

Bank of Ireland Business Banking Job Index shows manufacturing recruitment more than doubles over same Quarter '02

- **Job Index up 7% on September '02**

The level of jobs advertised in Ireland's daily and Sunday newspapers over the third quarter of this year is up 2% compared with the same quarter for '02, according to Bank of Ireland Business Banking's Job Index released today (Friday 3 October 2003). The overall index now stands at 117, up 6 points from August, the second highest since the Index began in May 2002. Unemployment in Ireland remains remarkably low by historical standards, thanks to resilient employment growth through the global downturn

Despite the recent closures announced in manufacturing, the sector as a whole is recovering very strongly, evidenced by the number of advertised jobs more than doubling (+110%) over the same quarter last year. On a monthly basis this sector is performing even stronger with a staggering increase of 169% over September of last year and it is now at the highest level ever on the Job Index. With regard to other sectors, the most consistent performer remains the construction sector, which has once again recorded growth of 21% over a buoyant 2002.

The IT sector is still showing no signs of recovery and is down 42% on the previous quarter. Interestingly, the recruitment gulf is widening between the financial and professional sectors with financial down 33% and professional up 12% on same quarter '02. This demonstrates continued extensive rationalisation and cost cutting activity in the financial sector and an associated migration and increase in recruitment in the professional sector

The downturn in the public sector continues to impact upon the education sector the hardest, with recruitment down by 26%, similarly healthcare has been hit hard by recent budget cuts and is down 12% over the same quarter last year.

Looking at The Job Index month on month, the total of 18,397 jobs advertised in September is 6% up on August of this year and is the fourth consecutive month of growth. The number of jobs advertised in each of the construction (up 29% on September 2002) and

manufacturing (up 169% on September 2002) sectors is at an all time high in the Index. Jobs advertised in the leisure sector are also at an all time high for the index, up 21% on September 2002.

Mr Tom Comerford, Director of Business Banking, Bank of Ireland, said, *"The Job Index confirms recent positive signals for the manufacturing and construction sectors, which are important drivers for the economy generally. In recent months we are finding that overall business activity is strong and we see positive signs for the short and medium term which are endorsed by the evidence of the Job Index"*.

Dr Dan McLaughlin, Group Chief Economist, Bank of Ireland said, *"Growth has picked up recently in the US, the UK and Asia, which suggests that a global recovery is underway, and business and consumer sentiment in Ireland is also showing signs of an upturn. It is therefore interesting to see evidence of a rise in recruitment advertising in Ireland in recent months, with the latest September reading showing a marked upturn. The Bank of Ireland Business Banking Job Index shows a 7.3% rise year over year, or a 2% rise on a three monthly comparison. This includes a sharp slowdown in public sector recruitment in Health and Education, which is being offset by a rise in private sector recruitment- this is up 20% in September or by 9% on a three-month basis. The biggest gains are in manufacturing, which is a welcome reversal of a downward trend, with strong increases also recorded in construction and leisure. Clearly the jobs boom in the public sector has run its course but private sector employment appears to be stepping into the breach."*

The Job Index is a timely measure of sectoral demand for labour in the Irish economy. Using Central Bank classification of sectors, the index tracks the number of jobs advertised in the Irish daily and Sunday newspapers.

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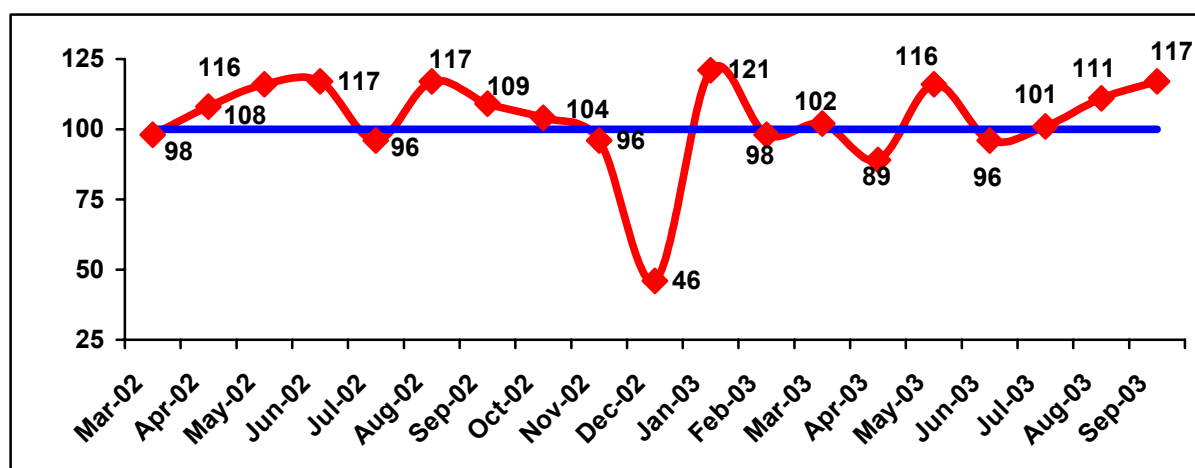
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SEPTEMBER JOB INDEX



Note to Editors:

- Hand count of all job advertisements in Irish daily and Sunday newspapers – Irish Independent, Sunday Independent, Irish Times, Sunday Business Post Irish Examiner, Sunday Tribune
- Rol jobs only
- Full and part time jobs counted
- Specified job numbers utilised (eg. Advertisement for 5 accountants = 5 jobs)
- Excludes recruitment websites
- Baseline = 100 (mean from April '02 to March '03)
- The research was compiled and validated by Drury Research Limited

About Bank of Ireland Business Banking

Bank of Ireland is the number one Bank for business in Ireland with dedicated business relationship managers available through each of its 270 strong nationwide branch network and over 50,000 registered users for its 'Business on Line' service. The Bank of Ireland business offer includes the full range of day-to-day business banking services as well as specialist Treasury, Commercial Finance, Credit card and Life Assurance planning services. These business services are backed up and complemented by Bank of Ireland's Specialist

Business Bank, a dedicated unit which assists Bank of Ireland branches and customers with more complex and specialist financial packages.