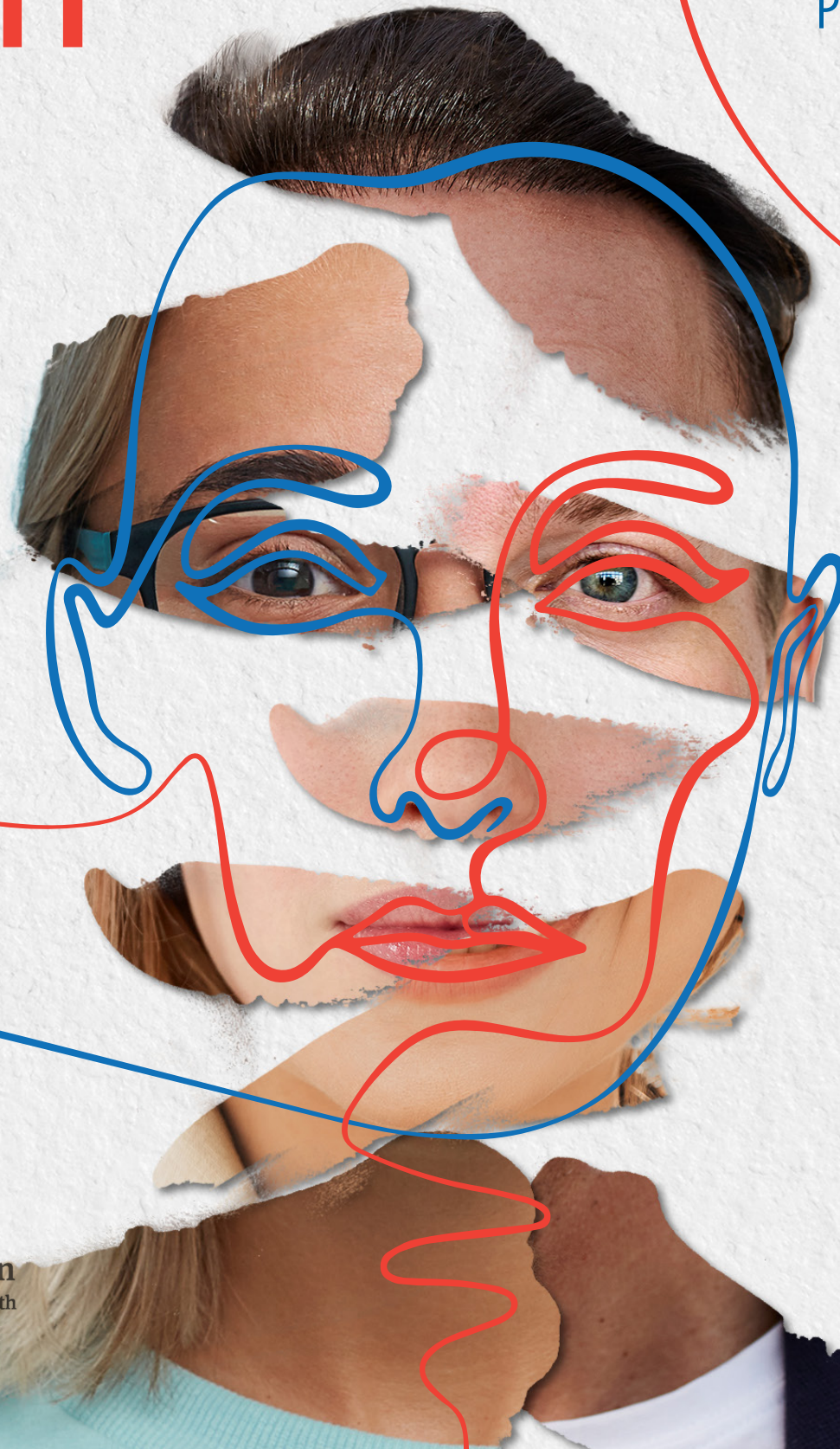


IRELAND'S PROJECT ECONOMY

2023

A Barometer of Independent
Professionals, Contractors &
Solo Self-Employed



Trinity College Dublin
Coláiste na Tríonóide, Baile Átha Cliath
The University of Dublin

 contracting
PLUS

WELCOME

IRELAND'S PROJECT ECONOMY

Welcome to Ireland's Project Economy 2023, this longitudinal study is now in its third year. This is the only report of its kind completed in Ireland. The report profiles Irish high-skilled independent professionals, also known as professional contractors, freelancers and solo-self employed workers. Trinity College Dublin and Contracting PLUS are delighted to collaborate to complete this work which examines the contribution this key cohort have to employment and the economy in Ireland.

The aim of this report is to explore the extent and nature of the Independent Professional sector in Ireland and the key challenges it is facing.

The research seeks to provide insights into the contribution of this sector to business and society as well as to better inform this type of worker about best practices, opportunities, threats and relative performance in this highly important sector of Ireland's workforce. We hope you find the results as interesting as we have.

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PLUS**

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The University of Dublin

IRELAND'S PROJECT ECONOMY

MEET THE RESEARCH TEAM ON PAGE 96



**PROFESSOR
ANDREW BURKE**

Dean of Trinity Business School &
Chair of Business Studies,
at Trinity Business School



**PROFESSOR
NA FU**

Professor in Human Resource
Management at Trinity Business
School



**YUE SUN
(PHD SCHOLAR)**

Research Fellow at
Trinity Business School

HIGH-SKILLED FREELANCERS' MESSAGE FOR GOVERNMENT

*"Government over-compliance, is greatly **reducing confidence that contracting is a viable option** - also, the aggressive stand-by revenue is hard to swallow....Government needs to realise there is more out there than employee/employer/social welfare - **contracting is an alternative**, the cost for the employer is comparable to hiring an FTE without the risks. There's not much more in it than that. **Time to wake up before off-shoring becomes a no-brainer** - I'm looking at options".*

*"It would be great if the government reinstated more allowances that we could claim for and make contracting more appealing to more people. **We are very entrepreneurial in this country but could do with more support**".*

*"I don't think the Government realises the risks we take on (no sick pay, own pension, and don't work don't get paid) and that **we offer a great service hitting the ground running** with the expectation that **we can add value from the start**".*

*"Contractors are free from tiresome workplace politics and the more negative aspects of company culture. So they can really **focus on getting the job done** - luxury rarely afforded to employees. Employees often think contractors are overpaid but it's unstable employment at best. Employees have traded freedom for security".*

*"Self-employed contractors **are disregarded by policy makers**".*

*"Tax rules/reward for taking the leap of faith to become a contractor could be more attractive. There could be more state support in areas like training and upskilling. **Large multi nationals get gold plated treatment**, grants and incentives. **Would be good if the SME sector and contractors were treated in the same way**".*

*"The Government could **set up a Task Force** and look at ways **to improve the lifestyles and livelihoods of independent contractors**".*



PREFACE:

The project economy has emerged as a significant driver of economic growth, with organisations leveraging a diverse workforce that includes both employees and independent contractors. This blended approach allows organisations to become more agile, innovative, and adaptable to change, which in turn accelerates their growth beyond what would be possible with an employee-only model. While organisations still rely on employees for their daily operations, they increasingly turn to independent contractors and professionals to supplement their workforce with specialised skills, expertise, and additional resources on a variable cost model. This strategic utilisation of external talent and financial flexibility has become a defining characteristic of the project economy, benefiting organisations of all sizes, both for-profit and not-for-profit.

Although the project economy has been active for over two decades, the role of high-skilled independent contractors in driving its growth has largely been overlooked. Despite research indicating that these professionals are typically better compensated and more satisfied with their work than their employee counterparts, they often go unrecognised for their contributions. This report aims to shed light on the experiences of independent contractors and their impact on the project economy.

While self-employment is inherently riskier than traditional employment, the vast majority of high-skilled independent contractors still enjoy a high standard of living and job satisfaction based on the evidence from our study. This fact alone justifies further research into this overlooked workforce. Moreover, the project economy's utilisation of independent contracting has significant positive effects on business and economic performance.

This report is the third consecutive year of publication and is intended to provide valuable insights for independent contractors, employers, recruitment agencies, policy makers, and researchers. We would like to express our gratitude to the over 1,000 independent contractors and firms who generously contributed their time to complete the questionnaire. We also extend our thanks to our research partner, Contracting PLUS, for their support of this project.

Sincerely,

IRELAND'S PROJECT ECONOMY



**PROFESSOR
ANDREW BURKE**

Dean of Trinity Business School &
Chair of Business Studies,
at Trinity Business School



**PROFESSOR
NA FU**

Professor in Human Resource
Management at Trinity Business
School

FOREWORD:

BLENDED WORKFORCES – THEY'RE NOT THE FUTURE, THEY'RE NOW!

Blended workforces, which combine both remote and in-person workers, have become increasingly common in recent years. This trend has been driven by various factors, including the rise of remote work, the need for more flexible staffing arrangements, and the availability of digital tools that make it easier to collaborate and communicate with distributed teams.

Given the advantages that blended workforces offer, such as increased flexibility, cost-effectiveness, and access to specialised expertise, it's likely that this trend will continue in the future. As businesses seek to adapt to changing market conditions and customer demands, they will need to be agile to quickly scale up or down their workforce as needed. Blended workforces offer a way to achieve this without incurring the high costs associated with hiring and training full-time employees.

A key ingredient to a successful blended work force is the supply of and access to a pool of high skilled contractors. These individuals are effectively entrepreneurs and the work they do ultimately creates more net employment in the economy. In fact, with 78% of contractors choosing to work this way, they have created a career for themselves. Within the first few pages of this report, there are a selection of statements from this year's respondents with very clear messages to Government of what we need in Ireland if we are to consider ourselves serious of being pro-entrepreneurship.

We can sometimes be too hard on Government as we hear of 'big-ticket' benefits for large corporations, the very companies which have blended work-forces and benefit from using contractors. While employees do benefit with some welcome Euro back in their pockets Contractors on the other hand take a risk. They aren't covered by sick pay rules or redundancy legislation. They find themselves work and keep unemployment down.

On the other hand, over-compliance, and a hard-line approach by both the Revenue Commissioners and the Department of Social Protection is reducing confidence that contracting is a viable career for the longer term. This is reflected by a slight drop in confidence (P.21).

This report clearly highlights the benefits of contracting. Almost two thirds of contractors feel they are treated the same or better than employees. Contractors are highly educated (95% have a Bachelor's degree or higher) and earn substantial income (average daily rate €568) which generates more income tax for Government. The gender pay-gap is smaller, but at 10% it still needs work.

What can government do to protect the right mix of workers in a blended workforce? One respondent commented that Government seems to want to remove contractors from the labour market. The fact that 50% of companies engaging contractors feel the rules relating to the classification of workers as contractors or employees is having a negative effect on company performance (P.95) echoes this sentiment.

A scary perception... given we are a country which is pro-entrepreneurship.

This report has many interesting facts and while the statistics have changed over the last 3 years of the research, one message remains constant; simplified regulations, better tax incentives and more investment in programs that provide business training and mentorship for Ireland's solo self-employed will protect Ireland's Project Economy and ensure blended workforces continue to drive our competitiveness on the world stage.



JIMMY SHEEHAN

Managing Director
Contracting PLUS

EXECUTIVE SUMMARY

This is the third year of our annual survey of the high-skilled freelancer workforce in Ireland. Our study has been motivated by the lack of research and public policy awareness of this form of work. **Our surveys over the last 3 years show a great deal of consistency and hence demonstrate the robustness of the social and economic features associated with this form of work. The research illustrates a workforce that earns more than equivalent employees, secures higher levels of well-being while making a significant impact on business performance. These results are consistent with other international studies on high-skilled freelancers and support the contention that they perform a distinct economic function for organisations and deliver unique social outcomes for workers.**

They are high-skilled in that over 95% have at least a university degree or equivalent professional qualification. They work alongside employees in organisations. **A total of 72% of organisations have at least 10% or more freelancers in their workforce, while 46% of organisations have a workforce where freelancers account for between 26-50%.** Therefore, **a blended workforce model combining the contributions of both employees and freelancers is more the norm than the exception for businesses.**

Most freelancers (72%) feel they are treated the same or better than employees by the organisations who hire their services. They are hired to enable business to have access to a wider pool of talent to enable growth and innovation, have greater agility, and reduce the risk involved in business expansion.

Roughly 90% of high-skilled freelancers are engaged to deliver key projects in the more dynamic sectors of the economy where innovation, organisation transformation, business growth and managing risk are key priorities. **As high-skilled freelancers typically work on innovative and business growth projects, they have a privileged early insight into businesses intentions for the future so there is good reason to take their forecasts as a reliable early economic indicator.**

High-skilled freelancers expect their sector to perform better this year than last. Those working in the project economy are the most optimistic about this outcome. **Project based freelancers expect their sector to do significantly better over the next 3 to 5 years than before (confidence index score of +34) and furthermore, that the Irish economy will perform better this year than last (confidence index score of +13).** In sum, project economy high-skilled freelancers have a bright business and economic outlook. **Gig economy high-skilled freelancers also expect their sector to do better over the next 3 to 5 years (confidence index score of +22) but they are concerned about the Irish economy in the short term (confidence index of -9).** In combination the much greater number of workers and higher value-adding business roles of the high-skilled project-based freelancers means that overall high-skilled freelancers have a positive outlook for the Irish economy for the rest of the year.

Most high-skilled freelancers (78%) voluntarily choose to become independent contractors rather than become employees. They have annual earnings of €123,572, which is over 2.64 times the average annual salary for employees (€46,813) in 2022. Compared to equivalent employee occupations whose annual earnings in 2022 according to the latest available CSO data were approximately €72,444, high-skilled freelancers earned 71% more. Freelancers working in the project economy earn €126,971 while high-skilled freelancers doing gig work earn slightly less than average at €118,534 but this is still higher than employees' average.

They also manifest high levels of job and life satisfaction. A total of 85% are happy with life in general and 86% are happy with their work – citing pay, work flexibility, gaining experience and interesting work as the main factors driving this outcome. **The number of days holiday taken by high-skilled freelancers has been steadily increasing since our survey began, rising from 17 days in 2021 to 24 days in 2022.**

As with our earlier surveys we find that **there is a lower gender pay gap amongst high-skilled freelancers than employees** and that **the value experience accumulated over a lifetime is rewarded through higher daily rates and overall earnings for older workers.**

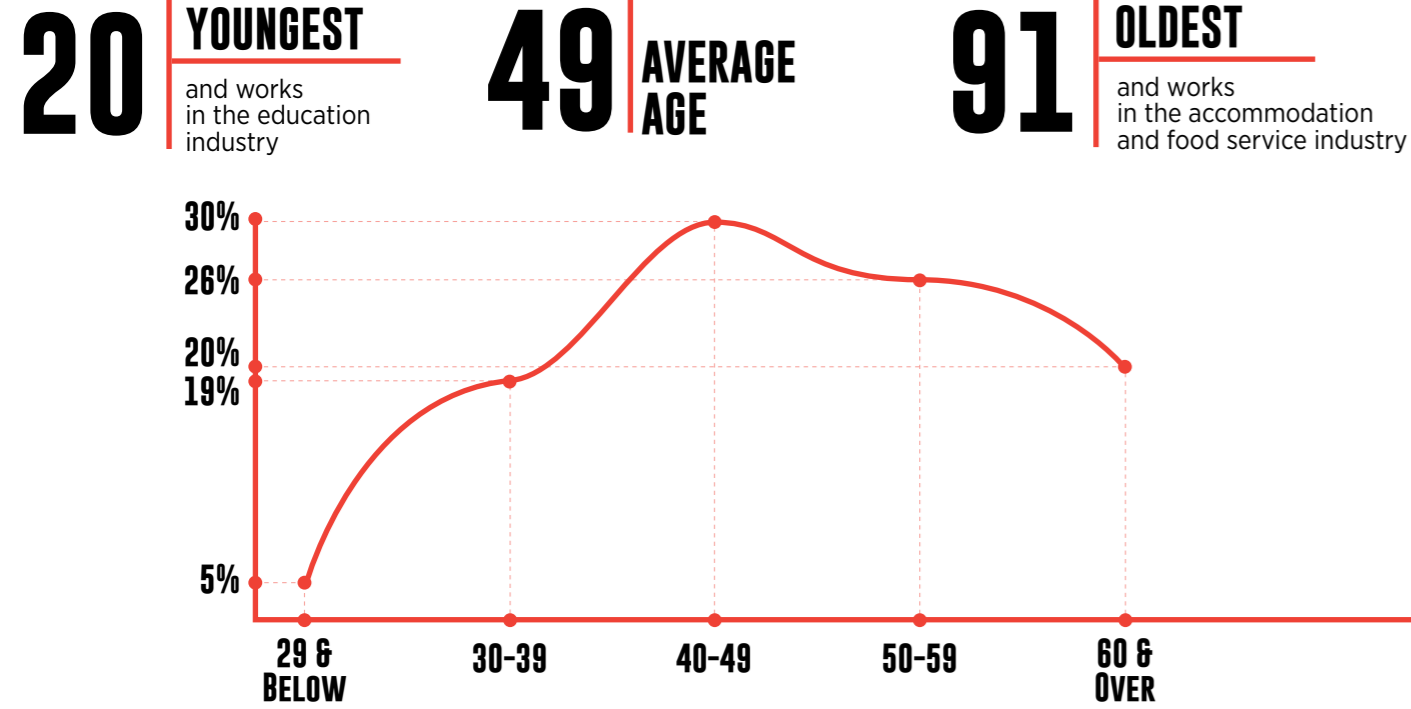
CONTRACTOR

PROFILE

"The government seems to think we're all desperate working contracts because we have no other choice. I make 3 times what others make doing the same job. Leave me alone to do my work!"



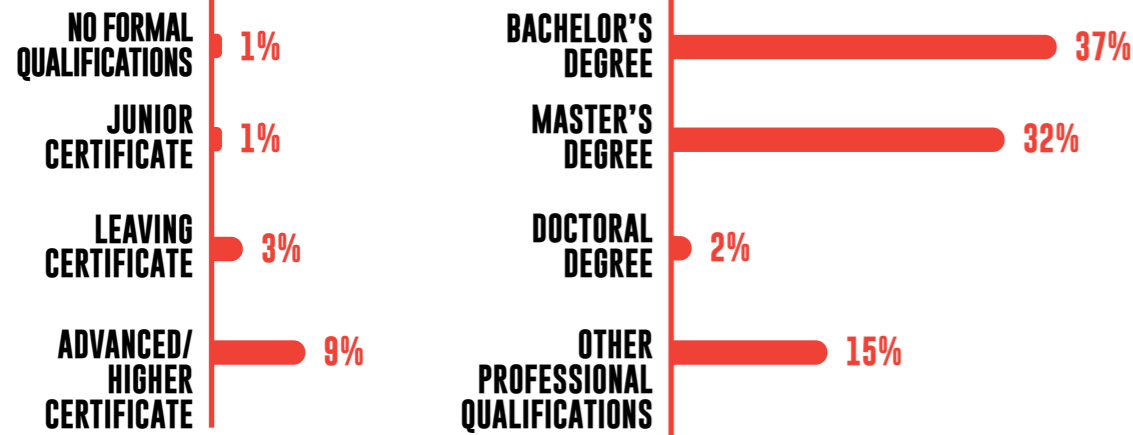
AGE



GENDER



EDUCATION PROFILE



95% HAVE ATTAINED THIRD LEVEL QUALIFICATIONS

IRELAND'S PROJECT ECONOMY

Ireland's Project Economy is the term that captures Ireland's independent professionals who choose to be self-employed. They predominately work on projects of fixed terms for agreed daily rates, though some also complete more routine 'gigs' or 'tasks'. They are highly skilled individuals, and tend to be well educated with more than 95% of this year's respondents having attained third level qualifications of 6 or higher on the National Framework of Qualifications. They tend to be older and have an average age of 49 years as they need time and experience to build up their valuable skill-sets.

AGE

The average (and also median) age was 49 years old. 30% of the sample were aged from 40 to 49 years old.

Almost 76% of respondents were over 40, suggesting that a certain amount of time and experience is required to allow for the development of a valuable skill set before contracting is an option.

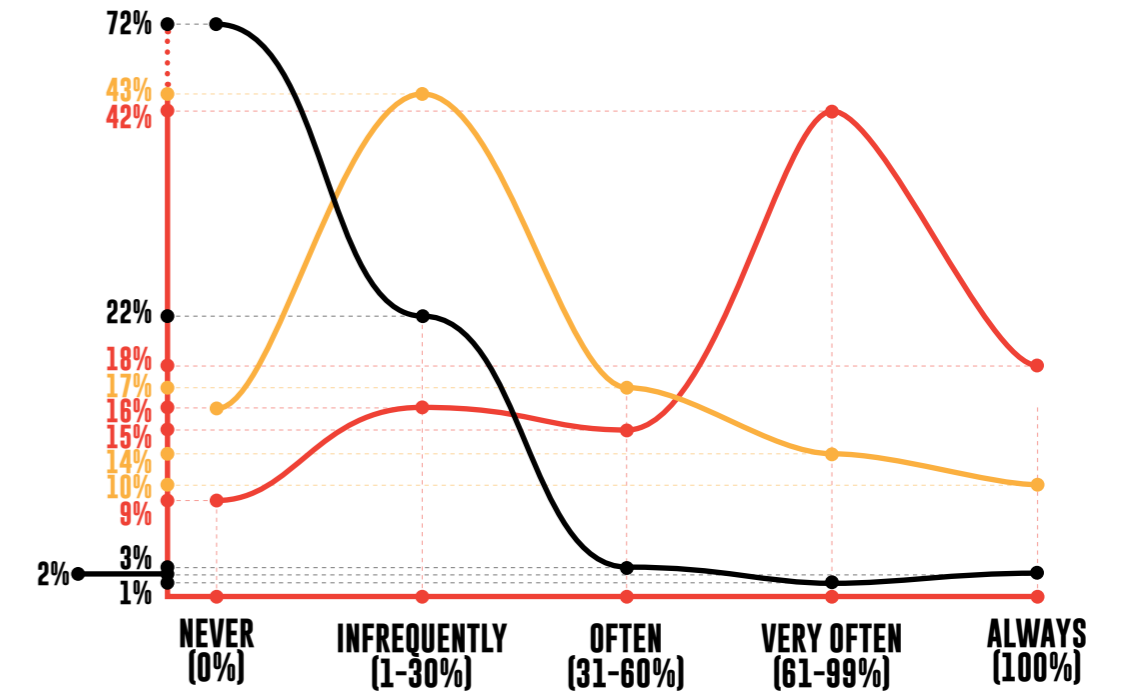
The oldest is 91 and works in the accommodation and food service industry. The youngest is 20 and works in the education industry.

EDUCATION PROFILE

Independent professionals tend to be well-educated with 95% of the participants having attained third level qualifications of 6 or higher on the National Framework of Qualifications.

MY OFFICE IS

WORK SPACE IN THE PAST 12 MONTHS



MY OFFICE IS

There have been significant changes to where independent professionals do their work as a result of the pandemic.

Pre-Covid only 13% of independent professionals worked at home with 63% working in their client offices.*

During Covid 67% reported that they worked from home with just 16% working in client offices.*

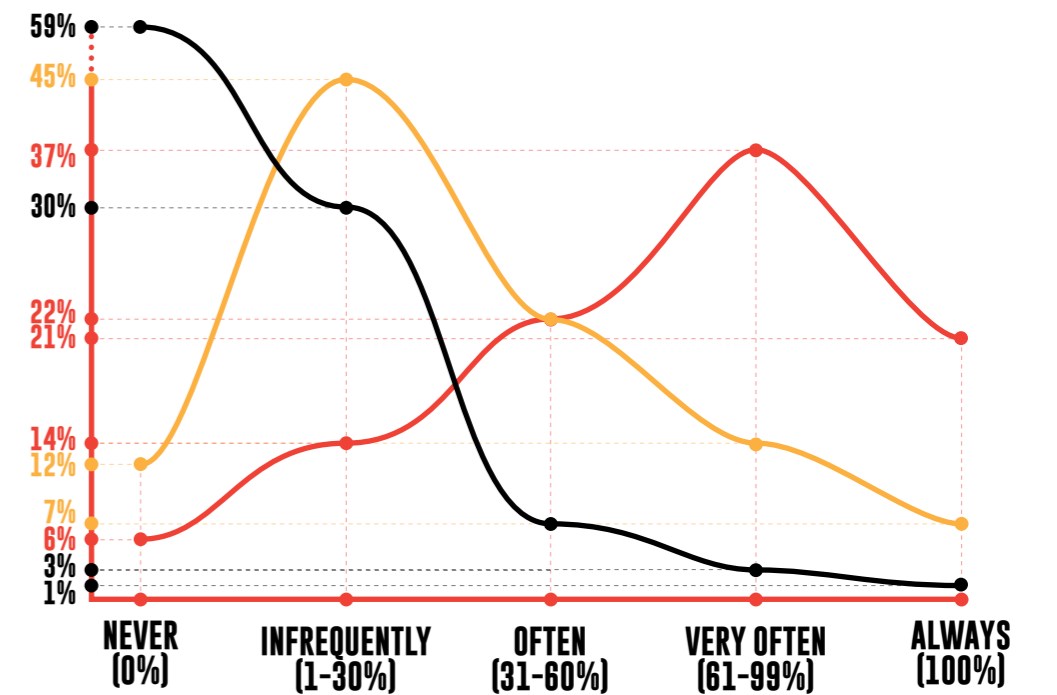
In Ireland's Project Economy 2022, 43% of independent professionals expected to work from home in 2022 with 16% working in client offices, and 33% expecting to work in a combination of both home and client offices.

The survey results for 2023 show that 60% of respondents reported working from home very often or always, with 24% working in client offices very often or always. Independent professionals, it appears, are returning to client offices to do their work but at nowhere near the level they were pre-Covid.

When we look at the preferred choice of where independent professionals would like to do their work we see that 58% would prefer to work from home very often or always with only 21% choosing client company as the location they would choose very often or always.

Working in public places, co-working spaces, libraries and cafes etc. does not appear to be an attractive proposition for independent professionals. 94% of the participants saying that they never or infrequently worked in public place in the past 12 months.

PREFERRED LOCATION FOR WORK



AT HOME **IN CLIENT COMPANY** **WORKING IN PUBLIC SPACES THAT AREN'T OFFICES**
E.G., LIBRARY/CAFES/CO-WORKING SPACE

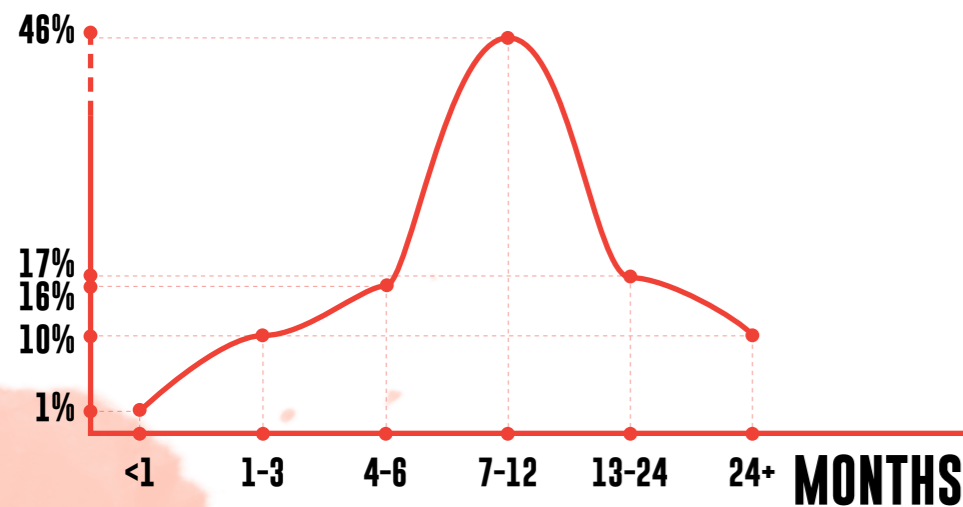
Trinity College Dublin
Coláiste na Tríonóide, Baile Átha Cliath
The University of Dublin

*IPE 2021

LENGTH OF CONTRACTS

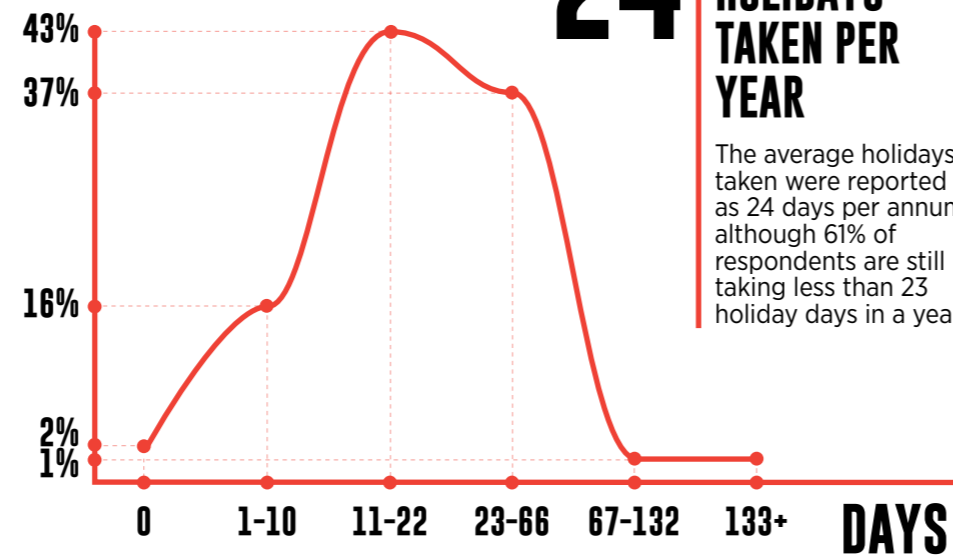
73% OF CONTRACTS ARE LONGER THAN 6 MONTHS

The average contract length is 16 months. Almost half of the sample (46%) reported their contract length between 7-12 months.



HOLIDAYS

24 DAYS AVERAGE HOLIDAYS TAKEN PER YEAR



The average holidays taken were reported as 24 days per annum although 61% of respondents are still taking less than 23 holiday days in a year.

There has been a significant increase in the number of holiday days taken by contractors since 2021, the average days taken in 2021 was 17 days the average has now increased by 7 days to 24 days.



AVERAGE DAILY RATE ACROSS KEY INDUSTRIES

The average daily rate varies significantly by industry. The age of a contractor also plays a significant role in the daily rate a contractor can command with older contractors generally paid more than younger ones.

Contractors are generally paid more than permanent employees doing a similar role. This is to compensate them for perceived lack of job security as well as a lack of other company benefits including holiday pay and sick pay which they do not receive as a professional contractor.

AVERAGE DAILY RATE BY INDUSTRY

€568

AVERAGE DAILY RATE

€123,572

AVERAGE ANNUAL EARNINGS

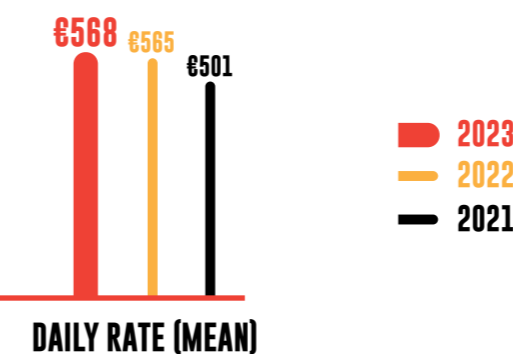
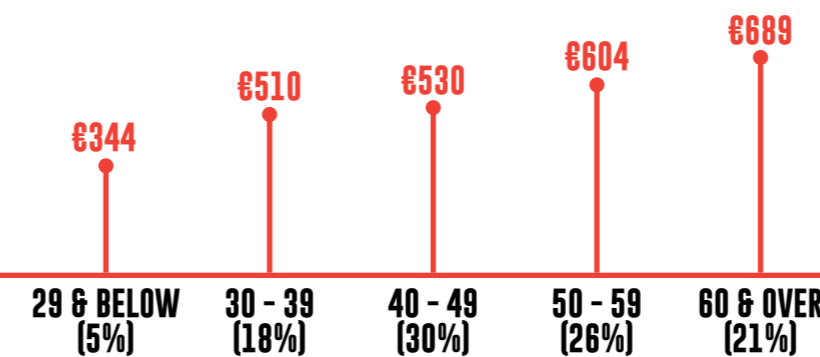
OTHER HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	€898
ADMINISTRATIVE AND SUPPORT SERVICE	€825
PROFESSIONAL ACTIVITIES (E.G., LEGAL, MANAGEMENT CONSULTANCY, ADVERTISING, ETC.)	€767
OTHER SCIENTIFIC ACTIVITIES	€690
CONSTRUCTION	€676
MEDICAL LOCUM	€670
WHOLESALE AND RETAIL TRADE (INCLUDING SALES OF CLOTHING, FOOTWEAR AND TEXTILES, REPAIR OF MOTOR VEHICLES AND MOTORCYCLES)	€650
FINANCE	€633
TRANSPORT AND STORAGE	€625
INSURANCE	€620
WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION	€590
PUBLIC ADMINISTRATION AND DEFENCE (COMPULSORY SOCIAL SECURITY)	€586
TELECOMMUNICATIONS	€581
LIFE SCIENCES	€561
ENGINEERING AND TECHNICAL ACTIVITIES	€543
INFORMATION TECHNOLOGY	€540
PHARMA	€527
MANUFACTURING	€516
MEDICAL DEVICE	€493
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	€473
AGRICULTURE, FORESTRY AND FISHING	€453
CREATIVE, ART, ENTERTAINMENT AND RECREATION	€413
OTHER SERVICE ACTIVITIES	€413
EDUCATION	€402
REAL ESTATE	€400
MARKETING AND DESIGN	€353
DON'T KNOW	€318
ACCOMMODATION AND FOOD SERVICE	€275

MOTIVATION

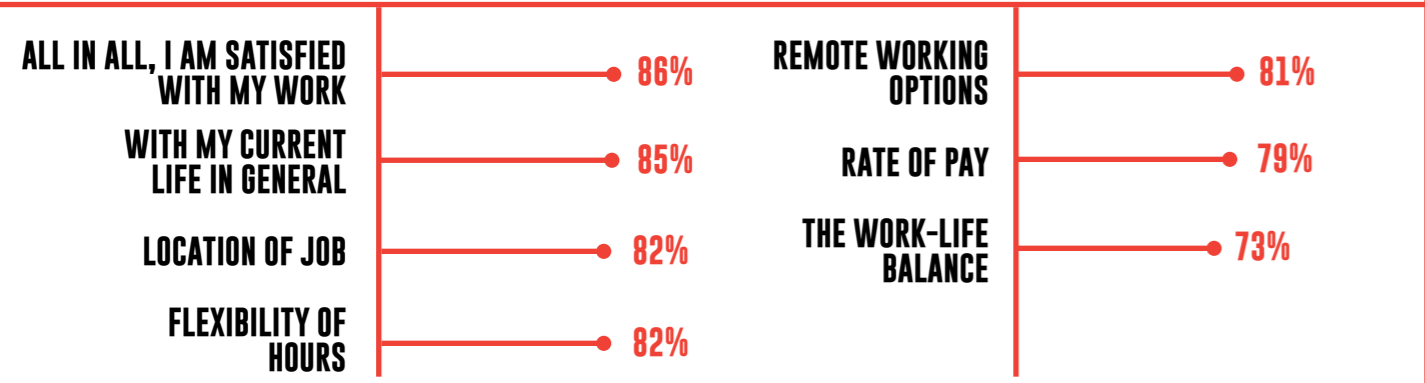
Higher earnings and job autonomy were the primary motivations for contractors, with 70% and 74% respectively reporting these criteria as the main reasons they choose contracting work.



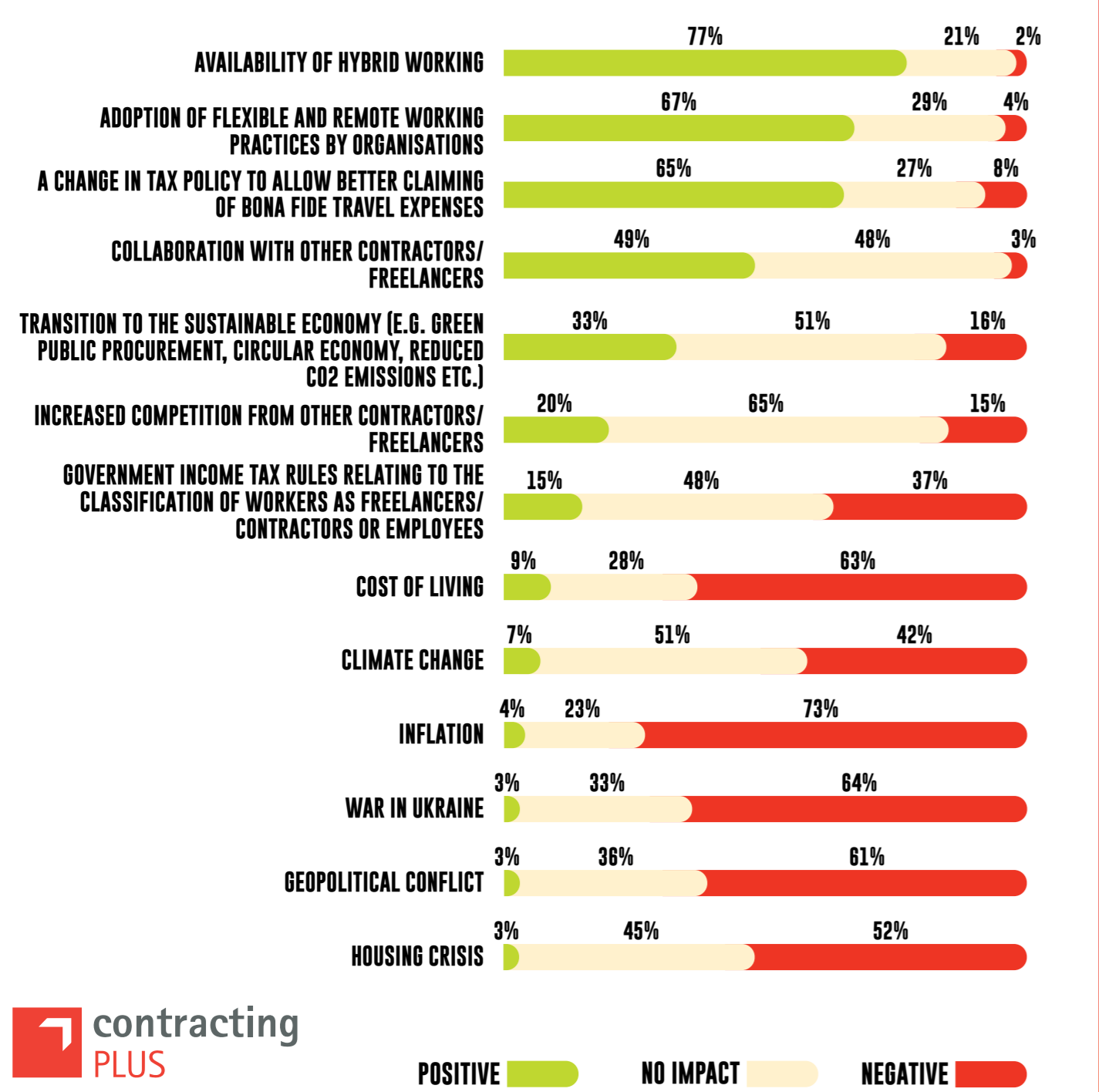
AVERAGE DAILY RATE BY AGE



CONTRACTORS ARE HAPPY



FACTORS INFLUENCING CONTRACT WORK



CONTRACTORS ARE HAPPY

It's official. Contractors are happy! 86% of them reported being satisfied with their work and 85% of them are satisfied with their life in general!

Contractors were asked a number of questions about their satisfaction levels around 7 key elements of their working life.

Contractors satisfaction ratings have increased, up 1 percentage point in satisfaction with their work and up 4 percentage points in satisfaction with the rate of pay when compared with the 2022 report. Their satisfaction with life in general is also up 2% from 83% in 2022 to 85% in 2023.

The satisfaction scores in 2023 relating to location of the job and flexibility of hours are down slightly since 2022, when they were 83% and 85% respectively.

FACTORS INFLUENCING CONTRACT WORK

Contractors were asked their opinions on the impact of a number of socio-economic factors both locally and globally on contracting and whether they felt the impact would have positive, negative or neutral effect.

The availability of hybrid working had the most positive impact (77%) and inflation had the most negative impact (73%).

WHAT THE CONFIDENCE INDEX MEASURES

Throughout this report you will see reference made to the 'Confidence Index'.

The confidence the participants have in several areas was expressed through the way they answered a number of key questions almost identical in nature but presented in different ways.

The average weighting of these answers is then used to calculate the confidence index. A confidence index of zero would indicate that there was a totally neutral feeling by the respondents. A positive figure represents a positive outlook, with the scale maxing at 100, while a negative score indicates the feeling of unfavourable negative feelings towards the economic or business future.

HOW ARE CONTRACTORS TREATED

This is the first time that contractors have been asked their opinions on how they feel the self-employed are treated by Government, client companies and employees on site.

62% of contractors believe that the self-employed are treated worse than other professions/sectors by the Government. However, 72% of contractors feel the self-employed are treated the same or better than other professions/sectors by client companies and 74% of contractors feel the self-employed are treated the same or better by employees on site.

CONFIDENCE IN THE IRISH ECONOMY

When asked about the performance of the Irish economy in 2023, 44% of contractors believed it would increase compared to 2022; 30% believed that it would stay the same and 26% believed it would decrease. The confidence index was +10.

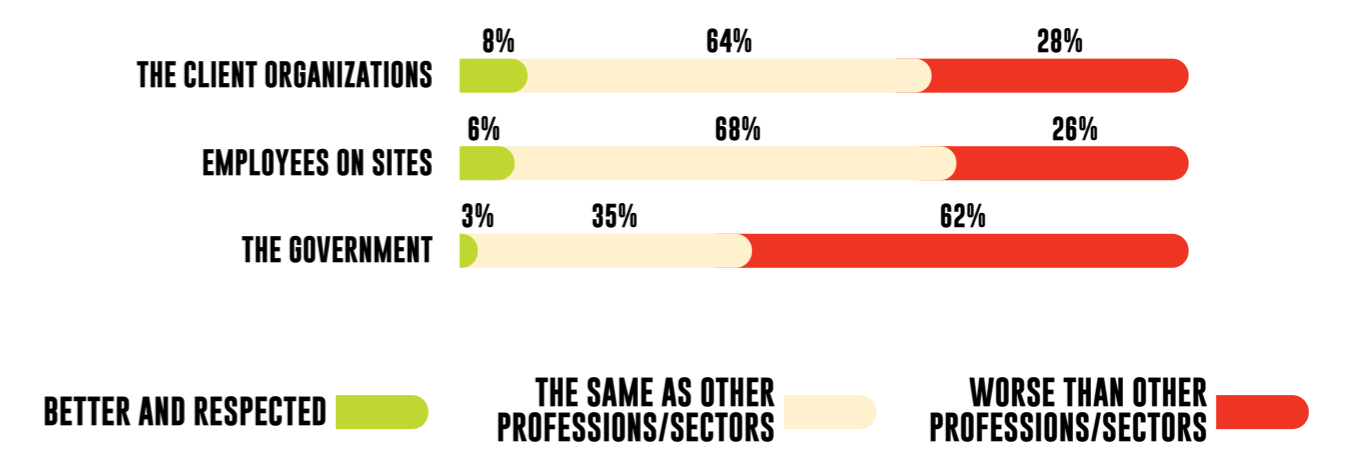
When specifically asked about the performance of the contracting sector in Ireland over the next 3 - 5 years, 64% of the contractors believed the contracting sector would increase; 28% believed it would stay the same and 8% thought that it would decrease. The confidence index was +31.

Contractors remain positive about both the Irish economy and about the contracting sector. Interestingly, although both the confidence index scores have reduced since 2022, the confidence index score for the contracting sector has reduced significantly less year on year from +31 in 2023 compared to +37 in 2022, when compared to the confidence index score of the Irish Economy which has moved from +38 in 2022 to +10 in 2023. The 2023 confidence index scores are both higher than the scores achieved in 2021.

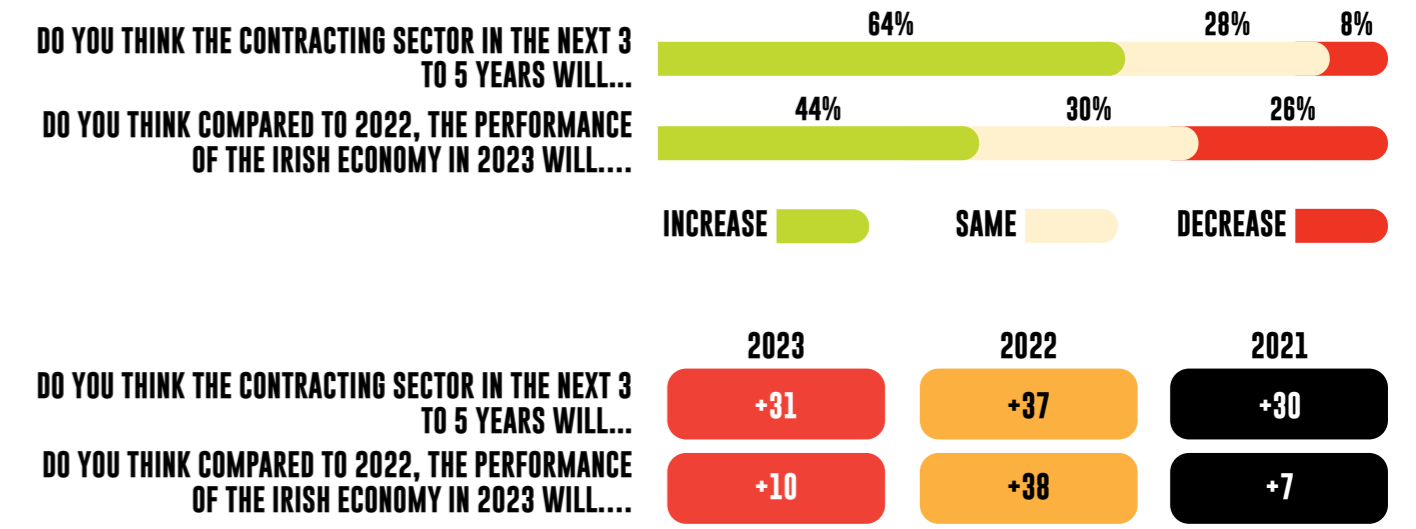
HOW ARE CONTRACTORS TREATED



IN YOUR OPINION, HOW DO YOU BELIEVE IRELAND'S 330,000+ SELF EMPLOYED PEOPLE ARE TREATED BY ...



CONFIDENCE IN THE IRISH ECONOMY



THE PROJECT ECONOMY

"I believe long term if the government doesn't do more positive things to help contractors with their operations, then less people will enter the contracting area. The downside to this being big international clients who use and rely on contracted resources for development will be less attracted to Ireland as a base for their operations. Many recent projects in Ireland would not have been possible without contract resources."



THE PROJECT ECONOMY

The main work of independent contractors can be divided into gig/task work, which is typically short duration and input focused, or project based where the freelancer works with an organisation to achieve an end goal or output. Therefore, while gig work is incremental and where the contractor is usually only responsible for the provision of their own service, project work is typically more continuous and engaged with the organisation as the contractor tends to work with employees to ensure that the performance targets for the overall project (and not just the freelancer's own input) are achieved. General commentary you have read/heard will likely have painted a negative picture of the gig economy. The reality is, the negative press is linked to workers who are low skilled and low-paid.

The project economy typically entails the more dynamic and high value added component of the overall economy involving activities such as innovation, scaling of business, new ventures and the adoption of new technologies. These encompass both corporate enterprise as well as entrepreneurial start-up and scaling by SMEs.

Our survey is predominantly drawn from high-skilled contractors. 93% of the participants in our survey are in managerial, professional, hi-tech and associated professional occupations, or categorized as Standard Occupational Classifications (SOCs 1-3). 90% of them are engaged in the project economy while 10% work on a 'task' or 'gig' basis. However, what is important to note here is most respondents were high-skilled and high-paid.

What Professional Contractors are Earning

Amongst high-skilled contractors in managerial, professional, hi-tech and associated professional occupations, those who are engaged on a project basis are paid roughly €589 per day compared with high-skilled contractors hired on a task/gig basis whose earnings are €528 per day. The average daily rate for project based workers has increased by almost 3% year on year, while the average daily rate for task/gig contractors has declined by 3% over the past year. In terms of annual earnings, independent professionals working in the Project Economy earned an average of €126,971 per annum, 7% more than similarly skilled professionals working on an ad-hoc task or gig basis whose average earnings came in at €118,534 per annum.

SOC1 - Managers, directors and senior officials; SOC2 - professionals; SOC3 - Associate professionals and technicians.

Contractors in project based work tend to be older than those completing gig/task based work. 51% of project contractors are 50 years of age or older, whereas only 33% of gig/task workers are aged 50 or older.

The project based contractor is predominately male (79%) while task/gig sector has a higher percentage of females (32%).

Job Satisfaction

Contractors working on projects, when asked about their level of satisfaction with seven key elements of their job and working life, scored higher on every count than contractors with gig/task based roles. The work itself gained the highest satisfaction from the project-based contractors (89%), compared with (77%) for task/gig contractors. (88%) of project workers reported that they were satisfied with their current life in general compared with (71%) for task/gig contractors.

Business Confidence Index

Both groups of contractors remain very positive in outlook towards the contracting sector in the next 3-5 years. Project-based contractors have a confidence index score of +34 while task/gig-based contractors have a score of +22.

Looking to the Future - Irish economy 2023

As project-based work is predominantly in the innovative and transformative side of business, which is part of economic growth, independent professional contractors engaged in this type of work get an advance insight into the growth of related activities of businesses. Therefore, their outlook on the economy is of particular interest. Project-based high skilled contractors expect the Irish economy to perform better in 2023, with a confidence index score of +13 recorded. By contrast, task-based contractors are feeling less optimistic about the future and have a negative confidence index score of -9 in relation to the performance of the Irish economy in 2023.

GENDER

TASK/GIG-BASED CONTRACTORS

66%
MALE



32%
FEMALE



2%
NON-BINARY

PROJECT-BASED CONTRACTORS

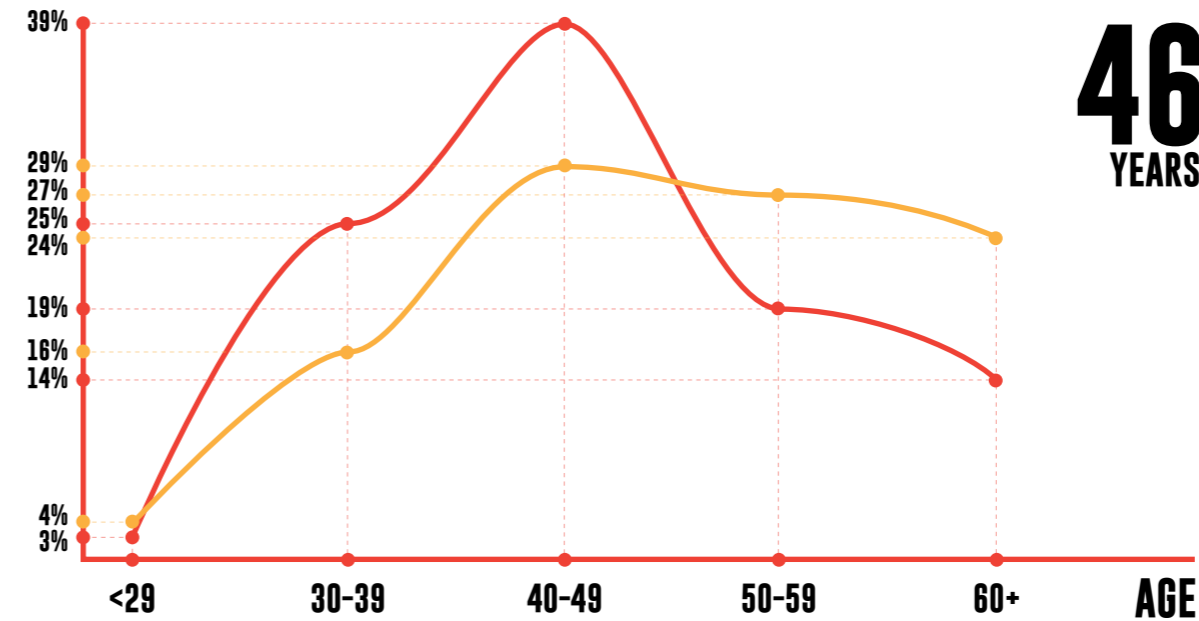
79%
MALE



21%
FEMALE



AGE



46
YEARS
MEAN AGE OF
TASK/GIG-BASED
CONTRACTORS

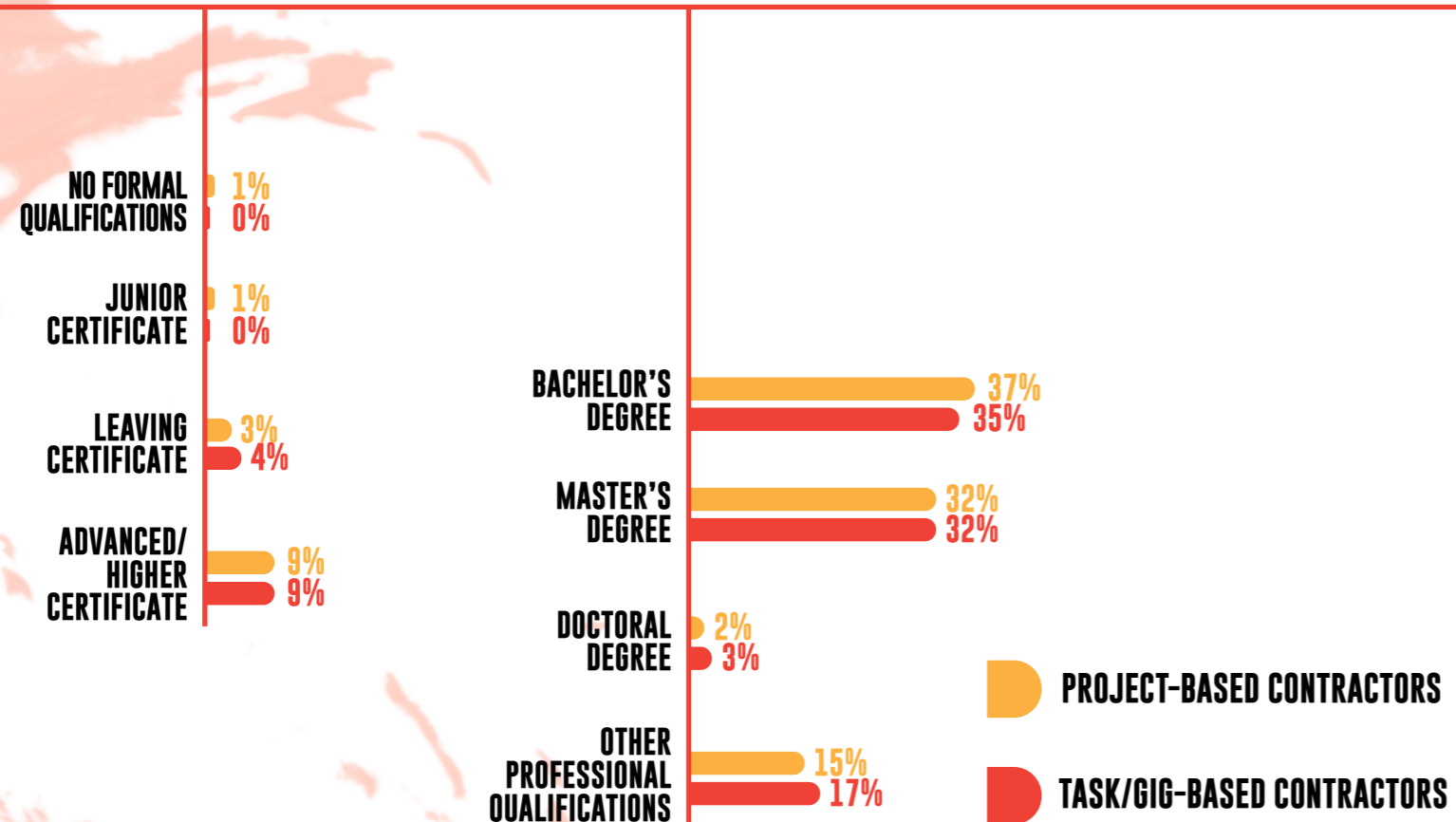
50
YEARS
MEAN AGE OF
PROJECT-BASED
CONTRACTORS

 TASK/GIG-BASED CONTRACTORS

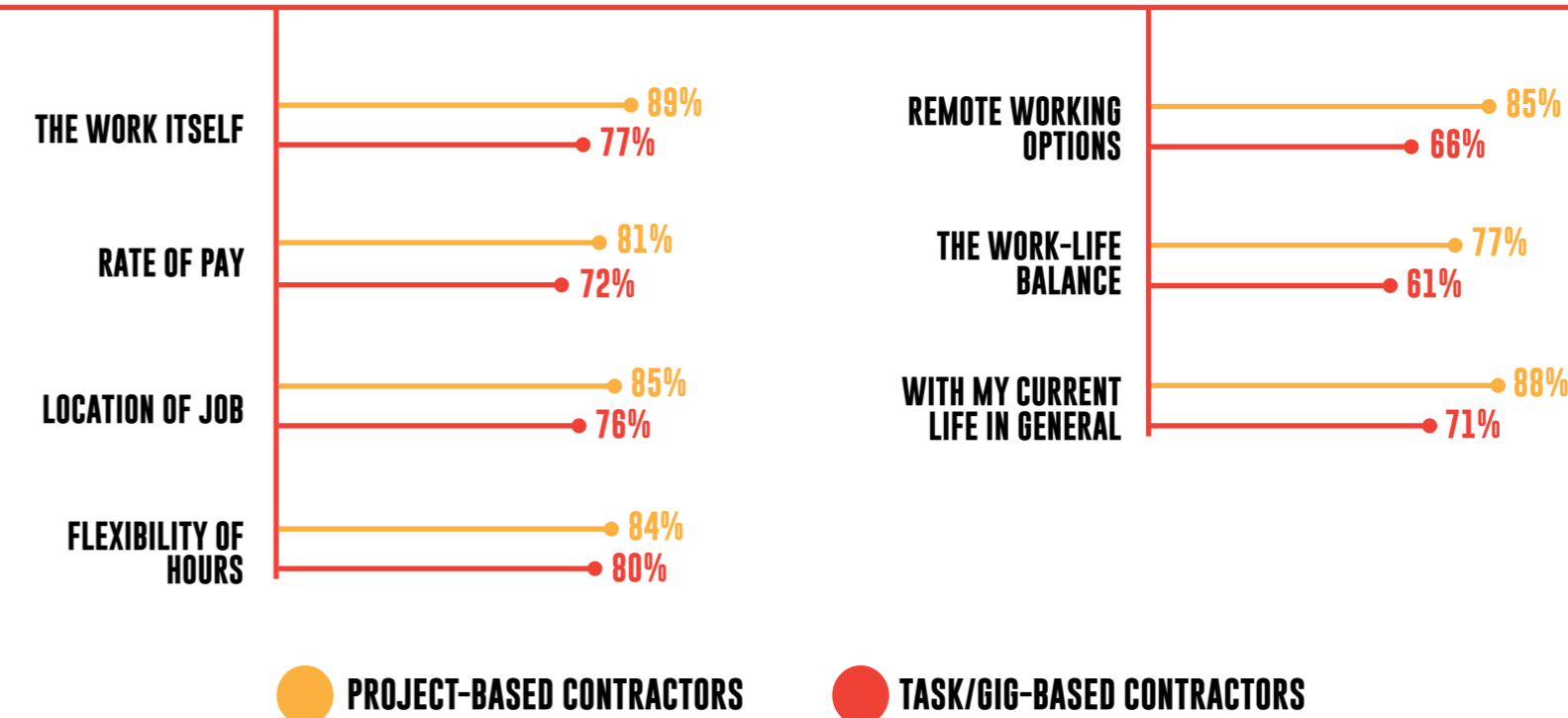
 PROJECT-BASED CONTRACTORS



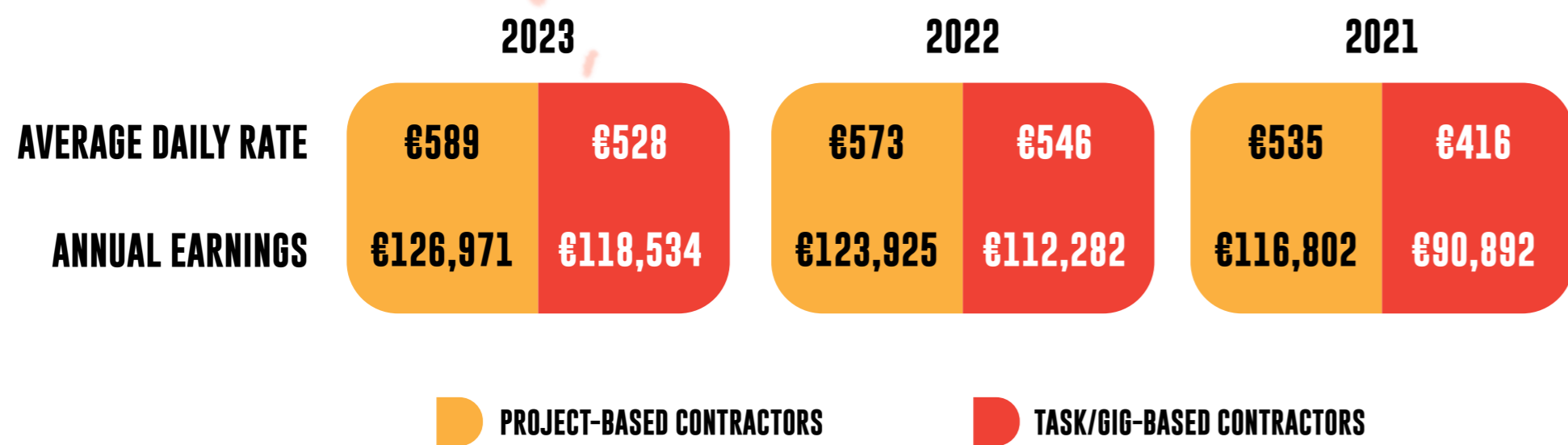
EDUCATION



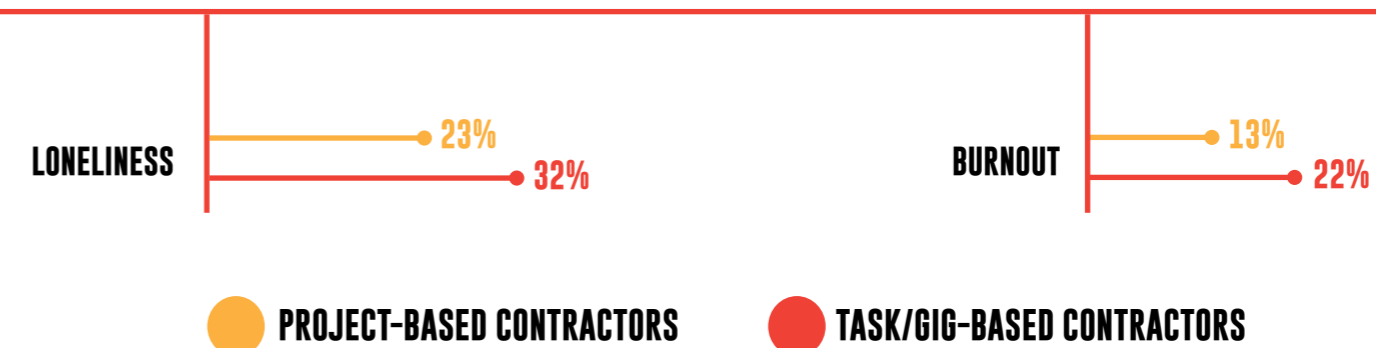
JOB SATISFACTION



EARNINGS



WELL-BEING



CONFIDENCE INDEX



WOMEN IN CONTRACTING

"I didn't feel valued in my previous role and felt male staff were preferentially treated, better remunerated than I, contracting eliminates some of the bias."



WOMEN IN CONTRACTING

Professional contracting continues to grow in popularity, however there is still evidence of a large gender imbalance that persists within the sector. This year's survey shows that just under a quarter of professional contractors in Ireland are female, and this percentage has remained unchanged since 2022.

The survey also revealed that while some industries, such as medical locums, have a higher than average proportion of female contractors at (35%), women are still underrepresented in sectors such as finance (19%), ICT (18%) engineering and technical activities (11%).

Although contracting is recognised for its flexibility in both working locations and schedules, has higher pay rates than regular employment, and gives the contractor increased ability to have more influence over the jobs they do, the appeal of contracting to professional women seems to remain unchanged.

In saying that, the 2023 results show that the women who are engaged in the contracting sector enjoy the work they do with 82% confirming that they are satisfied with the work itself, and 82% reporting that they intend to continue working as contractors in the future.

According to our survey, the gender pay gap remains an issue in Ireland. The difference in average daily rate by gender was 10%, with female contractors earning an average daily rate of €522 compared to male contractors' daily rate of €581. However our survey shows that the age of the female contractor will also have an impact on the size of the gender pay gap they experience. Younger and older women experience a higher gender pay gap, but the gender pay gap for women 30-39 is -16% and the gap for women in the 40-49 years age group is just 4%. In terms of average annual earnings this year's survey results show some progress with a reduction in the gender pay gap from 15% in 2022 to 9.5% in 2023. Female average annual earnings were at €114,206 and male average annual earnings were at €126,244.

According to the CSO 2022 data, Ireland's labour market gender pay gap was 22%. Overall, this report reveals a smaller gender pay gap in the contracting sector compared to the Irish labour market.

The male contractors daily rate increased this year by 3% whereas the female contractor rate increased by less than 1%. While the gender pay gap is smaller in the professional contracting sector than it is in the Irish labour market, it is important that the gender pay gap is recognised and all efforts are made to improve the situation.

Both female and male contractors show relatively high levels of well-being, which is indicated by the low levels of perceived loneliness (26% for female and 23% for male contractors). Perceived loneliness is up slightly for females from 22% in 2022, and down slightly for men 25% in 2022. Both males and females report low levels of burnout at 15% (a reduction from 20% for females in 2022, while male levels of burnout remain unchanged since 2022).

Both genders are confident about the contracting sector in the next 3-5 years with a confidence index of +32 for females and +30 for males. The confidence index scores in relation to the contracting sector are down on 2022, where the scores were +37 and +38 respectively.

The majority of both genders intend to continue working in the contracting sector, 87% for male contractors, up from 84% in 2022 and 82% for female contractors up from 72% in 2022.

The confidence index scores in 2023 for both genders towards the performance of the Irish Economy is positive but the scores are significantly lower than the scores achieved in the 2022 report. Male contractors have a confidence index score for the performance of the Irish Economy of +12 with female contractors at +3, down from +39 for males in 2022 and +37 for females in 2022.

When it comes to satisfaction with their work, 88% of males and 82% of females indicate a very high level of satisfaction. Life in general is also good with both male and female contractors increasing their satisfaction level ratings since 2022. 86% of female contractors are satisfied with their current life in general up from 83% in 2022, and 84% of males are satisfied with their current life up from 83% in 2022.

Work-life balance scored lowest on the positivity ratings for male contractors, but still came in high at 73% for men. 75% of women were satisfied with their work life balance.

Rate of pay scored lowest on the positivity ratings for female contractors with just 71% satisfied with their pay, while their male counterparts recorded a satisfaction rating of 81% for their rate of pay. Female satisfaction with their rate of pay remains unchanged since 2022, while the male satisfaction with rate of pay has increased from 76% in 2022.

Both are happy with their flexibility of working hours with 81% of men returning a positive response and 84% of females expressing satisfaction.

Finally, 86% of women were more positive about remote work options, outscoring their male counterparts (80%).

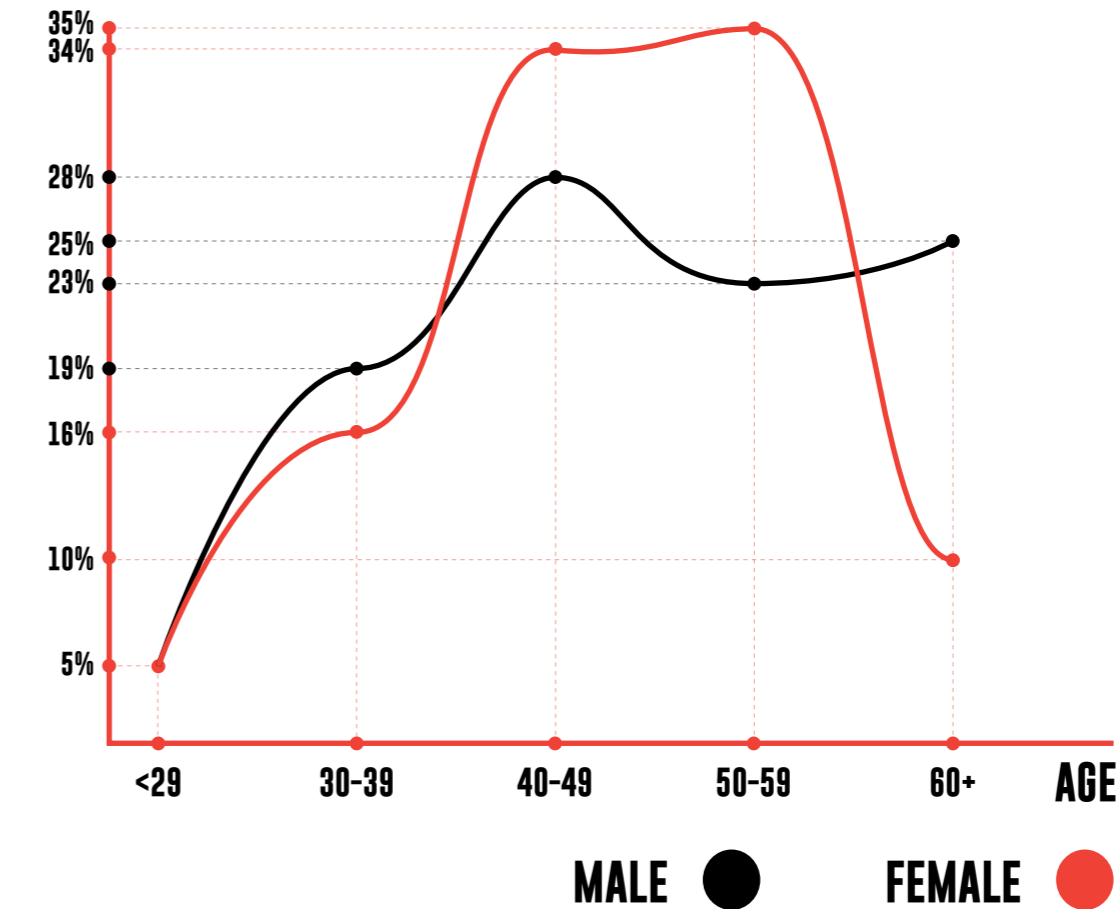
AGE



47 FEMALE AVERAGE AGE

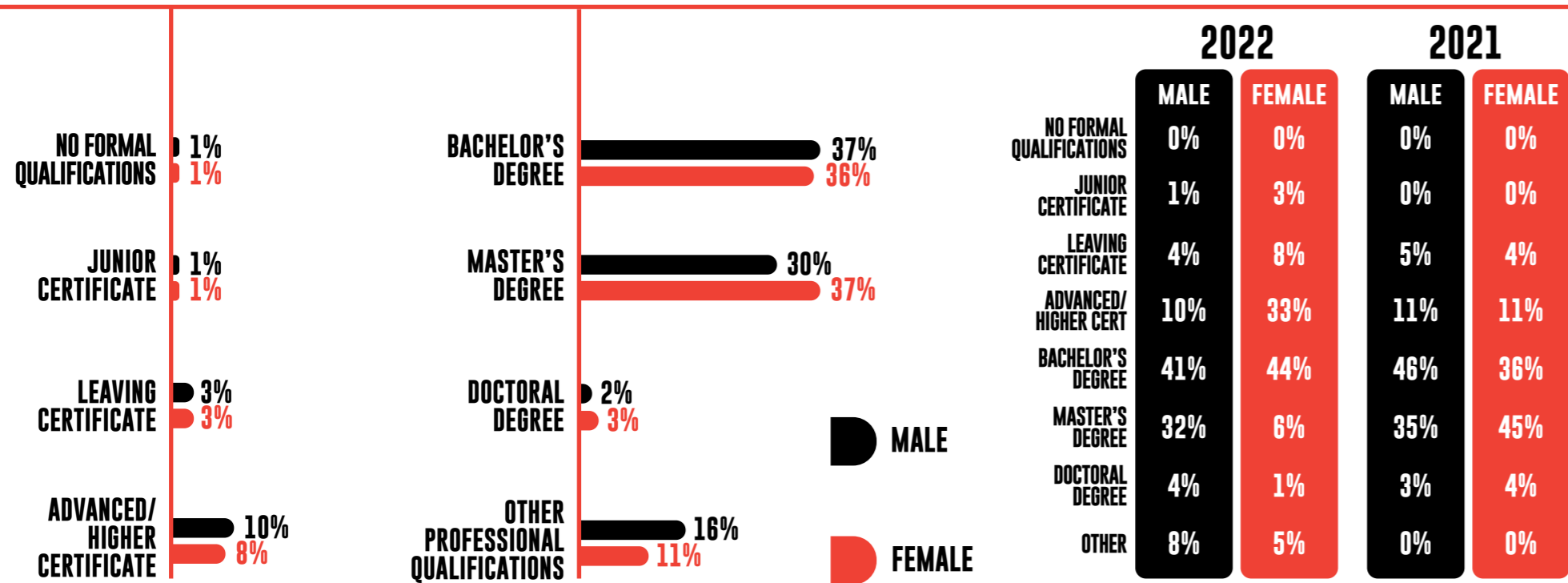


50 MALE AVERAGE AGE

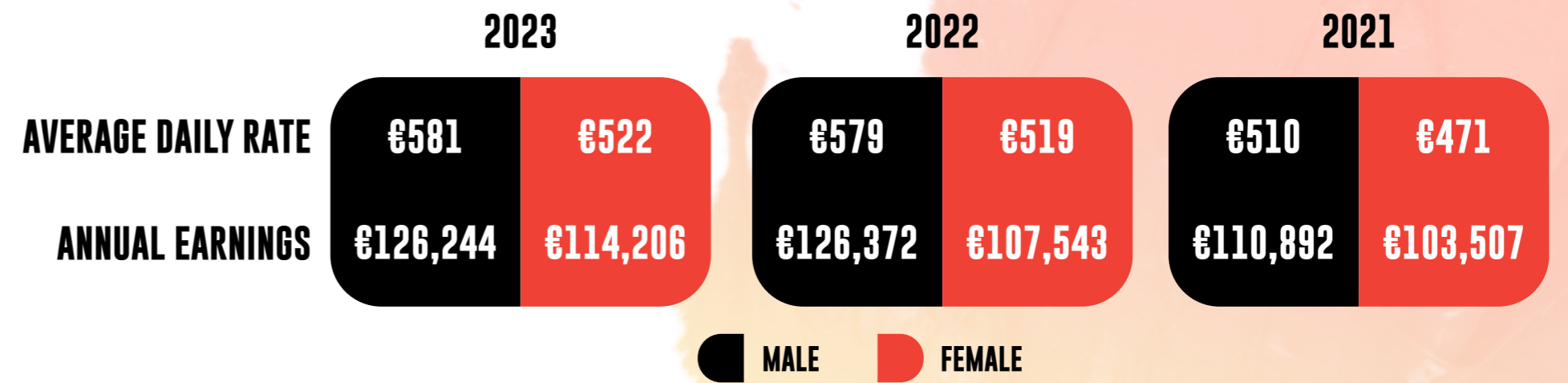


SOC1 - Managers, directors and senior officials; SOC2 - professionals; SOC3 - Associate professionals and technicians.

EDUCATION

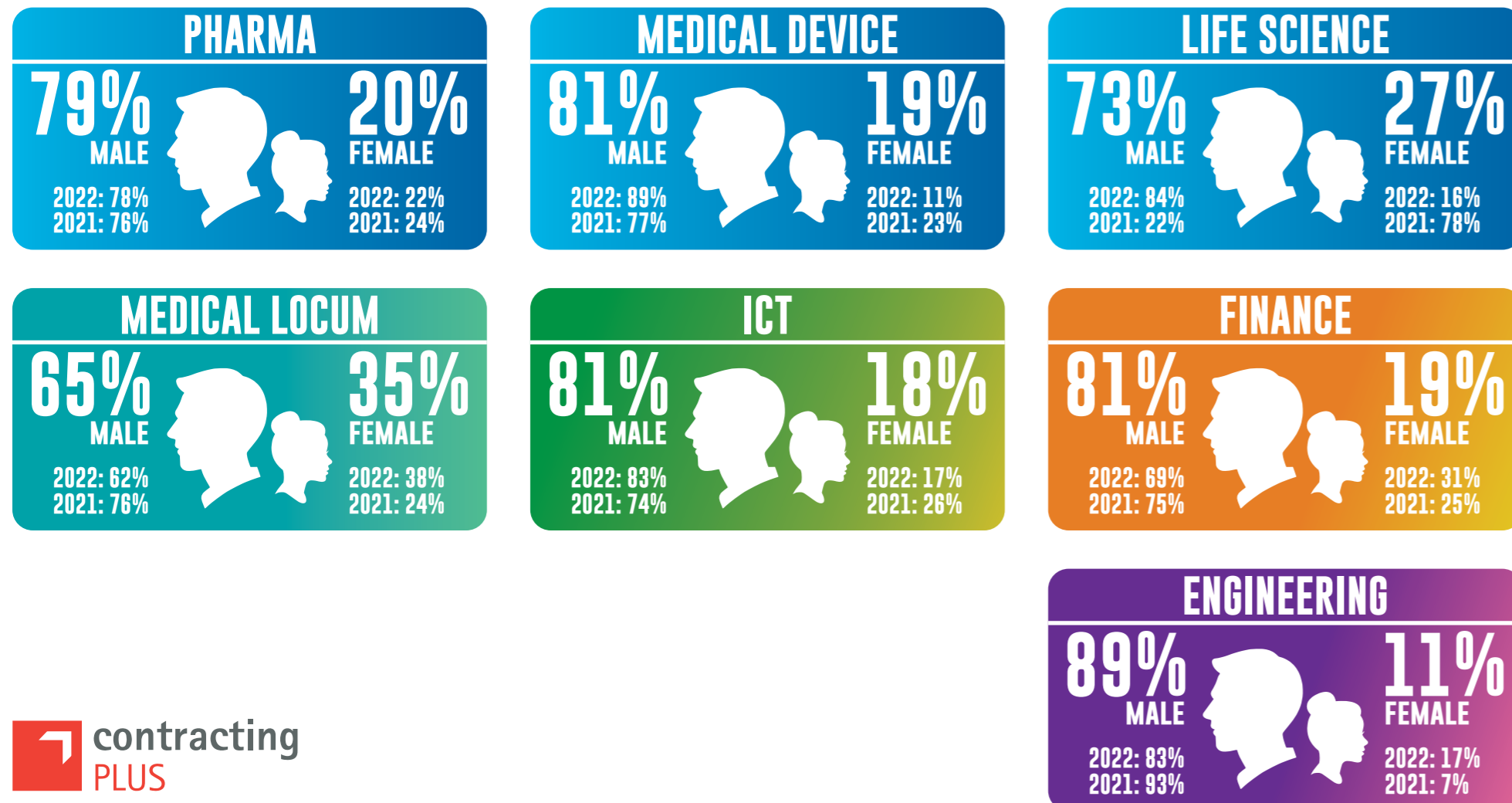


AVERAGE PAY RATE BY GENDER

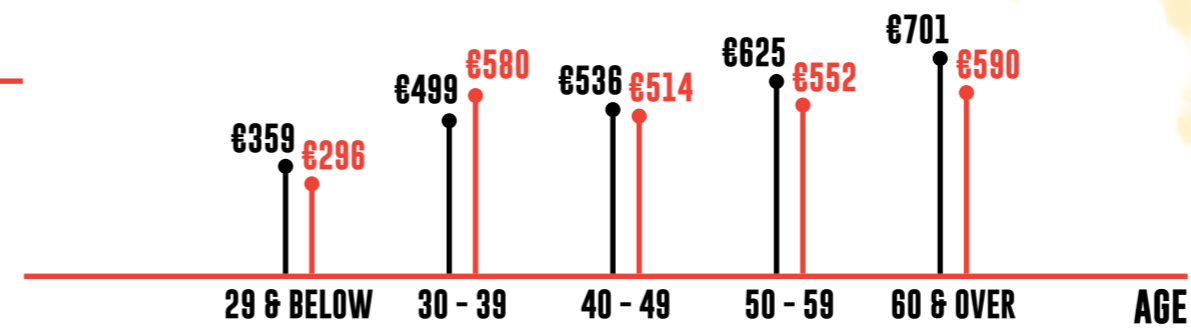


Female average annual earnings increased by 6% in 2023. Male average annual earnings have decreased by 1%. The average annual earnings gender pay gap has reduced from 15% in 2022 to 9.5% in 2023. The gender pay gap in the contracting sector is still significantly lower than the gender pay gap reported in the Irish Labour market, 22% (CSO 2022 data)

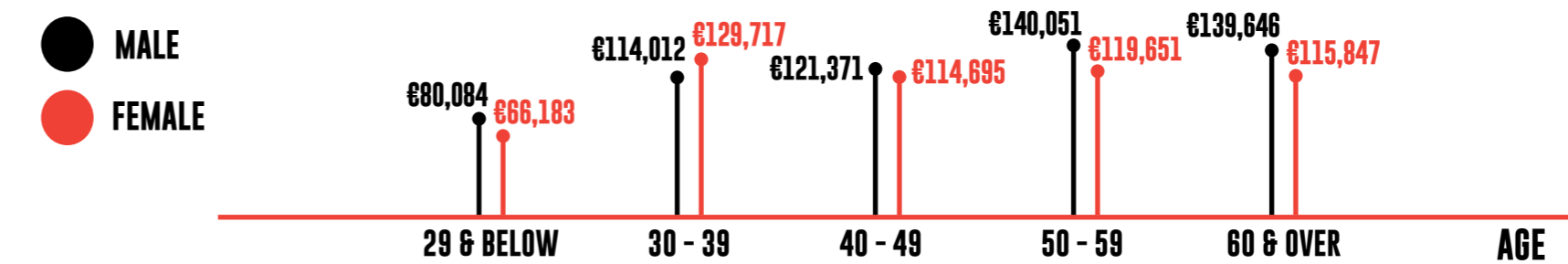
FEMALE VS MALE BY INDUSTRY



DAILY RATE



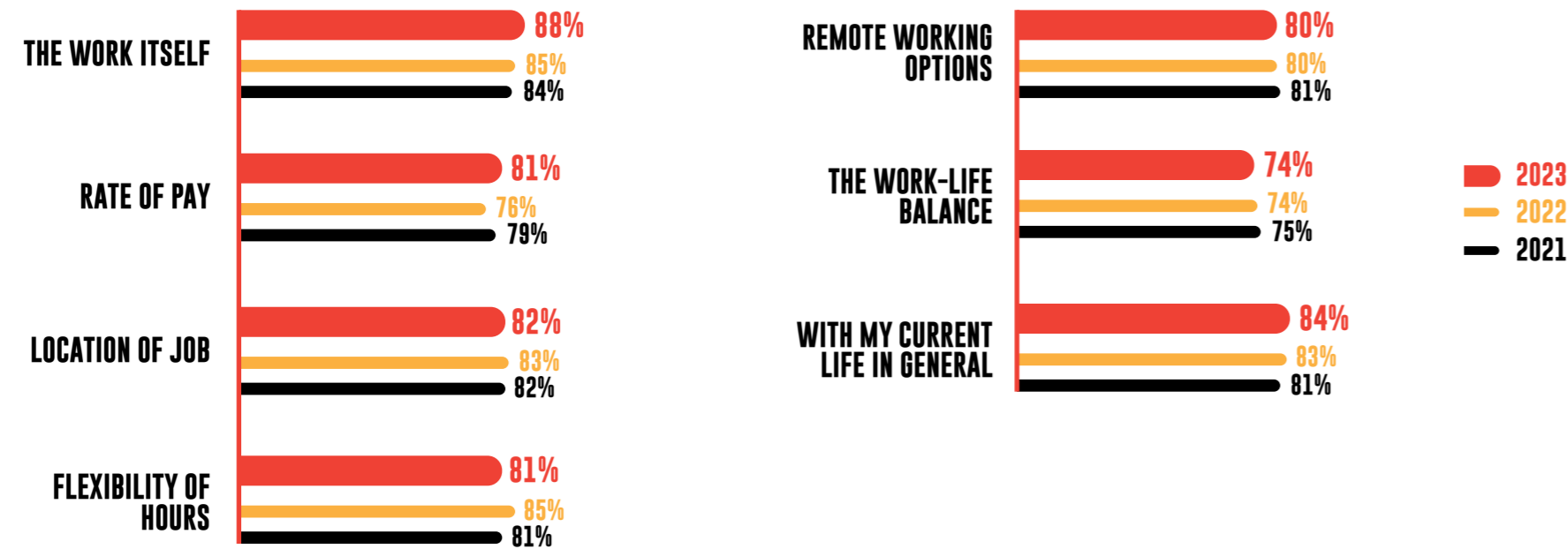
ANNUAL EARNINGS



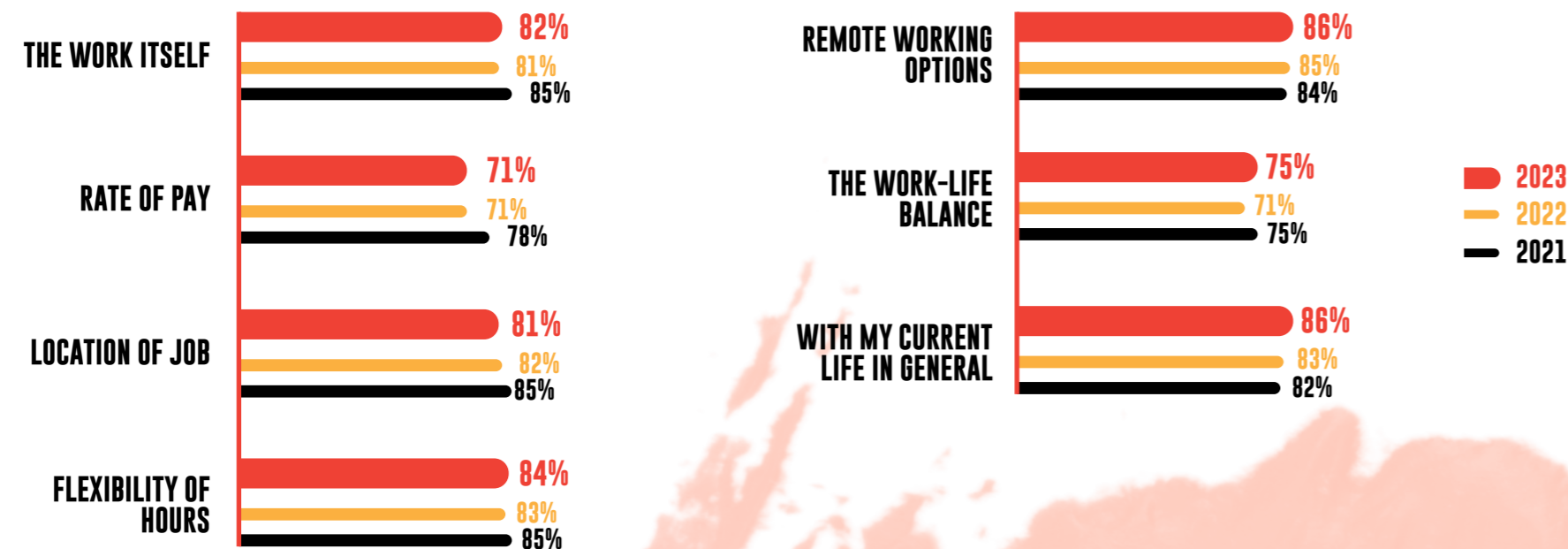
While the average daily rate gender pay gap is 10% not all age groups of women experience the gender pay gap at the same rate. The results show that the gender pay gap is -16% for women 30-39, and the gender pay gap for women aged between 40-49 is just 4%. Younger and older women experience a larger than average gender pay gap.

JOB SATISFACTION

MALE

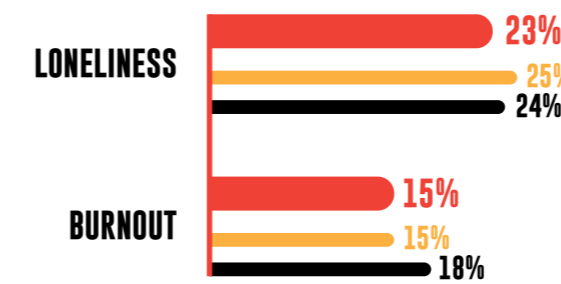


FEMALE

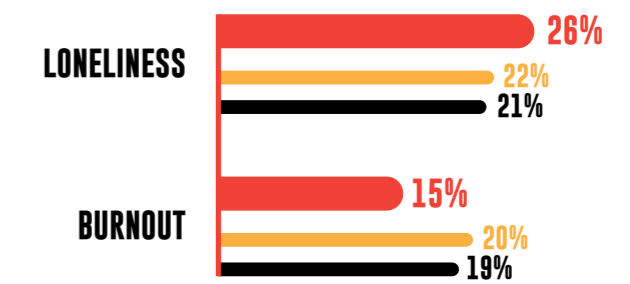


WELL-BEING

MALE



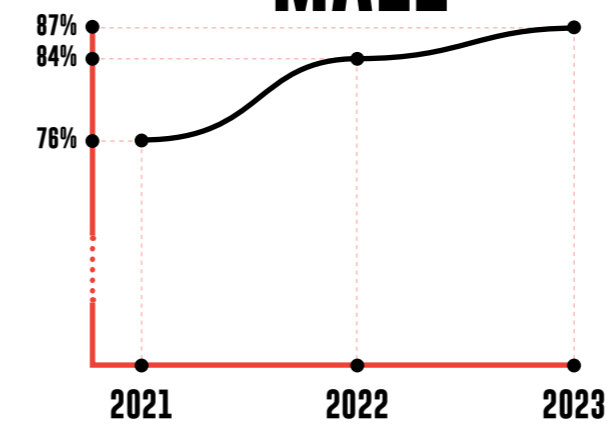
FEMALE



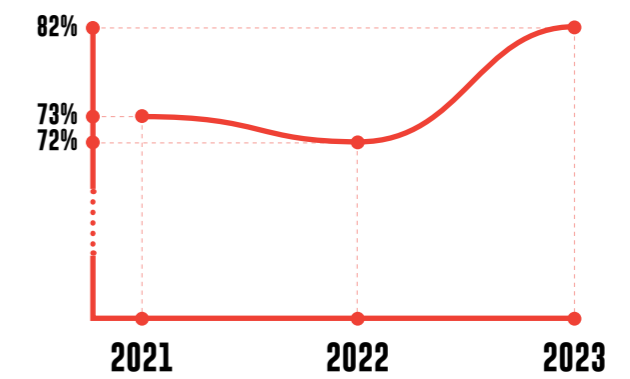
INTENTION TO STAY

Both male and female contractors agreed that they will continue to work as contractors in the future.

MALE



FEMALE



CONFIDENCE INDEX

While male and female contractors remain positive in relation to the performance of the contracting sector in the next 3-5 years, the confidence index scores have decreased for both groups since 2022. (Female +37 in 2022, male +38 in 2022). There has been a significant drop in the confidence index scores relating to the performance of the Irish economy by both groups. Female contractors have a lower confidence index score (+3), relating to the performance of the Irish economy in 2023 when compared to their male counterparts (+12). In 2022 females confidence scores for the performance of the economy were +37 while males were +39.

	MALE	FEMALE
THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS	+30	+32
THE PERFORMANCE OF THE IRISH ECONOMY IN 2023	+12	+3

HUMAN CAPITAL

"Adding value and becoming indispensable is the role of a contractor- often, contractors are enabled to achieve this because they are empowered to take risks."



HUMAN CAPITAL

Human capital is the term used to describe people's abilities, knowledge, and skills. A few aspects can indicate the level of general human capital, e.g. education, work experience and skills. Work or profession-related knowledge is the foundation for specific human capital.

Overall, the results from this project find that the contracting sector consists of a highly educated and professional workforce that has a very high level of human capital. The data from contractors in Ireland reveals that 95% of the participants attained third level qualifications (level 6 – 10 in the National Framework of Qualifications).

According to the "Educational Attainment Thematic Report 2021" from the CSO, 53% of people aged 25-64 years old have a third level qualification in Ireland. The education level of the professional contracting sector is, therefore, higher than the average levels in Ireland.

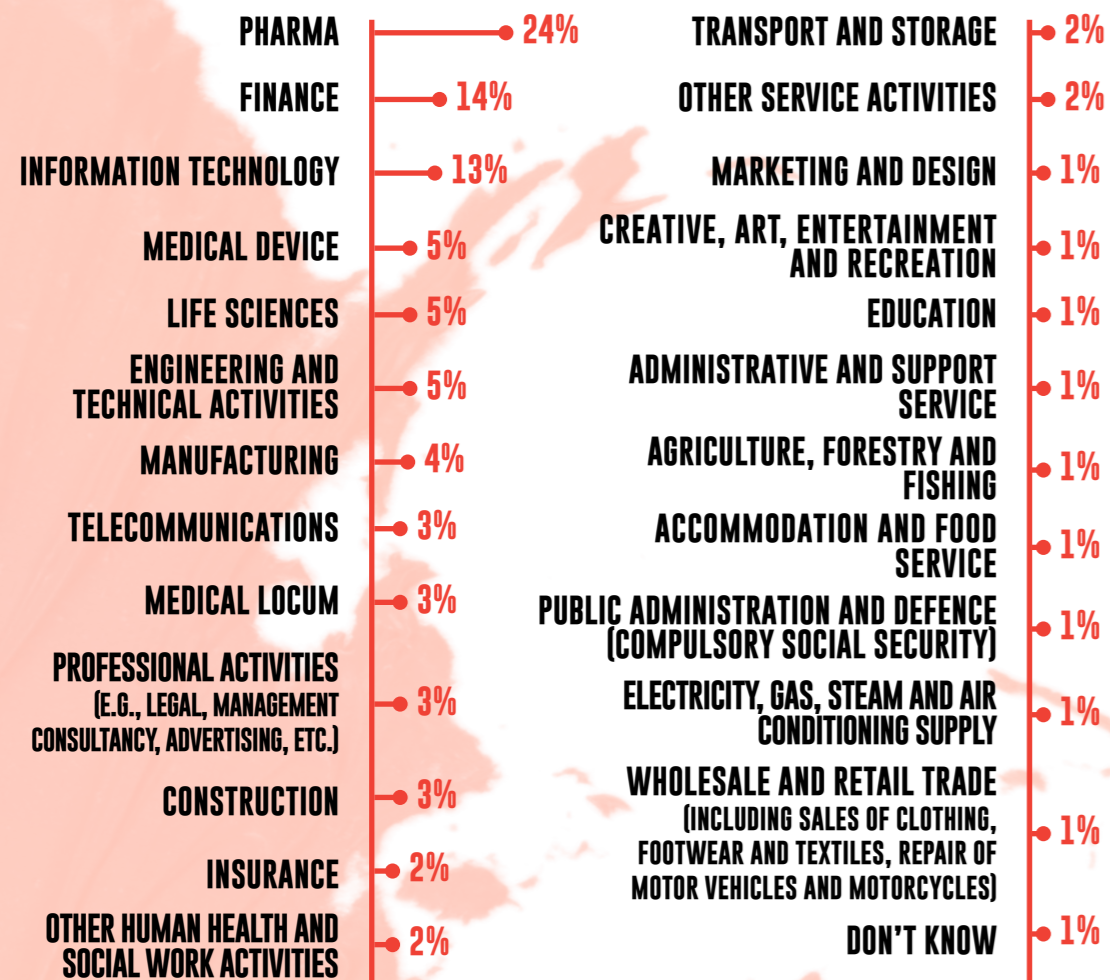
From work occupation analysis*, 93% of contractors were high skilled. Specifically, 20% were managers, directors and senior (SOC1); 67% were professionals (SOC2); and 6% were associate professionals and technicians (SOC3). The average working experience (including both full-time self-employment and full-time employee) was 27 years, ranging from under 1 year (several months) to 70 years.

The major industries that the contractors work in are mostly professional service and knowledge intensive industries including pharma (24%), medical device (5%), medical locum (3%), life science (5%), finance (14%), ICT (16%), engineering and technical activities (5%). A small portion of respondents work in the construction (3%) and manufacturing (4%) sectors. The average working experience in full-time self-employment was 10 years, ranging from under 1 year (several months) to 57 years.

In terms of finding new work, 68% of respondents report that they could find another contract easily, 90% report that their experience is in demand in the labour market.

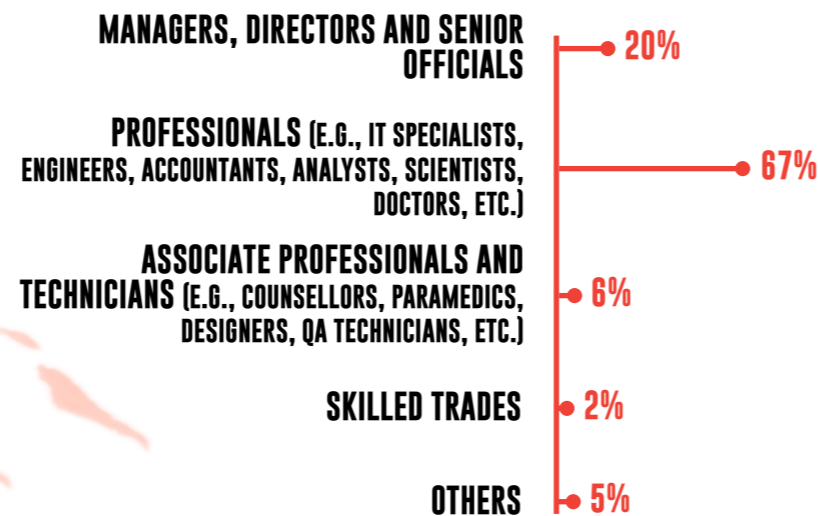
INDUSTRY BREAKDOWN

Contractors are distributed throughout the economy, but as we can see they are over-represented in Pharma, Finance and Information & Communication Technology (ICT).



OCCUPATION

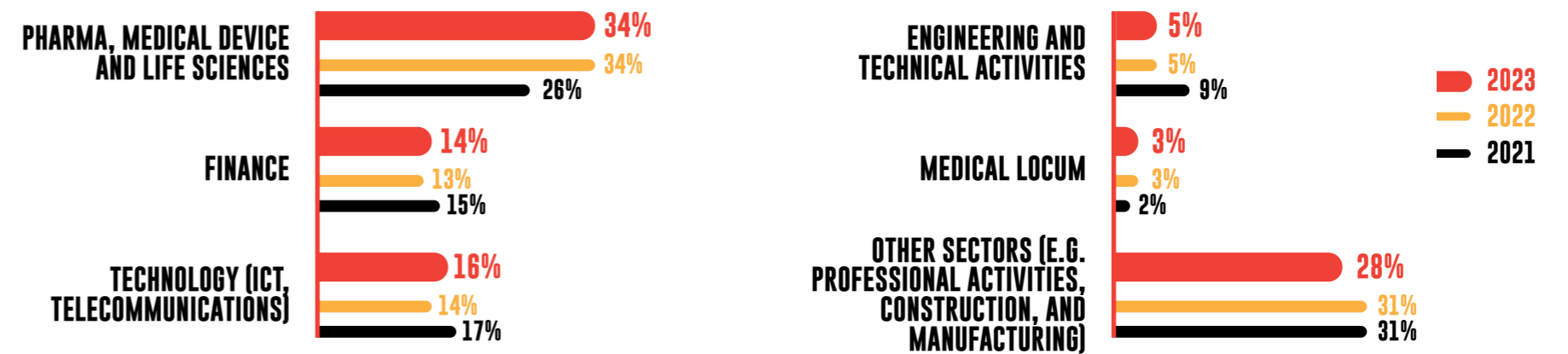
93% of the sample were high-skilled contractors. Specifically, 20% were managers, directors and senior officials (SOC1); 67% were professionals (SOC2); and 6% were associate professionals and technicians (SOC3). The number of contractors classified as managers, directors and senior officials (SOC1) has remained the same since 2022.



* The Standard Occupational Classification (SOC) system is a common classification of occupational information. Within the context of the classification, jobs are classified in terms of their skill level and skill content where the lower the number, the higher the skill.

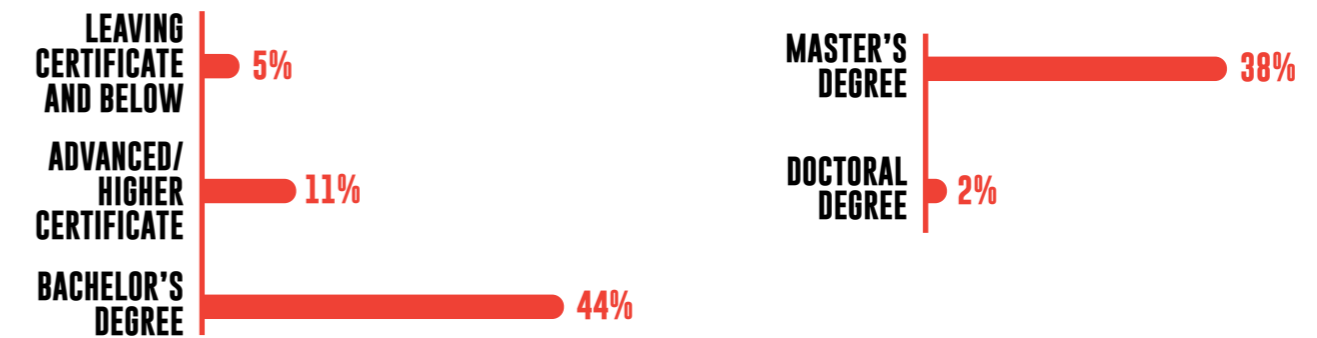
INDUSTRY BREAKDOWN

The percentage of professional contractors working in the key sectors has remained fairly stable over the past two years.



EDUCATION

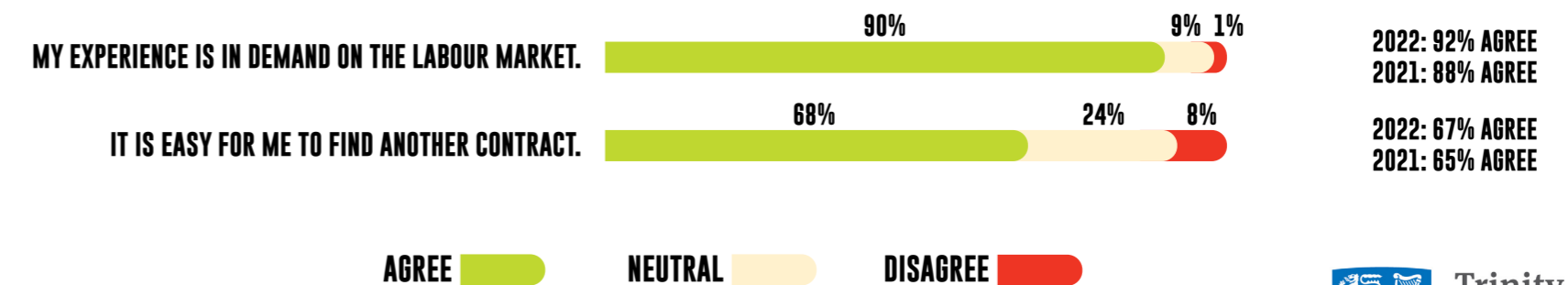
Contractors tend to be well-educated individuals. 95% of the participants attained third level qualifications (level 6 - 10 in the National Framework of Qualifications).



WORK EXPERIENCE

The average working experience (including both full-time self-employment and full-time employee) was 27 years, ranging from under 1 year (several months) to 70 years.

Contractors have a very positive outlook in 2023 with 90% of contractors agreeing that their experience is in demand on the labour market, this is down slightly from the 92% figure recorded in 2022. 68% of respondents also feel it will be easy for them to find another contracting role, which shows that they are also feeling positive about the strength of the contracting sector. In 2022 67% of respondents agreed that it is easy to find a new contracting role.



AGREE NEUTRAL DISAGREE

THE VALUE OF AGE

"I am retired – but I wanted to keep myself occupied mentally, contracting gives me that opportunity."



THE VALUE OF AGE

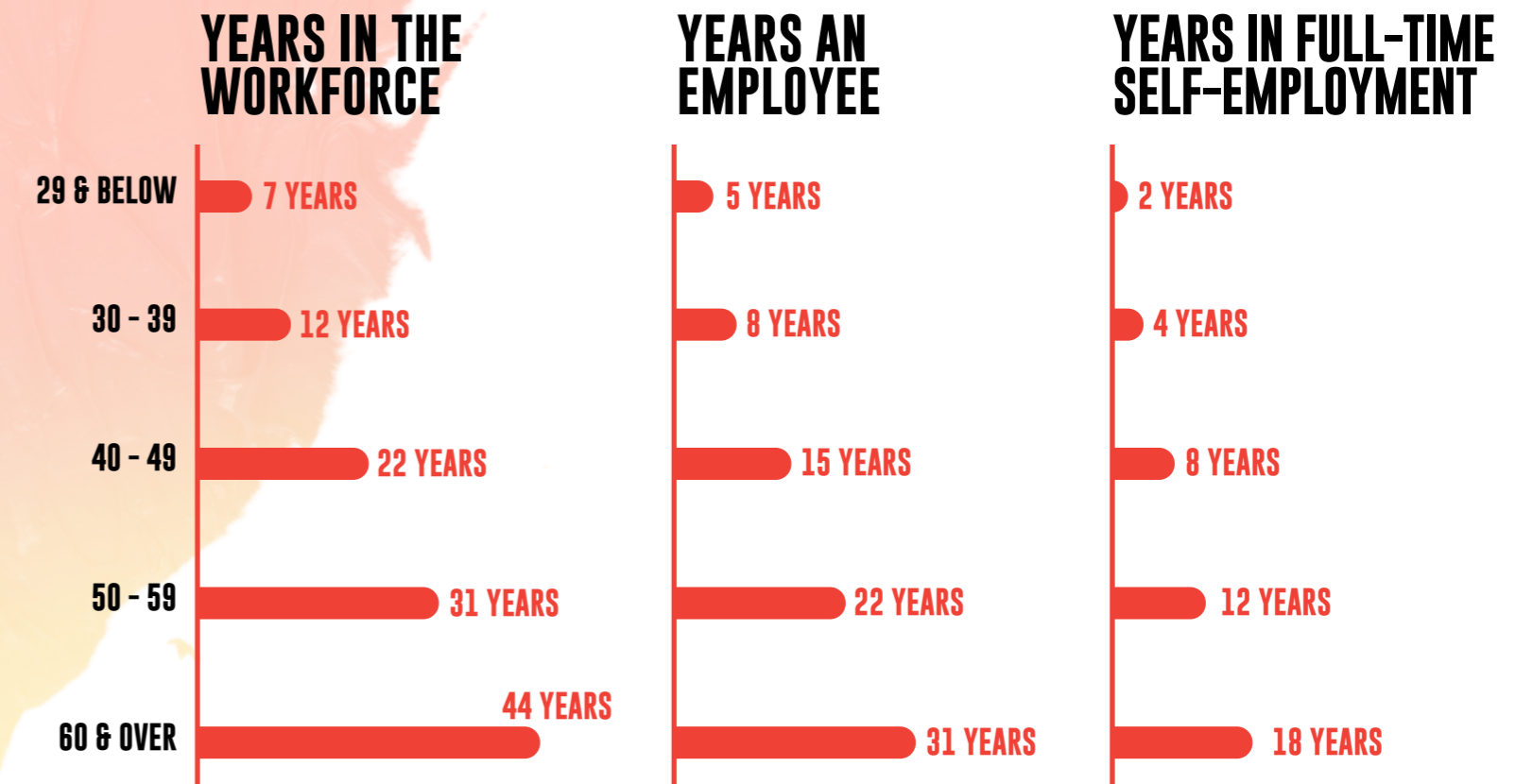
Age and experience are valued far more in the professional contracting sector than in traditional employment sectors. High-skilled independent contractors tend to enter and exit the job market later than typical employees by roughly 10 years. The value of experience is evident in daily rates that become progressively higher with age. The highest daily rates are charged by independent contractors who are 60 years of age or older.

But it's not just about earning potential. Older contractors are happier. 94% of contractors 60 years and over expressed satisfaction with their life in general, the survey also found that older independent contractors have some of the highest job satisfaction scores of all high-skilled workers, with 93% of those aged 60 or older expressing high satisfaction with the work itself. Older contractors also report a high level of well-being recording the lowest "burnout" and "loneliness" scores compared to younger independent contractors.

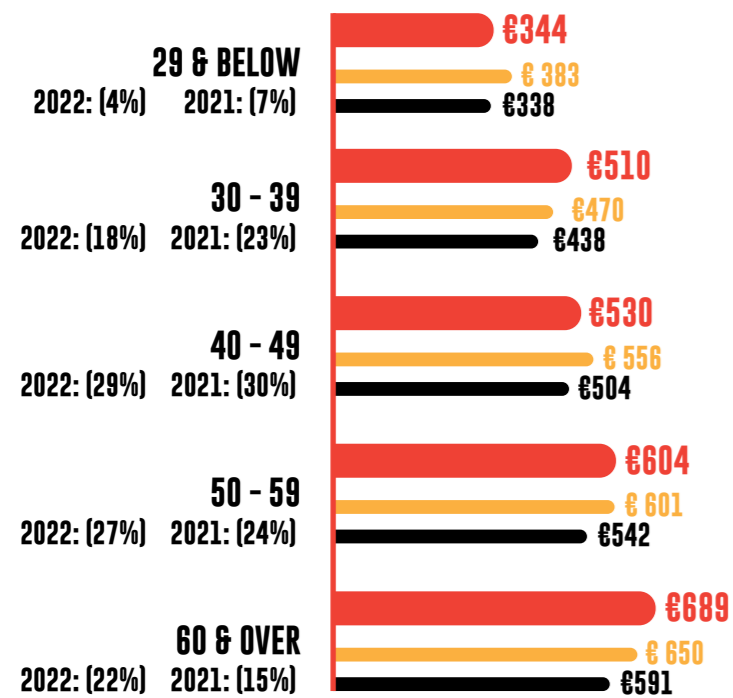
These findings are important because they highlight how independent contracting can be an extremely valuable career option for older high-skilled workers who may feel undervalued in traditional employment sectors. Furthermore, it suggests that there is immense untapped potential among those over 60 who can bring significant value to the economy at a time when many are being forced into retirement.

As we face a national pension crisis, these results indicate that creating a more conducive environment for older high-skilled independent contractors could potentially offer part of a solution. We should embrace this workforce and recognise the immense value that experienced workers have to offer.

AVERAGE WORK EXPERIENCE BY AGE

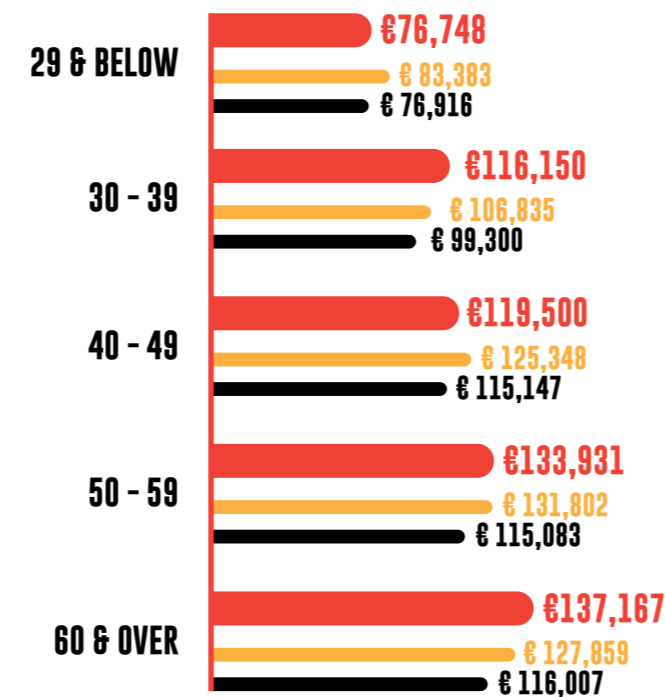


AVERAGE DAILY RATE BY AGE



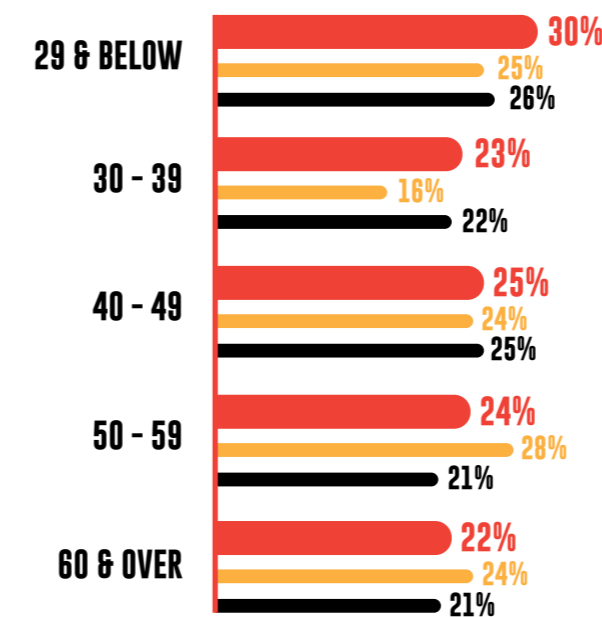
2023
2022
2021

AVERAGE ANNUAL EARNINGS BY AGE

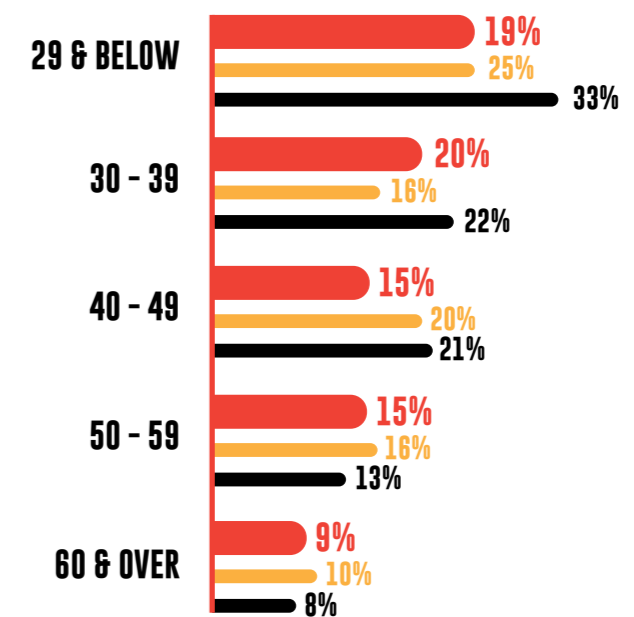


WELL-BEING

LONELINESS

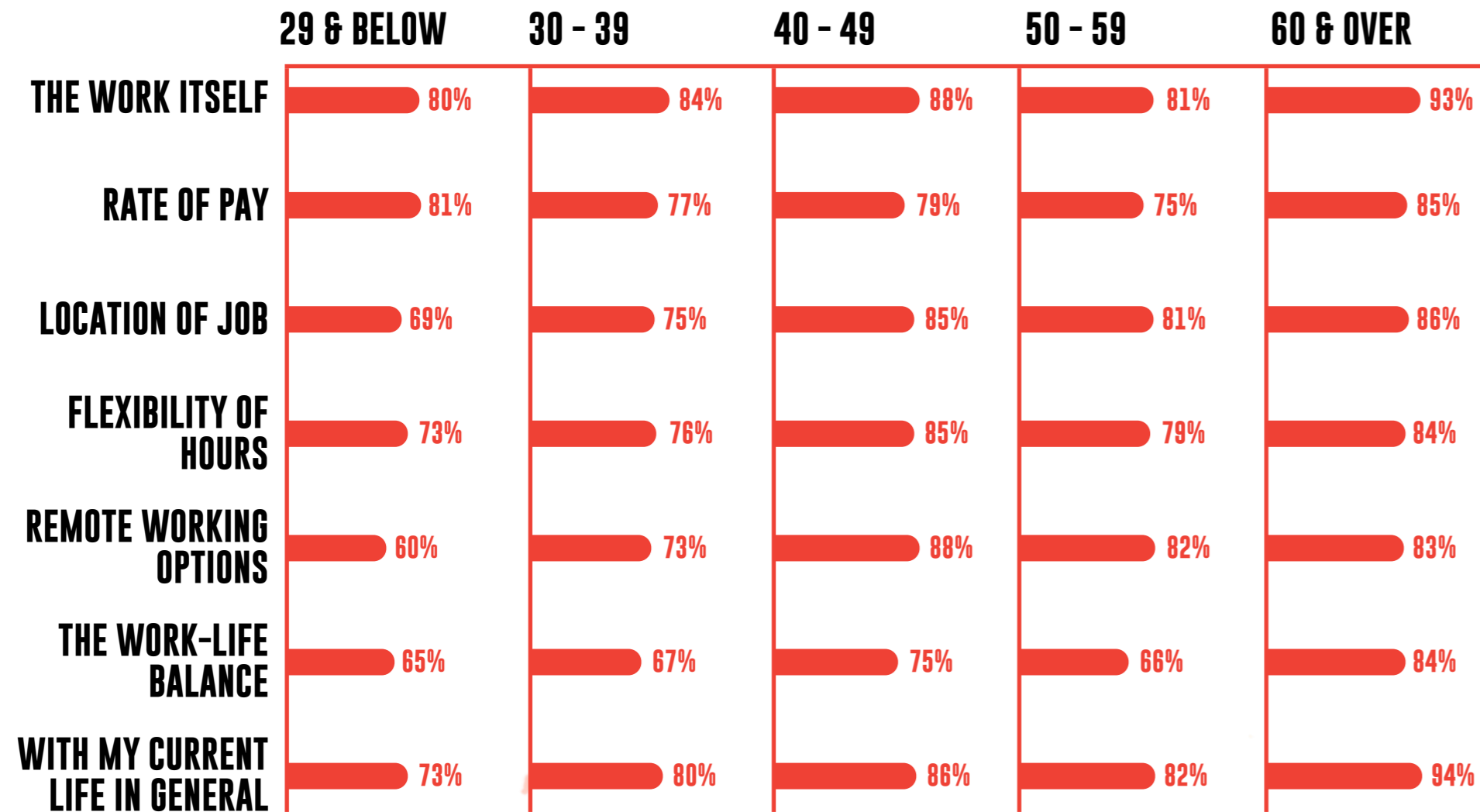


BURNOUT



2023
2022
2021

JOB SATISFACTION



CONFIDENCE INDEX

Older contractors expressed positivity in their expectations for the performance of the contracting sector in the next 3-5 years. The over 60's and those aged 29 and under had the highest confidence index score with regard to the performance of the Irish economy +13 and +20 respectively.

2023

	29 & BELOW	30 - 39	40 - 49	50 - 59	60 & OVER
THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS	+50	+29	+30	+31	+29
THE PERFORMANCE OF THE IRISH ECONOMY IN 2023	+20	+5	+6	+11	+13

2022

	29 & BELOW	30 - 39	40 - 49	50 - 59	60 & OVER
THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS	+38	+41	+41	+38	+32
THE PERFORMANCE OF THE IRISH ECONOMY IN 2022	+26	+34	+38	+41	+41

2021

	29 & BELOW	30 - 39	40 - 49	50 - 59	60 & OVER
THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS	+27	+29	+30	+30	+32
THE PERFORMANCE OF THE IRISH ECONOMY IN 2021	+3	+4	+1	+11	+21

CONTRACTORS ARE HAPPY

"Self-employment lets me be the master of my own destiny. I choose when, where, and how I work, which is very satisfying."



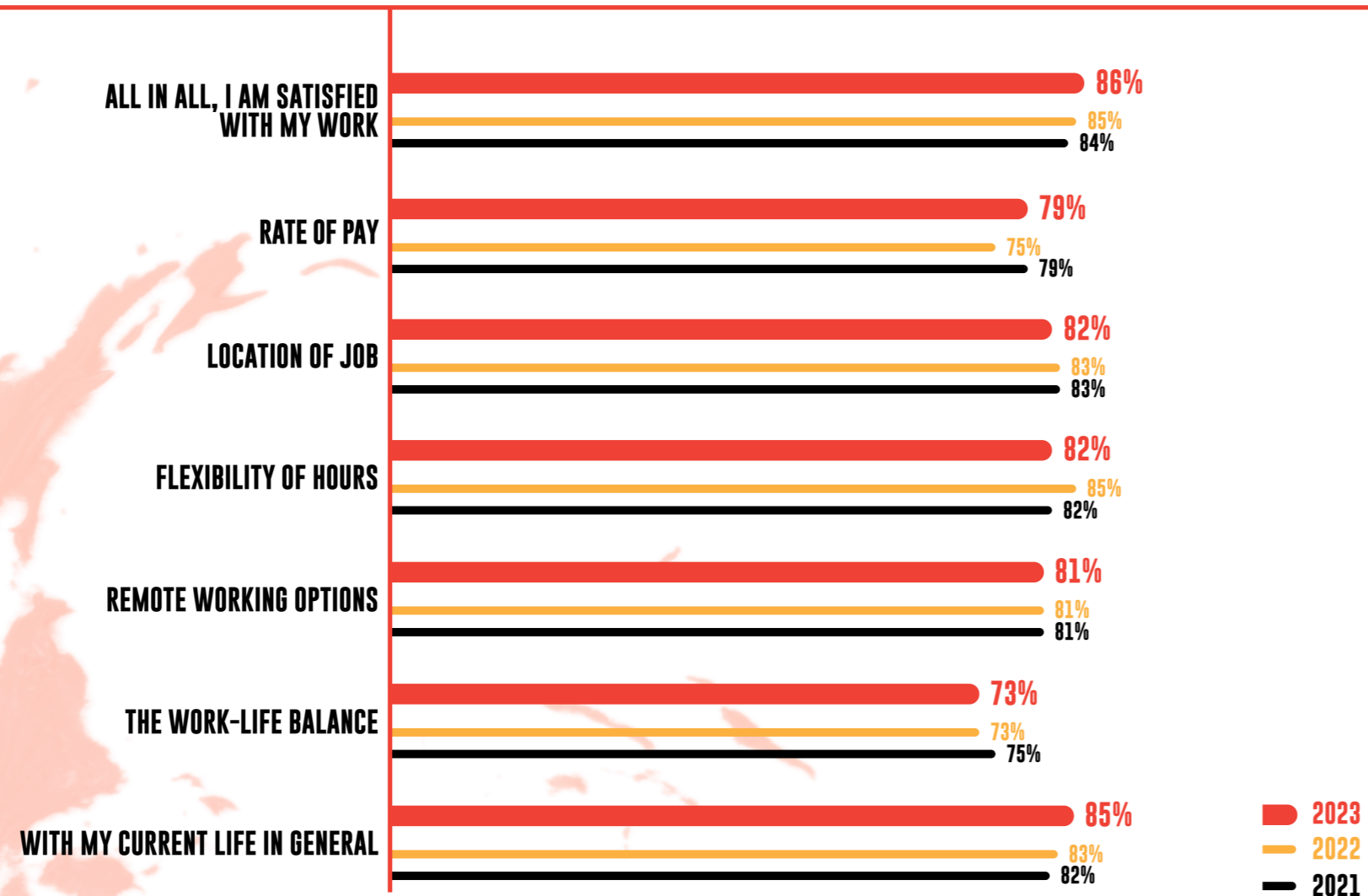
CONTRACTORS ARE HAPPY

IT'S OFFICIAL. CONTRACTORS ARE HAPPY!

In the survey, contractors were asked about their level of satisfaction with seven key elements of their job and working life. The work itself gained the highest satisfaction from the contractors (86%), followed by the current life in general (85%), location of job (82%), flexibility of hours (82%), remote work options (81%), rate of pay (79%), and work-life balance (73%).

Overall, the contractors were satisfied with their career, with (84%) of respondents reported they are satisfied with the success they had achieved in their career and (77%) are satisfied with the progress they had made towards meeting their overall career goals. The well-being of contractors is good with only (24%) of respondents experiencing loneliness and (15%) reporting burnout.

HOW CONTRACTORS FEEL ABOUT THEIR WORK



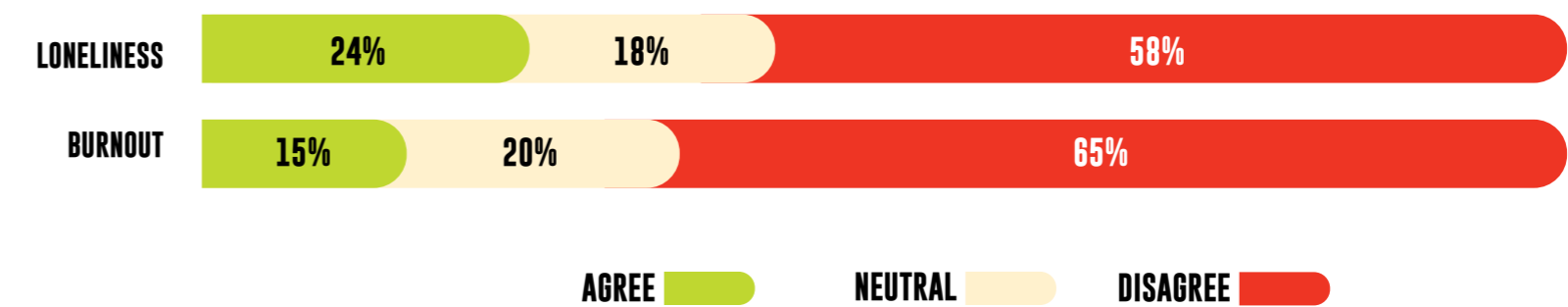
85% OF CONTRACTORS ARE SATISFIED WITH THEIR CURRENT LIFE IN GENERAL

SATISFACTION WITH CAREER

84% THE SUCCESS I HAVE ACHIEVED IN MY CAREER

77% THE PROGRESS I HAVE MADE TOWARD MEETING MY OVERALL CAREER GOAL

HIGH LEVEL OF WELL-BEING



PHARMA

LIFE SCIENCES
MEDICAL DEVICE

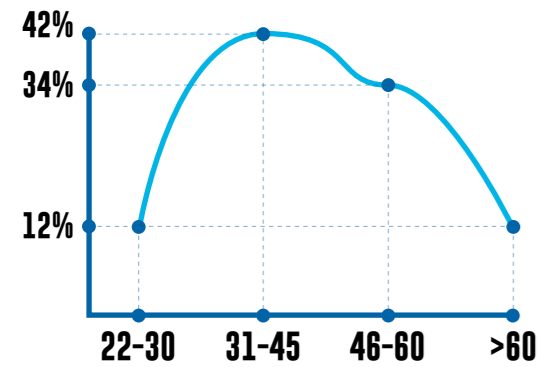
"Contracting offers me a better opportunity for aspirational roles."



PHARMA, LIFE SCIENCES & MEDICAL DEVICE

PHARMA

AGE



AVERAGE DAILY RATE | **€527**

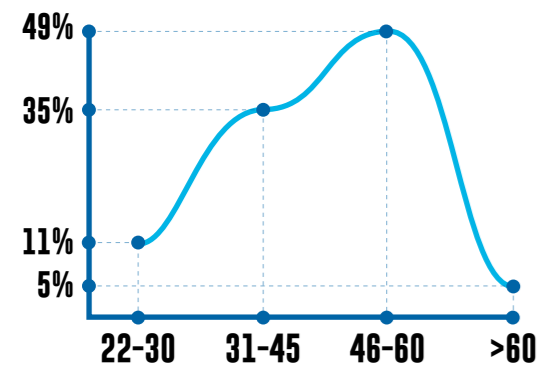
GENDER



AVERAGE LENGTH OF CONTRACT | **16** MONTHS

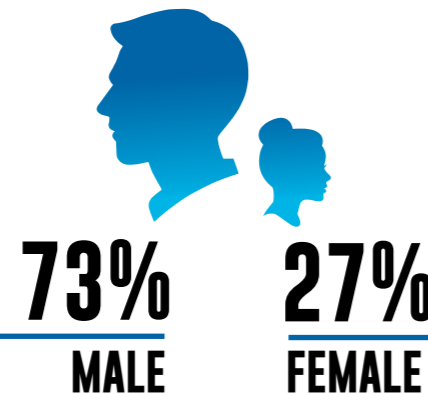
LIFE SCIENCES

AGE



AVERAGE DAILY RATE | **€561**

GENDER



AVERAGE LENGTH OF CONTRACT | **16** MONTHS

PHARMA, LIFE SCIENCES & MEDICAL DEVICE

Ireland continues to be a global leader in the pharma, life science, biopharma and med device sectors. Six of the top seven global diagnostics companies, eight of the world's ten largest medical device companies, and over eighty five pharmaceutical companies have operations in Ireland. Ireland has exports of more than €45 billion per year of pharma and medical device related products. The sector employs more than 50,000 people directly and double that indirectly.

34% of the respondents work in the Pharma, Med Device and Life Science industries, which is reflective of the size of the sector and the work practices of this industry.

PHARMA

The number of male contractors in the pharma sector continues to grow, with a 2% increase from 78% in 2022 to 80% in 2023. The Life Science sector has seen a significant shift with an 11% drop in the number of men working in this area, 84% in 2022 down to 73% in 2023. Med Device has also seen a drop in the percentage of men working in the sector from 89% in 2022 to 81% in 2023.

The distribution of female contractors in the sector has also seen some changes, the percentage of females in the pharma sector is down 2% from 22% in 2022 to 20% in 2023. Female representation in life sciences is up 11%, in 2022 female contractors made up just 16% which has now moved to 27% in 2023. Med device has 19% female contractors operating in the sector, up 8% since 2022.

LIFE SCIENCES

The average contract length has increased by one month from 15 months in 2022 to 16 months in 2023. The average daily rate in life science is down 3.6% from €582 in 2022 to €561 in 2023. Daily rates have increased 13% since 2021.

MEDICAL DEVICE

The average daily rate in the med device sector has increased by 8.5% from €451 in 2022 to €493 in 2023. The sector has seen daily rates rise by almost 15% since 2021.

DAILY RATES

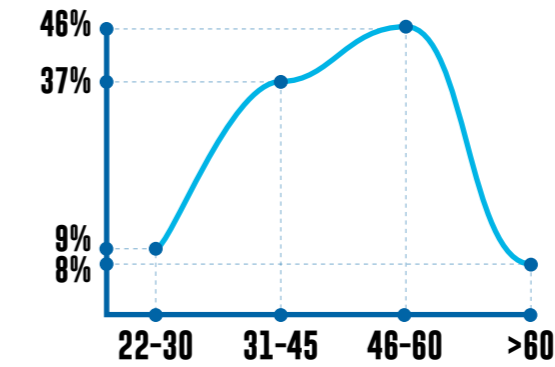
The average daily rates in the Pharma sector have increased for men by 15% since 2021, their average rate of €466 in 2021 increased to €536 in 2023. The average daily rate for women has increased by 20% in the same period, all be it off a lower base. The increase in daily rates from 2022 to 2023 were less significant with male contractors daily rates increasing by 3% and female contractors seeing a 6.5% increase in their daily rate. The gender pay gap still exists in the pharma sector, however the gap is narrowing. In 2021 the gap was 15%, in 2023 this has been reduced to 9%.

EDUCATION

97% of those contracting in the pharma sector have achieved level 6 or higher on the National Framework of Qualifications. 76% have Bachelor's, Masters, or PHD degrees.

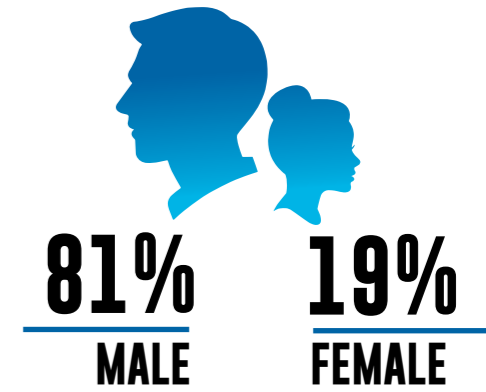
MEDICAL DEVICE

AGE



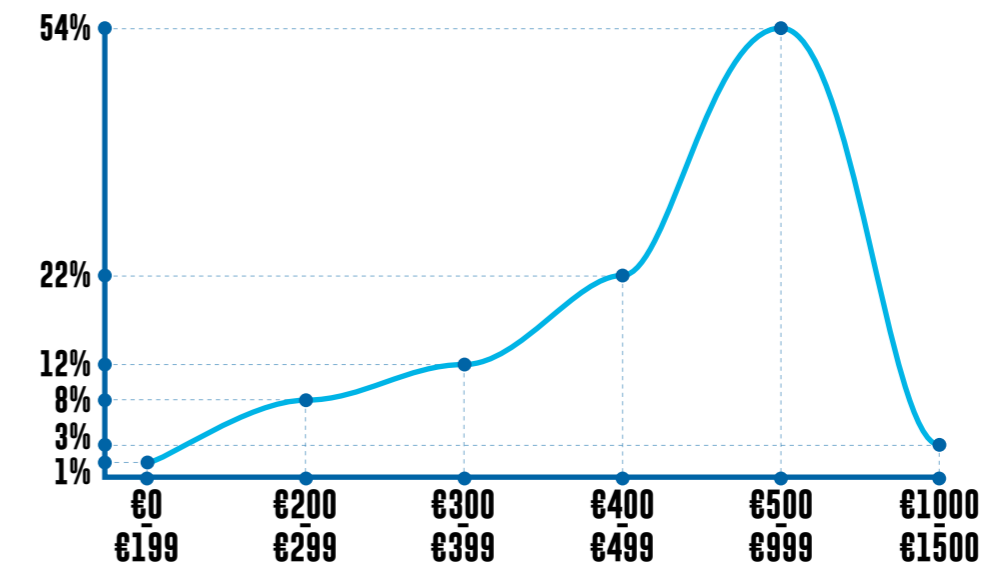
AVERAGE DAILY RATE | **€493**

GENDER



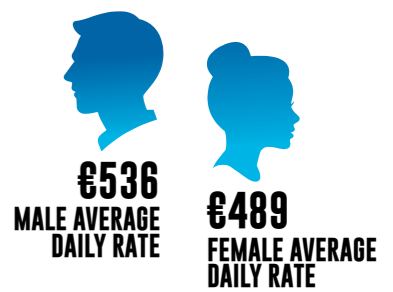
AVERAGE LENGTH OF CONTRACT | **14** MONTHS

DAILY RATES

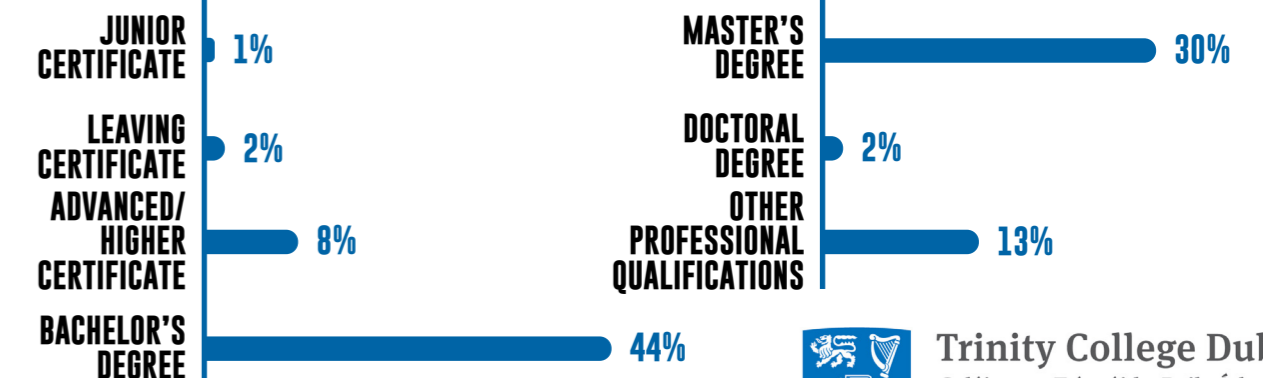


57%

OF ALL CONTRACTORS IN THE PHARMA SECTOR HAVE AN AVERAGE DAILY RATE OF €500 OR MORE

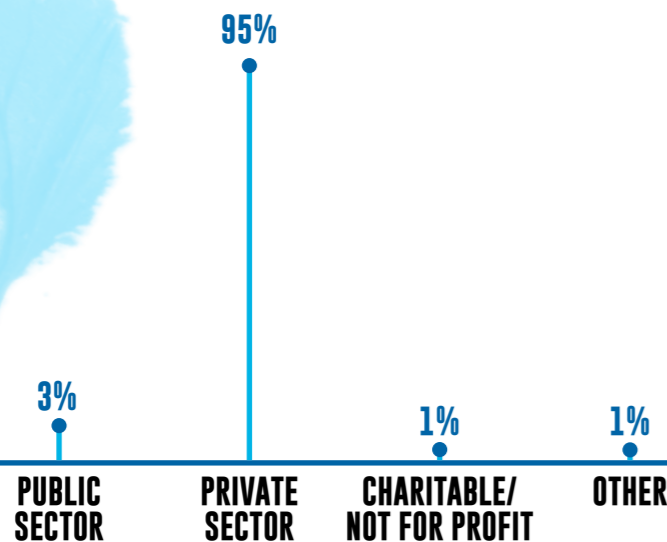


EDUCATION

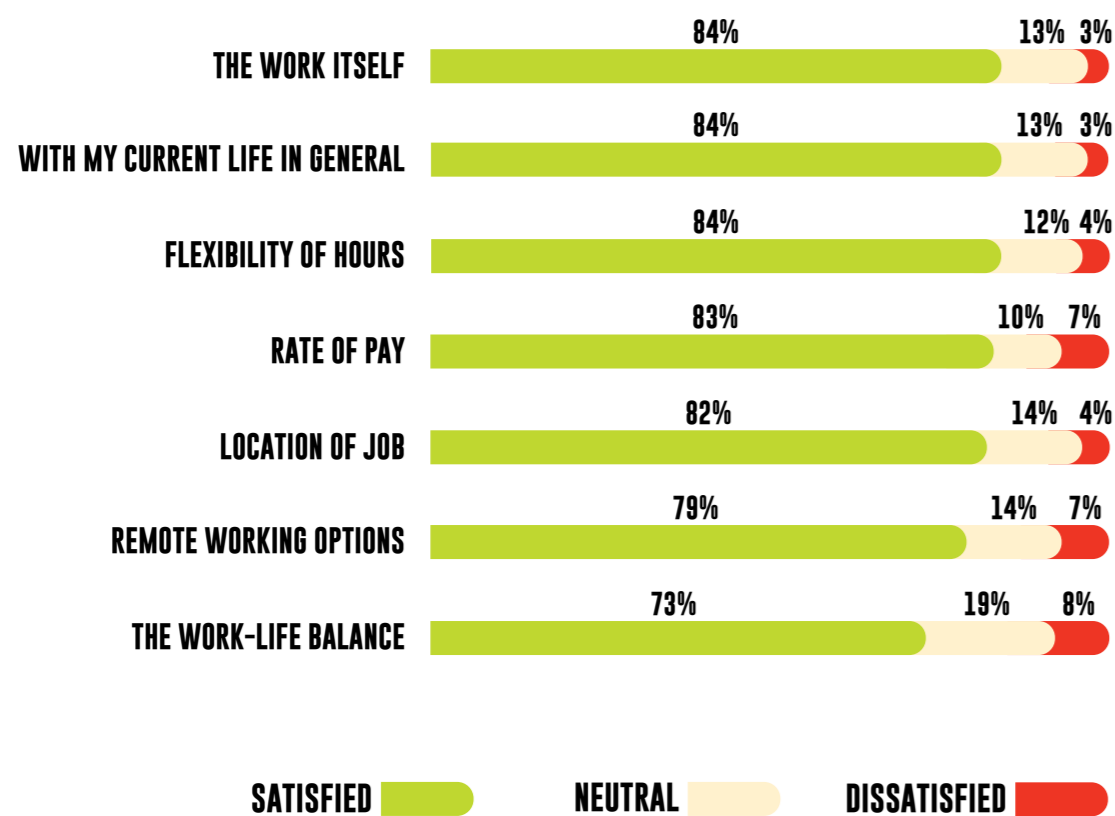


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The University of Dublin

SECTOR



HOW PHARMA CONTRACTORS FEEL ABOUT THEIR WORK



HOW PHARMA CONTRACTORS FEEL ABOUT THEIR WORK

Contractors were asked about their level of satisfaction with seven key elements of their working lives. Pharma contractors are most satisfied with the work itself and the flexibility of the hours, both achieved a score of 84%. Contractors' satisfaction rating for their current life in general also scored 84%. This is an improvement on 2022 when only 79% reported that they were satisfied with their life in general. Pharma contractors satisfaction with their rate of pay has also increased. 76% reported being satisfied with their pay rate in 2022. This has now moved to 83%.

THE FUTURE

85% of pharma contractors believe their skills are both useful and transferable.

Pharma contractors are feeling optimistic about the availability of contract roles in the future with 40% expecting the availability of contract roles in the next 12 months to remain the same and another 48% anticipating the number of contracting roles to increase over the coming 12 months.

83% of Pharma contractors expressed satisfaction with their current rate of pay 57% of them expect their rate of pay to increase in the next 12 months.

CONFIDENCE INDEX

Confidence in the contracting sector in the next 3 to 5 years differs depending on the discipline the contractors are involved in. It is, in the main, very positive. Pharma contractors have a confidence index score of +30. Medical Device sector has a confidence index score of +27. Life Science has the highest confidence index score of +40.

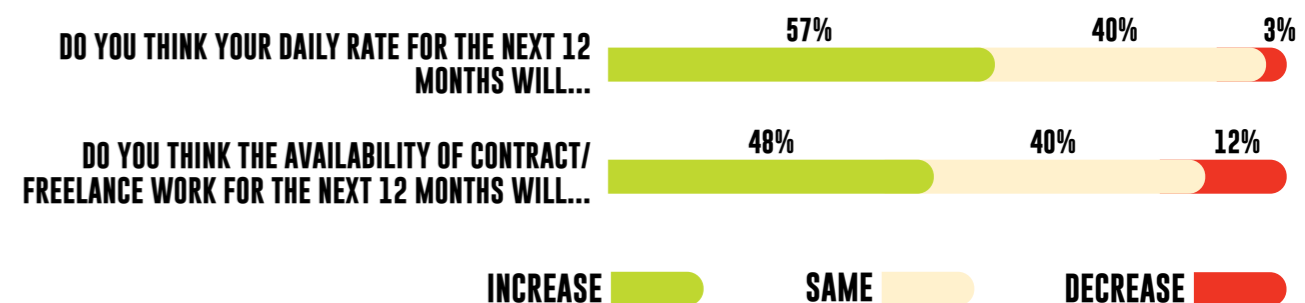
It's fair to say that contractors are confident that the contracting sector in the next 3-5 years will be in a strong position.

Contractors are optimistic about the future of the contracting sector in the next 3-5 years, however they are not as confident in their outlook on the performance of the Irish economy. The Medical Device sector has the least confidence in the performance of the Irish economy, with a confidence index score of -5. The outlook of pharma and life science contractors is more positive with scores of +21 and +13 respectively.

FINDING WORK



THE FUTURE



CONFIDENCE INDEX

	PHARMA	MEDICAL DEVICE	LIFE SCIENCES
THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS	+30	+27	+40
THE PERFORMANCE OF THE IRISH ECONOMY IN 2023	+21	-5	+13



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The University of Dublin

TECHNOLOGY

"I believe there is a greater realisation that the mode of work and blend of resources needed to 'get the job done' is expanding to include contractors as standard. This is a good thing!"



GENDER

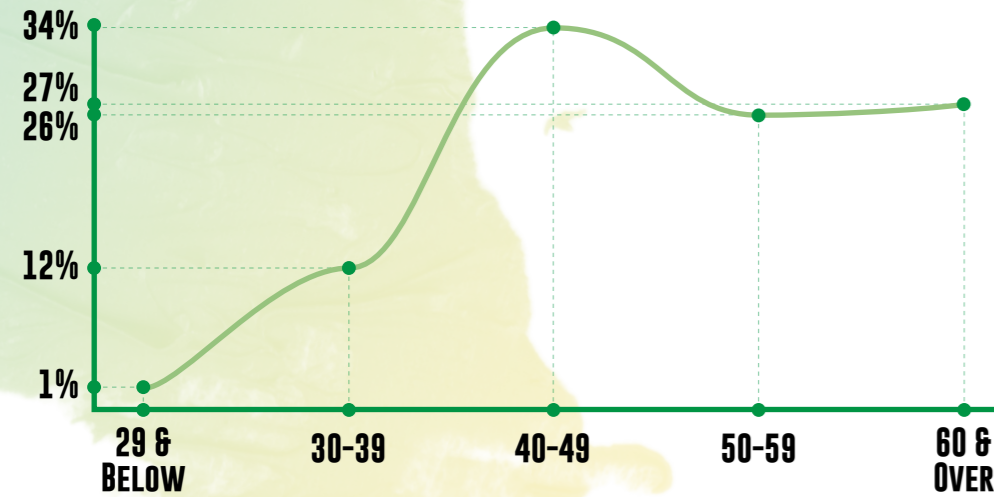
81%
MALE



18%
FEMALE

1%
PREFER NOT TO SAY

AGE



51 YEARS
AVERAGE AGE

TECHNOLOGY

Ireland is the world's second largest supplier of computer and IT services. This sector accounts for more than €50 billion of exports per annum.

Traditional and long-established IT operations (Intel, HP, IBM, Microsoft and Apple) confirm Ireland's credibility as an ICT centre of excellence. Dublin is fast developing into Europe's leading hub of innovative gaming companies with Big Fish, EA, Havok, DemonWare, PopCap, Zynga, Riot Games and Jolt all having a significant presence here. Ireland continues to attract global technology businesses and is poised to be a global cloud technology centre of excellence.

The presence of internet and social media companies such as Google, Facebook, LinkedIn, Amazon, PayPal, eBay and Twitter helped to establish Ireland as Europe's digital centre. However, with these companies now re-evaluating their ongoing needs and thousands of jobs being shed as a result, 2023 will see big changes in the sector.

Despite the recent bouts of layoffs by the large multi-nationals, Ireland continues to offer significant advantages to potential investors: a well-educated, creative and talented workforce, an open and stable economy, easy access to other European markets and competitive corporate tax policies. These benefits will allow for continued investment and will drive growth in the ICT contracting sector.

GENDER

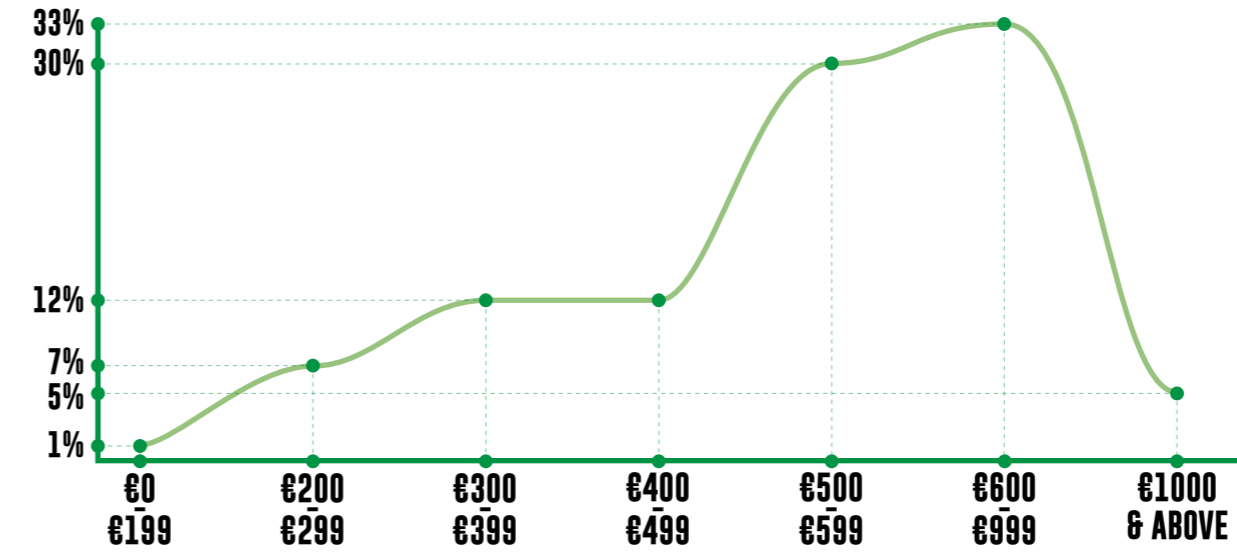
The gender profile in the technology sector shows females are underrepresented when compared to the profile of all contractors. 24% of all contractors are female whereas in the technology sector only 18% of contractors are female. There has been a 1% increase in the number of female contractors in the technology sector since 2022.

AGE

Despite the young image that you may have of contractors in the ICT sector, the average age is 51 and 87% of all contractors are 40+ years of age.

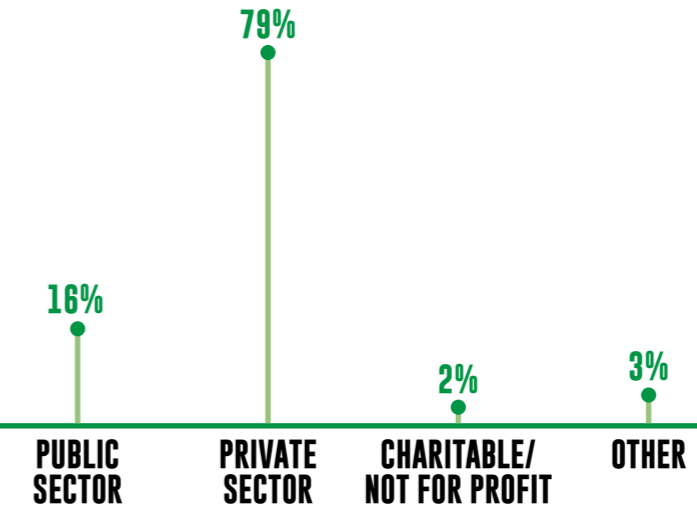
DAILY RATE

The average daily rate in ICT sector in 2023 is €547, a decrease of 4% year on year. 68% of all contractors in the sector have a daily rate of at least €500.

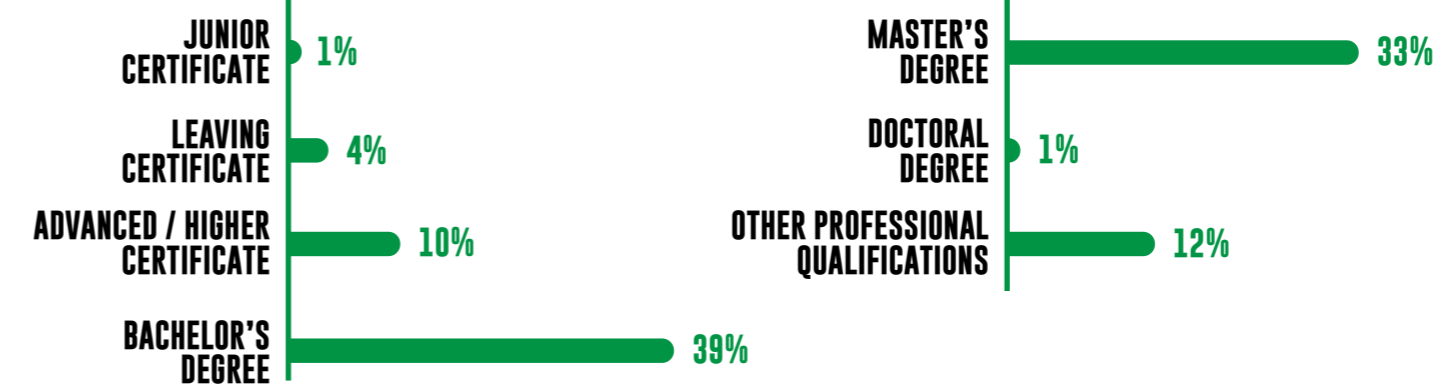


€547
AVERAGE DAILY RATE

SECTOR

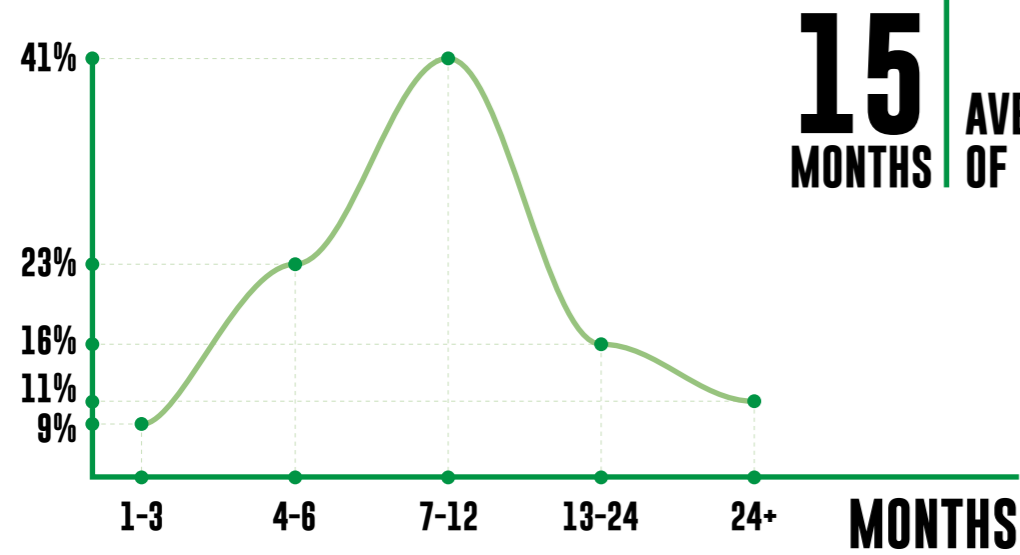


EDUCATION



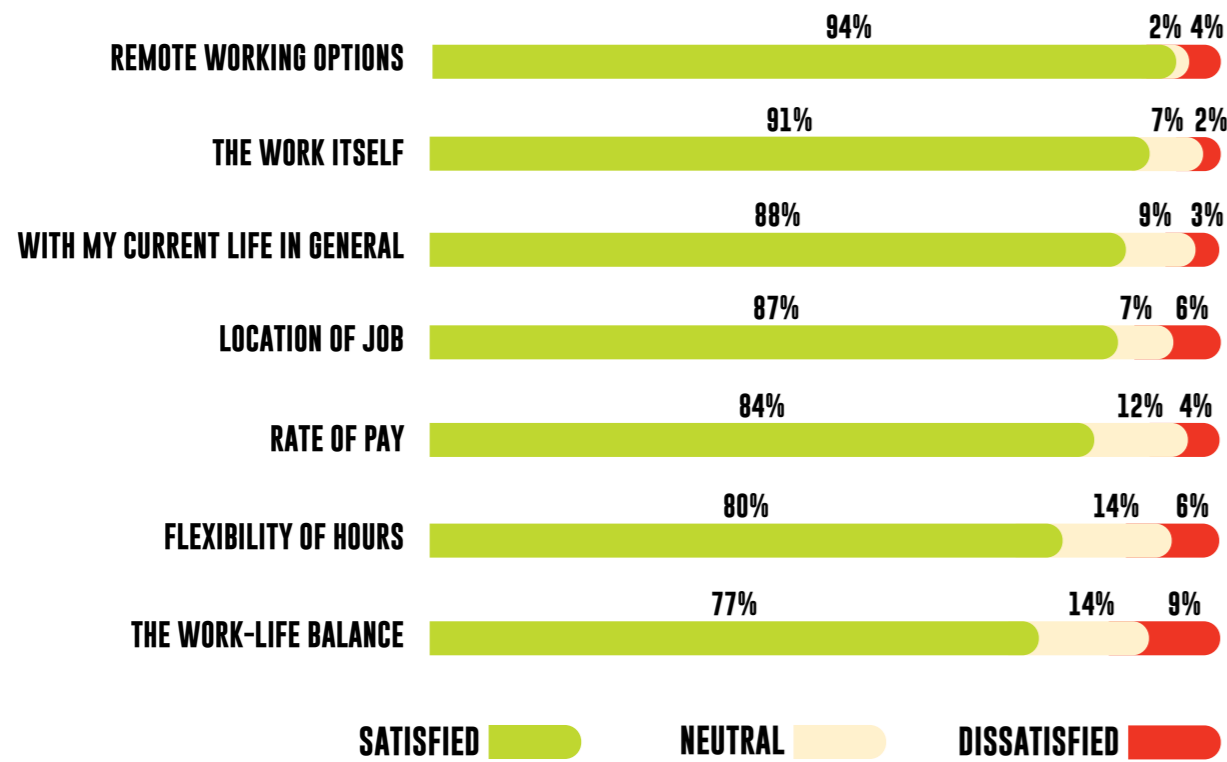
73%
OF ALL CONTRACTORS HAVE A BACHELOR'S DEGREE OR HIGHER.

CONTRACT LENGTH



15
MONTHS
AVERAGE LENGTH
OF CONTRACT

HOW ICT CONTRACTORS FEEL ABOUT THEIR WORK



CONTRACT LENGTH

There has been a decrease in the average length of contract from 16 months in 2022 to 15 months in 2023.

EMPLOYABILITY

88% of ICT contractors agree that their experience is in demand. This is down from 95% in 2022. 64% agree that it will be easy for them to find a new contract. This is down 3% from the 2022 results.

FUTURE EXPECTATIONS

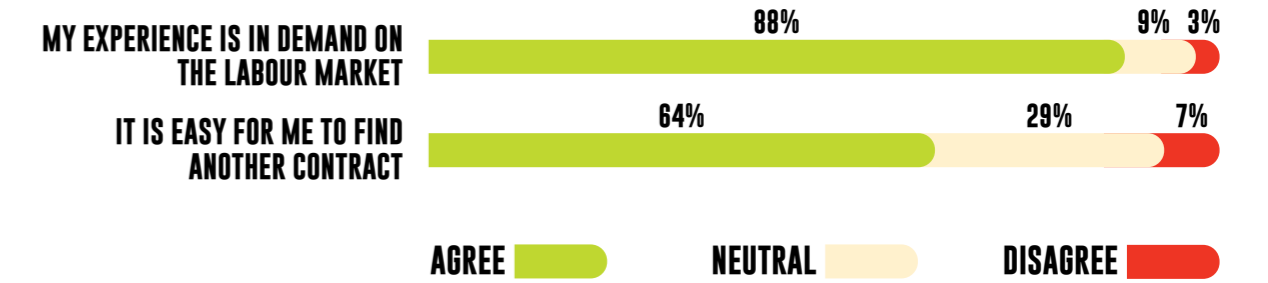
The dynamics at play in the ICT sector make it a perfect industry for professional contractors. Project work is often the norm, changes in business requirements can occur rapidly, skills can be niche and companies can find that they need subject matter experts to complete a project or to upskill their existing internal team. The outlook for professional contractors in this sector remains positive.

74% of contractors expect the contracting sector to increase in the next 3 -5 years. This is slightly less than in 2022 when 76% of contractors expected an increase. 42% of ICT contractors expect the performance of the Irish economy to increase in 2023, down significantly on the 2022 figure when 76% of the respondents expected the Irish economy to perform better year on year.

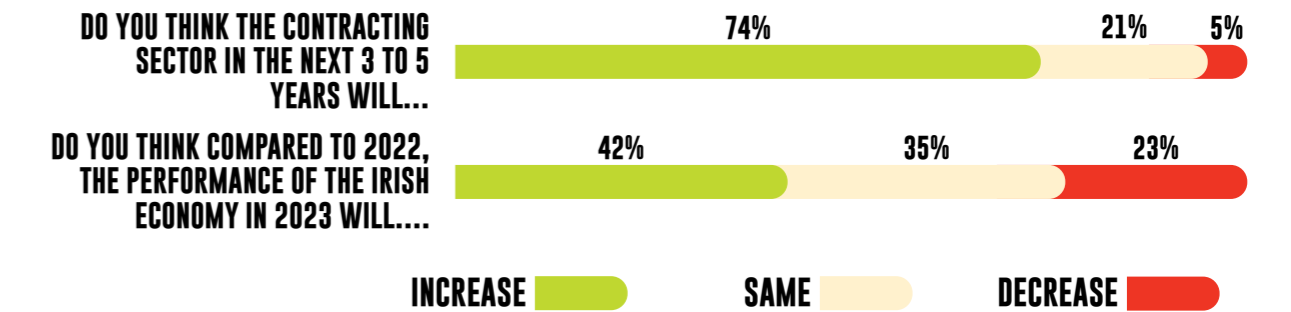
CONFIDENCE INDEX

ICT contractors are still reporting a very positive outlook with a confidence index score of +35 relating to the contracting sector in the next 3-5 years. They also had a positive confidence index score of +11 for the performance of the Irish Economy in 2023.

EMPLOYABILITY



FUTURE EXPECTATIONS



CONFIDENCE INDEX

THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS

+35

THE PERFORMANCE OF THE IRISH ECONOMY IN 2023

+11



FINANCE

"Contracting allowed me to move home to Ireland while continuing to work with the same team in a company I was an employee of in Europe."



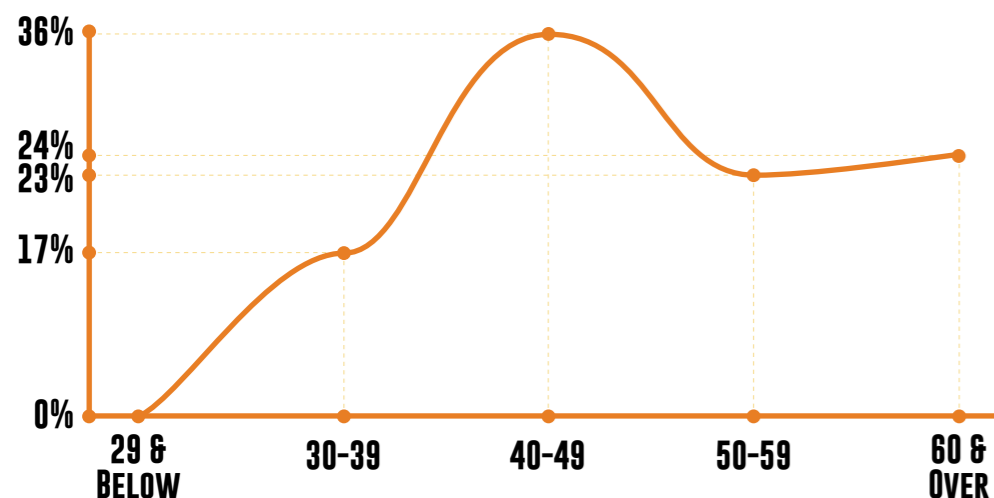
GENDER

81%
MALE



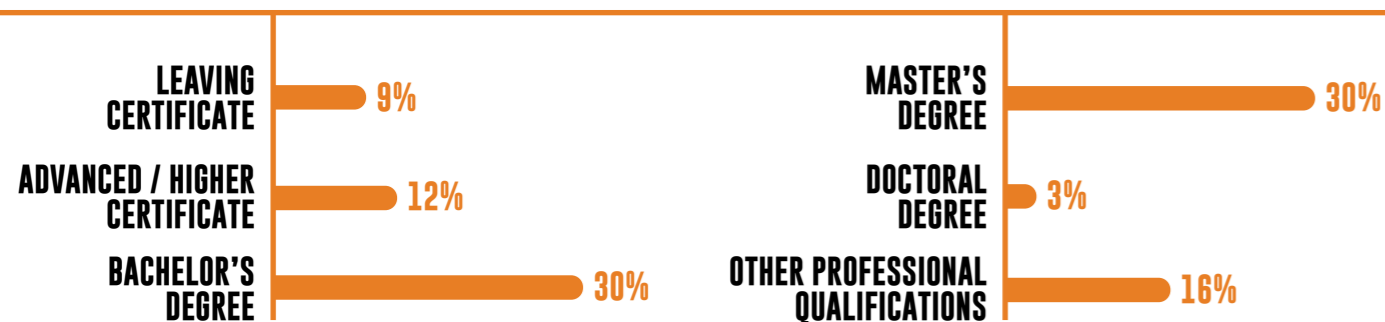
19%
FEMALE

AGE



50 YEARS
AVERAGE AGE

EDUCATION



FINANCE

Half of the world's top 50 banks make up some of the 250+, world leading, financial services firms that have internationally focused operations based in Ireland. Over €1.8 trillion of funds are administered from Ireland.

Dublin has become a major global hub for fund administration, aircraft leasing, insurance and a range of wholesale banking activities. The Irish Stock Exchange is the world-leading listing venue for fund and structured debt products.

The international financial services sector in Ireland employs 25,000 people directly and many more indirectly.

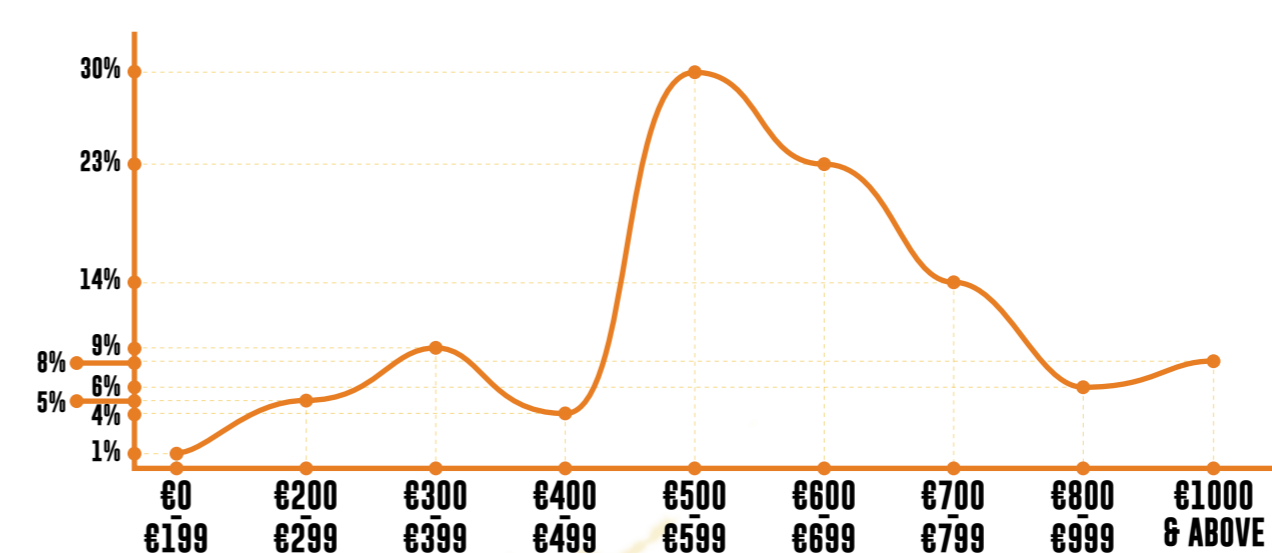
Professional contracting in the finance sector is growing, 14% of all respondents fall into this category.

GENDER

The finance sector is made up of 81% males and 19% females. The gender split has changed since 2021 when 25% of finance contractors were female and 75% were male.

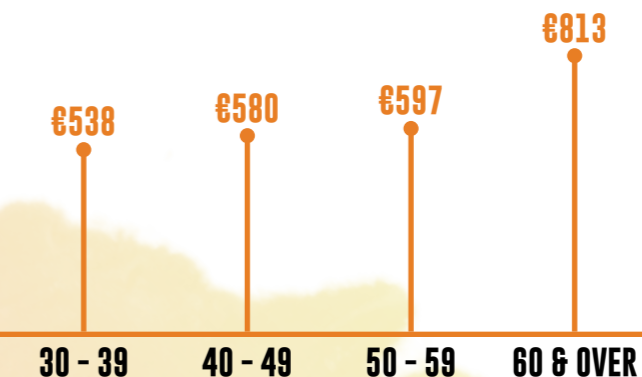
WHAT FINANCE CONTRACTORS ARE EARNING

The average daily rate in the finance sector is now €633, up almost 6% year on year.



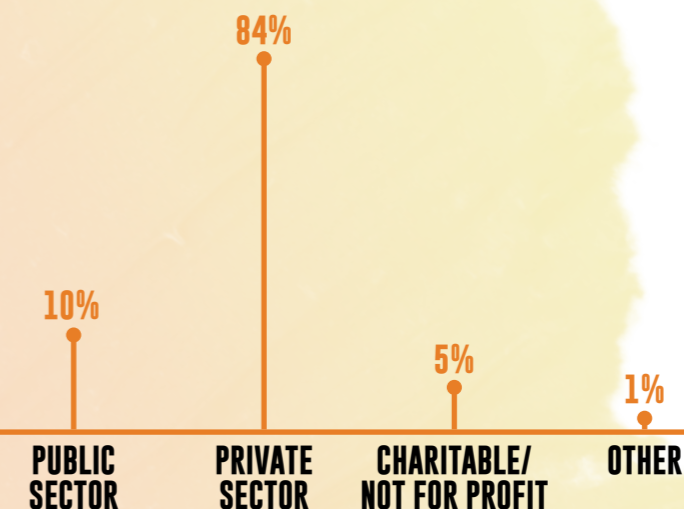
€633
AVERAGE DAILY RATE

AVERAGE DAILY RATE BY AGE

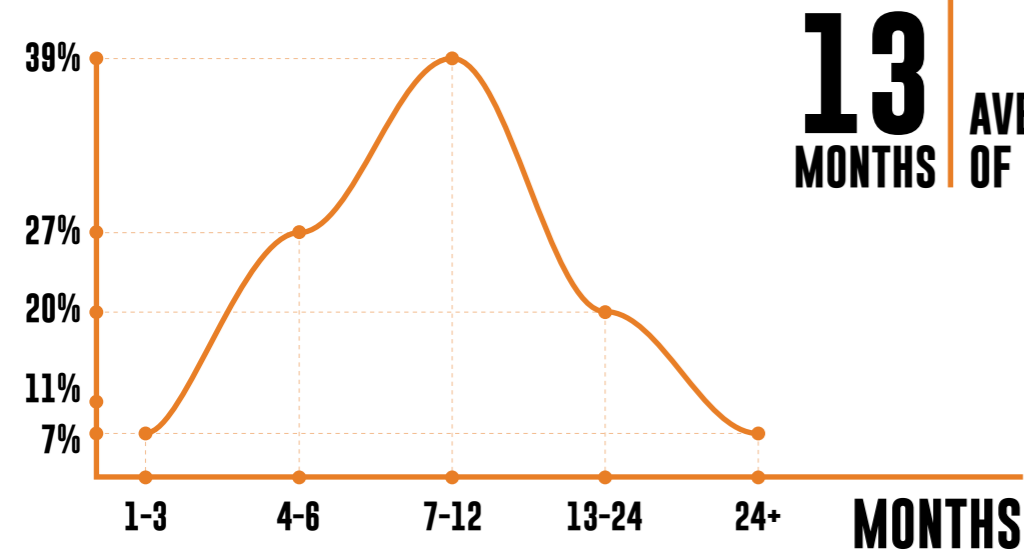


51%
OF FINANCE CONTRACTORS
HAVE A DAILY RATE OF €600
OR MORE.

SECTOR

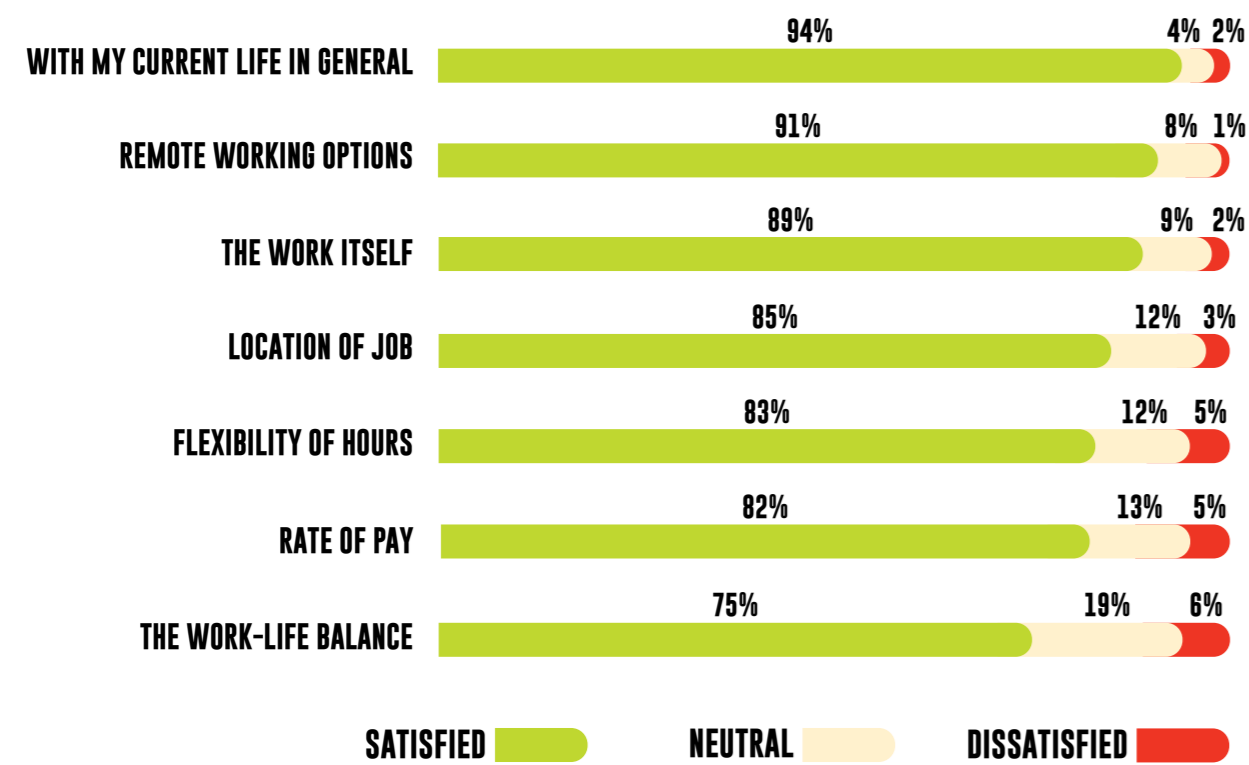


CONTRACT LENGTH



13 MONTHS
AVERAGE LENGTH OF CONTRACT

HOW FINANCE CONTRACTORS FEEL ABOUT THEIR WORK



CONTRACT LENGTH

The average contract length has remained stable at 13 months since 2021.

HOW FINANCE CONTRACTORS FEEL ABOUT THEIR WORK

Finance contractors were asked about their satisfaction with 7 key areas of their working lives. In 2023 finance contractors are very satisfied with 94% expressing satisfaction with their life in general. 89% are satisfied with the work itself up from 84% in 2022. 82% are satisfied with the rate of pay up from 80% in 2022. The lowest satisfaction score was 75%. This relates to their satisfaction rating for the work life balance, in 2022 work life balance also received the lowest rating with a satisfaction score of 73%.

EMPLOYABILITY

While 91% of finance contractors still perceive their experience to be in demand on the labour market this is down 5% from 2022. Only 53% of respondents agreed that it would be easy to find another contract. This is down significantly from 2022 where 71% of respondents agreed it would be easy to get another contract.

FUTURE EXPECTATIONS

Finance contractors have a positive attitude towards the contracting sector with 68% of participants stating they think the sector will increase in the next 3-5 years. 45% of respondents believe that the Irish economy will perform better in 2023 compared to 2022.

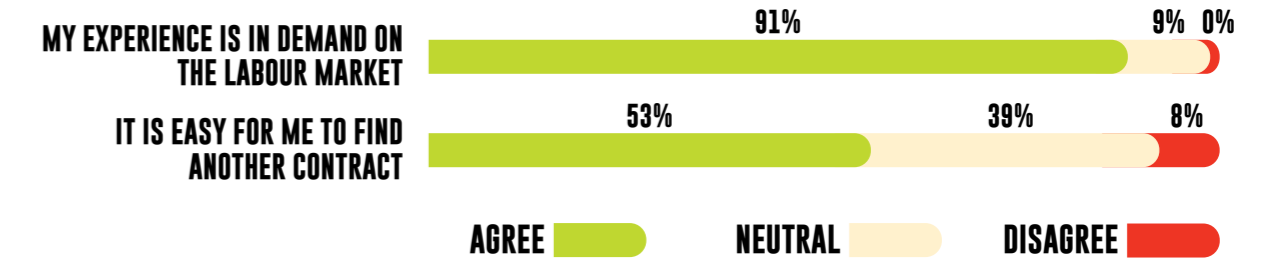
When asked these questions in 2022 76% of contractors agreed that the contracting sector would increase in the next 3-5 years and 79% of respondents agreed that the Irish economy would perform better in 2022 than 2021. So while the respondents remain positive about both the sector and the economy there is a drop in the number of people who feel positive about the outcome.

CONFIDENCE INDEX

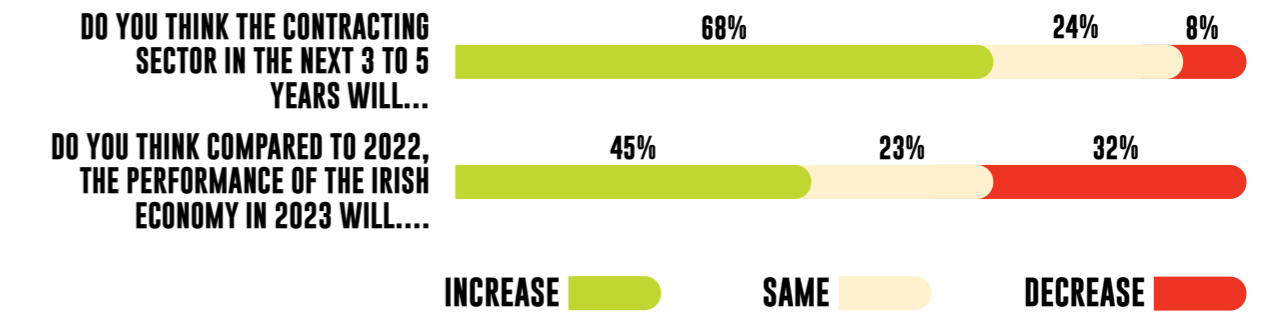
In 2023 the confidence index score for the performance of the contracting sector in the next 3-5 years is +34, this has reduced from the +40 confidence score in 2022.

The confidence index score in relation to the performance of the economy in 2023 is +6, the confidence index score in relation to the performance of the economy in 2022 was +40.

EMPLOYABILITY



FUTURE EXPECTATIONS



CONFIDENCE INDEX



ENGINEERING

& TECHNICAL ACTIVITIES

"Contracting lets me work in many different environments while learning more about how companies operate."



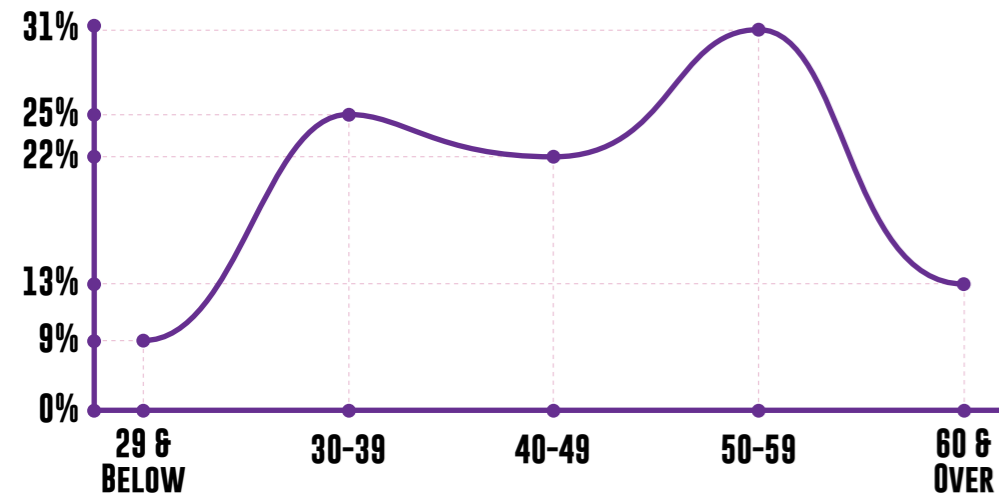
GENDER

89%
MALE



11%
FEMALE

AGE



47 YEARS
AVERAGE AGE

ENGINEERING & TECHNICAL ACTIVITIES

With over 23,000 people employed in the engineering sector, Ireland's engineering industry supports the top eight industrial automation companies, four of the top 10 global engineering design firms and includes companies like Liebherr, Henkel, Element Six, Sulzer and Thermo King.

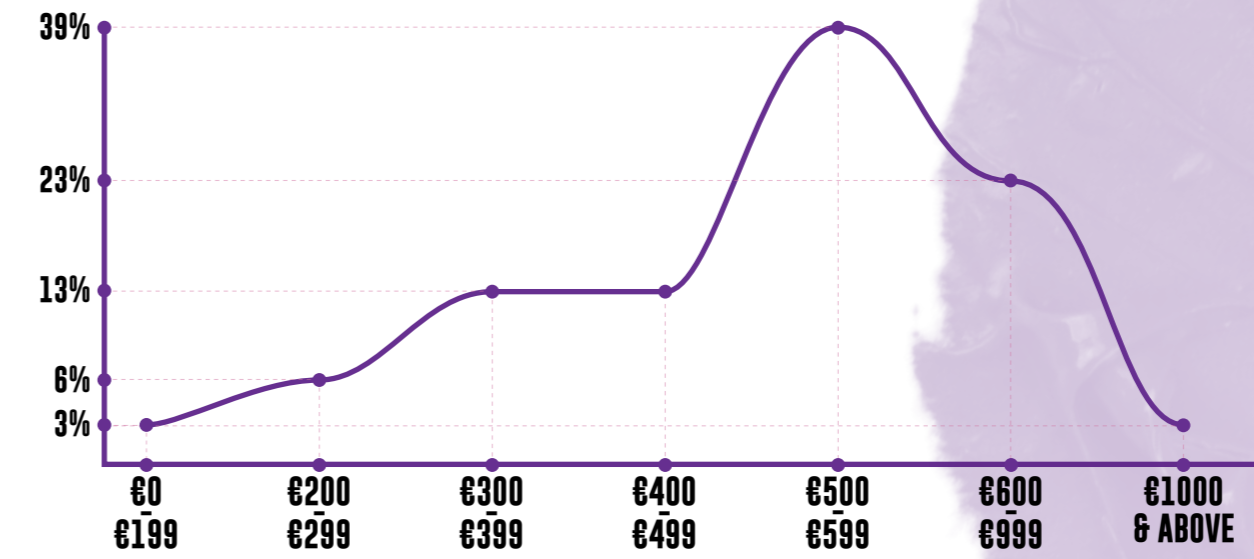
With over 250 industrial technology and engineering companies in Ireland, the sector contributes more than €5.6 billion annually to Irish exports.

Principal industry sectors include automotive, aerospace, chemicals and advanced materials, automation and industrial technology.

GENDER

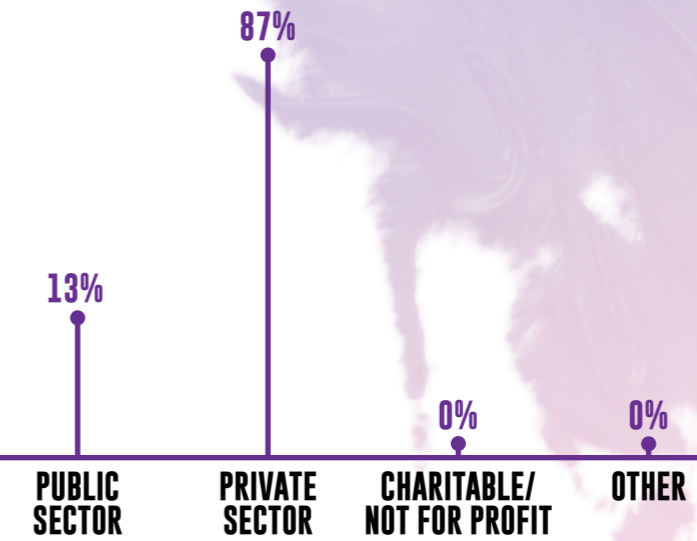
Professional Contractors in the Engineering sector are still predominately male at 89%. Women are significantly underrepresented at just 11%. In the 2022 study we saw the percentage of females in the engineering sector rise from 7% in 2021 to 19%. It is disappointing to see the numbers of females contracting in the engineering sector falling back again.

DAILY RATE

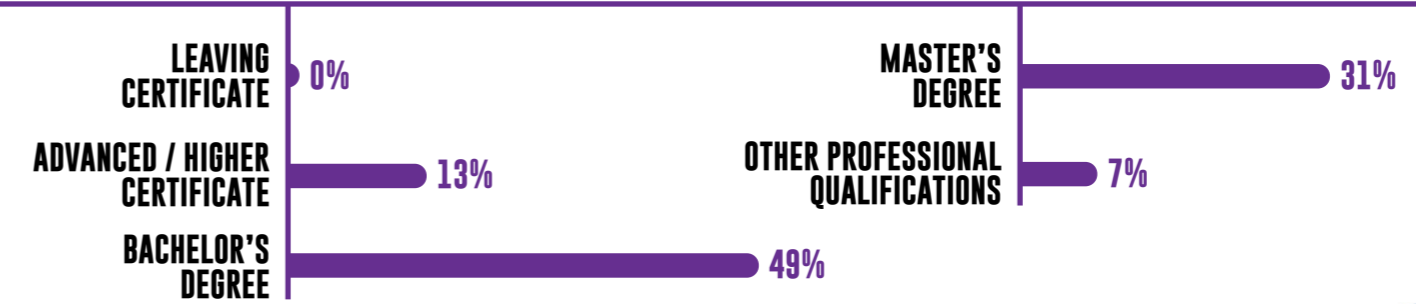


€543
AVERAGE DAILY RATE

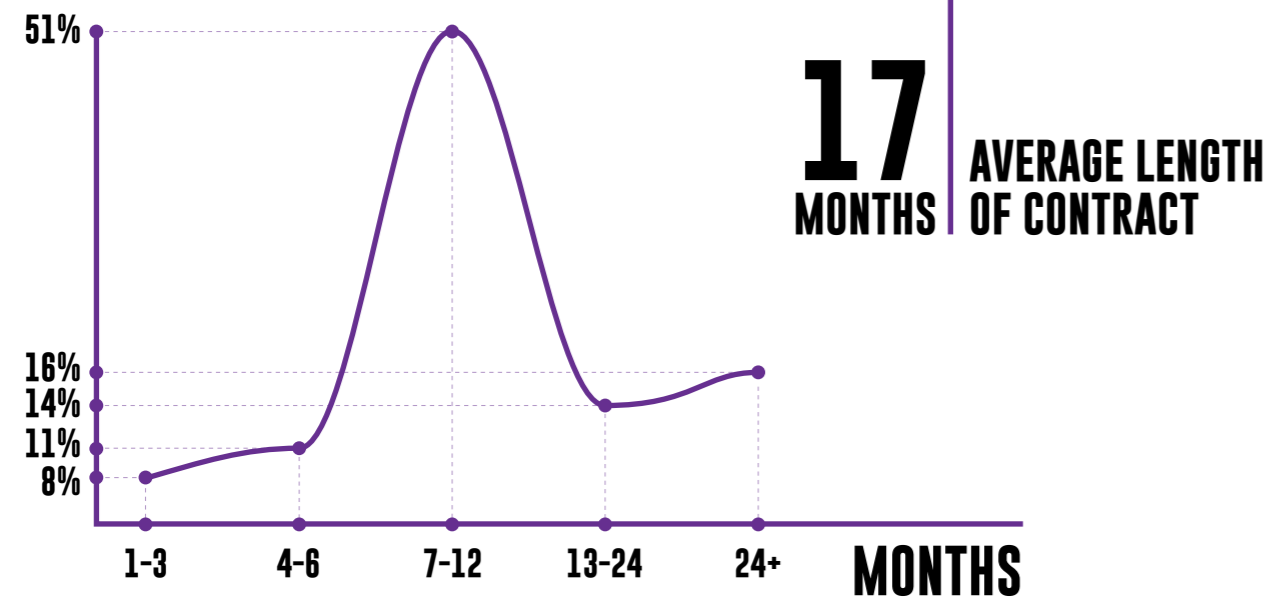
SECTOR



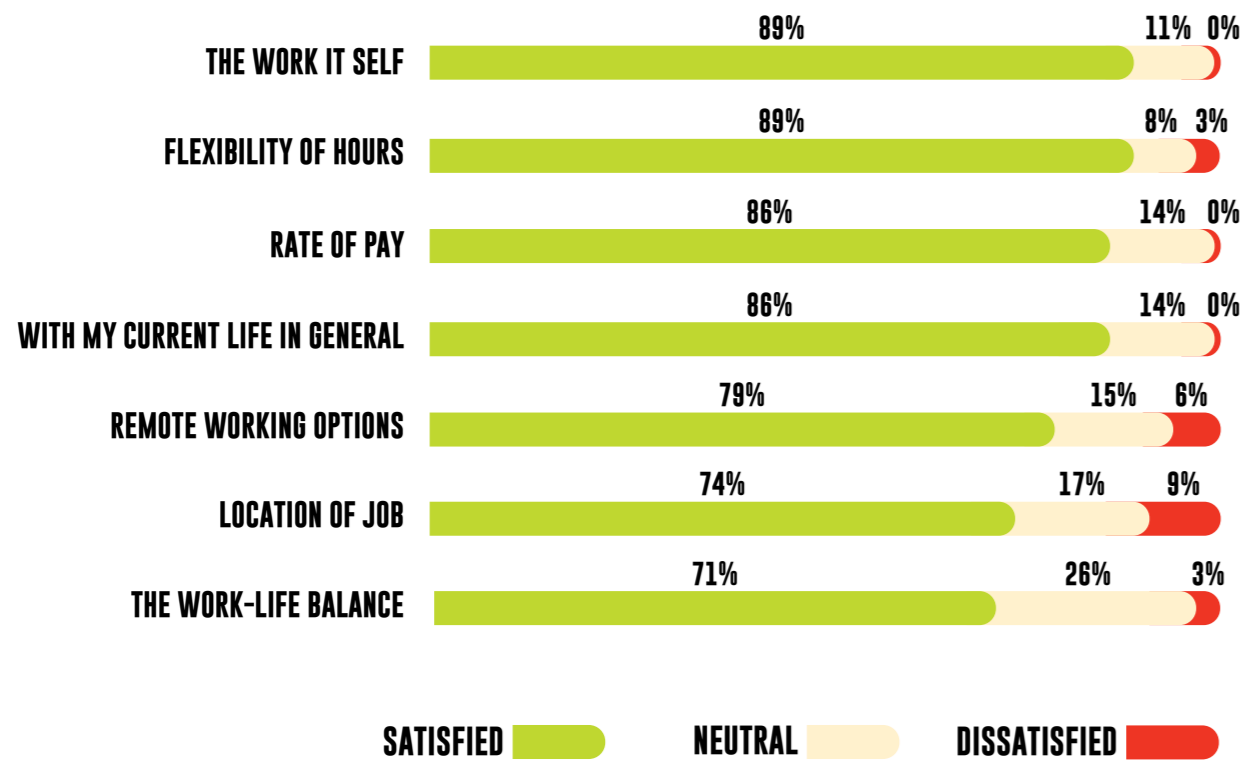
EDUCATION



CONTRACT LENGTH



HOW ENGINEERING & TECHNICAL CONTRACTORS FEEL ABOUT THEIR WORK



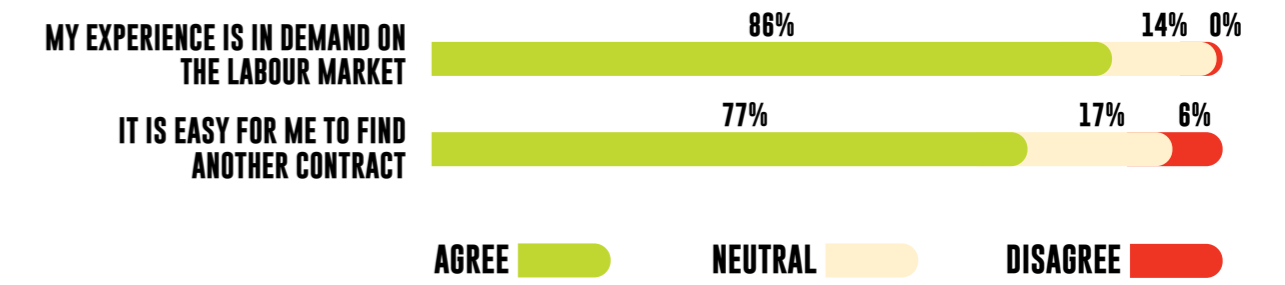
HOW ENGINEERING & TECHNICAL CONTRACTORS FEEL ABOUT THEIR WORK

Professional contractors in this sector are largely satisfied with the key areas of their working lives. 89% reporting satisfaction with the work itself and 86% reported feeling satisfied with their current life in general. 86% were satisfied with the rate of pay. This was up from 75% in 2022, and yet the average rate of pay fell by almost 4% in the same time period. The lowest satisfaction score was with work-life balance at 71% down from 78% in 2022.

EMPLOYABILITY

86% of respondents see their experience in demand on the labour market down from 94% in 2022. In 2022 62% of respondents agreed that it would be easy to find a new contract this has increased to 77% in 2023.

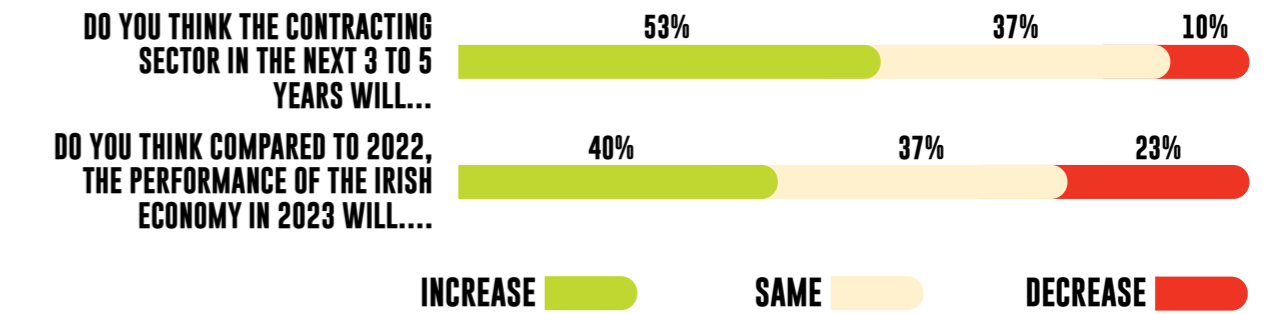
EMPLOYABILITY



FUTURE EXPECTATIONS

53% of the respondents think that the contracting sector over the next 3-5 years will increase, 37% think it will remain the same and 10% expect it to decrease, 40% of respondents think the performance of the Irish economy will increase in 2023 compared to 2022, 37% expect it to remain the same and 23% expect it to decrease

FUTURE EXPECTATIONS



CONFIDENCE INDEX

Contractors in the engineering and technical activities sector remain confident in their outlook. The confidence index score for the contracting sector was +27. The confidence index score relating to the performance of the Irish market was +8.

CONFIDENCE INDEX



MEDICAL LOCUM

"I work in the medical sector. Your input and availability are always appreciated due to the excessive pressures on people and the system. There are not enough of "me" around, so people appreciate getting us."



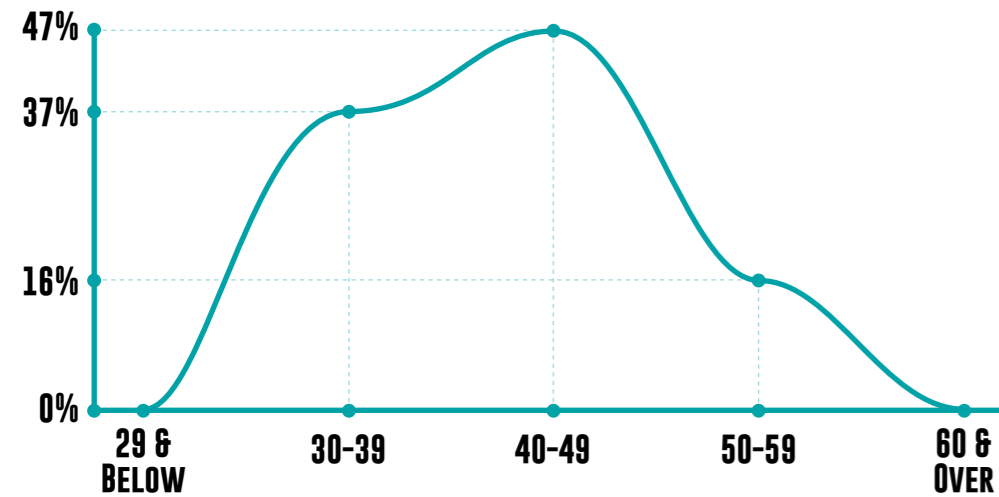
GENDER

65%
MALE



35%
FEMALE

AGE



42 YEARS
AVERAGE AGE

MEDICAL LOCUM

The medical practitioners' field continues to be under immense pressure in Ireland and the shortage of General Practitioners and consultants in particular continues to influence the growth of the Medical Locum sector.

The Irish Medical Organisation recently described Ireland as in the midst of a "medical workforce shortage" which is part of an international, global medical workforce shortage.

This means the sector continues to experience an abundance of contract roles.

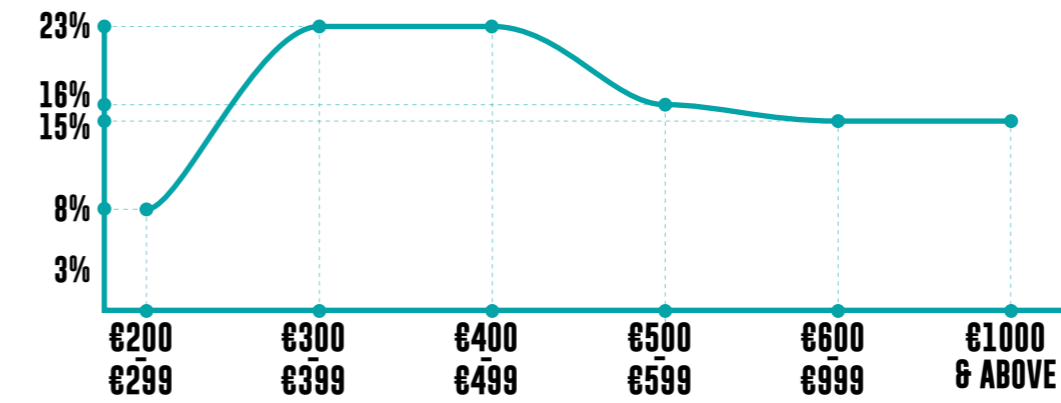
GENDER

The gender profile in the Medical Locum sector has changed significantly over the past year with 35% of all contractors working in the medical locum sector being female. This is an increase of 14% since 2022 where only 21% of contractors were female.

AGE

We can see a change in the over 60 age group over the past 2 years with contractors aged 60 and over making up 10% of the medical locum contracting population in 2021. This moved to 13% in 2022 and is now 0% in 2023. 84% of all contractors in the medical locum sector in 2023 were aged between 30 and 49. In 2022 this group accounted for just 52% of the total and in 2021 this group was 47% of the total. In 2023 16% of the contractors were aged between 50-59 this group accounted for 26% of the total in 2022.

DAILY RATE

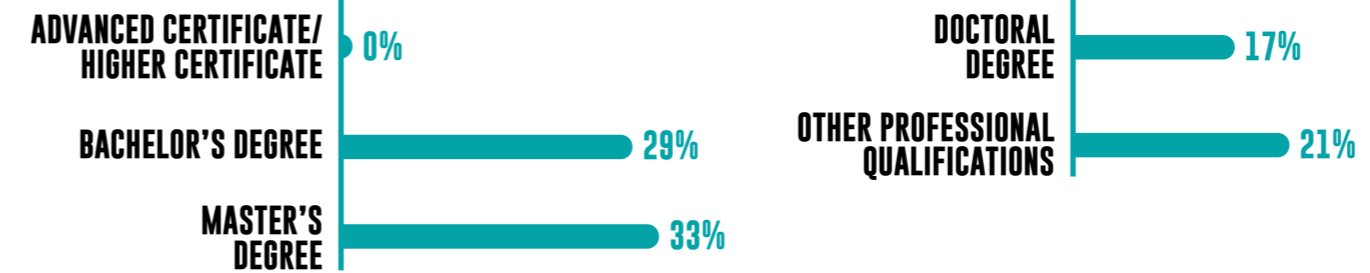


€700
AVERAGE DAILY RATE

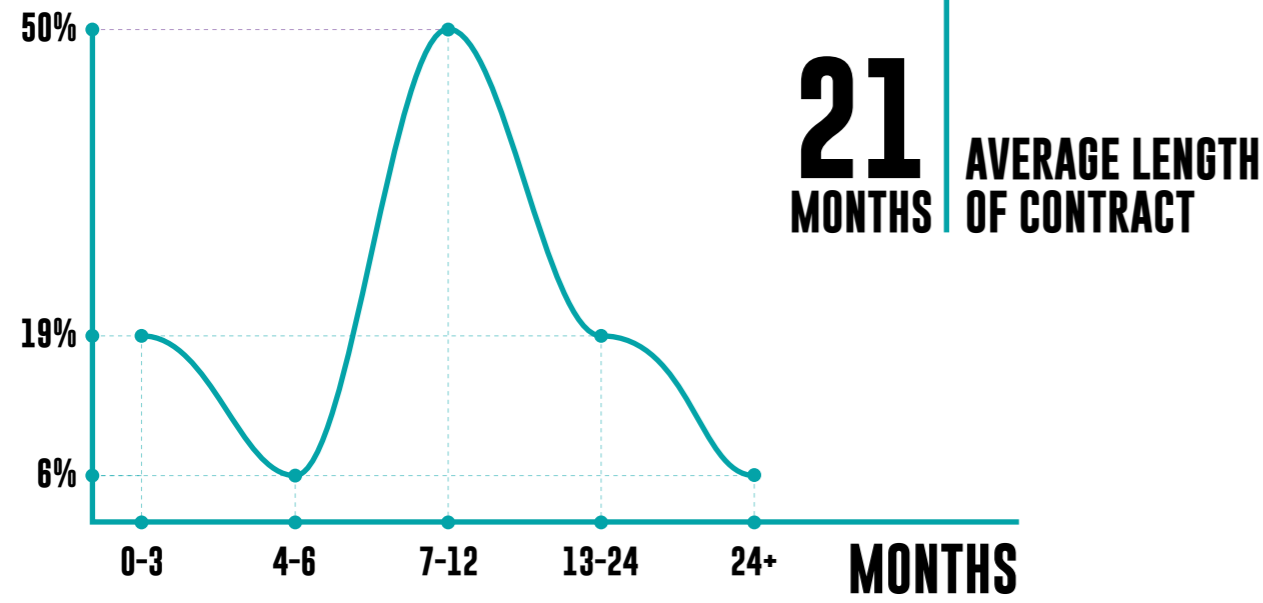
SECTOR



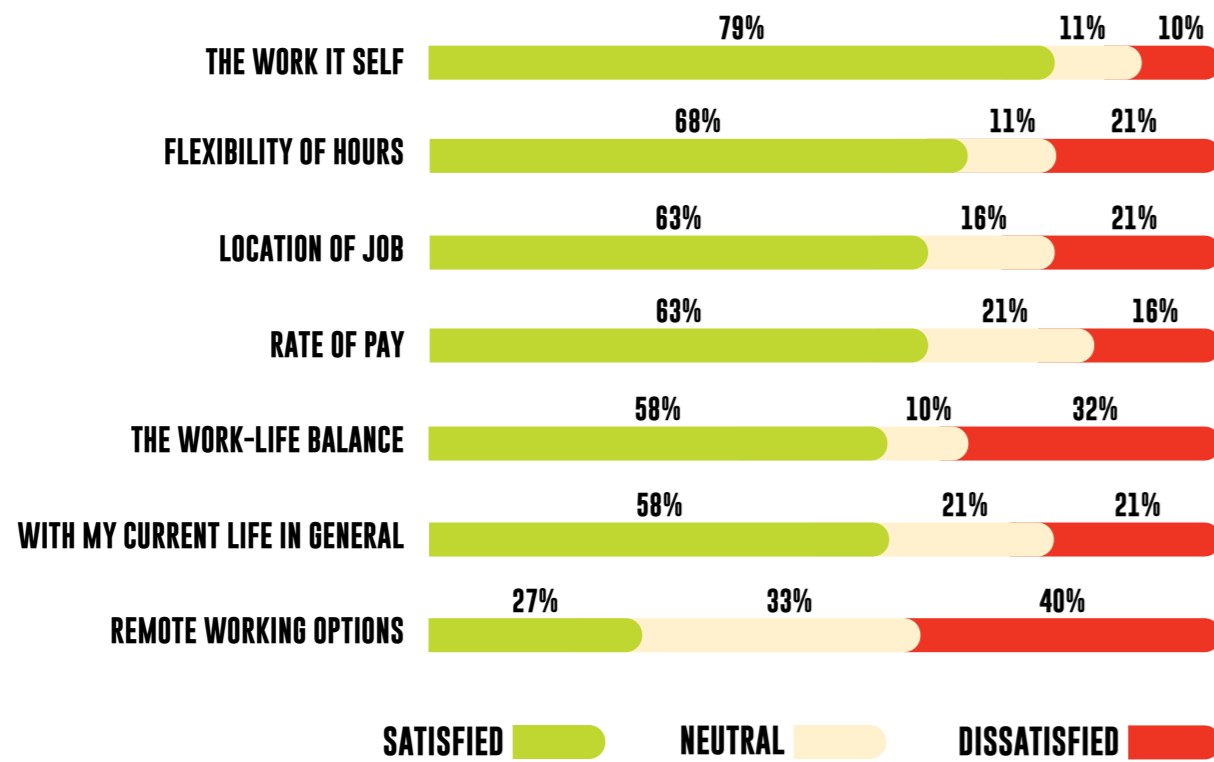
EDUCATION



CONTRACT LENGTH



HOW MEDICAL LOCUMS FEEL ABOUT THEIR WORK



CONTRACT LENGTH

The average contract length is reported as being 21 months, a change from 2022 where the average contract length was 34 months.

EMPLOYABILITY

Medical locums are in no doubt that they are in high demand and that their experience is in demand, with 100% of respondents in agreement with that statement. (90% of respondents also agree that it would be easy for them to find another contract.)

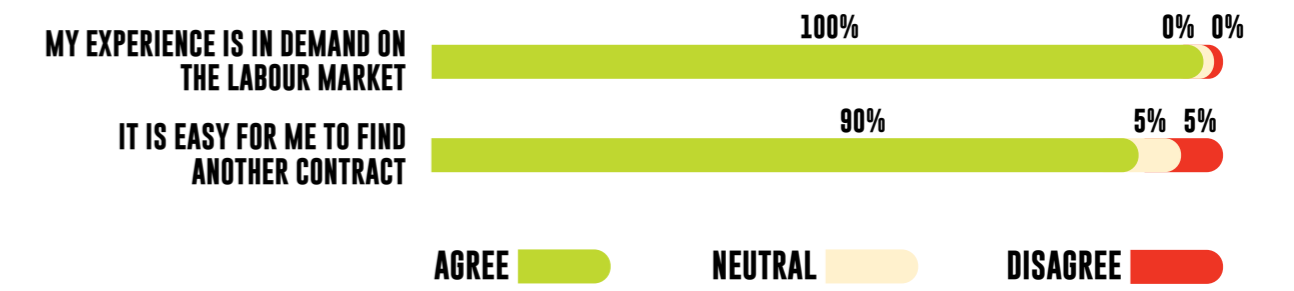
FUTURE EXPECTATIONS

While respondents agreed that their expertise was in demand and that they could easily find another contract, only 28% of participants agreed that the contracting sector in the next 3-5 years would increase. 28% of respondents also think that the Irish economy will perform better in 2023 compared with 2022.

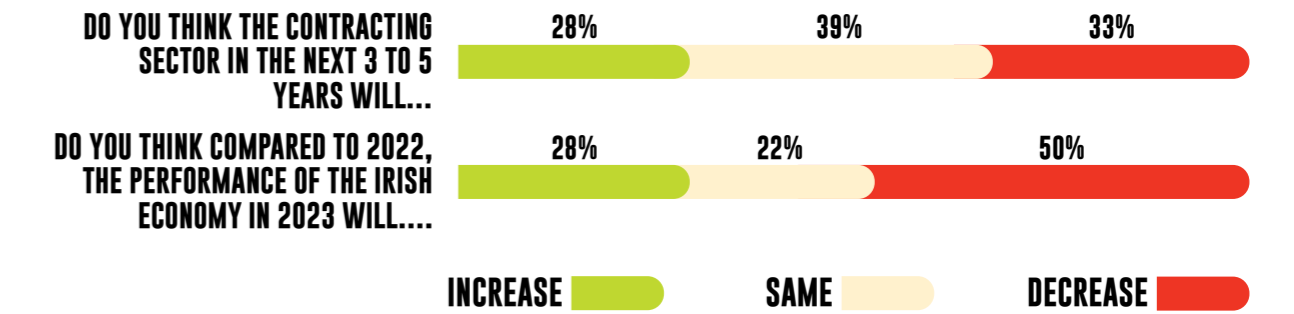
CONFIDENCE INDEX

Medical Locums have a negative confidence index score for the contracting sector in the next 3-5 years of -3 and a negative confidence index score for the performance of the Irish economy in 2023 of -11.

EMPLOYABILITY



FUTURE EXPECTATIONS



CONFIDENCE INDEX

THE CONTRACTING SECTOR IN THE NEXT 3 TO 5 YEARS

-3

THE PERFORMANCE OF THE IRISH ECONOMY IN 2023

-11



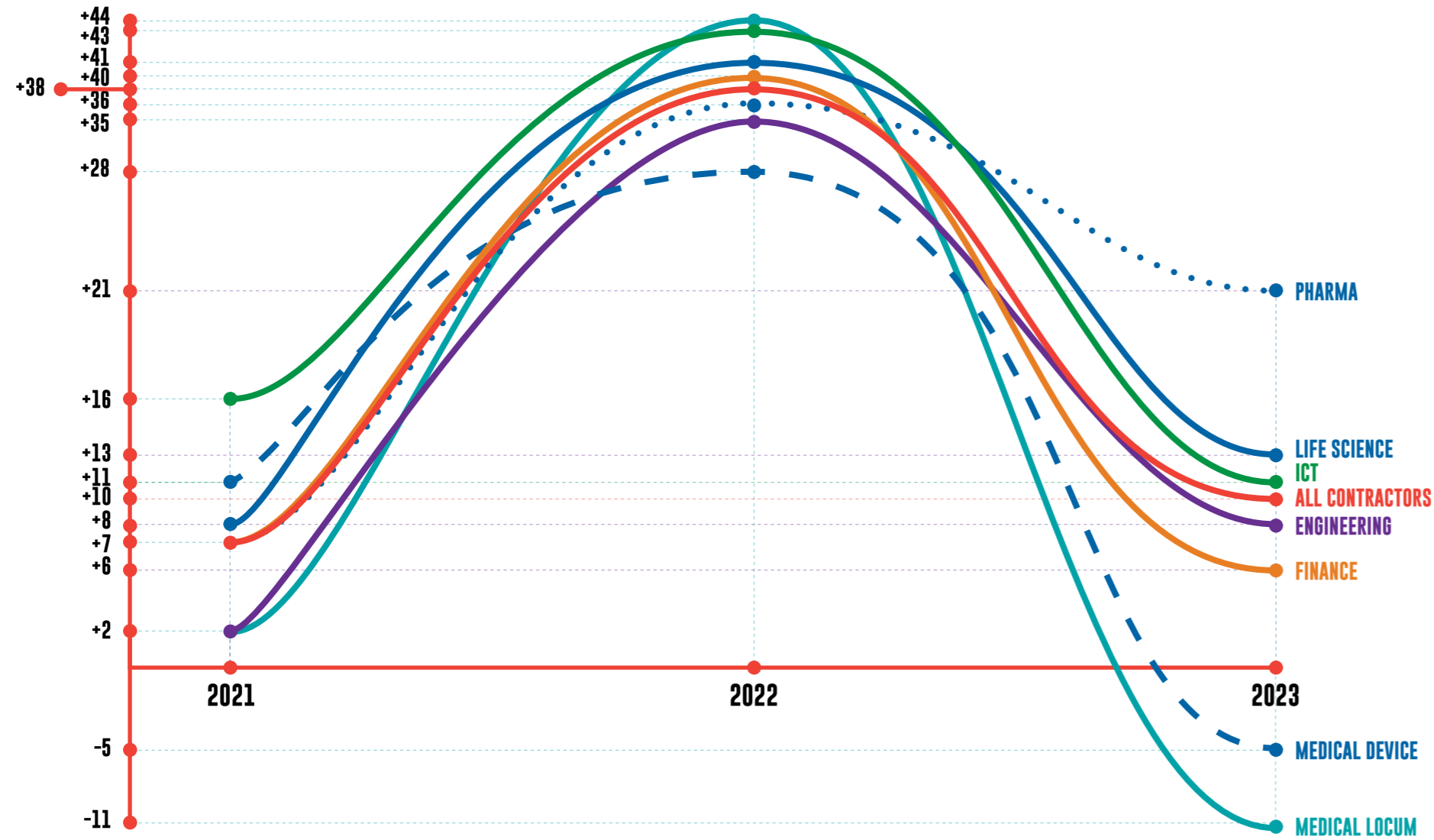
CONFIDENCE INDEX

"I have enjoyed my years working both in employment and self-employment. I have great hopes for the future of the Irish economy."



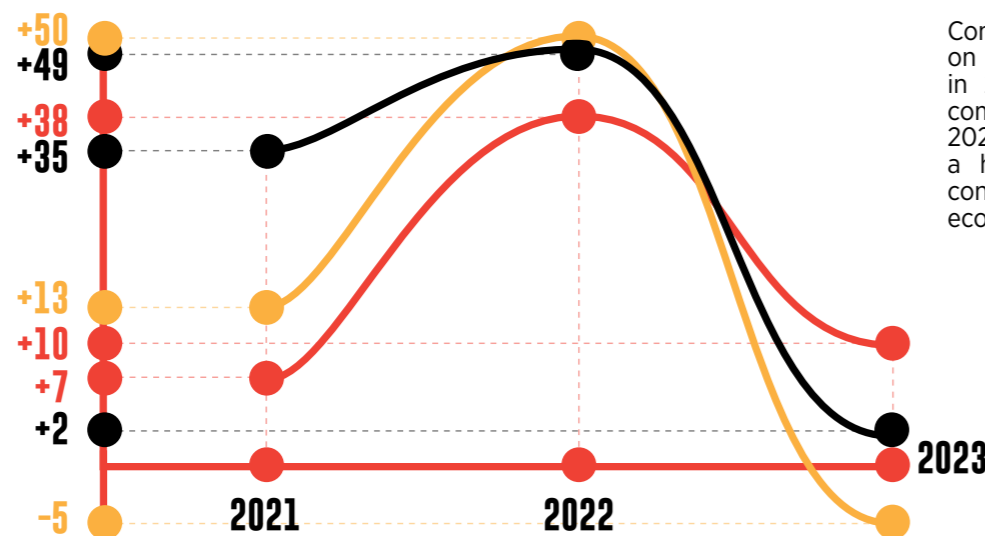
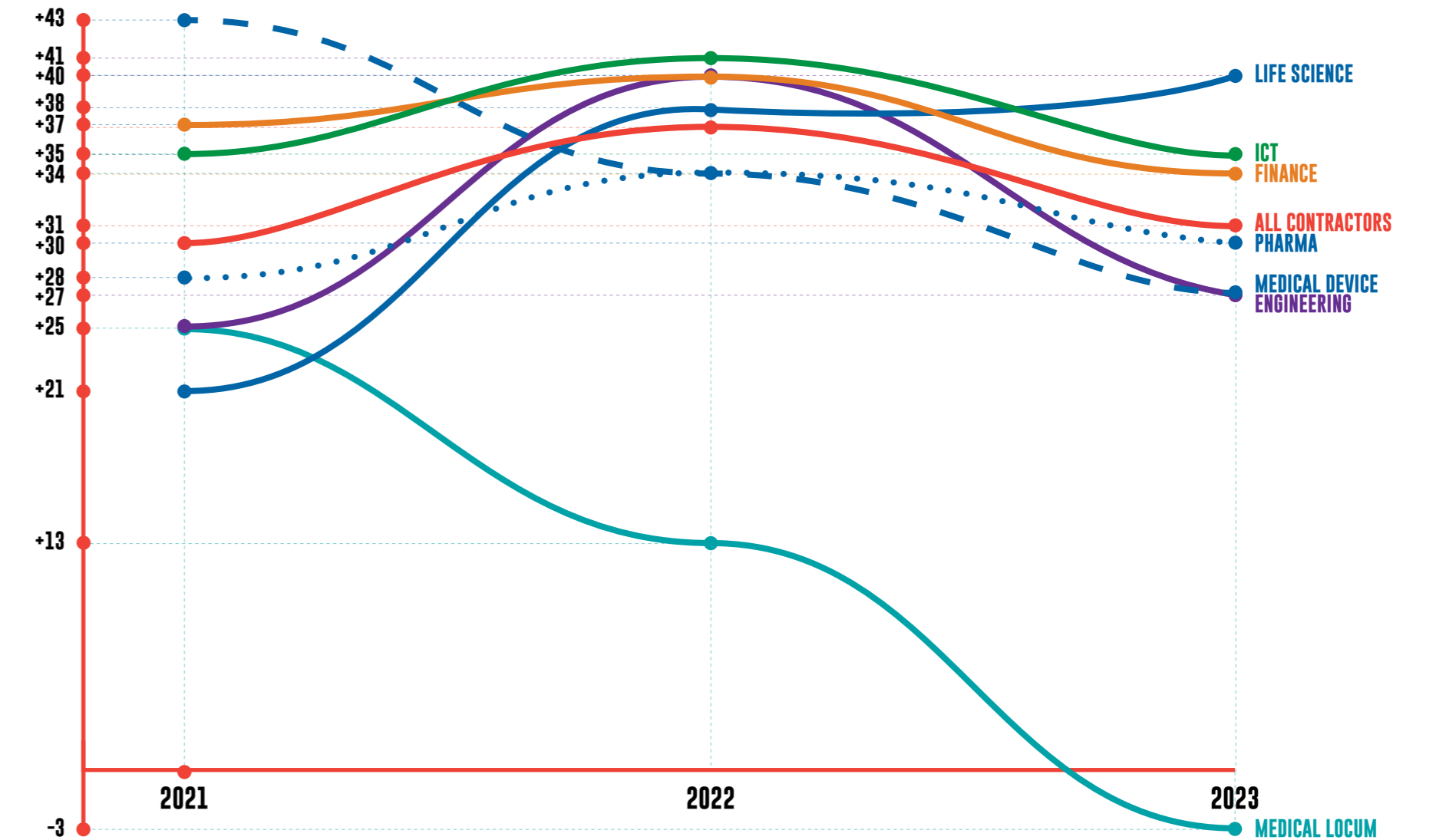
THE PERFORMANCE OF THE IRISH ECONOMY

The outlook for the Irish economy in 2023 while positive is significantly less positive than the outlook contractors held in 2022, the confidence index score of all contractors in 2022 was +38 the confidence index score is +10 for 2023. The confidence index score relating to the performance of the Irish Economy varies depending on the industry the contractors operate in with Medical Locum reporting the lowest score of -11 and Pharma contractors reporting the highest confidence index score in relation to the economy of +21. The Med Device contractors also had a negative confidence index score in relation to the performance of the Irish economy, while both pharma and life science contractors have a more positive outlook.

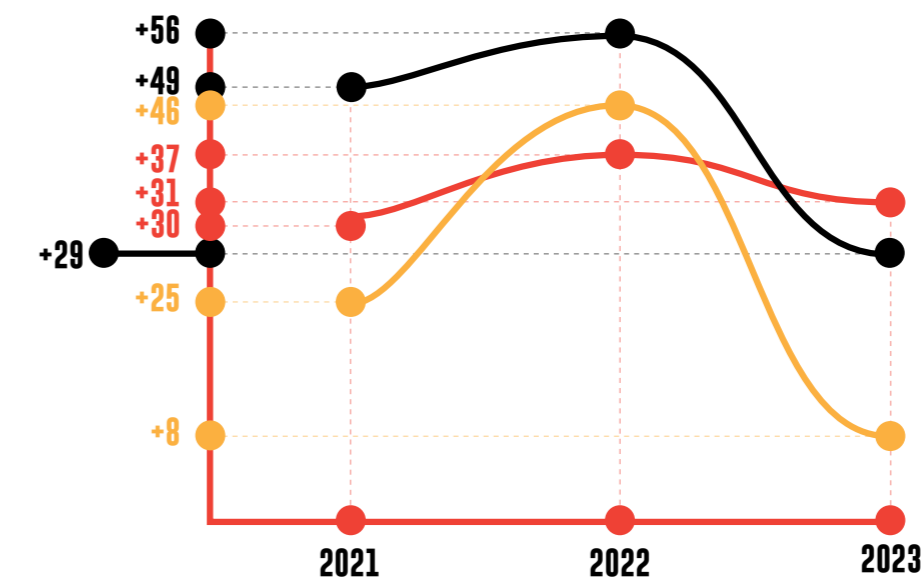


CONTRACTING SECTOR IN THE NEXT 3-5 YEARS

Contractors are very positive about the future of the contracting sector in the next 3-5 years. Life science contractors have the highest confidence index score of +40, Medical Locum have the lowest at -3. Interesting to see that the performance of the contracting sector in the next 3-5 years has significantly higher confidence index scores than the scores received for the performance of the Irish economy in 2023.



Contractors have a more positive outlook on the performance of the Irish Economy in 2023 +10 when compared to client companies -5 and recruiters +2. In both 2021 and 2022 clients and recruiters had a higher confidence index score than contractors in the performance of the Irish economy.



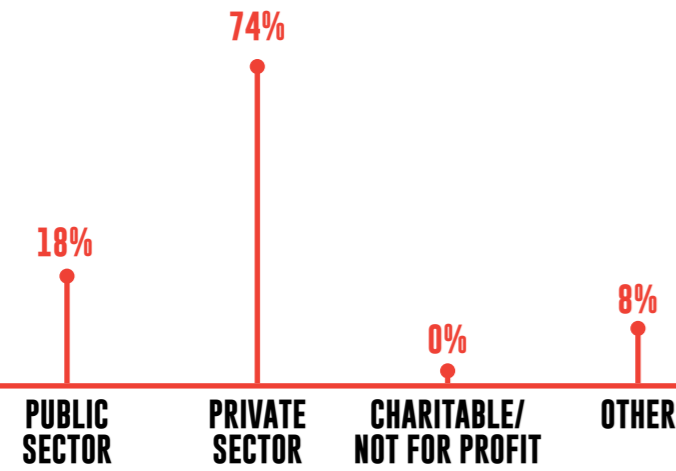
Contractors have the highest confidence index score +31 in the performance of the contracting sector in the next 3-5 years. Client companies have the lowest score of +8 and recruiters have a score of +29. The takeaway here is that all groups remain positive in their outlook for the contracting sector.

HERE'S WHAT THE RECRUITERS SAY

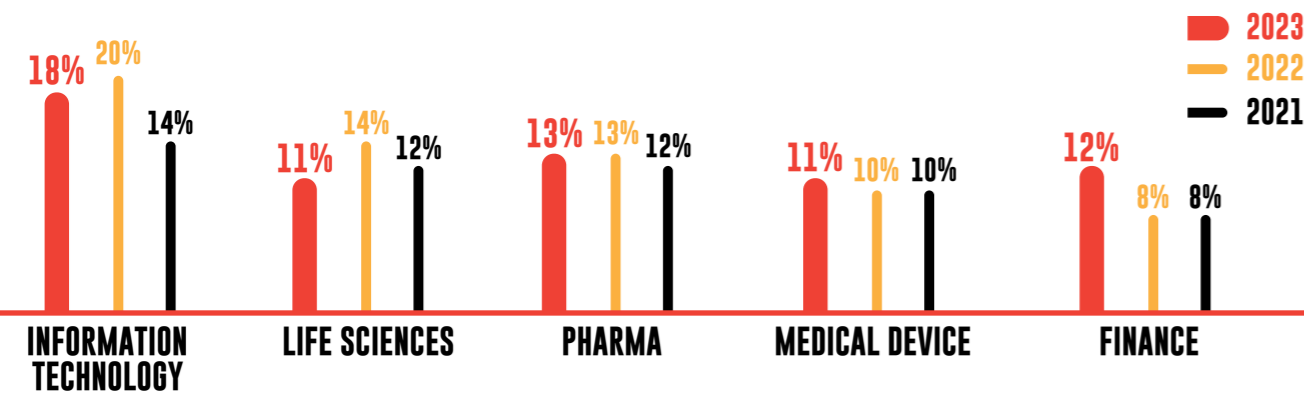
"Contracting works for client organisations (access to talent in a period of skills shortage, specialist resources for projects, less risk) and for contractors (freedom, more interesting and challenging projects, the satisfaction of putting experience and skills to work to add value). However it feels like the reward to contractors for taking risks is being eroded by Government policy."



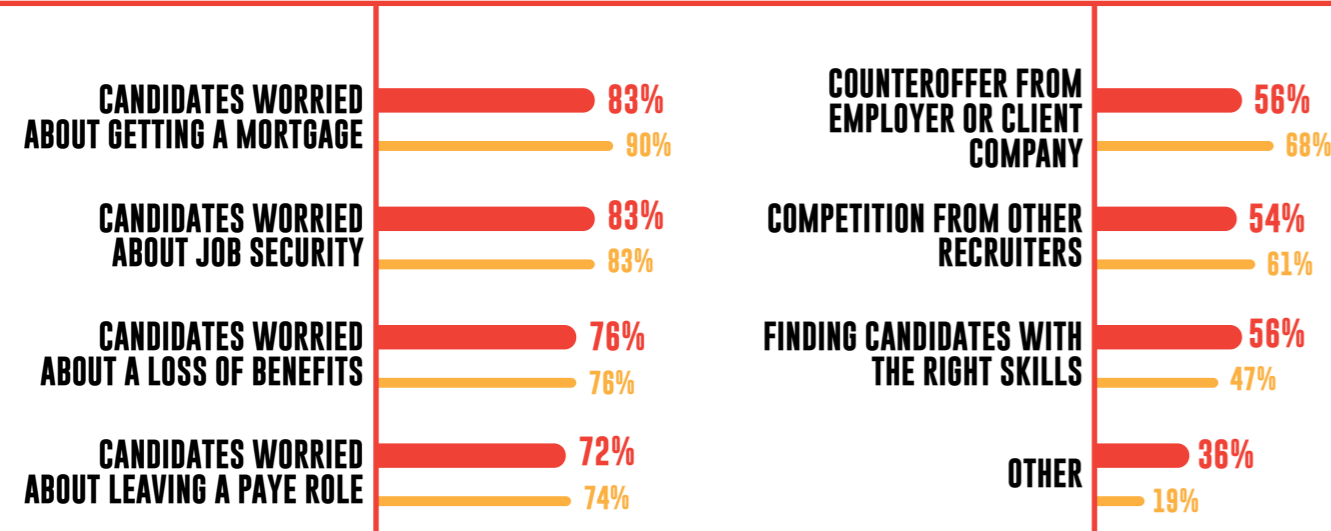
RECRUITERS AND CONTRACTING



5 KEY INDUSTRIES



CHALLENGES FOR RECRUITERS



RECRUITERS

Recruiters are positive about the outlook for the contracting sector in the next 3-5 years. Recruiters have a confidence index score of +29 in relation to the contracting sector and +2 in relation to the performance of the Irish economy in 2023.

With the growth in engagement of professional contractors, recruiters are becoming more aware of their value and importance. However, recruiters do express concern about Government policy in relation to tax and benefits available to high-skilled workers and the negative impact it has on the number of candidates who are prepared to consider contract roles. Recruiters also reported that candidates are now expressing fear that Ireland may go into recession and as a result they are less willing to move away from permanent roles. The cost of living, the housing crisis and inflation are all reported as factors which recruiters believe have a negative impact on contracting. Recruiters also reported that candidates are looking at global opportunities and are willing to re-locate to other European countries for better paid roles where housing availability and tax treatment of contractors is better. Recruiters expressed the need for continued support in relation to visas being key for maintaining the supply of workers for contract roles.

Recruiters see candidates' fears around their ability to get mortgages and job security as the biggest challenges they need to overcome when talking to them about contract roles.

5 KEY INDUSTRIES

More than half of all contract roles recruited for are in just 5 industries, Information Technology, Life Sciences, Pharma, Medical Device, and Finance.

The hardest skillsets to source were reported as:

1. Cyber security
2. Life science engineers
3. Quantity surveyor
4. Automation Engineers

Key drivers for contract roles:

Recruiters reported that the adoption of new technologies with no in-house skills was a key driver for contract roles, along with the opportunity to earn more money and remote working conditions.

CHALLENGES FOR RECRUITERS WHEN PLACING CONTRACTORS

The two main concerns that recruiters need to address when trying to place candidates for contract roles are the same as those reported in 2022, (the ability to get a mortgage and job security). 83% of recruiters surveyed said that contractors expressed worry about mortgages; this is down from 90% in 2022. Job security remains at 83%. 76% of recruiters had to overcome candidates' worry around loss of benefits and 72% of recruiters said contractors had expressed worry about leaving a PAYE role. 56% of recruiters reported challenges with counteroffers down from 68% in 2022, perhaps indicating a slowdown in activity in the labour market and a more prudent approach to salary. 54% of recruiters said that they had challenges from other recruiters to deal with when they were trying to place contractors. Finding candidates with the right skill set is still an issue for 56% of recruiters. Another challenge identified by recruiters when trying to place contractors was, experienced contractors looking for rates that are highly inflated and unrealistic for current market conditions. The rates on offer by client companies were not high enough. Recruiters also reported that contractors were taking up roles abroad where the rates were reportedly higher, taxes were lower and the standard of living and availability of housing was better.

WHAT THE RECRUITERS SAY

"Tax rules/reward for taking the leap of faith to become a contractor could be more attractive. There could be more state support in areas like training and upskilling. Large multi-nationals get gold-plated treatment, grants and incentives. Would be good if the SME sector including contractors was treated in the same way."

"Tax incentives/ vat rates are better for contractors in other EU countries."

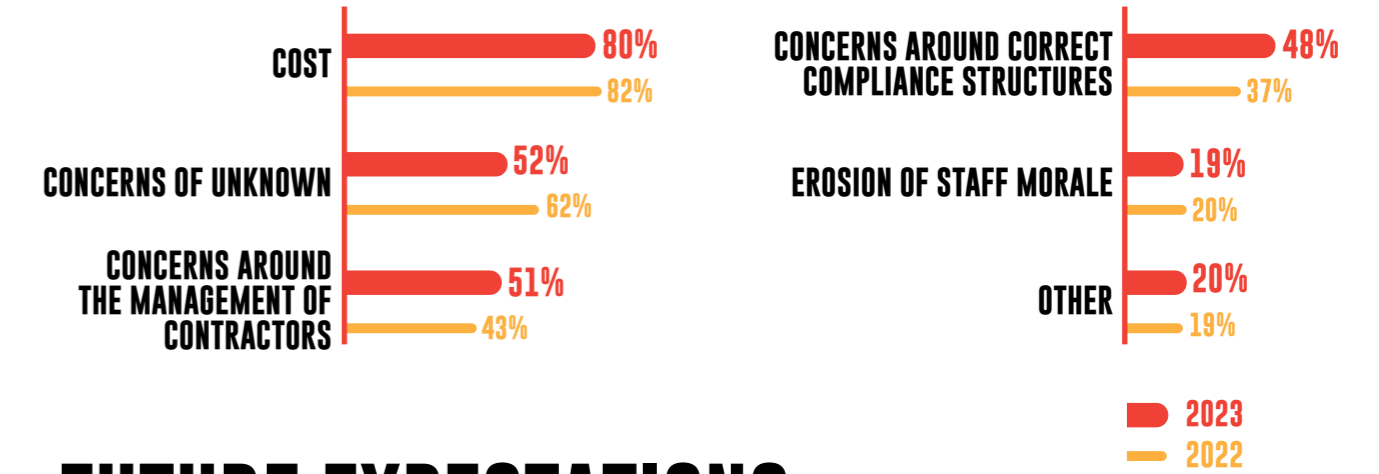
"The government need to give more work permits and allow different stamp level to work in Contract positions."

"Government seems to want to remove contractors from the labour market."

"The tax/insurance requirements for contractors can be prohibitive to employees opting for this way of working."

BARRIERS TO RECRUITING CONTRACTORS

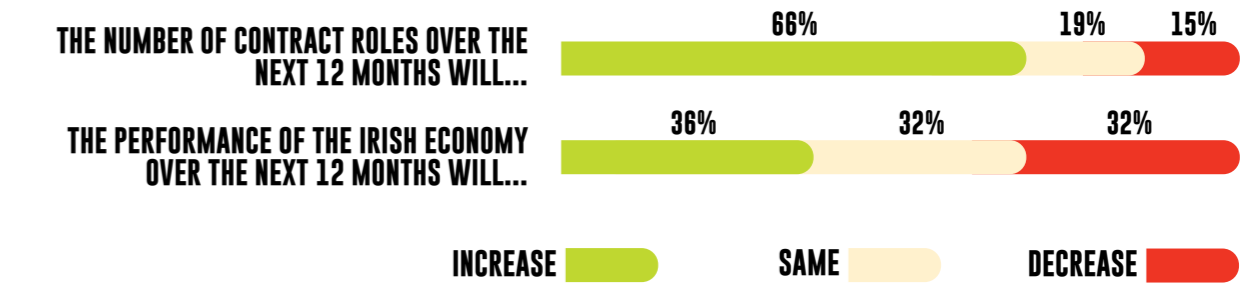
Recruiters still have to overcome barriers on the client side when placing contractors. 80% of recruiters reported costs and budgetary constraints as a primary barrier. Managing contractors and concerns around compliance are still a concern.



FUTURE EXPECTATIONS

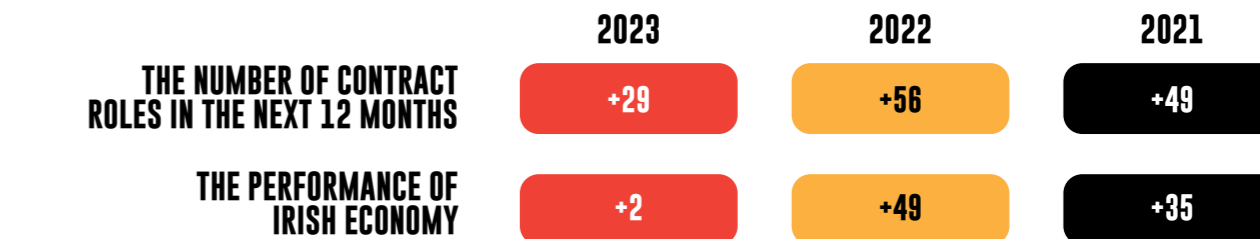
Recruiters are still feeling positive about both the Irish economy and the contracting sector.

COMPARED WITH THE PREVIOUS 12 MONTHS...



CONFIDENCE INDEX

The confidence index score that recruiters got in relation to the Irish economy is positive +2 but down significantly on 2022 where the score was +49. The recruiters are also positive about the number of contract roles in the next 12 months with a confidence index score of +29, this is also down on 2022 where the score was +56.

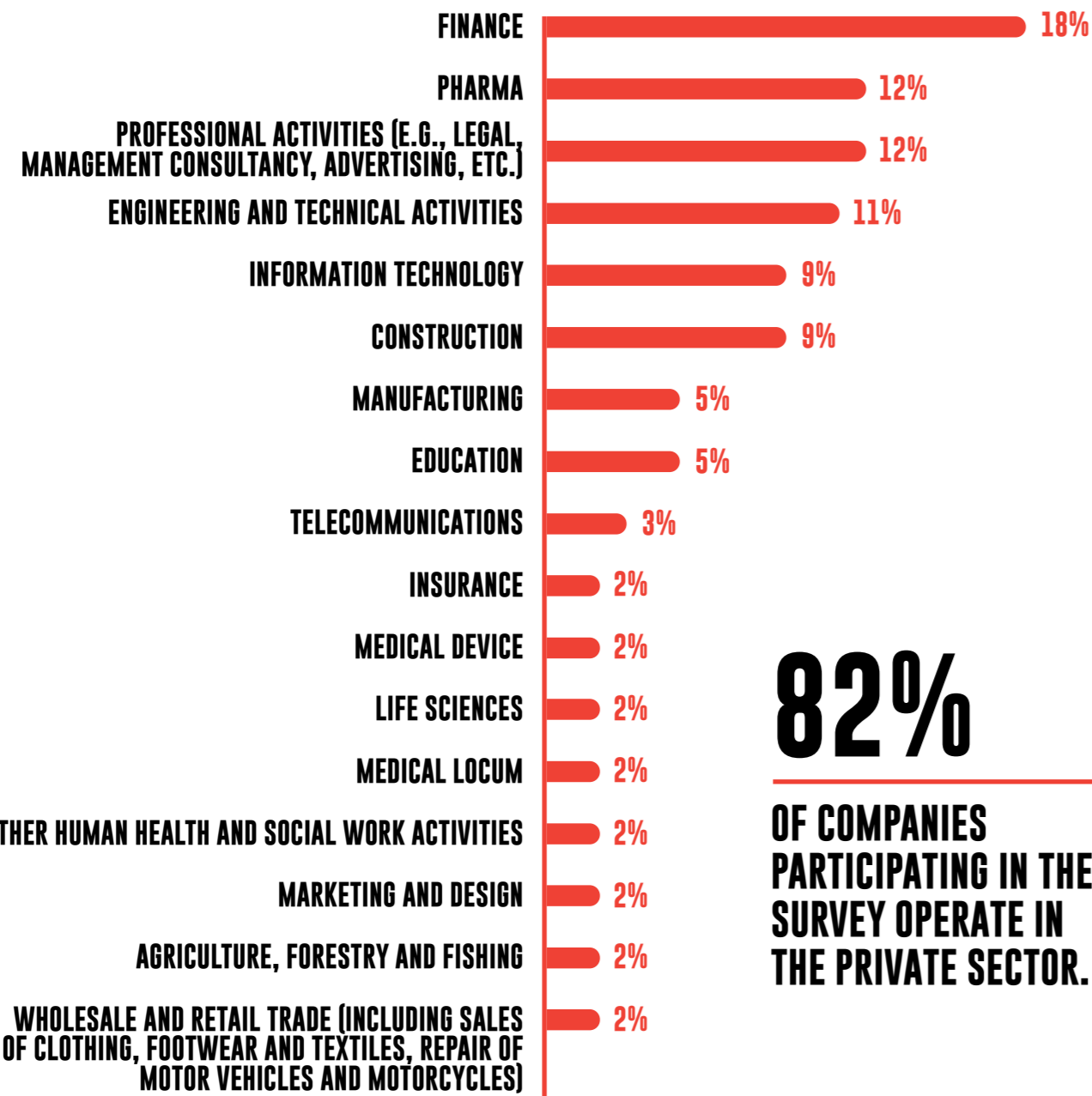
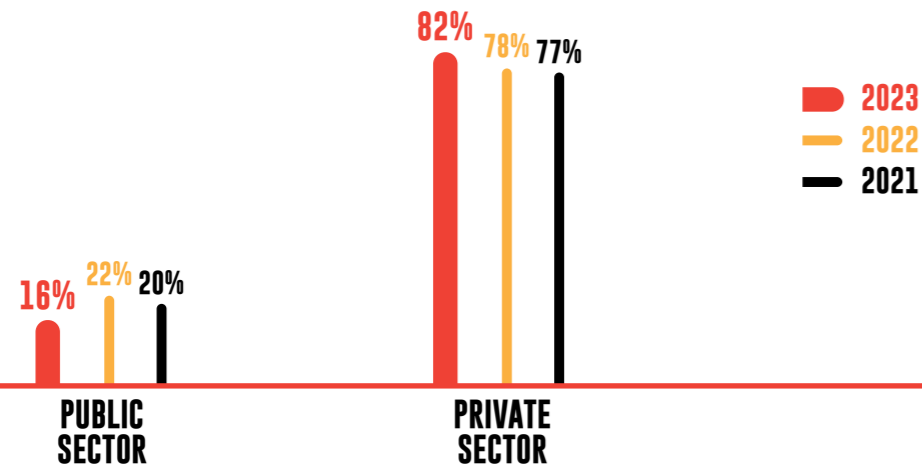


HERE'S WHAT THE **CLIENTS** SAY

"A lot of companies depend on contract workers and respect them more than may have traditionally been the case."



CLIENTS AND CONTRACTING



82%
OF COMPANIES PARTICIPATING IN THE SURVEY OPERATE IN THE PRIVATE SECTOR.

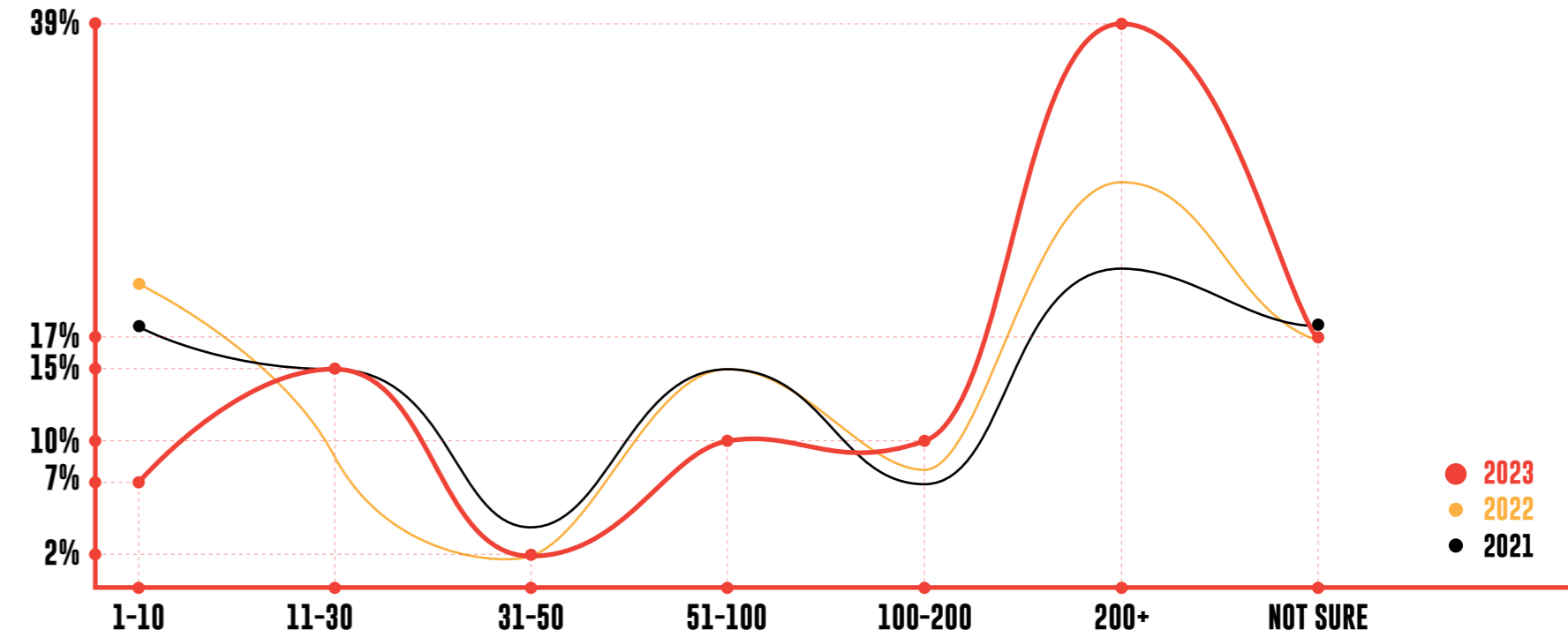
CLIENTS

Client companies understand the huge value professional contractors bring to their organisations. Contractors allow organisations progress projects quickly, lets them acquire sought after skills when necessary and keeps companies agile and responsive to both project needs and market conditions. Organisations utilising contractors in their labour model can hire in skills when they are needed and once the contract is finished the overhead is gone. This ultimately reduces unnecessary labour costs.

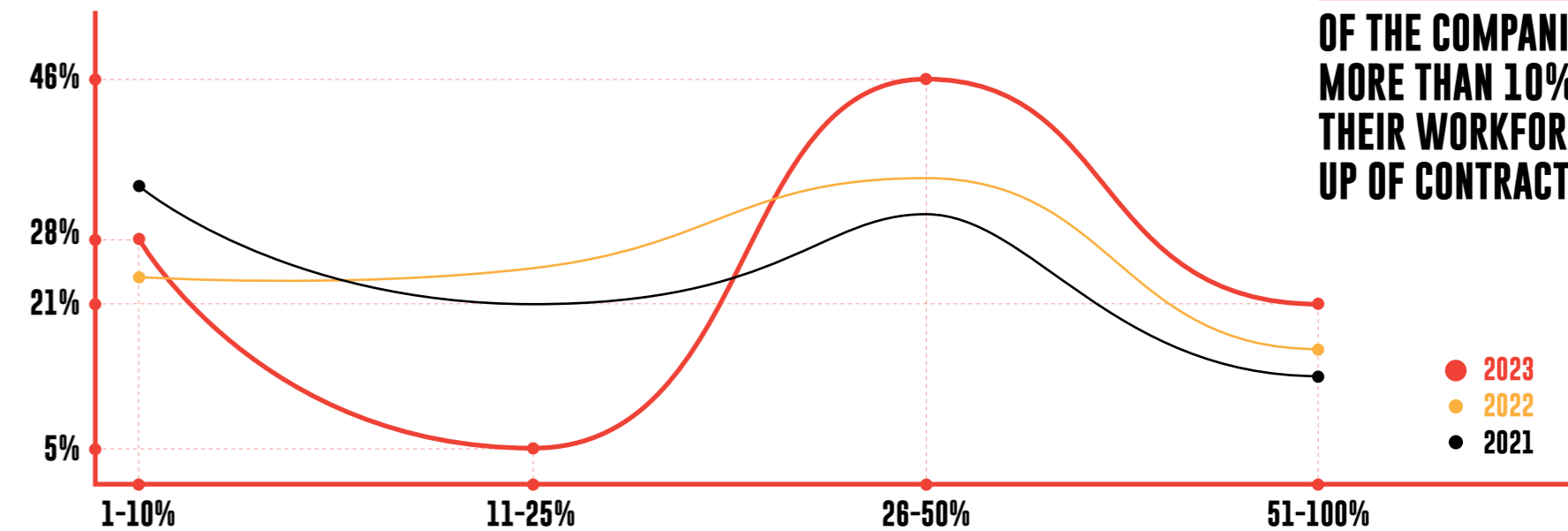
82% of companies participating in the survey operate in the private sector. Companies engaging contractors are evidenced across a wide range of industries with finance the largest industry represented this year at 18%, this has increased from 2022 where 12% of the companies engaging contractors were based in the finance sector. Pharma unsurprisingly is well represented at 12%. However this is down from 18% in 2022. In our 2022 survey Information Technology was the largest sector with 24%. This has dropped down to just 9% in 2023.

ENGAGING CONTRACTORS

HOW MANY CONTRACTORS DOES YOUR ORGANISATION ACTIVELY ENGAGE AT ANY ONE TIME?



WHAT PERCENTAGE OF YOUR TOTAL WORKFORCE DO CONTRACTORS MAKE UP?

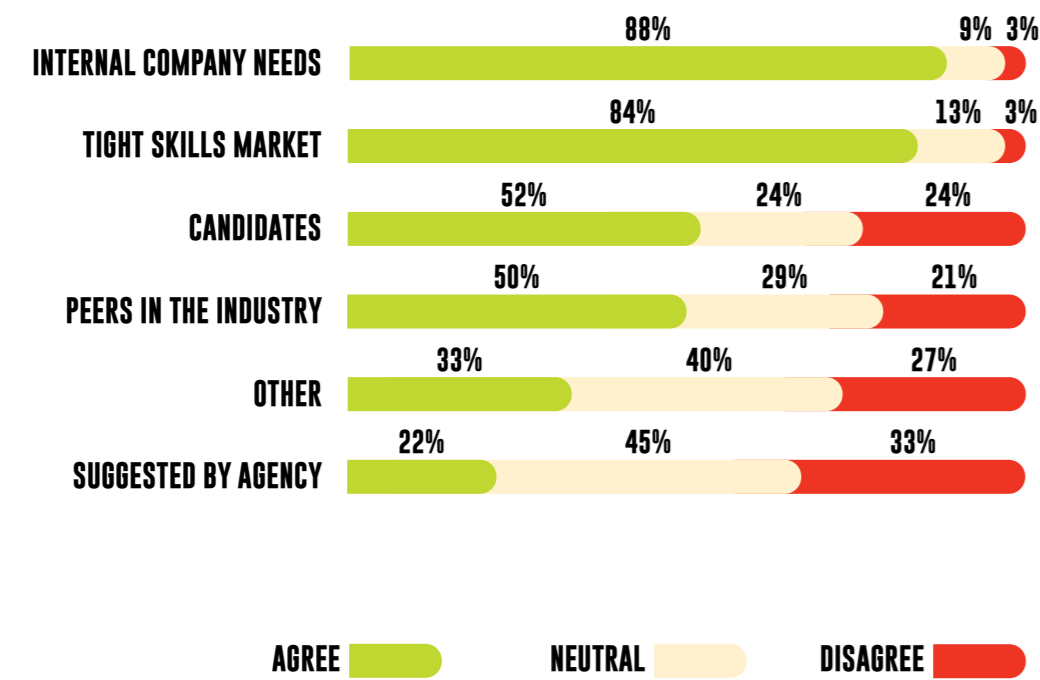


72%
OF THE COMPANIES HAVE MORE THAN 10% OF THEIR WORKFORCE MADE UP OF CONTRACTORS.

WHY COMPANIES USE RECRUITMENT AGENCIES



DRIVE THE DEMAND FOR CONTRACT ROLES



WHY COMPANIES USE RECRUITMENT AGENCIES

The main reason that companies engage recruitment companies for their contract hiring is to reduce the time spent on hiring, 30% of companies reported using agencies for this reason. This is up from 22% in 2022 and shows that the agencies are building up their contract desks.

THE BIGGEST CONCERNS OR BARRIERS TO ENGAGING CONTRACTORS.

The biggest concerns to engaging contractors are still centred around compliance issues. Compliance concerns came on to the radar last year following legislative changes in the UK, namely IR35. No such changes have been introduced in the Irish market but it has heightened companies awareness as to their potential responsibilities to contractors.

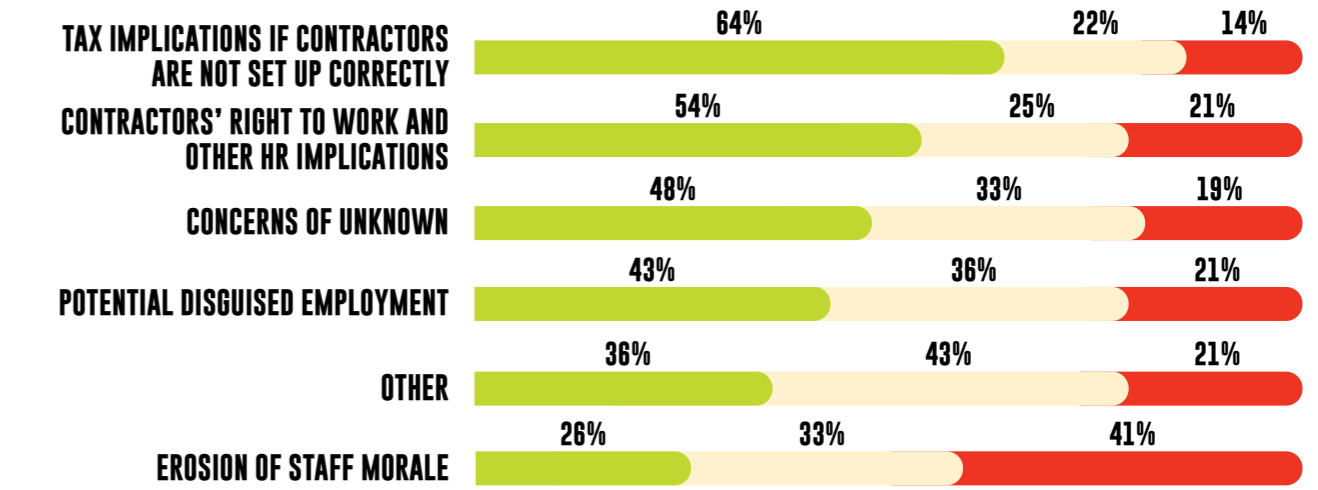
64% of companies reported concerns around the tax implications if contractors are not set up correctly. This concern has increased significantly in 2022 only 32% of companies agreed that this was a concern for them. Contractors right to work and other HR issues have also increased this year from 36% agreeing with this as a concern in 2022 to 54% now agreeing that this is a concern for them. Client companies are not as concerned as they were about the impact on the erosion of staff morale by engaging with contractors. This has dropped from 42% in 2022 to 26% in 2023.

WHAT THE CLIENTS SAID

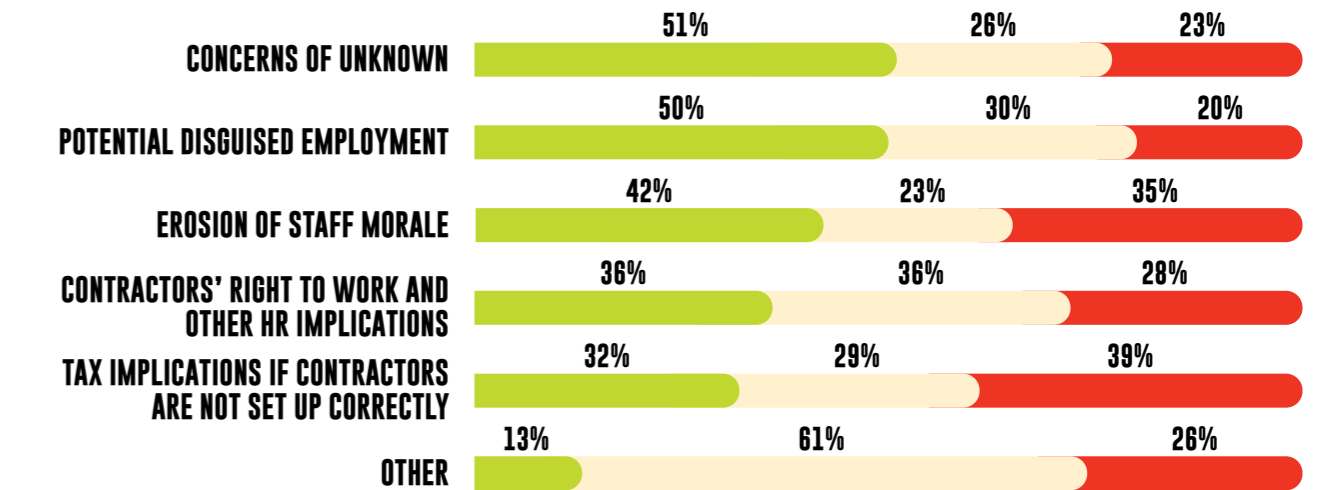
In 2023 the main criteria driving demand for contractors according to respondents is to address internal company needs (84%). This was also the primary driver in 2022 and interestingly, also (84%). Some of the other reasons listed were that skilled developers only want to take contract roles. The company required critical skills, the ability to quickly acquire different skills sets, to cover internal staff shortages in the short-term, to scale up for larger projects and as a way to combat headcount constraints.

THE BIGGEST CONCERNS OR BARRIERS TO ENGAGING CONTRACTORS.

2023



2022



AGREE NEUTRAL DISAGREE

FUTURE EXPECTATION

2023

COMPARED WITH THE PREVIOUS 12 MONTHS...



INCREASE █ SAME █ DECREASE █

2022

COMPARED WITH THE PREVIOUS 12 MONTHS...



INCREASE █ SAME █ DECREASE █

CONFIDENCE INDEX

	2023	2022	2021
THE NUMBER OF CONTRACT ROLES IN THE NEXT 12 MONTHS	+8	+46	+25
THE PERFORMANCE OF IRISH ECONOMY	-5	+50	+13

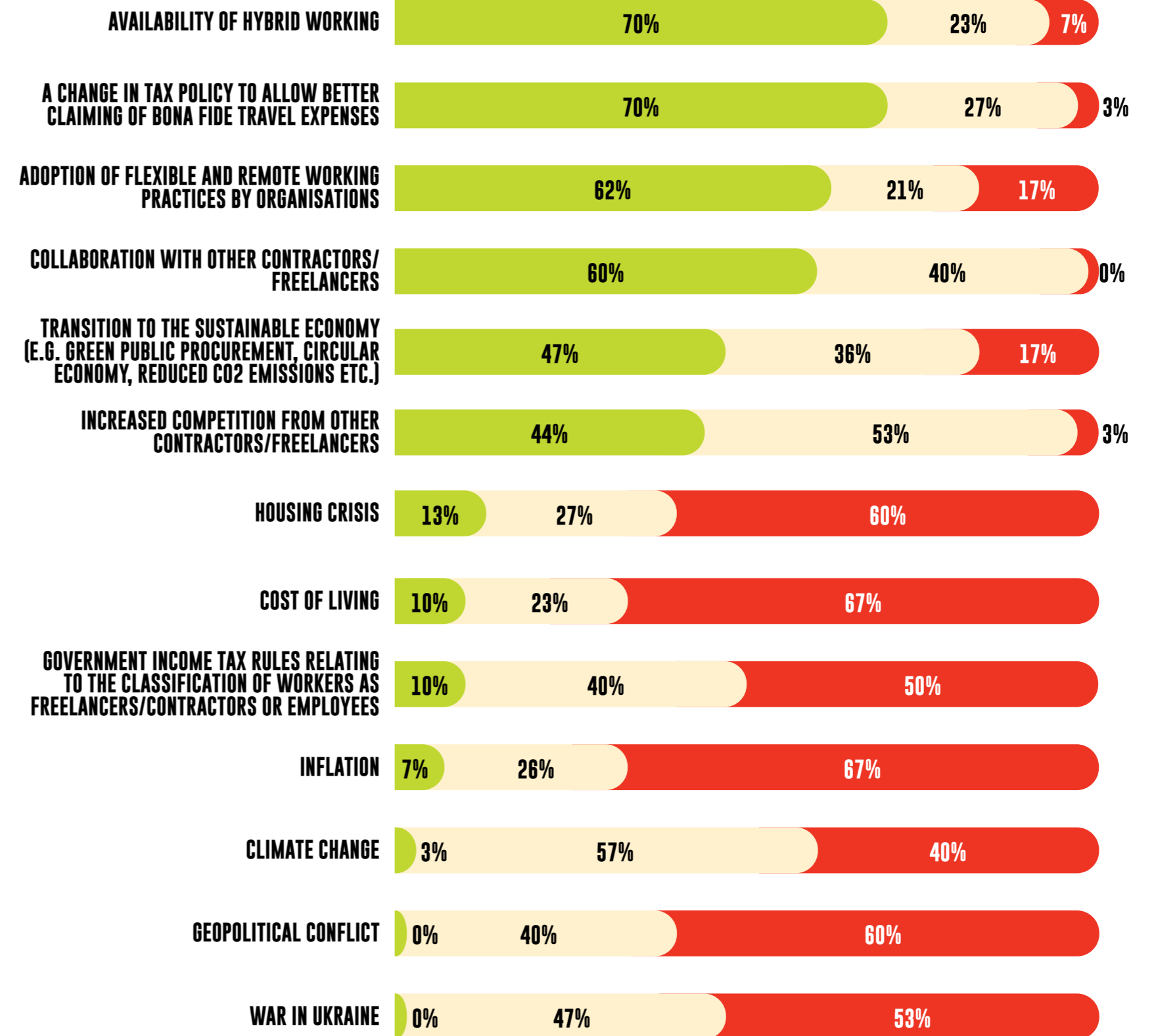
FUTURE EXPECTATION

The majority of client companies remain positive in their short-term outlook, 29% expect the performance of the Irish economy will remain the same over the next 12 months while 36% expect the performance of the economy to improve. 40% of respondents expect the number of contract roles in the next 12 months to stay the same and 37% expect the number of contract roles to increase. Nonetheless, there has been a noticeable rise since 2022 in the proportion of participants who think that both the economy's performance and the number of contract roles will decline.

CONFIDENCE INDEX

There has been a significant drop in the confidence index scores of client organisations relating to both the performance of the Irish economy in 2023 and the number of contract roles that will be available. The performance of the economy has dropped from a confidence index score of +50 in 2022 to now stand at -5, and the confidence index score for the contracting sector has dropped from +46 in 2022, to +8 in 2023. These scores are the lowest recorded for client companies since the research commenced in 2021.

IMPACT ON ORGANISATIONS PERFORMANCE OF CONTRACTOR ROLES



POSITIVE █ NO IMPACT █ NEGATIVE █

ANDREW BURKE

Dean of Trinity Business School and Chair of Business Studies

Professor Andrew Burke is Dean of Trinity Business School and the Chair of Business Studies. He became a Fellow of Trinity College, Dublin in 2016 and joined the Board of the University in 2018. Previously he held the Bettany Chair of Entrepreneurship at Cranfield School of Management where he was founder and Director of the Bettany Centre for Entrepreneurship. He also served as Director of Graduate Programmes and a member of the Executive at Cranfield School of Management.

He was Chairperson of the Centre for Research on Self-Employment (CRSE) in London from 2014-20. He was a Visiting Professor at the Anderson School of Management, UCLA, USA in 2002 and 2012. He was a Research Professor at the Max Planck Institute for Economics, Germany from 2003-2009. He is widely published in top ranked international journals such as the Harvard Business Review and Journal of Management Studies. His research has been presented at the EU Commission, World Trade Organisation, HM's Treasury, UK Houses of Commons and Lords as well as through media such as BBC Television.

NA FU

Professor of human resource management at Trinity Business School

Na Fu is a professor of human resource management at Trinity Business School, Trinity College Dublin. She is the Founder and Associate Director of MSc Human Resource Management, a Fellow of Trinity, and an Academic Fellow of CIPD.

Professor Fu's research focuses on strategic human resource management, professional service firms, people analytics and digital transformation where she has published extensively in high impact international journals. As a recipient of multi-awards in research and teaching, Professor Fu is passionate about helping organisations to achieve their employee's full potential in all aspects. She has led a number of research projects in both the private and public sectors around people management relevant to organisational growth and innovation.

Professor Fu's work benefits to the economy and society beyond academia. Insights derived from her research have been directly applied by professional bodies including the Great Place to Work and the CIPD. Professor Fu is a respected and sought-after speaker, giving keynote talks at industry events, serving as judge for industry awards, and publishing industry reports to inform policy makers.

ACKNOWLEDGEMENT

We would like to express our gratitude to all the professional contractors and organisations who participated in the study and provided valuable insights into Ireland's project economy landscape. We are also very grateful to Geraldine Penney from Contracting Plus for her timeliness efforts to assist us on this project. Sincere thanks are also given to Lucinda Gavigan, Sarah McLoughlin, Conor Edwards, Sandra Rafter, Pamela Hennessy, Julianne Corrigan, Una Hennigan, and Lucy Tazzyman at Trinity Business School for their strong support.

YUE SUN (PHD SCHOLAR)

Research Fellow at Trinity Business School

PhD student at Trinity Business School, Trinity College Dublin. Yue Sun currently holds a MSc Human Resource Management 2020 - 2021 from Trinity Business School. Her research focused on digital transformation and employees well-being. Prior to joining Trinity Business School, Yue studied human resource management for two years as an undergraduate and achieved her professional certification.

JIMMY SHEEHAN

Managing Director, Contracting PLUS

Jimmy Sheehan is a qualified accountant whose career history includes various accounting roles up to Financial Controller level before establishing his own audit and accountancy practice. This was subsequently acquired by a well-known Top 10 accountancy firm.

Following this, he undertook some consulting arrangements, experiencing first-hand the life of a professional contractor and also held a role as Head of Commercial Development with a national accountancy firm.

Sheehan joined Contracting PLUS in 2018 and together with the existing management team has helped cement the company's reputation as the leader in the provision of Umbrella Company solutions and focused accounting services and tax advice for Ireland's independent professionals

Jimmy is an advocate for all independent professional workers, but specifically those contracting in the Project Economy, ensuring the collective voices of Ireland's independent contractors are heard. Contracting PLUS have, and will continue to, lobby for fair taxation policies which acknowledge the valuable contribution professional contractors make to our economy.





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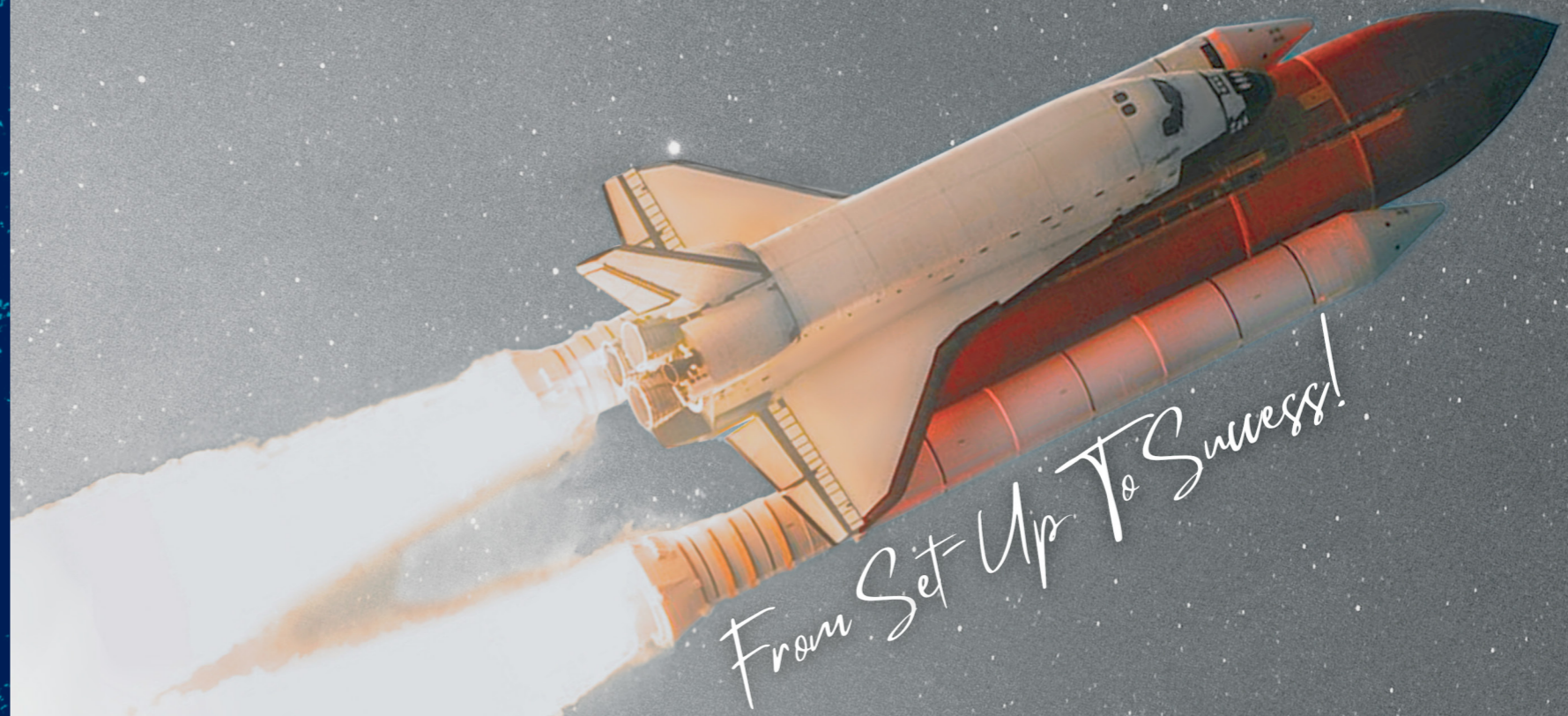
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