

Dynamic Dublin the place to be for top salaries, says new study

By Paul Melia *Monday April 07 2008*

The Irish capital is a very 'attractive model' of a prosperous city

RESIDENTS of Dublin enjoy higher salaries and better employment prospects than almost anywhere else in Europe, a new study claims.

The capital has grown more strongly since 1995, on a combined index of employment, average incomes and productivity, than most other European cities.

A report from the University of Glasgow claims that Dublin has experienced "remarkable" all-round economic success over the last decade and is the continent's "most dynamic" city.

The study shows:

- Dublin has experienced the biggest change in income per head of population of anywhere in Europe between 1995-2005, up 93pc. The average income in 1995 was €24,069, rising to €51,194 in 2005. This compares with €36,200 in Stockholm, the next highest ranked country.
- Employment rose from 440,000 to 698,000 in the same period, an increase of 58.6pc. Dublin is now the third-ranked city in Europe for job creation.
- The city has also seen a population rise of 10pc in the period studied. The highest growth was in Palma de Mallorca which showed a 27.5pc change.
- Dubliners are among the highest retail spenders in the EU, with average spending of €4,514 in 2005. In 1995, the city was ranked 28th for spending, which rose to 10th in 2005.

The study, by Professor Ivan Turok and Dr Vlad Mykhnenko, is published today in a new European journal 'Urban Research and Practice'. It surveyed 150 of the largest cities in Europe.

It shows that during 1990s Dublin was catching up more prosperous cities elsewhere, but in recent years has pulled ahead of the rest.

Rising prosperity has gone hand-in-hand with one of the fastest rates of population growth. Its all-round performance over the last two decades is deemed "exceptional" by European standards.

After Dublin, the other strong performing cities have been in Finland (Helsinki, Tampere and Turku) and Sweden (Stockholm, Gothenburg and Malmo). They have also successfully combined rising productivity and higher incomes with broad-based employment growth, ensuring high standards of living for most of their citizens.

Conversely, Germany has many of Europe's most sluggish cities, despite being among the most prosperous in the early 1990s.

"The study confirms that cities can be economic powerhouses in the 21st century, although there are different growth paths that we need to understand better," Prof Turok said yesterday.

Prosperity

"Dublin and the Scandinavian cities are following a high-quality growth path, in which rising incomes go together with more jobs and generalised prosperity. This model of a knowledge hub providing high-value goods and services to global markets deserves closer investigation."

The study also notes that Dublin is an "attractive model" of a prosperous city with strong income growth and reasonable jobs growth over the last decade, "suggesting expansion of high-value activity and rising productivity".

However, further work was required to explain the reasons for change.

"We cannot offer a full explanation of the performance of 150 cities from the data we've looked at, but we can say that certain fundamentals have been strong in Dublin, including rising productivity, a shift over time to higher value goods and services and rising population providing both the labour supply and the consumer demand to facilitate strong economic growth," Prof Turok added.

- Paul Melia