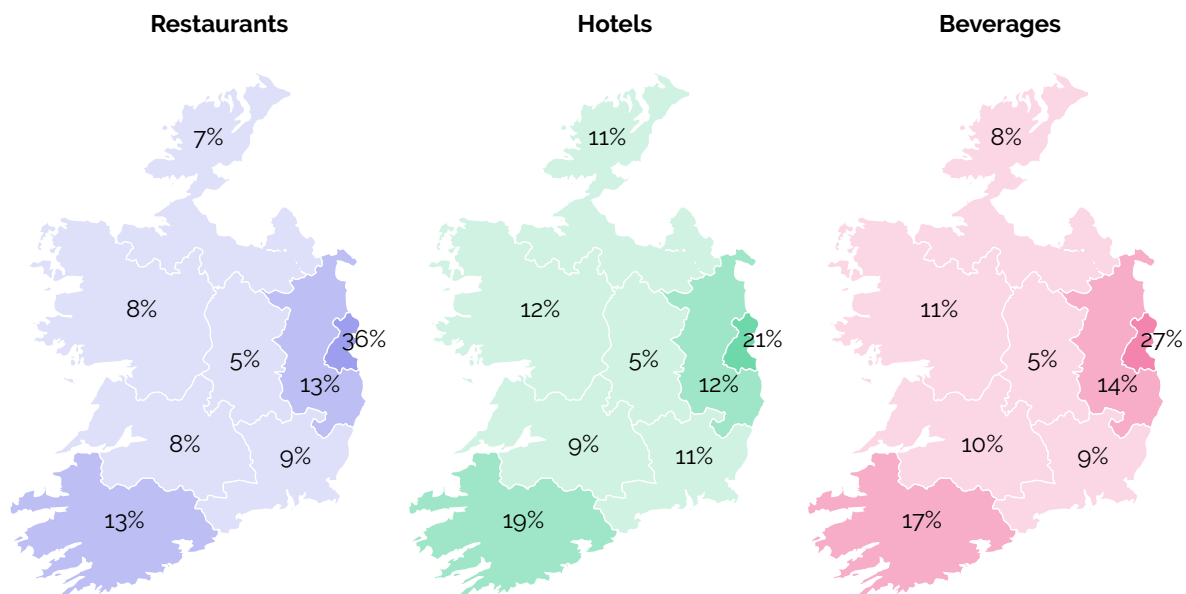


Source: SLMRU (SOLAS) analysis of CSO Census

Figure 2.3 details the regional breakdown of the three largest AFS sub-sectors. Dublin accounted for by far the highest share of employment in restaurants (at 36%), with the South West and Mid-East each with a 13% share. Employment in hotels was more evenly spread across the regions with Dublin and the South West accounting for 21% and 19% respectively. For beverage serving, Dublin again accounted for the highest share, at 27%, followed by the South West, at 17%, with the remainder distributed across the remaining regions.

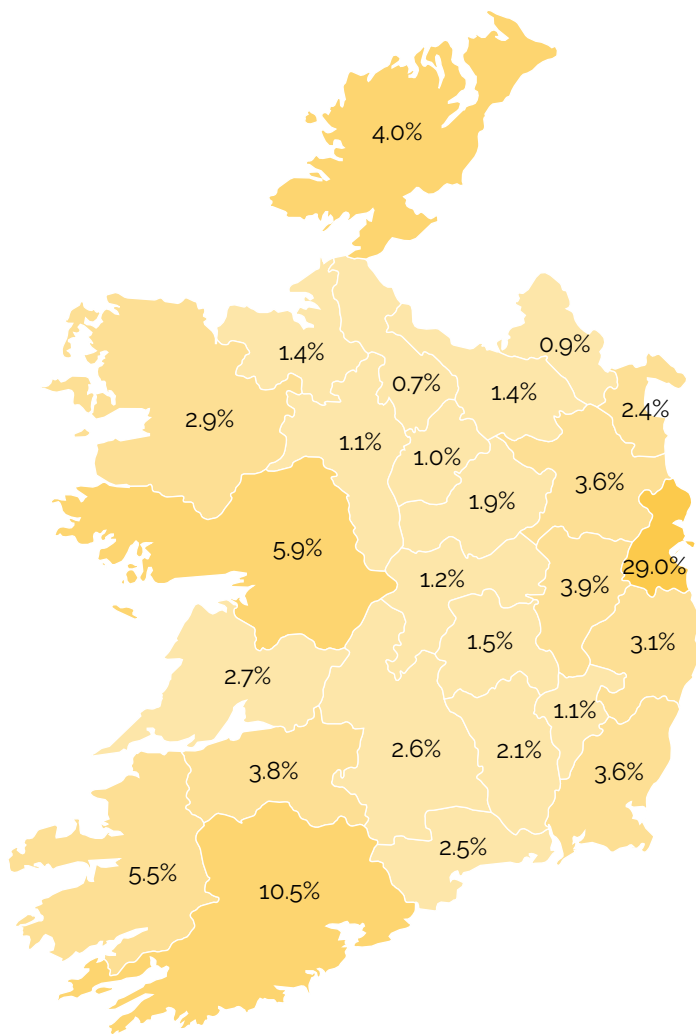
At county level, Figure 2.4 indicates that outside of Dublin (which accounted for 29% of total employment), employment was particularly strong in Cork (10.5%), Galway (5.9%) and Kerry (5.5%). The smallest share was in Leitrim, which made up just 0.7% of AFS employment.

Figure 2.3: Share of employment in AFS by sub-sector and region, 2022



Source: SLMRU (SOLAS) analysis of CSO Census

Figure 2.4: Share of employment in AFS by county, 2022



Source: SLMRU (SOLAS) analysis of CSO Census

2.3 Employment in AFS by occupation and total at work

Table 2.1 provides a breakdown of employment in the AFS sector by detailed occupation. For each of the occupations in AFS, the share working in AFS out of the total workforce is also detailed. While the AFS sector accounted for a very small share of employment in professional and associate professional occupations, employment in elementary occupations in AFS accounted for a quarter of total employment.

Table 2.1: Employment by occupation in AFS and total at work, 2022

	AFS	Total at work	% in AFS
Managers	20,658	186,208	11%
Restaurant & catering managers/proprietors	7,984	8,704	92%
Hotel & accommodation managers & proprietors	5,877	6,585	89%
Publicans & managers of licensed premises	3,154	3,510	90%
Managers & directors in retail & wholesale	1,353	33,654	4%
Professionals	1,861	495,383	0%
Chartered & certified accountants	762	42,350	2%
Programmers & software development professionals	128	32,020	0%
Nurses & midwives	110	61,473	0%
IT specialist managers	103	12,312	1%
Associate professionals	4,034	280,248	1%
Conference & exhibition managers & organisers	959	2,953	32%
Admin	5,584	219,620	3%
Receptionists	2,458	10,269	24%
Skilled trades	26,019	295,647	9%
Chefs	19,161	24,891	77%
Catering & bar managers	3,730	4,945	75%
Cooks	1,189	2,525	47%
Metal working production & maintenance fitters	397	14,851	3%
Bakers & flour confectioners	368	3,272	11%
Personal services	5,515	171,631	3%
Housekeepers & related occupations	2,551	5,303	48%
Hairdressers, barbers, beauticians & related occupations	683	25,771	3%
Cleaning & housekeeping managers & supervisors	634	1,986	32%
Sales & customer services	4,294	140,434	3%
Sales & retail assistants	3,016	85,918	4%
Elementary	44,472	180,881	25%
Kitchen & catering assistants	17,131	26,300	65%

Waiters & waitresses	10,722	11,862	90%
Bar staff	8,857	10,095	88%
Cleaners & domestics	3,622	31,404	12%
Other elementary services occupations n.e.c.	2,507	3,537	71%
Total		2,320,297	5%

Source: SLMRU (SOLAS) analysis of CSO Census

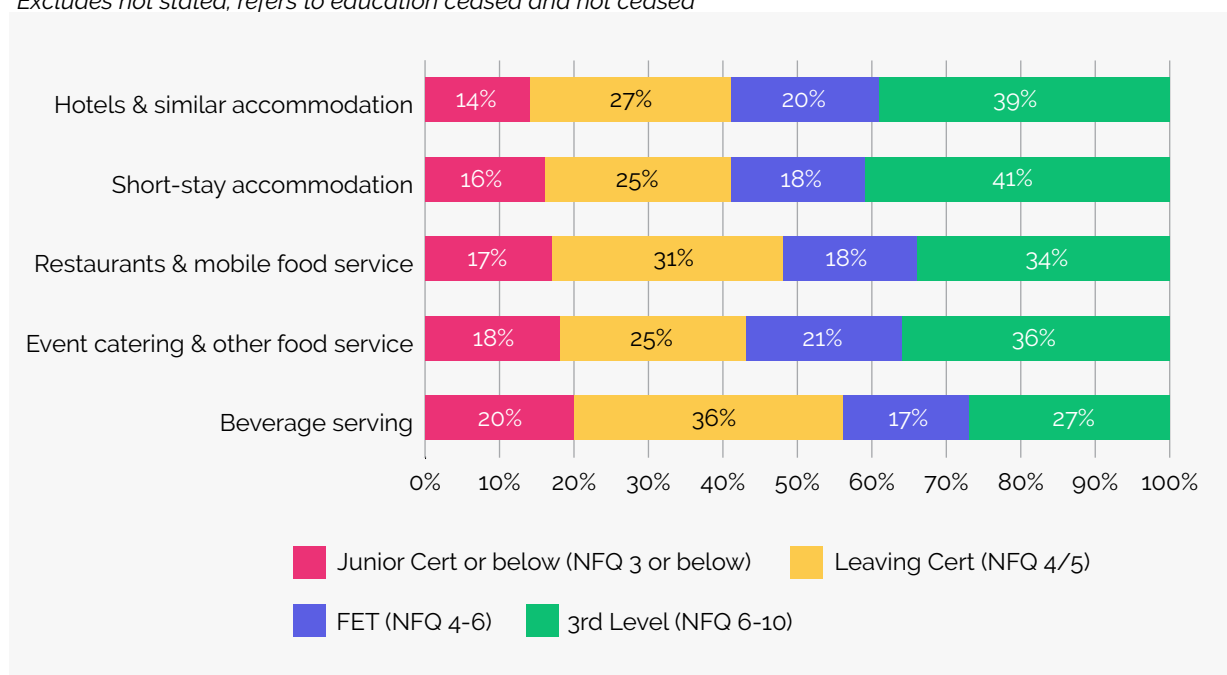
2.4 Employment in AFS by education level

Those employed in accommodation sub-sectors (both hotel and short-stay) had the highest share with third level qualifications (Figure 2.5). The restaurants and beverage serving sub-sectors, which employ waiters/waitresses and bar staff, had the highest shares of persons employed with at most a Leaving Certificate, at 48% and 56% respectively.

Figure 2.5: Persons at work in AFS sub-sectors by education level*, 2022

Source: SLMRU (SOLAS) analysis of CSO Census

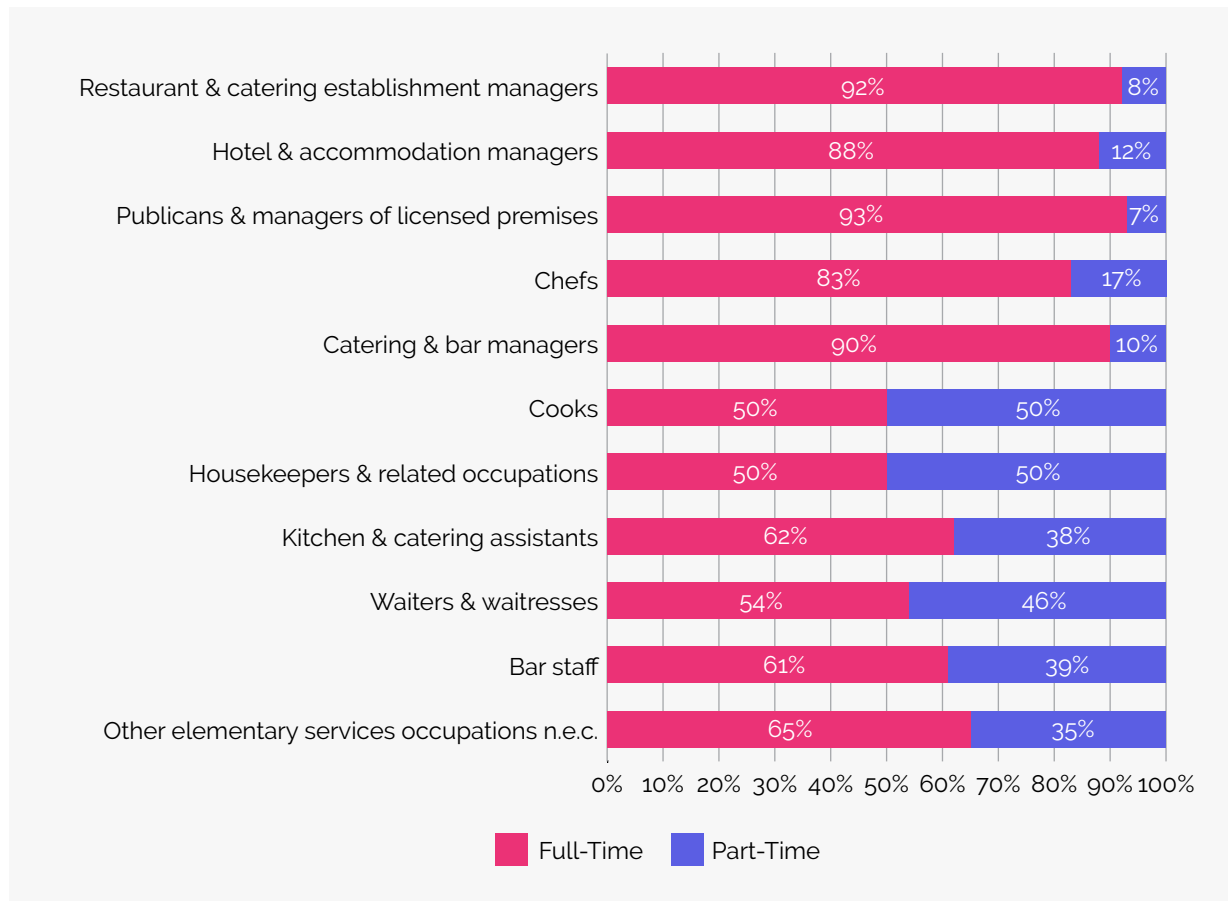
*Excludes not stated; refers to education ceased and not ceased



2.5 Employment in AFS by occupation and full-time/part-time status

While managers and chefs in the AFS sector were most likely to be employed full-time, the share was far lower for those in lower skilled occupations; for both cooks and housekeepers, only a half were employed full-time.

Figure 2.6: Persons at work in AFS by occupation and full-time/part-time, 2022

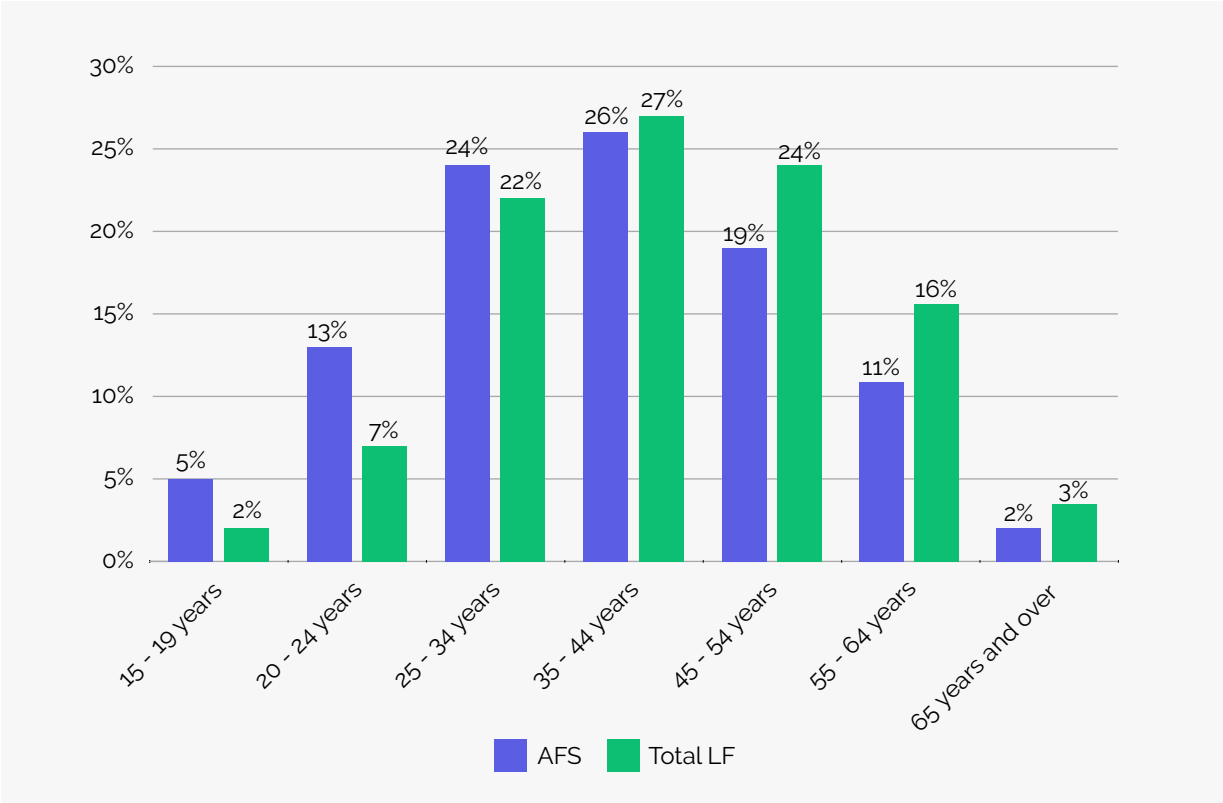


Source: SLMRU (SOLAS) analysis of CSO Census
 *Excludes not stated

2.6 Employment in AFS by age group

Those employed in the AFS sector had a far lower age profile than the overall labour force in 2022, with 18% aged under 25 years compared to 9% for the total labour force.

Figure 2.7: Age profile of persons at work in AFS and the total labour force, 2022

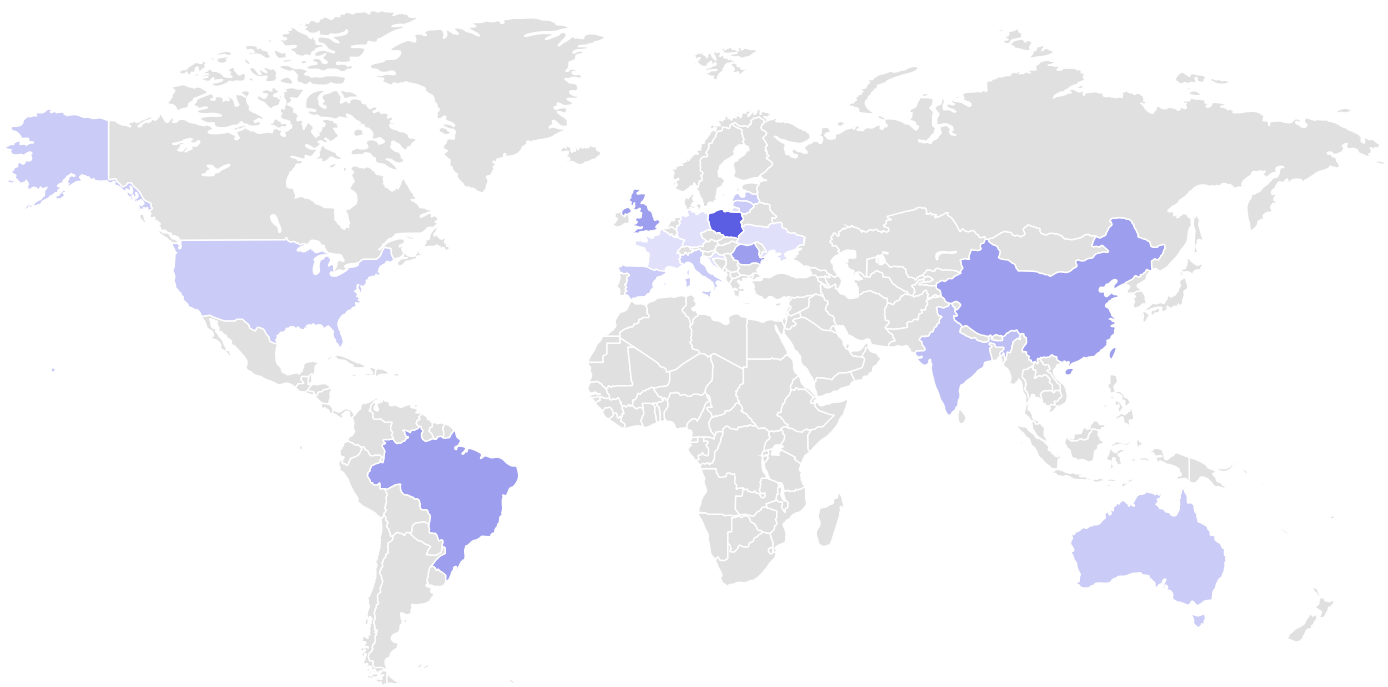


Source: SLMRU (SOLAS) analysis of CSO Census

2.7 Employment in AFS by citizenship

From the 2022 Census, 67% of respondents who stated that they worked in the accommodation and food sector were Irish citizens. Figure 2.8 below details the countries of citizenship for those non-Irish citizens where a specific country was provided (approximately 70% of responses); Poland and Romania were the main EU countries, with the UK, Brazil, and China also featuring.

Figure 2.8: Non-Irish citizens* at work in AFS sectors by country of citizenship, 2022

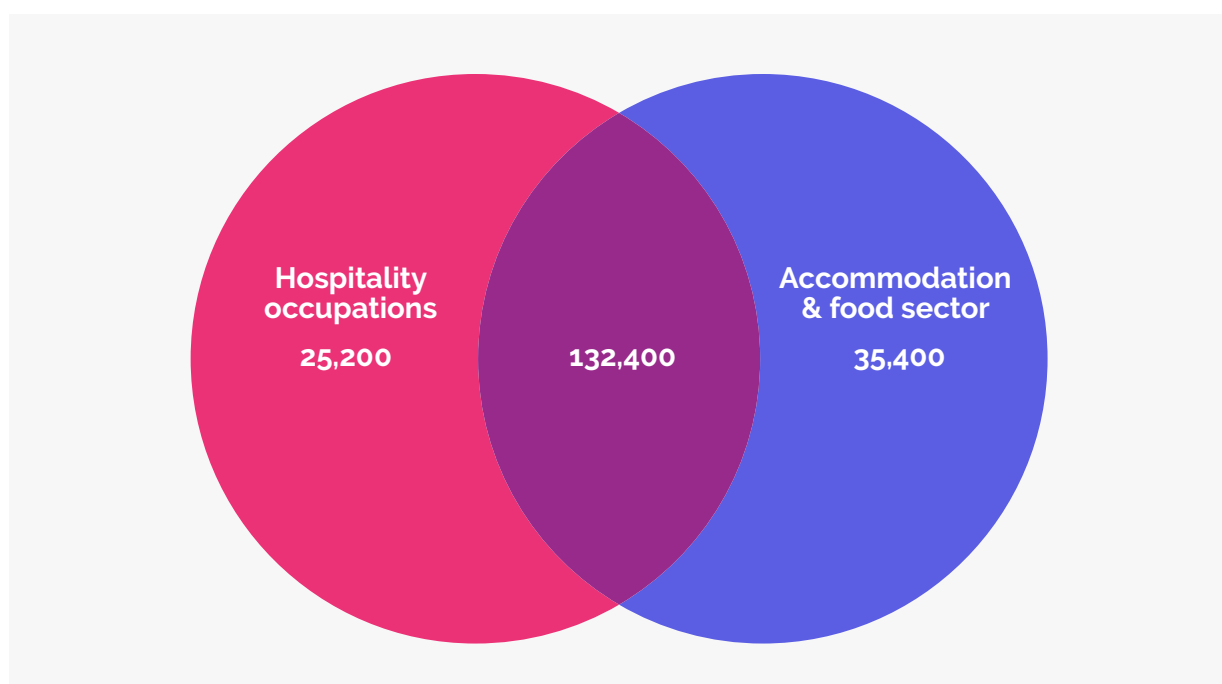


Source: SLMRU (SOLAS) analysis of CSO Census 2022
* Includes responses where a specific country was stated only

3. Analysis of hospitality occupations

This section looks specifically at hospitality occupations. As outlined in Figure 3.1, while the majority of those employed in hospitality occupations work in the AFS sector, approximately 16%, or 25,200, are employed across other sectors of the economy. In addition, hospitality occupations do not account for total employment in the AFS sector; there are also non-hospitality specific occupations, such as accountants, administrators and cleaners, which amounted to 35,400 persons in 2022.

Figure 3.1: Employment in hospitality occupations and accommodation & food sector, 2022 (annual average)



Source: SLMRU (SOLAS) analysis of CSO LFS data (extracted from data in the National Skills Bulletin 2023)

3.1 Employment trends in hospitality occupations

The following tables and figures are extracted from the National Skills Bulletin, 2023.⁵ In 2022, there were 157,600 persons employed in hospitality occupations, representing 6.2% of the total workforce. The majority (84%) were employed in the accommodation and food sector. Employment grew by 3,200 persons between 2017 and 2022, with an annual average employment growth rate of 0.4%, below the rate of 3% for the total workforce.

5 <https://www.solas.ie/f/70398/x/2b3fd7d856/national-skills-bulletin-2023.pdf>

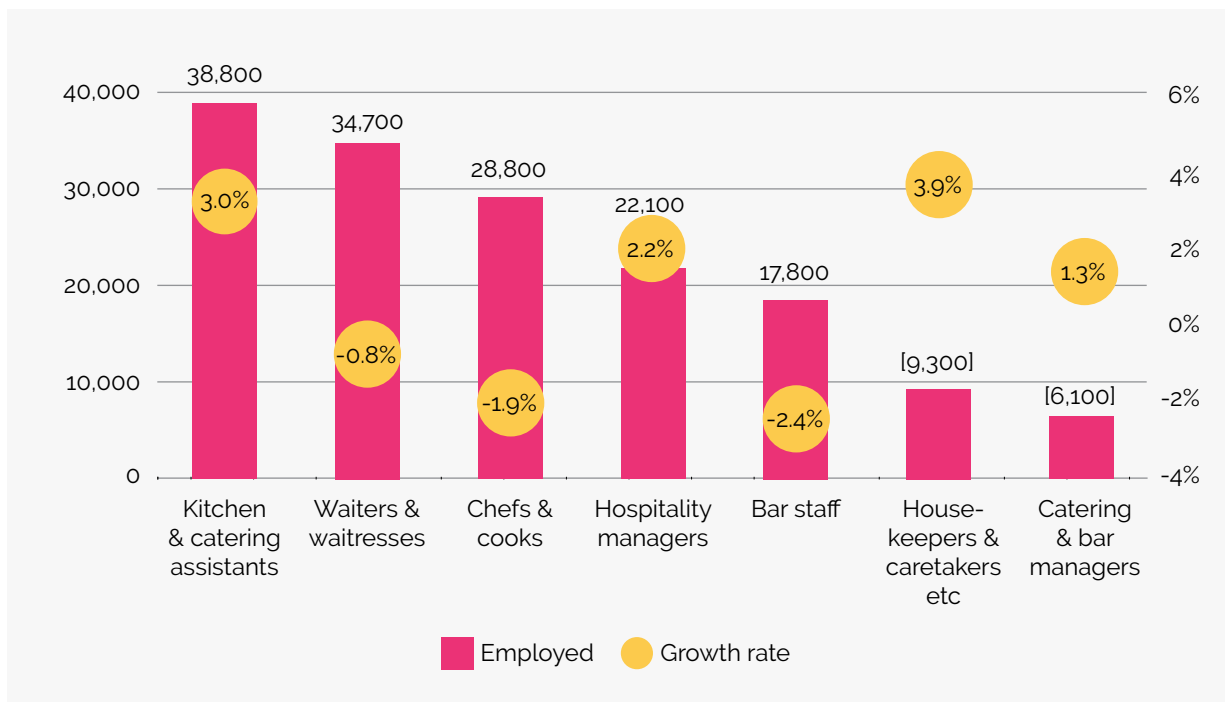
Table 3.1 Overall trends for hospitality occupations, 2022 (annual average)

Overall employment	157,600
Share of total workforce	6.2%
Main sectors of employment	84% - Accommodation & food 7% - Health
Employment growth	+3,200 between 2017 and 2022 +0.4% on average annually (compared to +3.0% for total workforce)

Source: SLMRU (SOLAS) analysis of CSO LFS data

At 38,800, kitchen and catering assistants had the largest employment levels across the hospitality occupations in 2022, followed by waiters/waitresses (at 34,700) (Figure 3.2). The highest annual average employment growth rate over the five-year period was for housekeepers at 3.9%, while growth rates were negative for waiters/waitresses, chefs and bar staff.

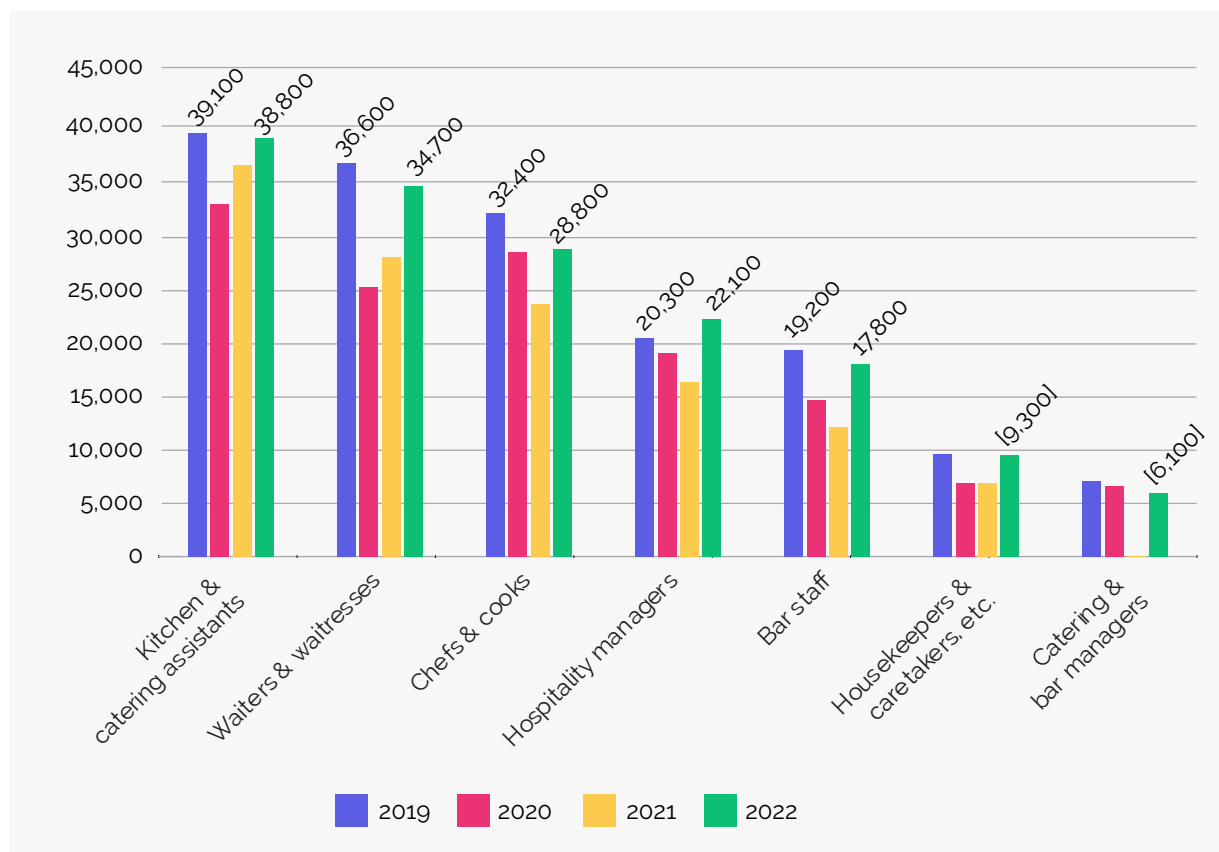
Figure 3.2 Annual Average Employment (2022) & Annual Average Growth Rates (2017-2022)



Source: SLMRU (SOLAS) analysis of CSO (LFS) data
Numbers in square brackets should be treated with caution

The impact of COVID-19 restrictions resulted in a fall in employment levels across all hospitality occupations between 2019 and 2020, with the strongest decline for waiters (falling by 11,200) (Figure 3.3). In 2022, employment remained below 2019 levels for all occupations except hospitality managers.

Figure 3.3: Annual average employment for hospitality occupations, 2019-2022



Source: SLMRU (SOLAS) analysis of CSO (LFS) data

Numbers in square brackets should be treated with caution; numbers too small to report for catering & bar managers in 2021

Table 3.2 provides an overview of key indicators for hospitality occupations in 2022:

- **% Female:** Overall, over half (53%) were female; the share was highest for waiters/waitresses where over three quarters were female
- **% Full-time:** Half worked full-time, below the national share of 78%; however, chefs and managers had shares on or above the national share in employment full-time
- **Age:** Only 12% were aged 55 years and older, compared to a national share of 19%; indeed, 36% were aged 15-24 years which far exceeded the national share for this age cohort of 12%.
- **Citizenship:** Half of chefs were non-Irish, far exceeding the share for the total workforce of 19%
- **Third level:** Given the high share of students employed in these occupations (as detailed in Section 1.9), it is unsurprising that the overall share with third level qualifications is below that of the total workforce (at 53%); hospitality managers had the highest share at 52%
- **Employment permits:** A total of 2,232 new employment permits were issued in 2022, primarily for chefs (further details in Section 4.2)

- **Recruitment Agency Survey⁶**: Difficult-to-fill vacancies were reported across a number of hospitality occupations with job titles including restaurant/bar managers, chefs and waiting staff.

Table 3.2: Key indicators for hospitality occupations, 2022

2022	% Female Q4	% Full-time Q4	% Aged 55 years & over Q4	% Irish citizens Q4	% Third level graduates Q4	Number of new employment permits	Recruitment Agency Survey
Hospitality managers	45%	87%	[23%]	67%	52%	57	✓
Chefs & cooks	[30%]	78%	...	50%	40%	2,171	✓
Catering & bar managers	...	[88%]	...	...	...		✓
Kitchen & catering assistants	61%	34%	...	77%	...	4	
Waiters & waitresses	76%	...	...	86%	...		✓
Bar staff	[33%]	...	...	94%	...		
Housekeepers & caretakers, etc.	[79%]	...	...	[59%]	...		
Overall total	53%	50%	12%	72%	27%	2,232	

Source: SLMRU (SOLAS) analysis of CSO (LFS) data, DETE, and SLMRU Recruitment Agency Survey (RAS)
Numbers in square brackets should be treated with caution; an ellipsis (...) denotes numbers too small to report

3.2 Online job adverts (OVATE) for hospitality occupations⁷

In the first three quarters of 2023, there were nearly 21,300 job adverts for hospitality-related occupations (as defined in the previous section), making up approximately 7% of the total number of jobs advertised online over this time. Of these, 42% were for chefs; combined, nearly a third were for either hospitality managers (16%) or kitchen/catering assistants (16%). Waiting staff and bar staff made up 19%, with housekeepers and caretakers making up the remaining 8%.

When compared to the same period in 2022 (i.e. quarter 1-quarter 3), the number of job adverts for hospitality occupations grew by 8%, which was twice the growth observed in the total number of job adverts (4%) for these three quarters.

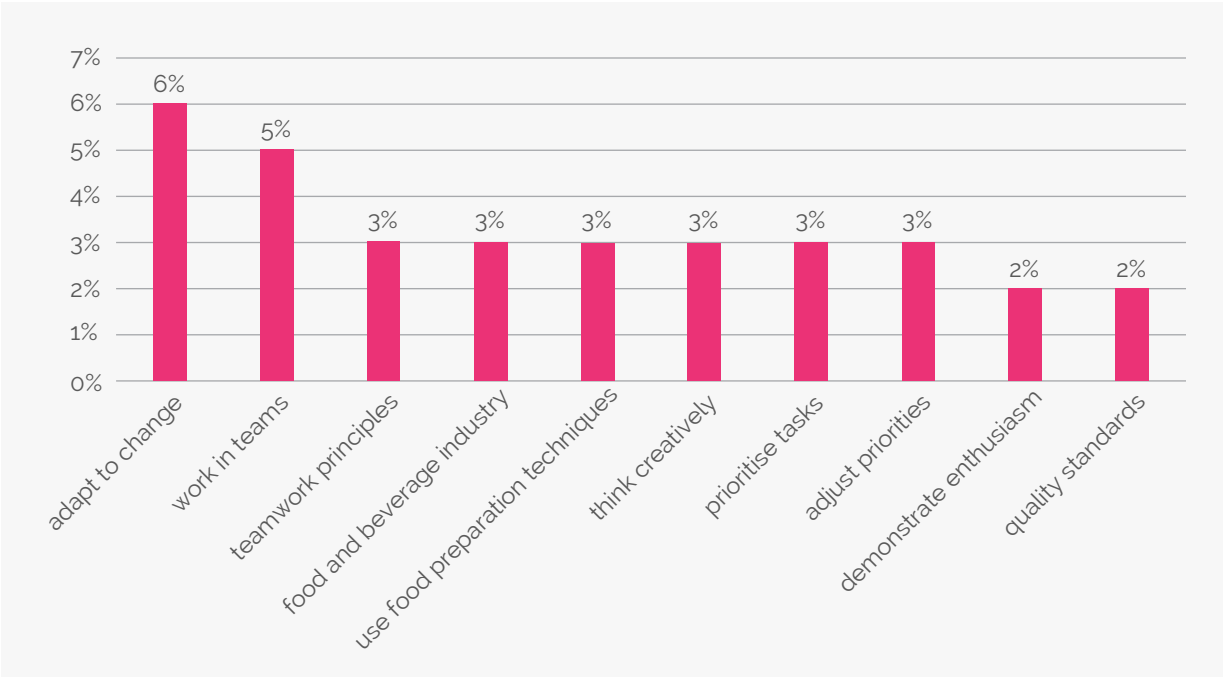
⁶ <https://www.solas.ie/f/70398/x/837c65f80c/solas-difficult-to-fill-vacancies-survey.pdf>

⁷ It should be borne in mind that not all job openings are advertised, and not all adverts are online postings. For this reason, the data presented in this section does not represent the total number of posts available and is best interpreted in the context of broader labour market trends, including the employment and recent job hires data presented in earlier sections of this paper.

Hospitality occupations as a share of total job adverts: in quarter 3 2023, hospitality occupations made up 7.1% of total online job adverts, which is the same as that observed in quarter 3 2022, although slightly lower than the 7.4% in quarter 2 2023.

Figure 3.4 shows the most frequently mentioned detailed skills in job adverts for hospitality related occupations. These skills were a mix of both transversal skills (e.g. *adapt to change, work in teams, think creatively*) and job specific skills (e.g. *food & beverage industry knowledge and use food preparation techniques*).

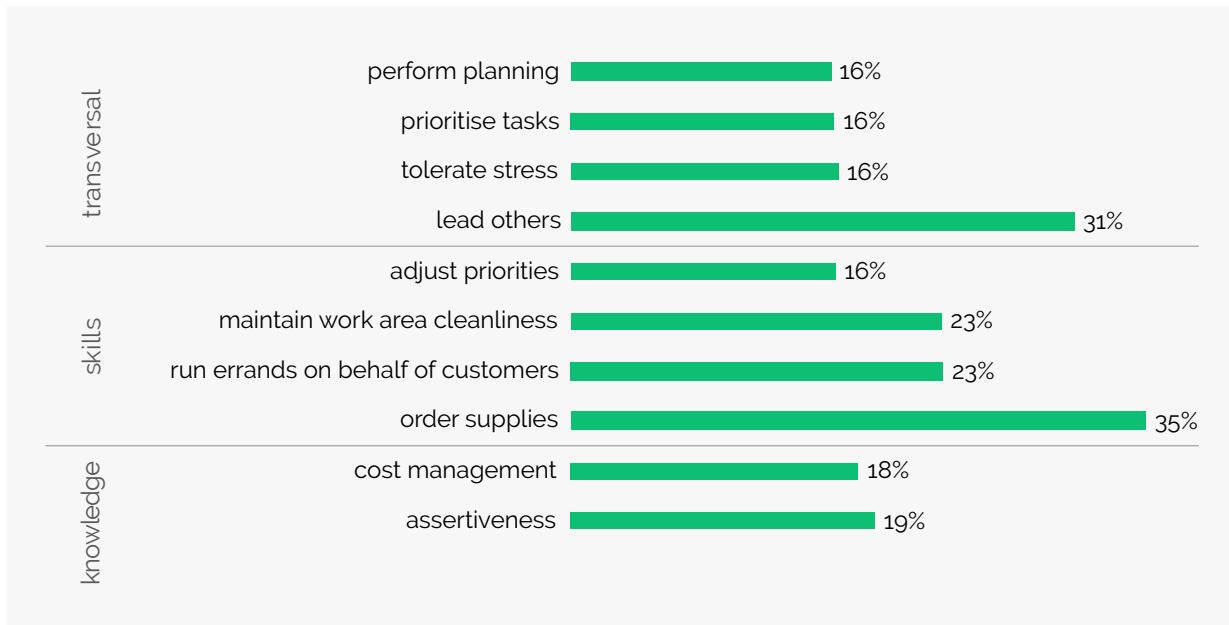
Figure 3.4: Most frequently mentioned skills in job adverts for hospitality related occupations, Quarter 1- Quarter 3 2023



Source: OVATE

When compared to the same period in 2022 (i.e. quarter 1-quarter 3 2022), the total number of skill mentions in job ads for these occupations grew by 9%; however, some detailed skills* had faster growth rates, as shown in Figure 3.5.

Figure 3.5: Top growing skills* for hospitality related occupations, Q1-Q3 2022 – Q1-Q3 2023



Source: OVATE

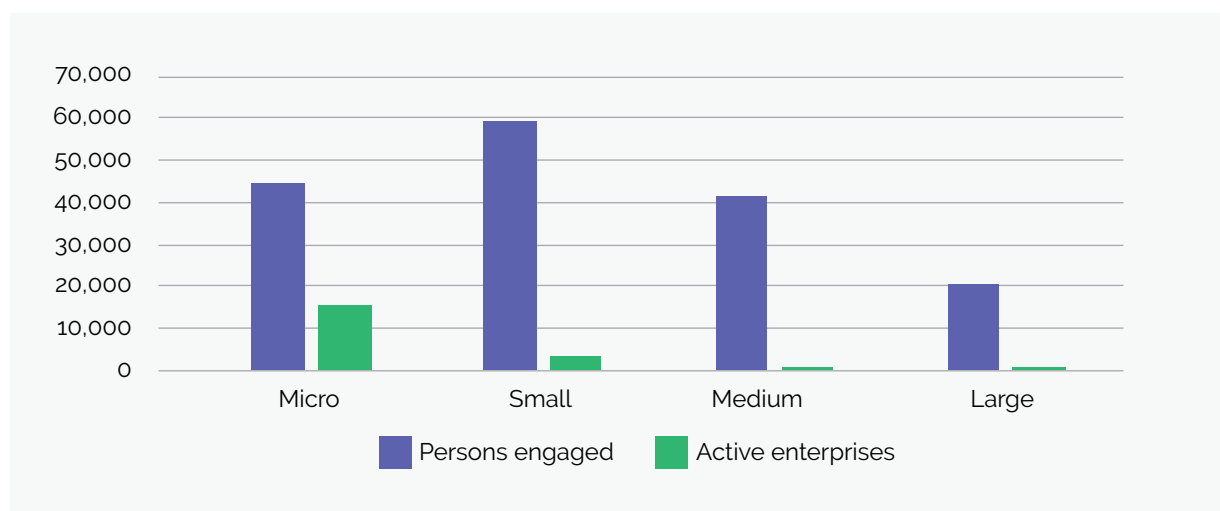
*Refers only to those skills with a minimum of 1,000 mentions in the first three quarters of 2022 and 2023

4. Additional key data sources

4.1 Business Demography

In 2021, there were 19,361 active enterprises in the accommodation and food services (AFS) sector. The vast majority (81%) of enterprises were micro enterprises (firms with fewer than 10 persons). There were 166,424 persons engaged⁸ in AFS sector activities, of whom 59,068 (35%) were working in small firms, and a further 44,911 (27%) in micro firms (Figure 4.1).

Figure 4.1: Active enterprises & persons engaged in AFS enterprises by firm size, 2021



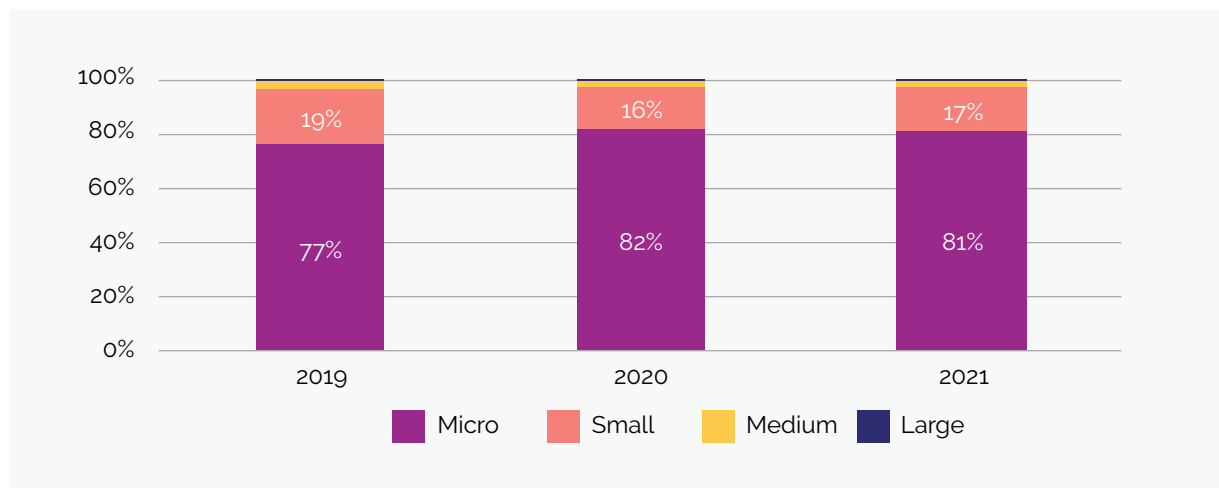
Source: CSO Business Demography

Micro enterprises: fewer than 10 persons engaged; Small: 10-49 persons; Medium: 50-249 persons; Large: 250+ persons

When compared to 2019, the share of AFS enterprises that were classified as micro enterprises increased from 77% to 81%, with declines (2 percentage points each) in the share of enterprises that were small and medium sized (Figure 4.2).

⁸ Persons engaged is the annual average head count calculated over a calendar year in Ireland's Business Register. The Business Register is a register of all enterprises that are active in the State (i.e. registered with the Revenue Commissioner). The number of persons engaged represents both employees and self-employed persons. It differs from official employment which is derived from a number of variables in the CSO's Labour Force Survey, as described previously.

Figure 4.2: Share of active enterprises in AFS enterprises by firm size, 2019 - 2021

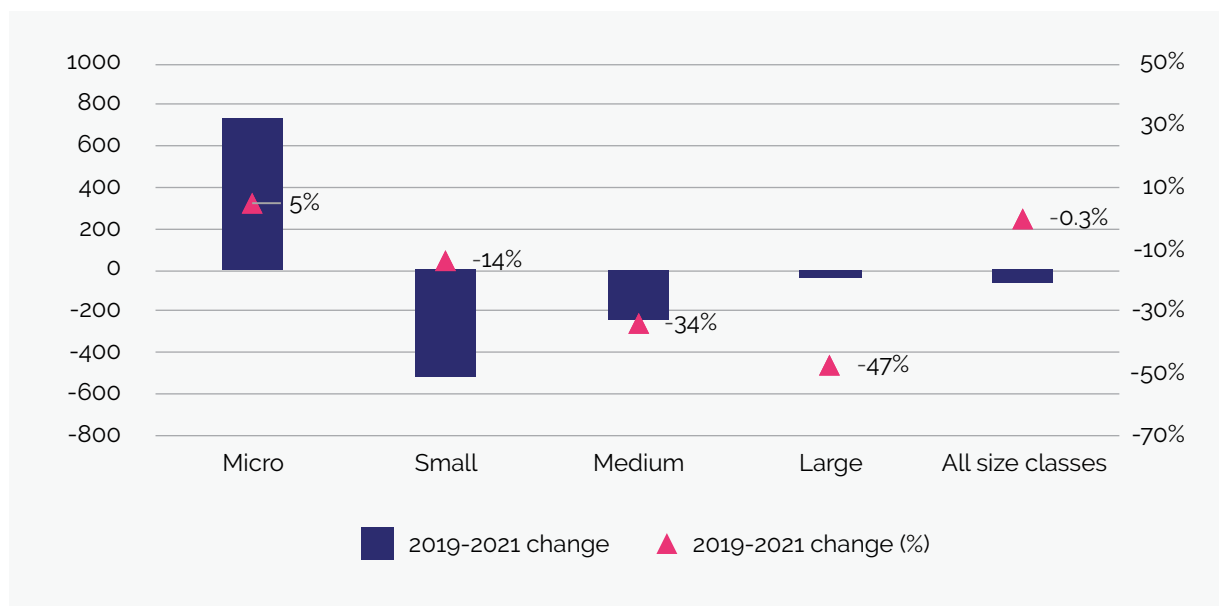


Source: CSO Business Demography

Micro enterprises: fewer than 10 persons engaged; Small: 10-49 persons; Medium: 50-249 persons; Large: 250+ persons

When compared to 2019, there was a slight (-0.3%) fall in the number of AFS sector enterprises (all size classes), amounting to 57 fewer enterprises in 2021 (Figure 4.3). This masks a 5% increase (+731 enterprises) in the number of micro enterprises but declines for all other firm sizes in this sector: small firms fell by 14% (519 fewer enterprises), medium by 34% (236 fewer) and large by 47% (33 fewer enterprises).

Figure 4.3: Absolute & percentage change in AFS enterprises by firm size, 2019-2021

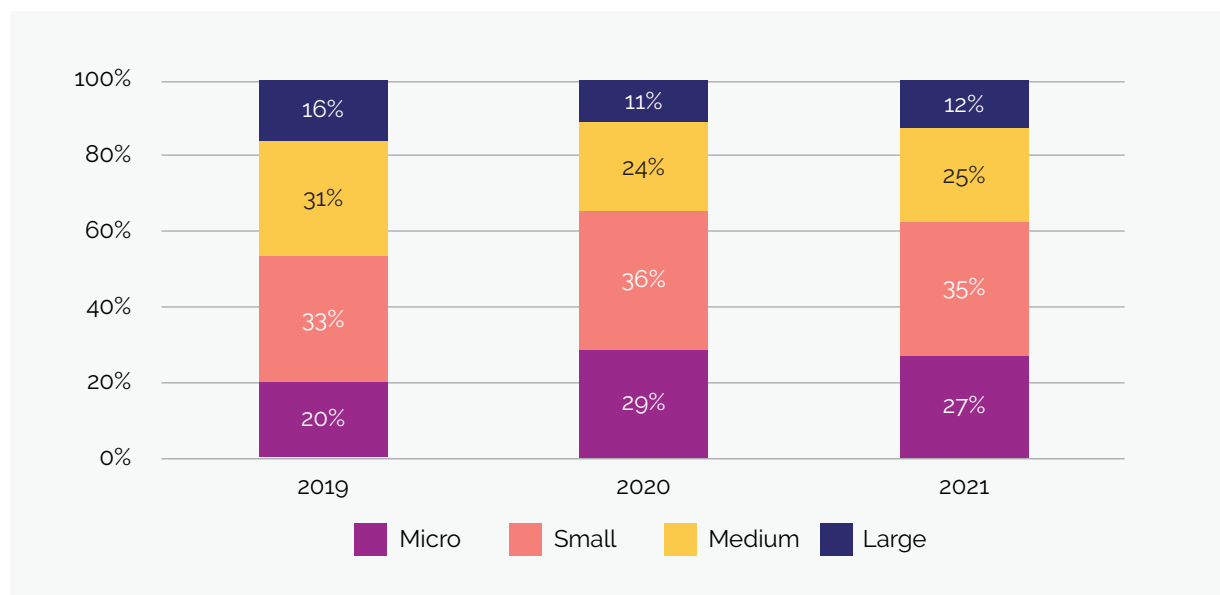


Source: CSO Business Demography

Micro enterprises: fewer than 10 persons engaged; Small: 10-49 persons; Medium: 50-249 persons; Large: 250+ persons

When compared to 2019, the share of persons engaged in AFS sector enterprises that were working in micro enterprises increased from 20% to 27%, while the share working in small enterprises rose from 33% to 35% (Figure 4.4). The share working in medium sized firms fell by 6 percentage points to 25%, and those in large firms fell by four percentage points to 12%.

Figure 4.4: Share of persons engaged in AFS enterprises by firm size, 2019-2021



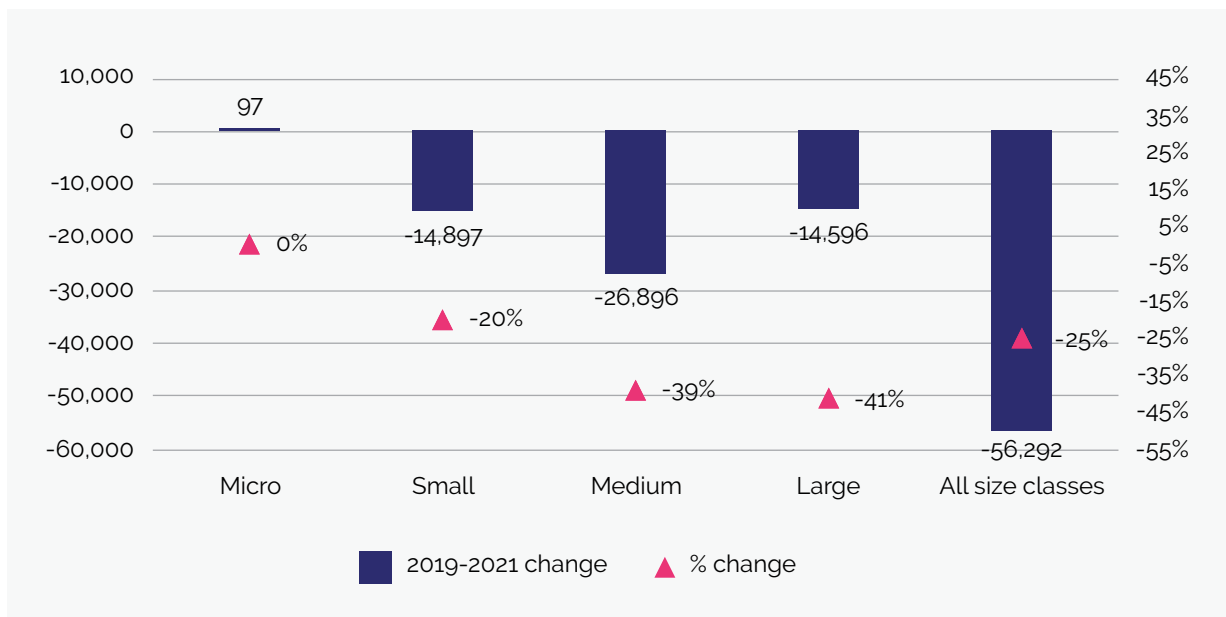
Source: CSO Business Demography

Micro enterprises: fewer than 10 persons engaged; Small: 10-49 persons; Medium: 50-249 persons; Large: 250+ persons

When compared to 2019, the number of persons engaged in AFS enterprises fell by 25%, amounting to 56,292 fewer persons (Figure 4.5). While the numbers in micro enterprises remained almost unchanged, the numbers in all other class sizes fell considerably: there was a

- 20% fall (14,897 fewer persons) in the number working in small AFS enterprises,
- 39% fall (26,896 fewer) in medium-sized firms,
- 41% fall in large firms (14,596 fewer persons).

Figure 4.5: Absolute & percentage change in persons engaged in AFS sector by firm size, 2019-2021



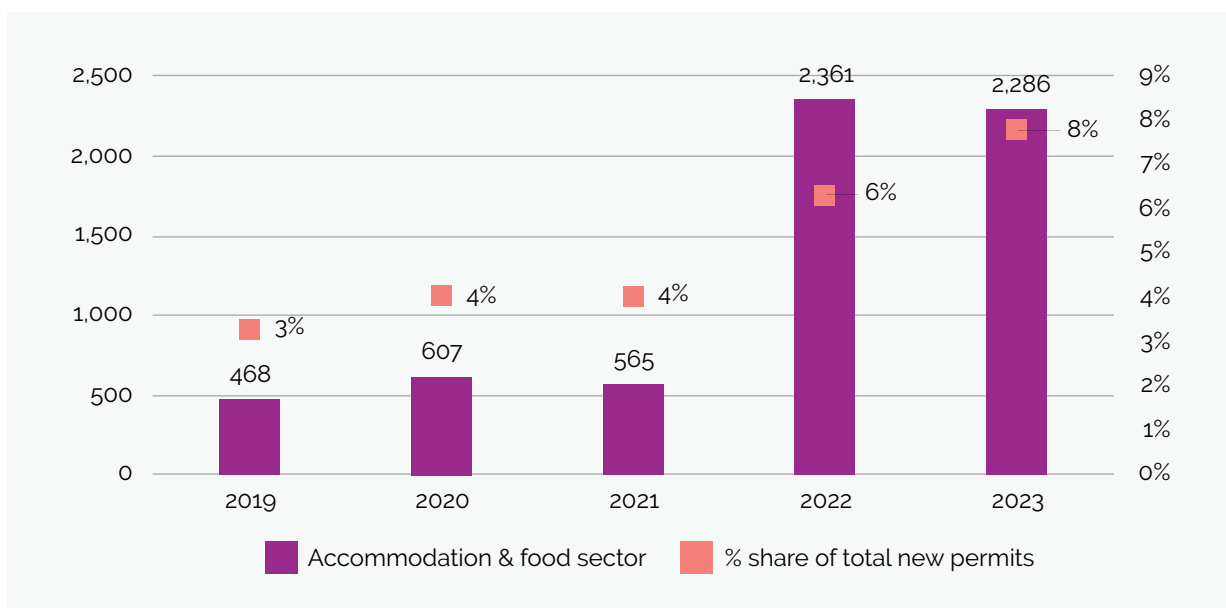
Source: CSO Business Demography

Micro enterprises: fewer than 10 persons engaged; Small: 10-49 persons; Medium: 50-249 persons; Large: 250+ persons

4.2 Employment permits

In 2023, 2,286 new employment permits were issued for the accommodation and food sector, a decline of 3% on 2022 (Figure 4.6). The total number of new permits issued increased significantly between 2021 and 2022. This led to an increase in both the number of permits issued for the AFS sector and their share of total new permits issued, rising from 4% in 2021, to 6% in 2022 and 8% in 2023.

Figure 4.6: New employment permits issued for the AFS sector & share of total new permits issued, 2019-2023



Source: DETE

In 2023,

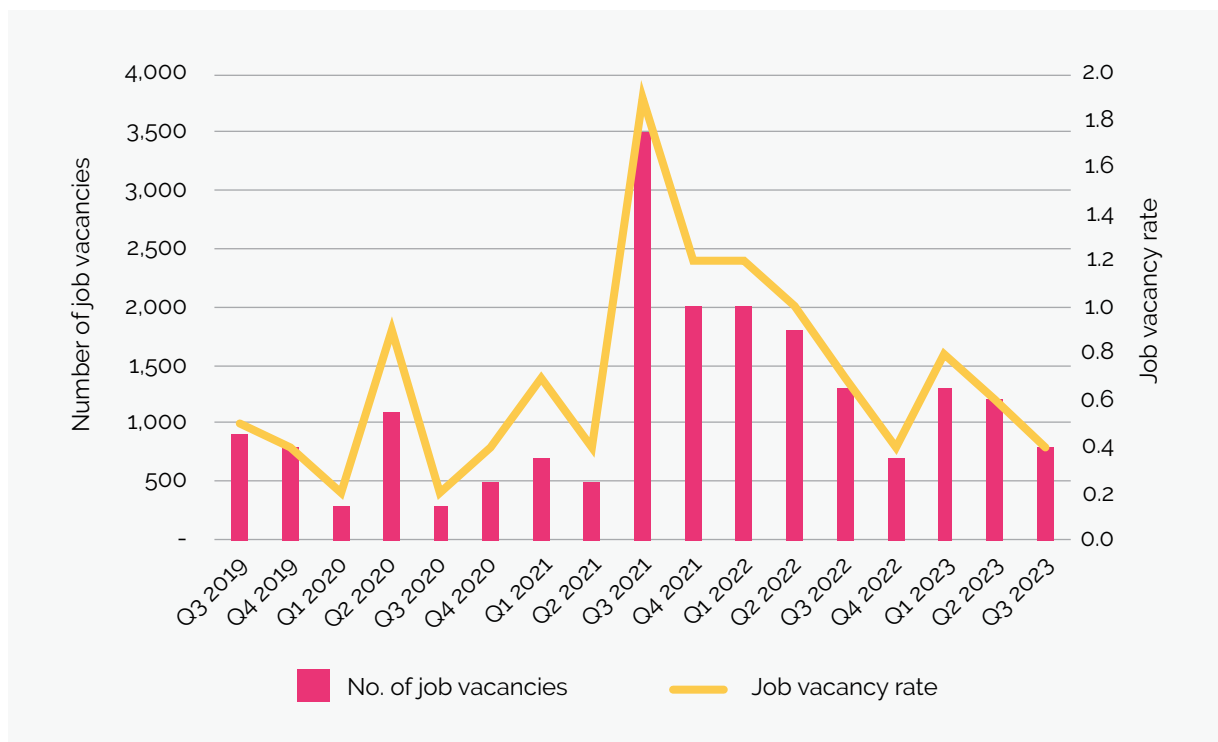
- **Overall:** new employment permits issued for those in the AFS sector accounted for 8% of total new permits issued
- **Type:** the majority (95%) of new permits issued for AFS were general employment permits
- **Salary:** the majority (97%) of new permits issued for AFS had a salary of less than €40,000
- **Region:** almost half (46%) of all new permits issued for AFS were for positions in Dublin with the remainder spread across all counties
- **Nationality:** persons from Brazil, India, China, Sri Lanka and Malaysia accounted for almost two thirds (64%) of all new permits issued for this sector
- **Occupations:** new permits were most frequently issued for chefs (primarily chef de partie).

Access to employment permits was widened for all grades of chef in 2019, with restrictions as to quota or limit per establishment also removed. In 2021, a new quota of 350 general employment permits for catering and bar managers, hotel and accommodation managers, restaurant and catering establishments managers and publicans was introduced.

4.3 Job vacancy rates in AFS

In quarter 3 2023, the accommodation & food sector had the second lowest job vacancy rate at 0.3%, compared to 1.2% for all economic sectors. The job vacancy numbers and rates declined during the COVID-19 pandemic, with a sharp increase as the economy began to reopen (Figure 4.7). The vacancy rate has been declining since quarter 1 2023.

Figure 4.7: Job vacancies (numbers and rates) in the AFS sector, Quarter 3 2019 – Quarter 3 2023

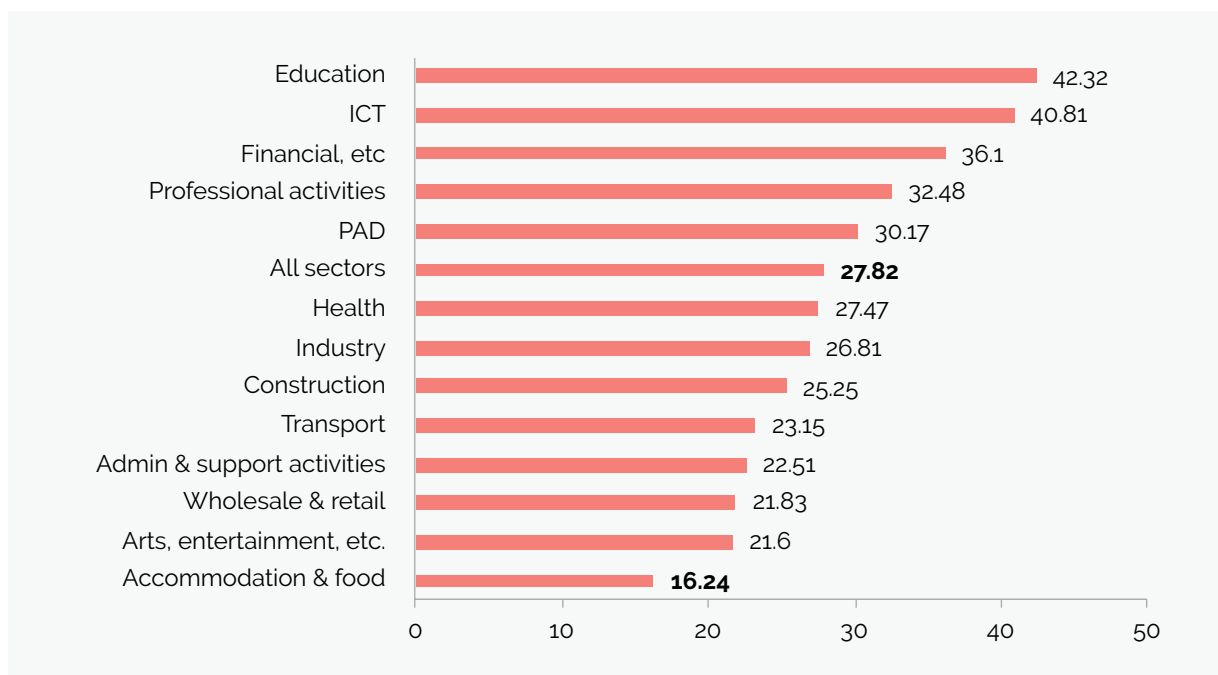


Source: CSO, Earnings, Hours and Employment Costs Survey

4.4 Earnings and hours worked in AFS

The accommodation & food sector had the lowest average hourly earnings across all sectors in quarter 3 2023, at €16.24, and significantly below the average for all sectors (at €27.82) (Figure 4.8).

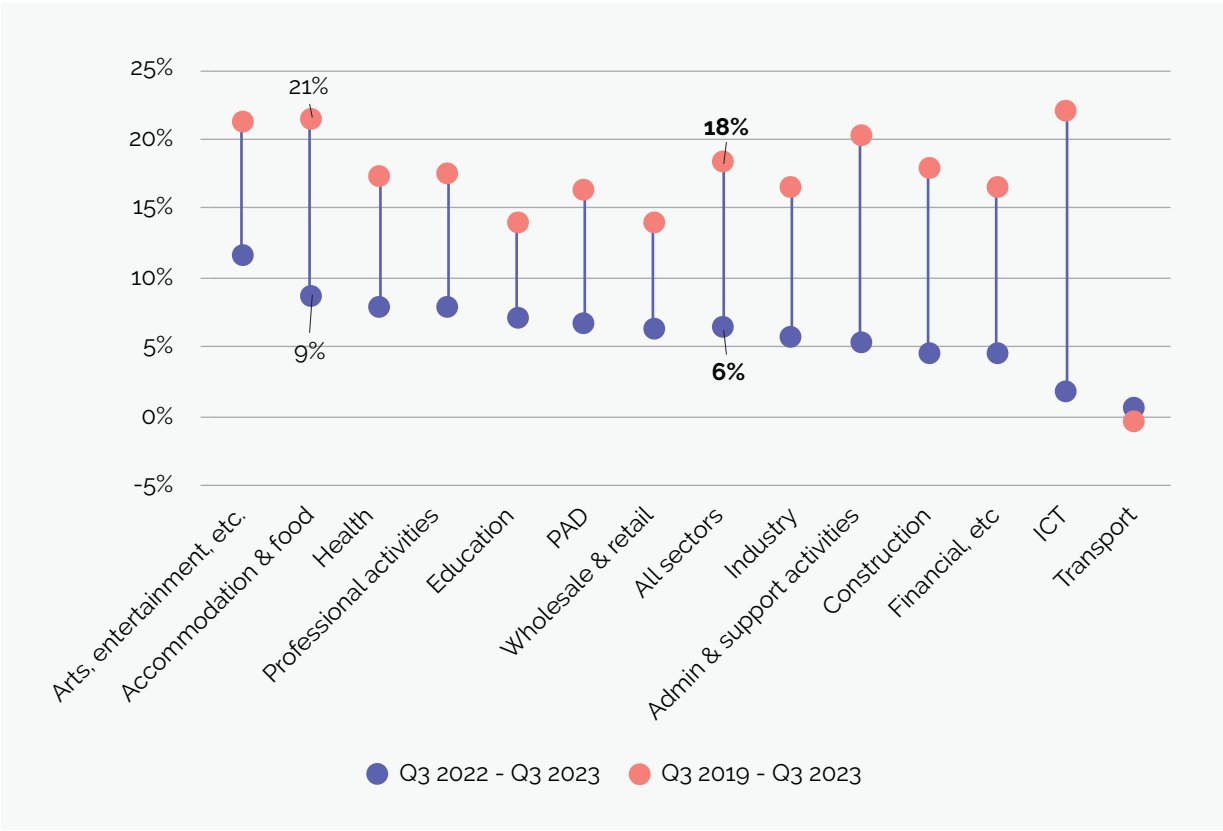
Figure 4.8: Average Hourly Earnings by Sector (€), Quarter 3 2023



Source: CSO, Earnings, Hours and Employment Costs Survey

Despite this, the change in average hourly earnings in the AFS sector was above the average for all sectors over both the one and four-year periods detailed in Figure 4.9.

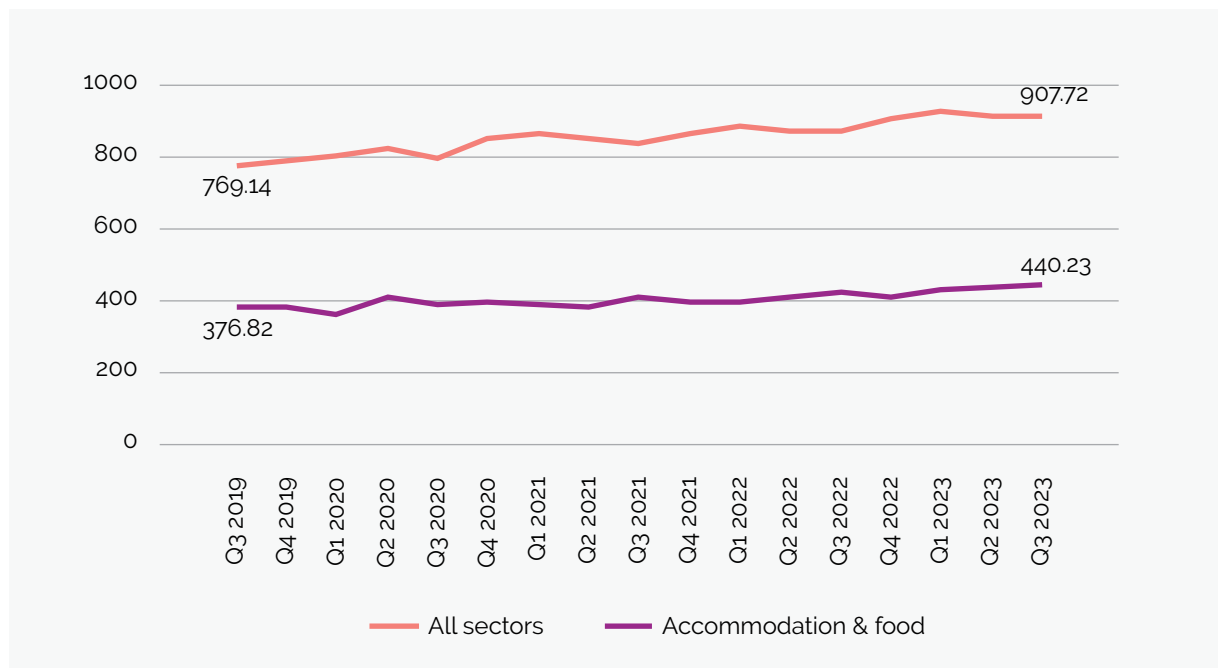
Figure 4.9: Change in Average Hourly Earnings by Sector, %



Source: CSO, Earnings, Hours and Employment Costs Survey

The average weekly earnings for the AFS sector were also significantly below the average for all sectors across the period examined in Figure 4.10. In quarter 3 2023, the average weekly earnings in the AFS sector were €440.23; although this was an increase of €63.41 on quarter 3 2019, it was €467.49 below the average for all sectors.

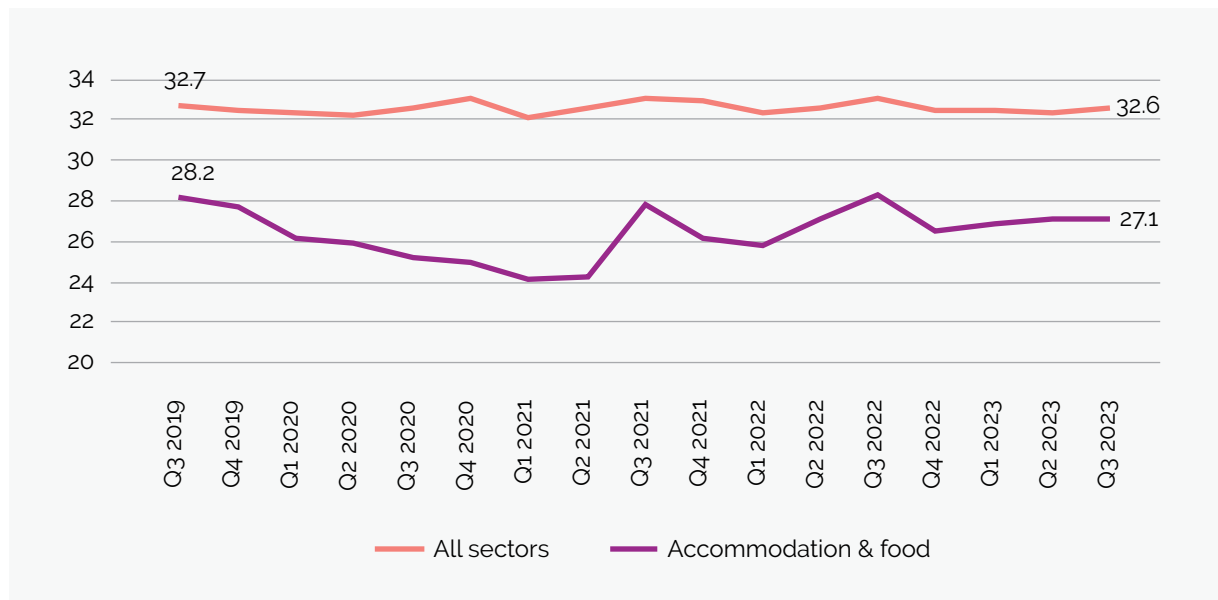
Figure 4.10: Average Weekly Earnings (€), AFS and all sectors, Quarter 3 2019 - Quarter 3 2023



Source: CSO, Earnings, Hours and Employment Costs Survey

One of the main factors contributing to the significantly lower average weekly earnings is that at 27.1 hours in quarter 3 2023, the average number of hours worked in the AFS sector was below the average for all sectors, at 32.6, which has been the case across the time frame examined in Figure 4.11.

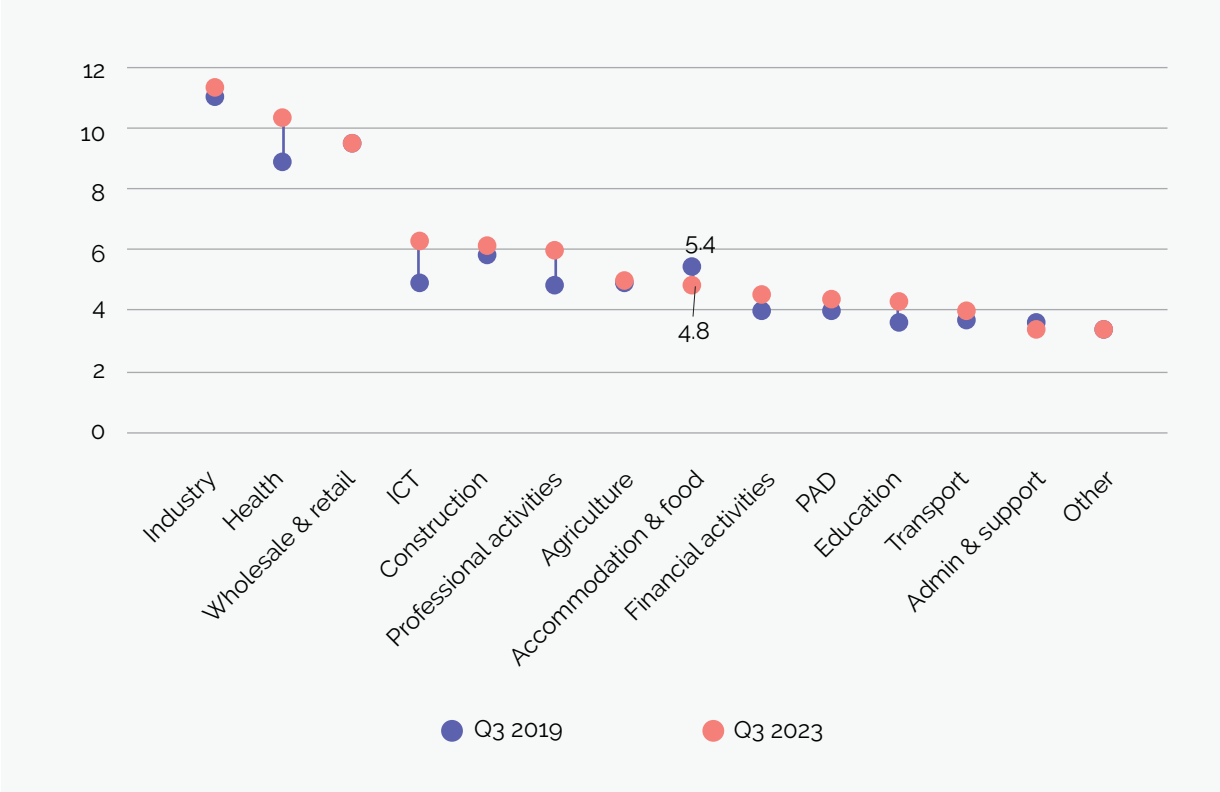
Figure 4.11: Average Weekly Paid Hours, AFS and all sectors, Quarter 3 2019 - Quarter 3 2023



Source: CSO, Earnings, Hours and Employment Costs Survey

Between quarter 3 2019 and quarter 3 2023, the actual hours worked per week increased across all sectors bar AFS and administrative and support services (Figure 4.12). The AFS sector saw a decline in actual hours worked per week of 0.6 million hours, from 5.4 million to 4.8 million, a fall of 11% over the period compared with an overall increase for all sectors of 8%. In quarter 3 2023, the AFS sector had the eighth highest number of actual hours worked per week, having been the fifth highest in quarter 3 2019. In both time periods the sectors with the highest number of actual hours worked were industry, health and wholesale/retail.

Figure 4.12: Actual hours worked per week (millions), Quarter 3 2019 & Quarter 3 2023



Source: CSO, Earnings, Hours and Employment Costs Survey

5. Education and training provision (FET & HE)

This section presents data on the number of education awards for the ISCED sub-field 'hotel, restaurants and catering' across the FET and higher education system. It will focus on the five-year period, 2018 to 2022, and highlights the key trends including the NFAQ level for these awards.

5.1 Awards by awarding body

There are three main awarding body categories:

- Third level awards made to learners at HEA-funded institutions
- FET (QQI) major awards made to learners in Ireland's further education and training sector (both private and state-funded)
- FET (PLSS) awards, which comprise those made by non-QQI awarding bodies to learners who fully completed programmes in Education and Training Boards; this data is from the SOLAS/ETBI Programme and Learner Support System (PLSS).

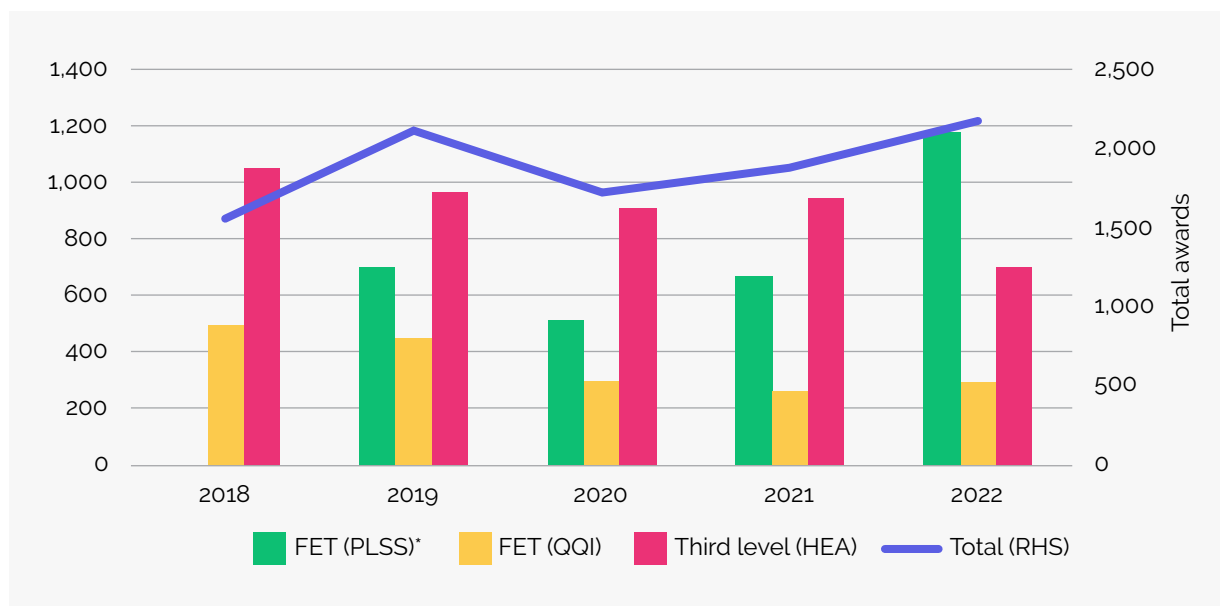
Figure 5.1 shows that there were almost 2,200 awards made in hotel, restaurants and catering in 2022. The number of awards by provider were as follows:

- 1,200 FET (PLSS) awards, representing just over half of all awards (54%)
- 300 FET (QQI) awards, which accounted for 13%
- 700 third level (HEA) awards, which made up the remaining 32% of awards.

Between 2018-2022, the total number of awards increased by 40% (+620 awards). The overall upward trend over the five years is largely due to an increase in FET (PLSS) awards, especially between 2021 and 2022; there were over 510 additional FET (PLSS) awards compared to 30 more FET (QQI) awards, while third level (HEA) awards fell (-240 awards).⁹ In contrast to most years over the period, in 2022, the HEA was no longer the main provider of awards in this field.

⁹ Over the five-year period, third level (HEA) awards in this field of learning included a relatively small number of awards for event management/PR (57 awards on average per year), hotel revenue and digital media (10 awards on average per year) and tourism and destination marketing (fewer than 10 awards on average per year).

Figure 5.1: Number of education awards for hotel, restaurants and catering by awarding body, 2018-2022



Source: HEA, QQI and SOLAS

*Data for FET (PLSS) is not available for 2018

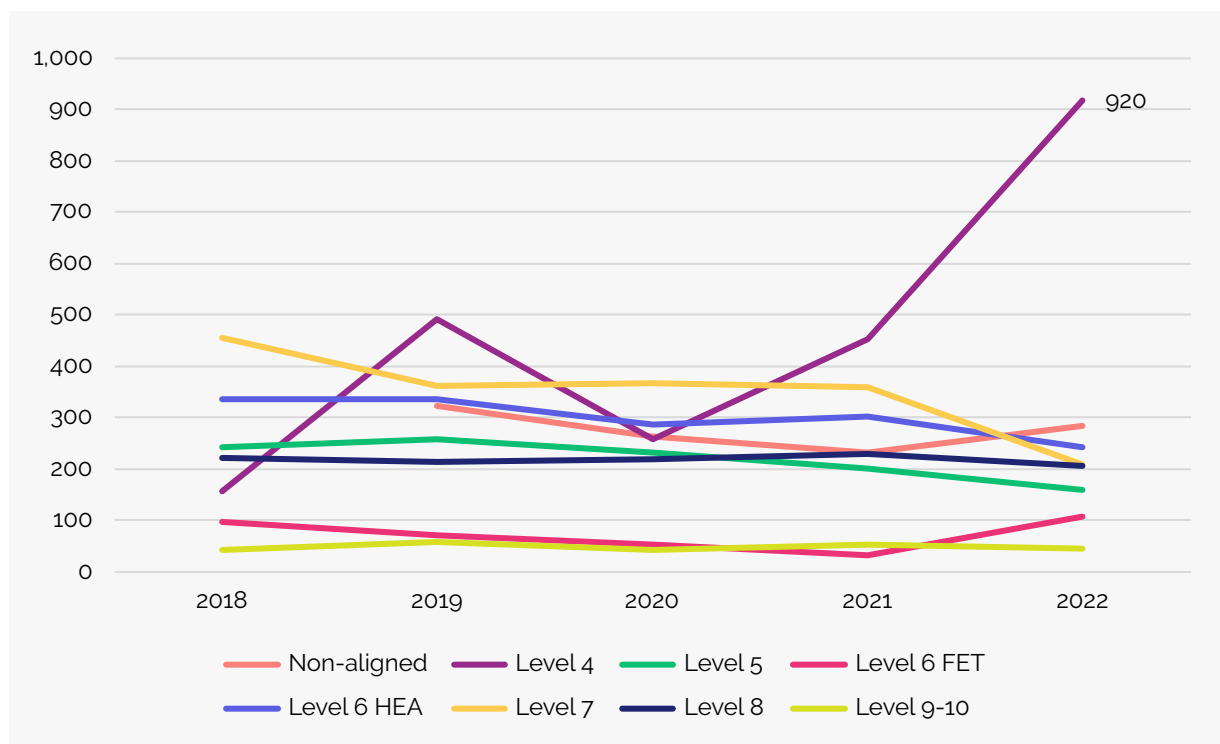
5.2 Awards by NFQ level

Figure 5.2 shows the breakdown of education awards by NFQ level for the years 2018 to 2022. In 2022, the highest number of awards were at level 4 (920 awards), followed by level 6 HEA (240 awards), level 7 (210 awards) and level 8 (200 awards).¹⁰ Between 2021 and 2022, there was a large increase in level 4 awards (+470 awards). Further analysis found this was mostly due to the greater number of awards in barista skills (see below).

Over the five-year period, the largest absolute decline in awards occurred at level 7 (250 fewer awards), followed by level 6 higher education (-90 awards) and level 5 (-80 awards), while those for level 6 FET, level 8 and levels 9-10 remained fairly stable.

¹⁰ In 2022, the number of non-aligned awards were also relatively high at 285, which refer to FET PLSS awards that are not aligned to NFQ levels.

Figure 5.2: Number of education awards for hotel, restaurants and catering by NFQ level, 2018-2022



Source: HEA, QQI and SOLAS

In order to provide some more detailed information, two examples of hospitality skills are presented below, namely barista and culinary, with a comparison in the number of awards at NFQ levels 4 and levels 6-10 respectively. This data is based on word searches of the course names for 'barista' and 'culinary' in the FET (PLSS) and third level (HEA) datasets for hotel, restaurants and catering awards at these NFQ levels. In addition, a breakdown of the QQI (FET) awards at NFQ levels 4-6 for hotel, restaurants and catering is also provided.

Barista skills - Level 4 FET (PLSS) education awards

Table 5.1 shows that the number of level 4 FET (PLSS) education awards for barista or bar service increased between 2021 and 2022. Awards for barista and bar service skills were primarily awarded at NFQ level 4.¹¹ The increase in the number of level 4 awards between 2021 and 2022 is largely due to this rise in awards for barista and bar service skills.

¹¹ In addition, there were a smaller number of FET (PLSS) awards for barista/bar service skills that were not aligned to the NFQ which also increased over this time; 22 awards in 2021 and 53 awards in 2022.

Table 5.1: Level 4 education awards for Barista skills, 2021-2022

	2021	2022	change '21-22	% change '21-22
Barista skills	245	589	344	140%
Bar service	22	50	28	127%
Barista and bar service	0	16	16	0%
Employment skills: Barista, HACCP & retail skills	26	111	85	327%
Culinary/food preparation/catering	38	63	25	66%
Customer service and hospitality	32	20	-12	-38%
Total	363	849	486	134%

Source: SOLAS/ETBI PLSS

Culinary skills – HEA awards

Table 5.2 shows the number of culinary related awards made to learners at HEA-aided institutions for the five years 2018 to 2022. Over this time, the number of awards fell from 501 in 2018 to 346 in 2022 (155 fewer awards or -31%), with the largest absolute decline at level 7 (76 fewer awards or -55%), typically comprising of ordinary degrees. The highest share of all culinary related awards across the five years were at level 6, which accounted for just over one half (51%) of all such awards in 2022.

Table 5.2: Number of culinary related third level (HEA) awards by NFQ level, 2018-2022¹²

NFQ level	2018	2019	2020	2021	2022
Level 6	235	226	188	194	178
Level 7	137	101	99	103	61
Level 8	105	78	106	84	89
Level 9	24	27	17	20	18
Total	501	432	410	401	346

Source: HEA

QQI (FET) level 4-6 awards for hotels, restaurants and catering

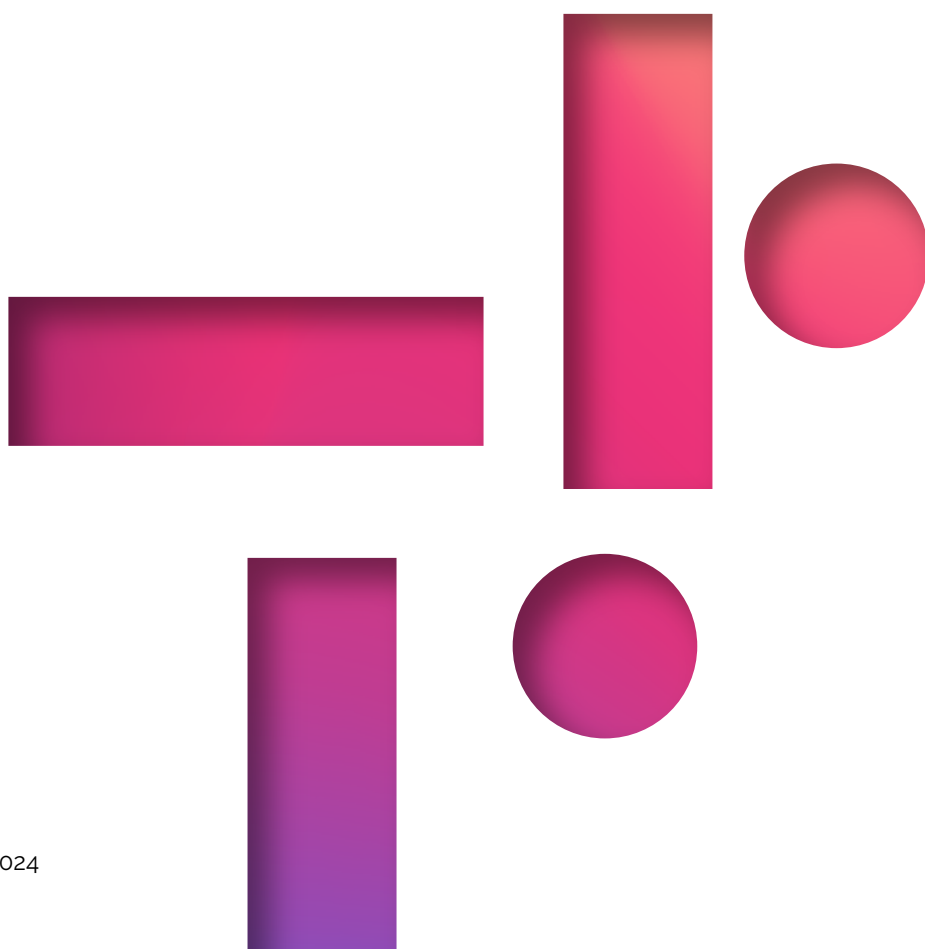
Table 5.3 shows the number of QQI (FET) awards in hotels, restaurants and catering fields at NFQ levels 4-6 for the five years 2018 to 2022. The total number of awards declined from 496 in 2018 to 292 in 2022 (204 fewer awards), with the biggest fall occurring between 2019 and 2020 (149 fewer awards). However, in recent years, there has been a slight increase from 263 in 2021 to 292 in 2022 (+29 awards). Level 6 awards in culinary arts and professional cookery largely accounted for this increase.

12 These courses all contained the word 'culinary' in the title and largely comprised of culinary arts and skills with a smaller number focused on culinary innovation/food development/entrepreneurship. For example, in 2022, 277 awards were for culinary arts/skills compared to 69 awards for culinary business-related areas out of a total of 346 awards. These culinary business-related courses were typically at NFQ levels 8 or 9. There were no culinary related awards at NFQ level 10.

Table 5.3: QQI (FET) level 4-6 education awards, 2018-2022

	2018	2019	2020	2021	2022
Level 4	156	133	63	89	70
Catering support	91	95	35	53	52
Culinary skills	37	32	27	34	18
Hotel front office	28	6	1	2	-
Level 5	243	241	181	141	121
Hospitality operations	70	97	50	46	35
Professional cookery	159	138	125	95	86
Restaurant operations	14	6	6	-	-
Level 6	97	72	53	33	101
Advanced certificate in culinary arts	-	-	16	11	63
Professional cookery	97	72	37	22	38
Total	496	446	297	263	292

Source: QQI



6. Cedefop forecasts and replacement demand

The Cedefop Skills Forecasting team produce regular forecasts at sectoral and occupational level across European countries.¹³ The most recent forecasts produced examine the period from 2021 to 2035. These forecasts are intended primarily as a guide towards future patterns and trends and the estimates should be treated as such, rather than as an exact figure. Although the forecasts take account of global economic developments up to Spring 2022, they do not fully capture the changes that have occurred nationally at detailed sectoral or occupational level, particularly in light of COVID-19. As such, they do not fully reflect the slower recovery in employment in Ireland in recent years in sectors such as accommodation and food, wholesale and retail and construction, or indeed, the sectors that grew strongly during the COVID-19 pandemic such as ICT and manufacturing. Despite this, the forecasts for Ireland provide useful guidance as to the potential direction of travel in terms of education and training provision.

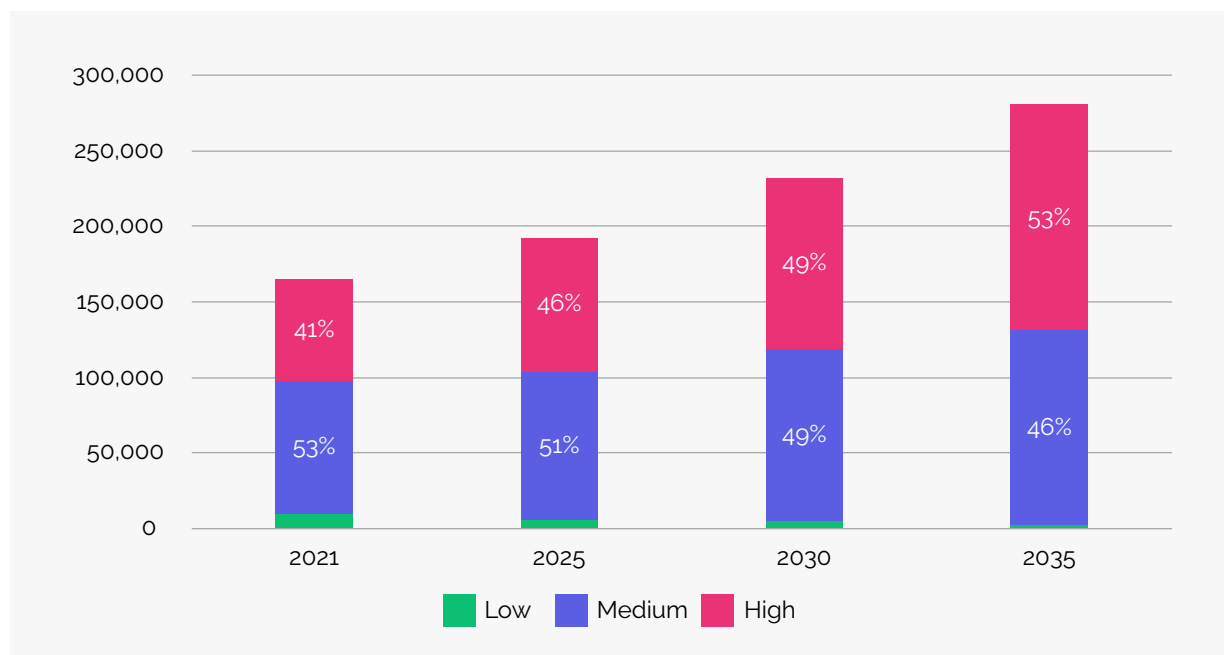
The forecasted annual employment growth rate for Ireland over the period 2021-2035 is 1.7%, with a potential addition of 650,000 persons to the workforce. For the accommodation and food sector, the annual average growth rate is forecast to be 3.9%, or 115,000 additional persons, which may be optimistic given that the sector was particularly impacted by the COVID-19 pandemic and is facing additional challenges at present in terms of the cost of doing business and availability of labour to meet demands.

Figure 6.1 details the forecasted employment growth for the AFS sector between 2021 and 2035 by skill level; high qualifications (i.e. tertiary education), medium qualifications (i.e. upper secondary education/FET), and low qualifications (i.e. lower secondary education or less). The strong growth for those with high skill levels is most likely a reflection of the education level of the available labour force, rather than being a signal of the skills requirement for these roles.¹⁴

13 The methodology for the forecasts is available at: <https://www.cedefop.europa.eu/el/projects/skills-forecast>

14 See <https://www.solas.ie/f/70398/x/1de1088fcb/summer-skills-bulletin.pdf> for more details

Figure 6.1: Forecasted employment (000s) for AFS sector by skill level, 2021-2035



Source: SLMRU calculations based on Cedefop forecasts

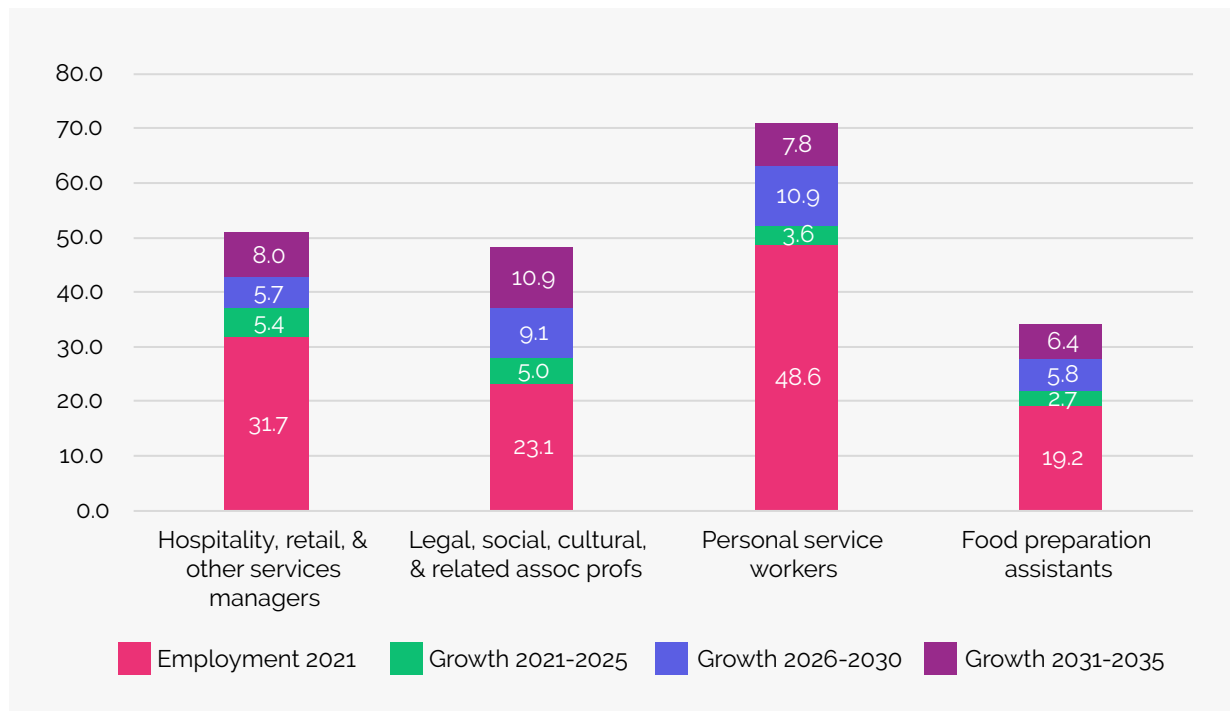
The top four growing occupations¹⁵ in the forecasts for the AFS sector include:

- Legal, social, cultural, & related associate professionals (likely to primarily relate to chefs)
- Personal service workers (e.g. cooks, waiters and bar staff)
- Hospitality retail and other services managers
- Food preparation assistants.

Combined, these four occupations are forecast to account for almost three quarters of the employment growth in the AFS sector over the period 2021 to 2035. In 2021, personal service workers accounted for the largest of the selected occupational groups and had the second highest level of growth over the forecast period (2021-2035) after legal, social, cultural, & related associate professionals, which is forecast to grow by 25,000 persons (Figure 6.2). Food preparation assistants were the smallest group in terms of employment levels in 2021 and have the smallest forecasted employment growth over the period.

¹⁵ The 2008 International Standard Classification of Occupations (ISCO) is used by Cedefop for the forecasts; this classification is slightly different, but nonetheless broadly comparable, to the Standard Occupation Classification (SOC) more typically used in earlier chapters of the report. To note, while SOC combines chefs and cooks, they are categorised separately in ISCO.

Figure 6.2: Employment (000s) in 2021 and absolute forecasted growth for key occupations in AFS sector, 2021-2035



Source: SLMRU calculations based on Cedefop forecasts

Table 6.1 provides an analysis of the employment change, replacement demand and total requirement for the key occupations within the AFS sector based on the Cedefop forecasts. Replacement demand refers to the number of persons needed to replace workers who leave the workforce due to retirement, illness, caring duties, or other reasons. Along with employment growth of 81,200 between 2021 and 2035, replacement demand is estimated to be almost equivalent to growth with an additional 80,700 persons required. Indeed, replacement demand may exceed employment growth for both hospitality etc managers and personal service workers over the period 2021-2035.

Table 6.1: Employment, forecasted growth, replacement demand & total requirement for key occupations in AFS sector (000s), 2021-2035

	2021		2021-2035		
	Employment in AFS	Employment growth in AFS	Replacement demand*	Replacement rate (%)*	Total requirement
Hospitality, retail & other services managers	31.7	19.1	25.1	4.1%	44.2
Legal, social, cultural & related associate professionals	23.1	25.0	17.4	3.4%	42.3
Personal service workers	48.6	22.3	27.4	3.1%	49.7
Food preparation assistants	19.2	14.9	10.8	2.8%	25.7
Total	122.5	81.2	80.7	4.4%	161.9

Source: SLMRU calculations based on Cedefop forecasts

*Replacement demand here is calculated by applying the replacement rates for these occupations in the total economy to employment in the AFS sector only.

7. Overall outlook for hospitality occupations

The following analysis of outlooks for hospitality occupations is extracted from the National Skills Bulletin 2023 report and refers to data reported in Section 3.1 of this report. The analysis identified that skills shortages were occurring for chefs.

Occupation	Economic summary
Hospitality managers	Despite a lower than average employment growth rate for this occupation over the five-year period, employment grew strongly between 2021 and 2022 with an additional 5,700 persons employed, surpassing 2019 levels. Approximately a third working in these roles were non-Irish citizens, above the national average, and employment permits issued related to roles for restaurant managers, hotel, duty and accommodation managers. Advertised vacancies in the OVATE data grew strongly (by nearly a third), albeit from a low base. Vacancies advertised through DSP Jobs Ireland were primarily for restaurant managers but also for managers in catering, food and beverage and hotel. The future demand for hospitality managers will depend on the performance of the different segments of the hospitality sector, with a greater requirement for restaurant managers likely compared to accommodation-related managers.
Chefs & cooks <i>Skills shortage:</i> <i>Chefs</i>	The five-year employment growth rate was negative for chefs; despite a growth of over 5,000 persons employed since 2021, employment levels in 2022 remained below pre-COVID-19 levels. One half of those employed as chefs were non-Irish citizens, far exceeding the national average of 19%. The number of employment permits issued grew from an average of approximately 500 per annum between 2019 and 2021 to over 2,100 in 2022; this is in line with the overall increase in employment permits issued in 2022. A high volume of vacancies advertised through DSP Jobs Ireland (primarily for chef de partie roles), and the increased volume of advertised vacancies in the OVATE data, indicate that demand was strong for chefs in 2022. However, it should also be noted that there was a relatively high share of jobseekers registered with the DSP in December 2022 who indicated that they had previously been employed in food preparation trades. Despite an increase between 2020 and 2021, output from the further and higher education and training system has been, in the main, declining in recent years. As such, skill shortages persist.
Catering & bar managers	Numbers were too small for a detailed analysis of employment for this occupation although the Recruitment Agency Survey indicated difficulty in filling vacancies for bar and events managers.

Kitchen & catering assistants	Employment has grown annually for this occupation since 2020, with employment levels in 2022 returning to pre-COVID-19 levels. Two-thirds of persons employed worked part-time and 46% were aged 15-24 years. There was a very high number of recent job hires for this occupation indicating that job churn is a significant factor. There was also a high volume of jobseekers registered with DSP in December 2022 who were previously employed in catering occupations. DSP Jobs Ireland vacancies were primarily for roles in catering companies and fast-food outlets. The high volume of recruitment demand for this occupation is most likely related to a significant level of job churn.
Waiters & waitresses	Although employment grew strongly for both waiters/waitresses and bar staff between 2021 and 2022, with an additional 12,000 persons employed combined, the numbers remained below pre-COVID-19 levels. While waiters/waitresses were predominately female, the opposite was the case for bar staff with males accounting for the higher share. Those aged 15-24 years accounted for the majority of persons employed as waiters/waitresses and bar staff, at 73% and 64% respectively; at least 75% of those employed in these occupations were working part-time. Both occupations had high volumes of recent job hires highlighting that job churn is a particular feature of these roles. Although issues with attracting candidates to the roles are evident, no shortages have been identified.
Bar staff	
Housekeepers & caretakers, etc.	Although employment numbers increased since 2021, they remain too low for detailed analysis.

Source: National Skills Bulletin 2023

Box B: Spotlight on Tourism Careers by Fáilte Ireland

Background

As the economy reopened from the Covid-19 pandemic, and demand for tourism services picked up, the resumption in activity was not met by a sufficient pool of willing talent. A re-evaluation of careers by some within the industry resulted in staffing bottlenecks, with businesses finding themselves under-resourced and in stiff competition with other sectors for a finite supply of labour.¹⁶

In response to this, Fáilte Ireland, in partnership with the industry and e-recruitment platform Jobs.ie, commenced a body of research into the tourism & hospitality labour market. Now in its fourth year, the annual study captures the views of hundreds of businesses across the sector and a robust and representative sample of workers with industry experience. Initial findings were published in February 2022, with two further iterations since.¹⁷ The research has helped to highlight what the sector does well, but equally shed light on areas that require attention, as an employer of hundreds of thousands of workers across the country. It has also shaped Fáilte Ireland's own multifaceted tourism careers strategy.

Passion Plays a Pivotal Role

Employees consistently tells us that passion is the number one reason that influences them to work in tourism & hospitality, with approximately half of all survey respondents each year indicating this. Verbatims reveal that this can be passion for a particular role, passion for people, or simply for the industry itself.

"I love people – it's great to see smiles on their faces when they get great service. Good laughs."

Female, 35–44

"As a chef, you get to make people happy."

Male, 18–34

Source: Fáilte Ireland, Jobs.ie (multiple years)

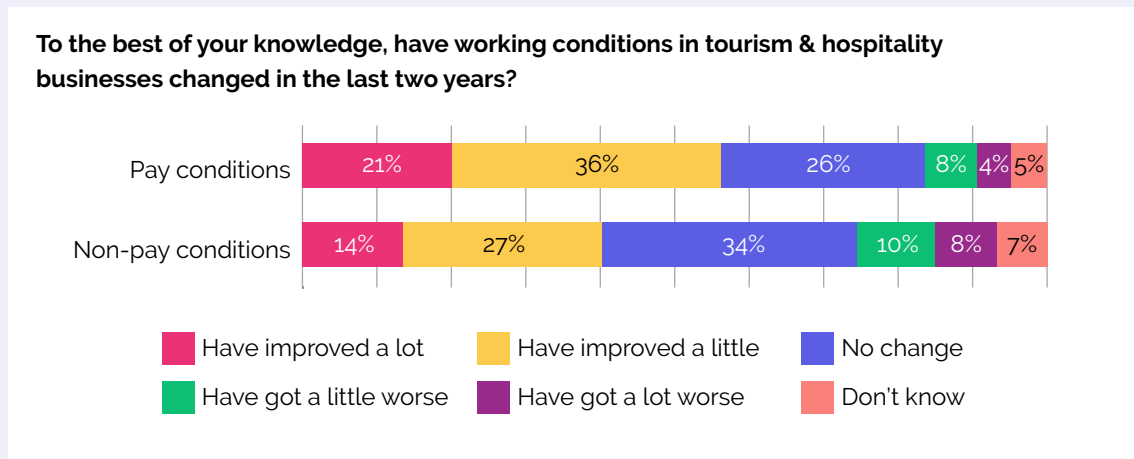
¹⁶ An analysis of Pandemic Unemployment Payment (PUP) data revealed a net loss of c.26,000 paid employees in the Accommodation & Food Services Sector in 2021. See Dwan-O'Reilly, J. & McNelis, M. (2022) "Trends in Post-PUP Employment: Examining the employment transitions of those closing their Pandemic Unemployment Payment claims". Department of Social Protection Working Paper.

¹⁷ See <https://www.failteireland.ie/Research-Insights/Briefing-Papers-and-Reports.aspx>

Workers in the sector tend to be people persons and are passionate about interacting with colleagues and the wider public. While many remained in situ during the pandemic, for others, not being able to apply these highly transferable attributes during social distancing protocols arguably incentivised and enabled them to pivot into other areas of the labour market. Indeed, the largest sectoral transition destinations for former Pandemic Unemployment Payment (PUP) recipients from Accommodation & Food Services were to Wholesale & Retail, Admin & Support Services and Health & Social Work – industries where such skills are often sought.¹⁸

Things Moving in the Right Direction

Passion alone was not a sustainable foundation to rebuild the tourism & hospitality industry on and, with the help of this research, businesses recognised the need to improve their employment offering. The level of engagement with Fáilte Ireland's Employer Excellence Programme¹⁹ and its online learning platform learniFi²⁰ demonstrates their need and want to support the development of staff across the sector. Progress has been made and is filtering through in workers' responses, with a noticeable positive change in perceptions of pay and non-pay conditions for some, but not all. Importantly, a higher proportion of respondents now see opportunities for career progression across the sector and envisage having a long-term career in it.



18 Dwan-O'Reilly, J. & McNelis, M. (2022) "Trends in Post-PUP Employment: Examining the employment transitions of those closing their Pandemic Unemployment Payment claims". Department of Social Protection Working Paper.

19 The Fáilte Ireland *Employer Excellence Programme* has been developed to support businesses driving great employee engagement, and continuously build the appeal of their workplace. For more see [Fáilte Ireland - Employer Excellence Programme](#)

20 Fáilte Ireland's learning platform, *learniFi*, offers over 150 courses to help develop careers in tourism & hospitality. For more see [Fáilte Ireland - learniFi](#).

Do you see opportunities for career progression?



Do/could you see yourself having a long-term career in tourism & hospitality?

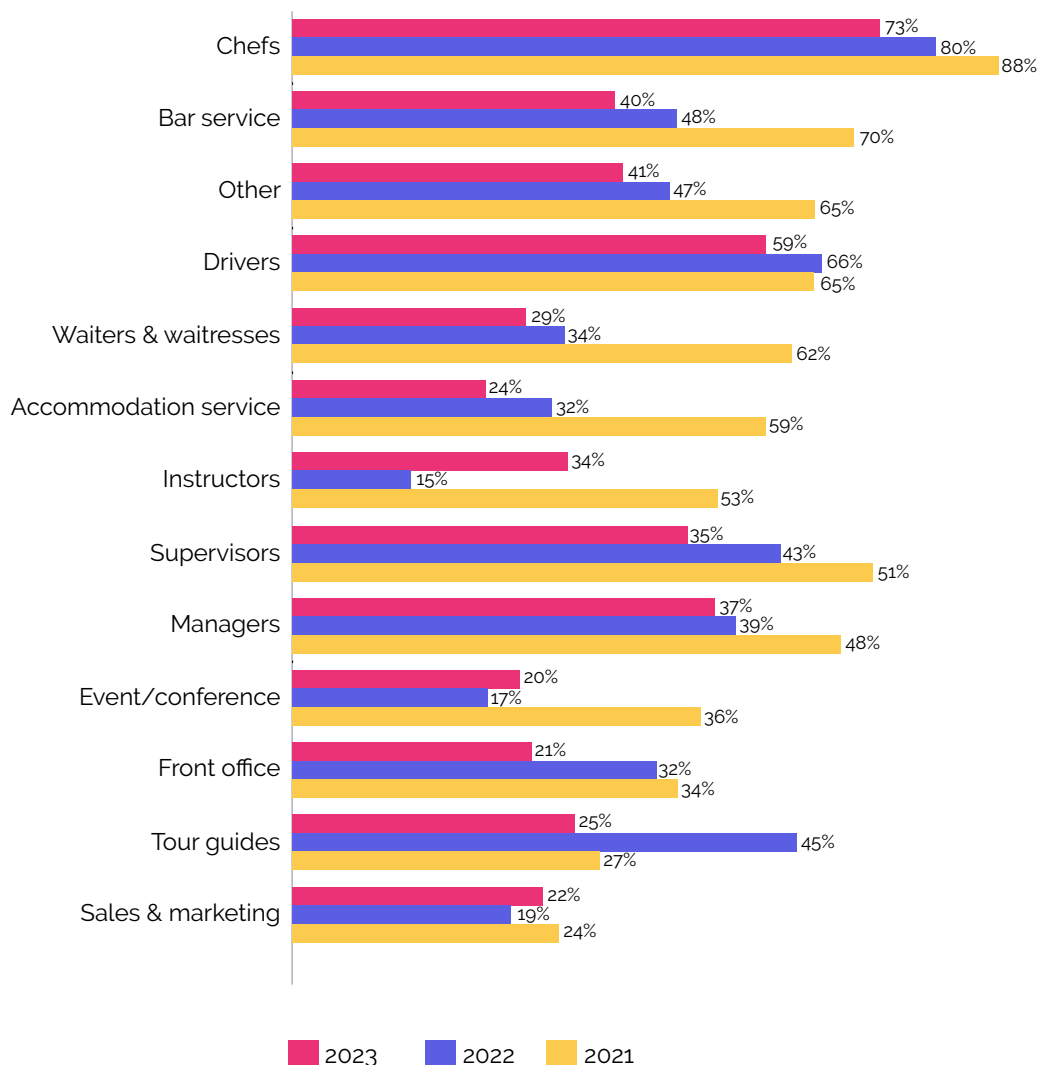


Source: Fáilte Ireland, Jobs.ie (2023)

Recruitment & Retention Less Difficult, but Still Challenging

Industry respondents are reporting an improvement in staff recruitment across almost all positions compared to previous years (see below). The story is largely the same when it comes to staff retention - critical if the sector is to hold on to experienced staff. This is not to say that things are easy, rather they've just become less difficult. But it does suggest the positive measures taken by employers are having an effect.

Change in & reporting 'Considerable Difficulty' recruiting staff



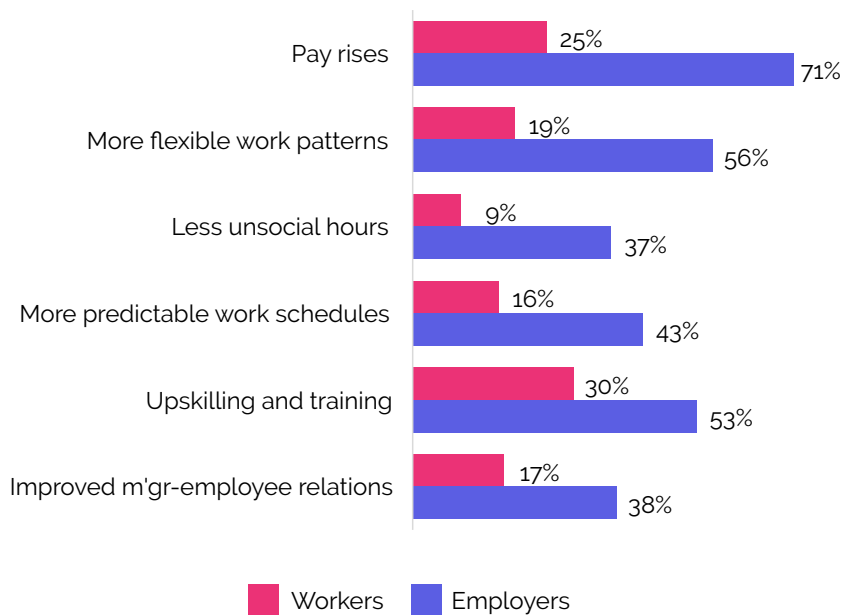
Source: Fáilte Ireland (2023)

More Still to be Done

Notwithstanding the inroads made in a short amount of time, something of a disconnect between employee and employer still exists when it comes to efforts to retain staff. Workers have been quicker to acknowledge tangible changes such as pay and training but have so far been less reactive to other improvements cited by employers. Although businesses are likely to answer more favourably than workers about measures taken, the gap could be, at least in part, down to a lag between change being implemented and employees' perceptions of such change. Workers may not always be made aware of measures undertaken, or they may feel a measure is ineffective, which could also lead to some not giving credit to employers.

Efforts to retain employees: answers by employers vs answers by workers

(Top 6 differences shown)



Source: Fáilte Ireland, Jobs.ie (2023)

Considering the above, businesses must continue to make the sector a more attractive proposition to incumbent and prospective staff - there is no scope for easing-up on the progress made to date. The recalibration of sectoral pay remains a priority among workers. But that's just one avenue - non-financial incentives like flexible work schedules, upskilling and opportunities for career progression can be as effective in increasing job satisfaction. A concerted effort to effectively communicate change, and the positive impact it can have, must also be adopted if tourism is to compete with other sectors of the economy in attracting and retaining talent and futureproof the industry.

Appendix A: Differences between Census and official figures

The results of the Labour Force Survey (LFS) provide the basis for the official series of quarterly labour force estimates. The labour force and its constituent figures shown in this report are directly based on the census. Users should be aware that information derived from identical questions in the census and LFS for the same year may show appreciable differences. The main categories affected are the constituents of the question on principal economic status and the employment estimates classified by industry and occupation.

The main reasons for the differences are:

- The LFS uses the International Labour Organisation (ILO) classification, which has a much wider range of questions on the labour force and which may have a bearing on the responses received to individual questions. Under the ILO criteria, employment, unemployment and inactive population are defined as follows:
 - » In employment: 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.
 - » Unemployed: Persons who, in the week before the survey, were without work and available for work within the next two weeks, and had taken specific steps, in the preceding four weeks, to find work.
 - » Inactive population (not in labour force): All other persons.
- The census form is completed by a responsible adult in each household throughout the State in respect of everyone present in the household on Census Night while the LFS is collected by in person and telephone-based survey interviews
- The census relates to all persons present in the State (including visitors from abroad) at the time of the census while the LFS covers persons usually resident in Ireland
- The census is a complete enumeration while the LFS is a sample survey. The chief difference resulting from this is that the census records an unemployment rate (based on Principal Economic Status) of 8 per cent, compared with the official rate (based on ILO criteria) of 4.6 per cent for quarter 1 of 2022. Notwithstanding these differences, the main strength of the census-based data on employment and unemployment is the provision of data for small geographic areas, analysis on the comparisons between areas, the provision of data on unemployment blackspots, and other analysis across multiple variables such as marital status, detailed country of citizenship, etc.

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