

# Northern Ireland Labour Market Report May 2016



Geographical Area: Northern Ireland  
Theme: Labour Market  
Frequency: Monthly

## Key Points

- The Labour Force Survey (LFS) measure of unemployment in Northern Ireland (NI) increased over the quarter to January - March 2016. The number of people claiming unemployment related benefits in NI decreased in April 2016.
- Over the quarter and the year, the employment rate increased and the economic inactivity rate decreased. The employment rate is close to its previous high point and the economic inactivity rate is the lowest since the series began in 1995.
- The LFS indicated that the NI unemployment rate (16+) increased by 0.3 percentage points (pps) over the quarter but decreased by 0.1 pps over the year, to 6.2%. This is similar to the averages for 2014 (6.4%) and 2015 (6.1%). The UK unemployment rate (5.1%) was unchanged over the quarter (to January - March 2016) but fell over the year.
- The number of people claiming unemployment related benefits (from NI Jobs and Benefits Offices) decreased by 600 over the month, to 37,900 in April. This decrease comes after two consecutive months where the claimant count had increased.
- The number of people claiming unemployment related benefits has fallen by 26,800 since the most recent peak in February 2013. The number of people leaving the register in the last 12 month period has slowed, from 11,700 to April 2015 to 6,500 in the recent year to April 2016.
- The proportion of people aged 16 to 64 in work (the employment rate) increased over the quarter and over the year to 69.0% which remained lower than the UK employment rate (74.2%).
- The NI economic inactivity rate (26.3%) was 0.6 pps lower than in the previous quarter and 0.9 pps lower than in the previous year. Although at an all time low, the NI economic inactivity rate remained noticeably higher than in the UK (21.7%).

**This Labour Market Report (LMR) contains the following chapters:**

### **1. Summary of labour market statistics**

- Labour market summary table
- Infographic summary
- Context

### **2. Unemployment**

- LFS unemployment
- Claimant count unemployment
- Comparison between LFS unemployment and claimant count
- Redundancies

### **3. Employment**

- LFS employment
- Quarterly Employment Survey (QES)
- Vacancies

### **4. Economic inactivity**

- LFS economic inactivity

### **5. Earnings**

- Annual Survey of Hours and Earnings

### **6. Further information**

### **7. Index of Tables**

#### **National Statistics**

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Official Statistics. They are awarded National Statistics status following an assessment by the Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is a producer's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

## Change over quarter / month

Seasonally adjusted LFS estimates for Northern Ireland for the period January - March 2016 showed that over the quarter:

- the unemployment rate (6.2%) increased by 0.3 pps
- the employment rate (69.0%) increased by 0.2 pps
- the economic inactivity rate decreased by 0.6 pps to 26.3%.

(Please note that none of the quarterly or annual changes in the LFS estimates were statistically significant i.e. the recorded change did not exceed the variability expected from a sample survey of this size. See Table 1 and Further Information in Section 6 for more details).

The most recent measure of claimant count showed that in April 2016, there was:

- a decrease of 600 in the seasonally adjusted claimant count to 37,900.

During April 2016 there were:

- 579 confirmed redundancies notified to the Department, representing an increase on the previous monthly period total of 213 confirmed redundancies.

**Table 1: Northern Ireland Labour Market Summary with sampling variability**

	Reference period	Estimate	Change over quarter	Change over year
Unemployment <sup>1</sup> (Sampling variability of change)	Jan-Mar 2016	55,000	4,000 (+/-12,000)	0 (+/-16,000)
Employment <sup>2</sup> (Sampling variability of change)	Jan-Mar 2016	837,000	7,000 (+/-19,000)	10,000 (+/-33,000)
Economically inactive <sup>2</sup> (Sampling variability of change)	Jan-Mar 2016	559,000	-8,000 (+/-17,000)	-1,000 (+/-30,000)
Unemployment rate <sup>1</sup> (Sampling variability of change)	Jan-Mar 2016	6.2%	0.3pps +/-1.3pps	-0.1pps +/-1.8pps
Employment rate <sup>2</sup> (Sampling variability of change)	Jan-Mar 2016	69.0%	0.2pps +/-1.4pps	0.9pps +/-2.5pps
Economic inactivity rate <sup>2</sup> (Sampling variability of change)	Jan-Mar 2016	26.3%	-0.6pps +/-1.3pps	-0.9pps +/-2.4pps
			<b>Change on month</b>	
Claimant Count	Apr-16	37,900	-600	-6,500
Redundancies <sup>3</sup>	Apr-16	579		

LFS and claimant count data are seasonally adjusted.

<sup>1</sup> People aged 16 and over. Unemployment rate = total unemployed as a proportion of the economically active.

<sup>2</sup> Levels for all persons aged 16 and over, rates for working age (16-64).

<sup>3</sup> Confirmed redundancies in the calendar month.

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### Change over year

Seasonally adjusted LFS estimates for Northern Ireland for the period January - March 2016 showed that over the year:

- the unemployment rate (6.2%) decreased by 0.1 pps
- the employment rate (69.0%) increased by 0.9 pps
- the economic inactivity rate decreased by 0.9 pps to 26.3%.

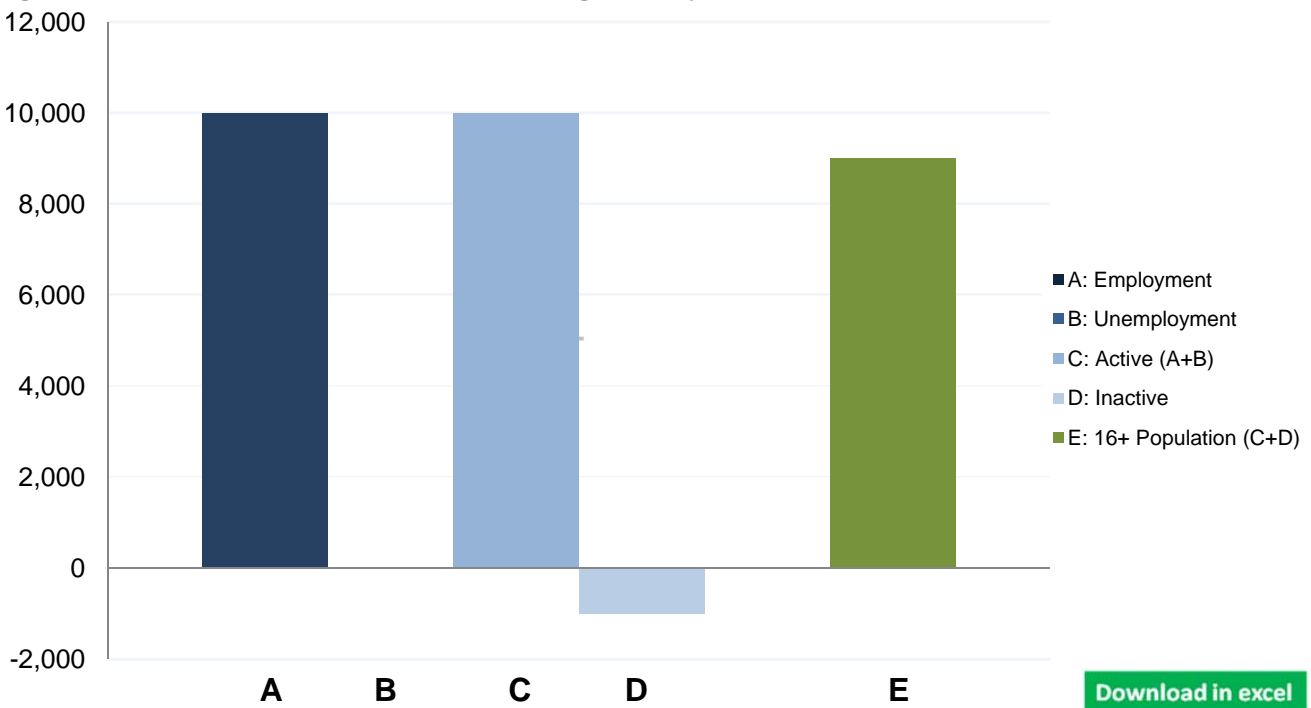
The most recent measure of claimant count shows that in the year to April 2016, there was:

- a decrease in the seasonally adjusted claimant count of 6,500 to 37,900.

Over the latest twelve month period there were:

- 2,601 confirmed redundancies which was an increase of 37% from the previous year (1,893).

**Figure 1: NI labour market structure: change over year**



### UK summary

Seasonally adjusted LFS estimates for the UK for the period January - March 2016 showed:

- the unemployment rate (5.1%) was unchanged over the quarter but decreased by 0.5 pps over the year
- the employment rate (74.2%) increased by 0.1 pps over the quarter and by 0.7 pps over the year
- the economic inactivity rate (21.7%) decreased by 0.1 pps over the quarter and by 0.4 percentage points over the year.

## **Commentary**

The LFS unemployment rate for the first quarter of 2016 (6.2%) represents little change from that of the previous year. Indeed unemployment rates have remained relatively stable over the last two years, centred on an average of 6.4% in 2014 and 6.1% in 2015, down from 7.5% in 2013.

The fall in the number of persons in receipt of unemployment benefits reverses the increases recorded in the last two months. However despite this, the number of people leaving the register in the last 12 month period has slowed, from 11,700 to April 2015 to 6,500 in the most recent year to April 2016. Northern Ireland has had the highest (or second highest) UK regional unemployment rate on the claimant count measure since April 2010.

The slight increase in unemployment over the last quarter as measured by the LFS was accompanied by an increase in the employment rate and a decrease in the rate of economic inactivity. The current number of people in employment (837,000) was the highest since the LFS series began in 1995, due to an increasing employment rate and population growth.

The economic inactivity rate (26.3%) has decreased for two consecutive quarters and is at its lowest since the series began, though it remains noticeably higher than in the UK (21.7%). Reducing NI's economic inactivity rate was one of the 2011-2015 Programme for Government targets. The current rate (26.3%) represents a statistically significant decrease from the rate recorded in October - December 2010 (28.3%).

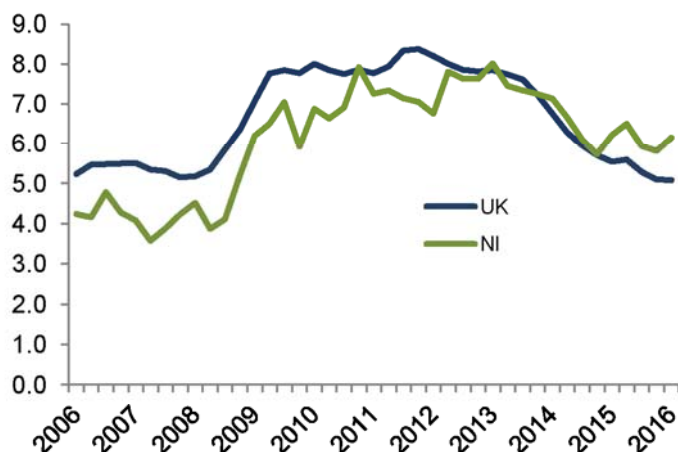
While the most recent statistics indicate a positive picture of stable unemployment, falling inactivity rates and rising employment, NI continues to lag behind the UK in each of these areas.

**Further information is available on the NISRA - Economic and Labour Market Statistics website: [LMR Headline Tables](#).**

# NISRA Labour Market Statistics

## Labour Force Survey

LFS unemployment – NI and UK, 2006 - 2016



NI unemployment **6.2%**  
UK unemployment **5.1%**

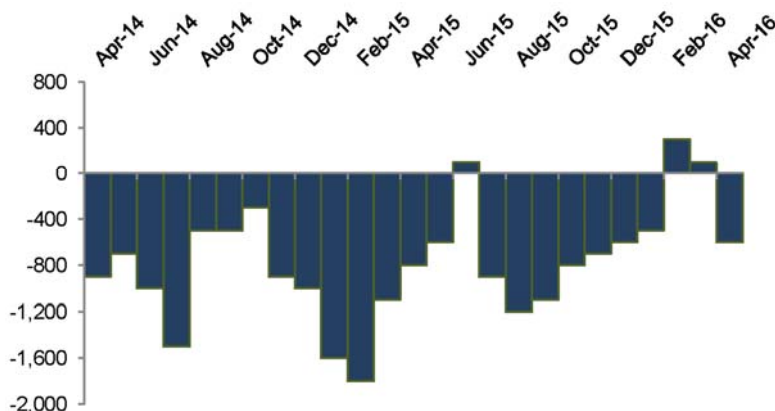
NI unemployment **0.3pps<sup>1</sup>** over quarter



UK unemployment **Unchanged** over quarter

## Claimant Count

Claimant count change NI, April 2014 – April 2016



**37,900** people claiming unemployment related benefits

Claimants decreased by **600** over the month



**6,500** left the register in the last year



<sup>1</sup> pps = percentage points  
All data seasonally adjusted and subject to future revisions.  
Data published – 18<sup>th</sup> May 2016 by Economic & Labour Market Statistics branch which is part of NISRA.

## Context

The Labour Market Report is a monthly overview of Northern Ireland key labour market statistics. It includes figures from the Labour Force Survey (LFS), the claimant count, the Quarterly Employment Survey (QES) and the Annual Survey of Hours and Earnings (ASHE) as well as up to date redundancies data. More information about the data sources can be found in section 6.

Comparative UK data produced by the ONS are presented where these are available. The latest labour market statistics are available on the [ONS website](#).

Key users of Northern Ireland labour market statistics include government departments, in particular the Department for the Economy (DfE), to design and monitor the impact of economic and labour market policy. Other Government departments such as the Executive Office, the Department of Finance (DoF) and the Department of Agriculture, Environment and Rural Affairs (DAERA), as well as bodies such as Invest NI and Belfast City Council, regularly require specific ad hoc labour market analysis in order to monitor policies for example, equality and employment. In addition, significant 'non-governmental' users of labour market statistics include the media, banks, academics, private consultants and the general public, primarily for reporting or researching the performance of the economy in general. Labour market statistics attract widespread media coverage, with a number of broadcasters publishing articles on the labour market on a monthly basis, generally on the day of publication of the Labour Market Report.

Labour market statistics feature in the [Economic Commentary](#) which provides an overview of the state of the Northern Ireland economy, setting it in context with the UK and Republic of Ireland. The most up-to-date official statistics on the economy and labour market are available on the [Economic Overview section](#) of the website.

**Further information on using labour market statistics can be found on the Office for National Statistics (ONS) website:**

- [Interpreting Labour Market statistics](#)
- [Guide to Labour Market Statistics](#)
- [Glossary](#)

# 2

# Unemployment

## Labour Force Survey

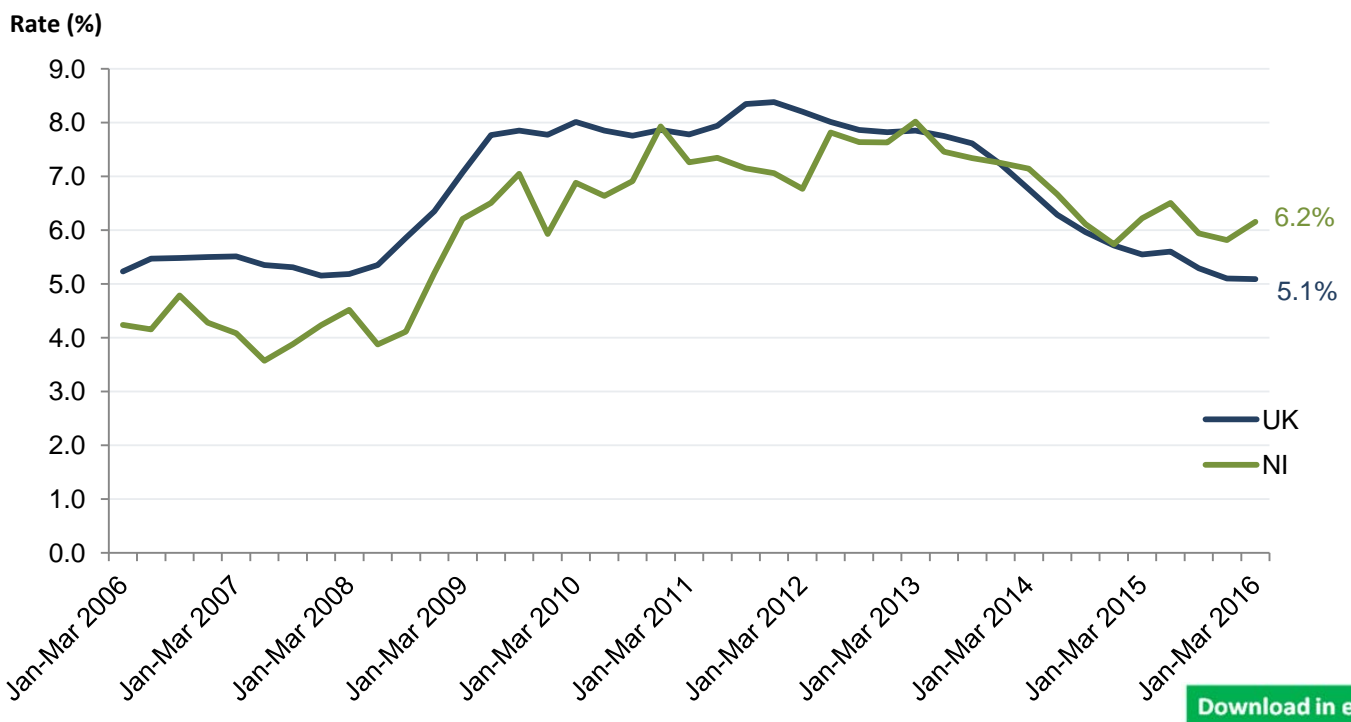
The Labour Force Survey (LFS) is a household sample survey carried out by interviewing individuals about their personal circumstances and work. It provides a rich source of information on the labour force using internationally agreed definitions. However, the estimates from it are subject to sampling error and care should be taken when making inferences from them (see section 6 for details).

**LFS unemployment:** The International Labour Organisation (ILO) define unemployed as those without a job who were able to start work in the two weeks following their LFS interview and had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained.

## Key Findings

- LFS unemployment rate in NI increased over the quarter and fell over the year
- LFS unemployment rate in NI above the UK average and below the EU and RoI
- NI long-term unemployment rate markedly higher than that of the UK

**Figure 2: Seasonally adjusted unemployment rate, Jan-Mar 2006 to Jan-Mar 2016**



## LFS unemployment

The unemployment rate for the period January - March 2016 was estimated at 6.2%. This was:

- an increase of 0.3 percentage points (pps) over the quarter and
- a decrease of 0.1 percentage points (pps) over the year.

The number of unemployed persons was estimated at 55,000, which was:

- up 4,000 over the quarter
- unchanged over the year.



## **UK national and international LFS comparisons**

Figure 2 shows unemployment rates on the current 3 month rolling average for NI and UK over the last decade. The unemployment rate in NI was at its lowest point of 3.6% in April - June 2007 and peaked at 8.0% in January - March 2013. NI has had a lower unemployment rate than the UK for much of the last decade until October - December 2013.

The most recent NI unemployment rate (6.2%) was:

- above the overall UK average rate (5.1%)
- the joint second highest rate among the twelve UK regions
- below the European Union (8.9%) and Republic of Ireland (8.8%) rates for February 2016.

## **Long-term and youth unemployment**

The long-term unemployment rate (percentage of unemployed who have been unemployed for 1 year or more) was 46.9%, which was:

- down 15.1 percentage points over the year
- markedly higher than the UK average (27.8%).

The youth unemployment rate (percentage of economically active 18 - 24 year olds who are unemployed) was 17.4% and was:

- down 4.4 percentage points over the year
- higher than the UK average rate (12.0%).

**Further information is available on the NISRA - Economic and Labour Market Statistics website:**

[LFS unemployment](#)

## Claimant count

The claimant count is an administrative data source derived from Jobs and Benefits Offices systems, which records the number of people claiming unemployment-related benefits (Jobseeker's Allowance). Please note that changes have been made to the measurement of the claimant count in GB. This should be taken into account when making NI and UK comparisons (see special note 1 overleaf).

**Claimant count:** The NI claimant count consists of all people claiming Jobseeker's Allowance (JSA) at Jobs and Benefits offices. They must declare that they are out of work, capable of, available for and actively seeking work during the week in which their claim is made. From June the GB claimant count includes JSA claimants and out-of-work claimants of Universal Credit.

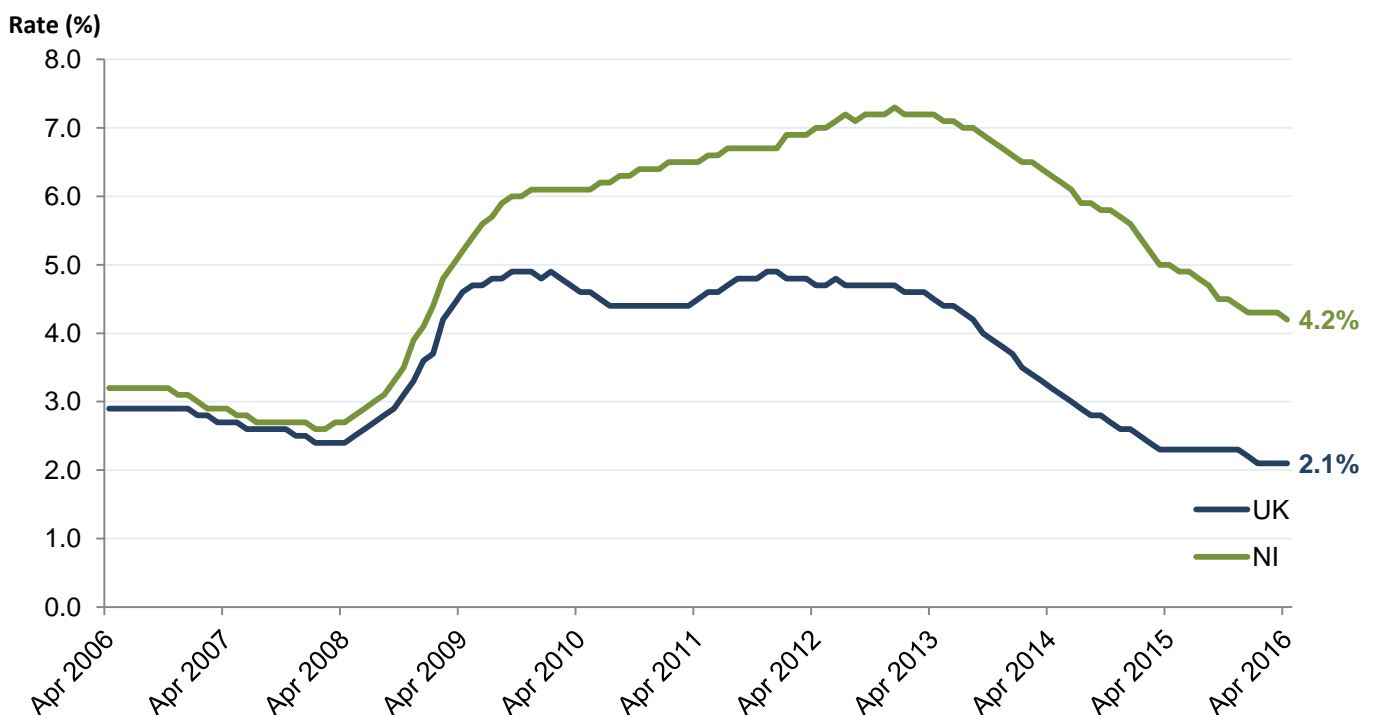
**Percentage of workforce:** This measure expresses the number of claimants as a percentage of workforce jobs plus claimants. Workforce jobs are the sum of employee jobs, self-employment jobs, HM Forces, & government-supported trainees. This measure is only available at the NI level.

**Residence-based proportions:** This is the official measure below national/regional level. It expresses the number of claimants as a percentage of the population aged 16-64, sourced from the mid-year population estimates. This measure is used for sub regional analysis.

### Key Findings

- Over the month to April 2016, the number of people claiming unemployment related benefits in NI decreased by 600
- Claimant count (37,900) was down by 6,500 over the year to April 2016
- NI claimant count was higher than the UK average and the highest rate among the twelve UK regions
- Claimant count rate highest in Derry City and Strabane District Council Area

Figure 3: Seasonally adjusted claimant count monthly rates, April 2006 – April 2016



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## Claimant count unemployment

NI seasonally adjusted claimant count stood at 37,900 (4.2% of the workforce) in April 2016, representing:

- a decrease of 600 from last month's revised total
- a decrease of 6,500 (14.6%) over the year
- a decrease of 0.7 pps in the workforce unemployment rate over the year.

Figure 3 shows the NI claimant count has consistently been above the UK average over the last 10 years. The NI figure has fallen by 26,800 since its most recent peak in February 2013. The most recent level remained above the low-point in September 2007 (23,500) and showed a decrease of 600 over the month to April 2016.

## Youth claimants (not adjusted for seasonality)

A total of 9,279 under 25's (24.7% of all claimants) were claiming benefits in April 2016, which showed:

- a decrease of 7.0% (694 claimants) over the month
- a decrease of 18.4% (2,090) over the year.

## Long-term claimants (not adjusted for seasonality)

At April 2016, 13,769 (36.7% of all claimants) were claiming benefit for a year or more, which showed:

- a decrease of 3.0% (433 claimants) over the month
- a decrease of 14.4% (2,307) over the year.

## Claimant count regional comparison

The seasonally adjusted claimant count rate in NI (4.2%):

- was higher than the UK average rate (2.1%)
- was the highest rate among the twelve UK regions
- was either the highest or second highest unemployment rate on this measure since April 2010.

The seasonally adjusted claimant count level in NI (37,900):

- showed a decrease of 1.6% over the month, which was higher than the decrease in the UK (0.3%)
- showed the second highest annual decrease (14.6%) of the twelve UK regions (the annual decrease in the UK was 7.2%)
- decreased in April after 2 consecutive months of increase.

## Special note

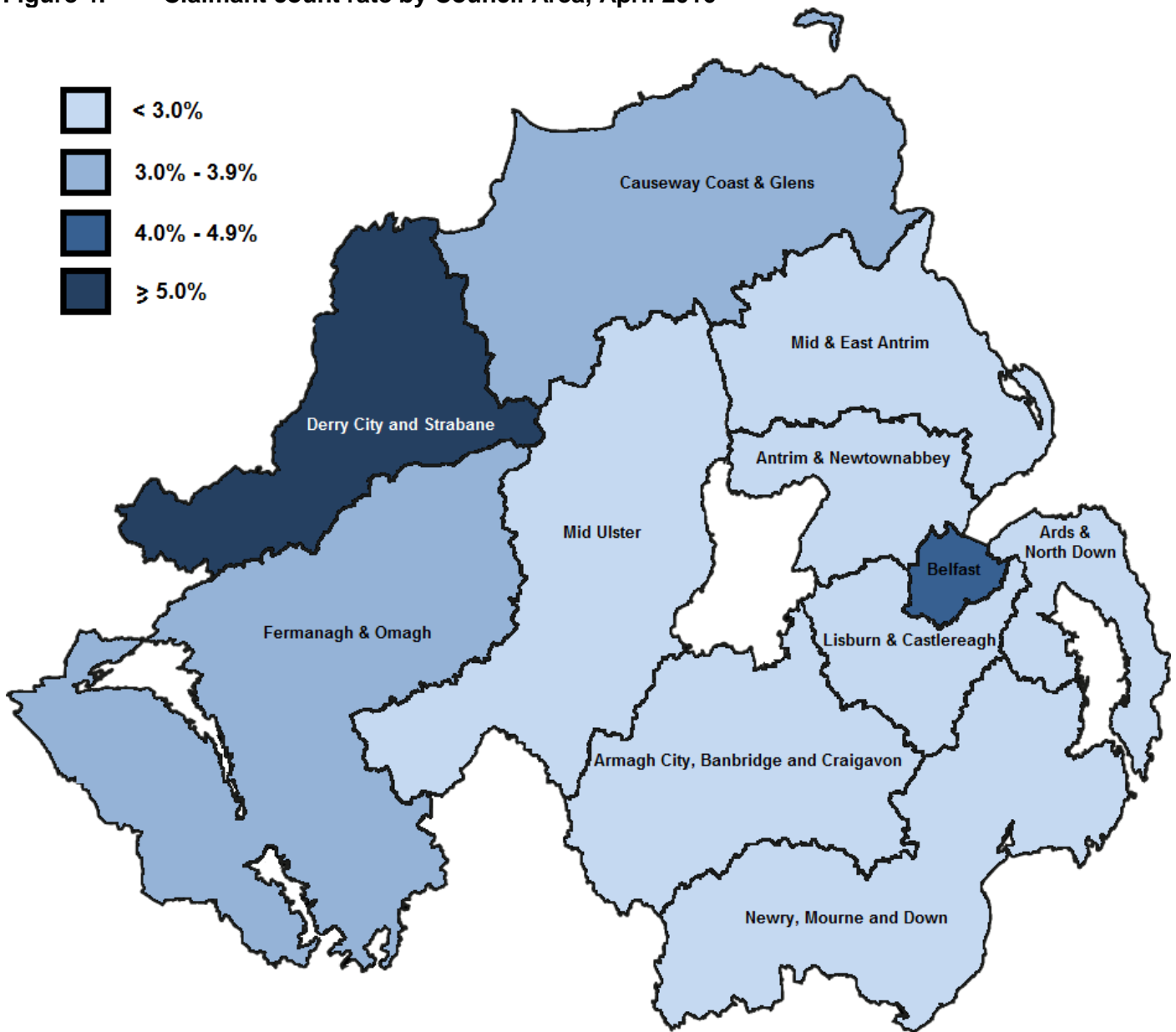
<sup>†</sup>From 17 June 2015, the Office for National Statistics (ONS) replaced the claimant count based on JSA for Great Britain (GB) with an experimental claimant count based on JSA claimants and a measure of out-of-work claimants of Universal Credit (UC). As the roll-out of UC in GB proceeds, the undercount arising from continuing to use only JSA data increases and its usefulness decreases as a measure of the number of people claiming unemployment related benefits. As a result the Statistics Authority assessed the designation of the claimant count and decided to withdraw National Statistics designation. The full correspondence between ONS and the Statistics Authority can be accessed at the links below:

[Letter from National Statistician to UK Statistics Authority, 9 June 2015](#)

[Reply from UK Statistics Authority to National Statistician, 10 June 2015](#)

As UC has not been introduced in NI this issue does not arise for the NI series. However it does apply to comparisons between the NI claimant count series and the new GB measure based on Jobseeker's Allowance and out of work UC recipients. ONS have indicated that while the new and old claimant count do not match precisely, their analysis suggests any bias is less than in the old series. For more information please refer to Page 28 of the Further Information section.

**Figure 4: Claimant count rate by Council Area, April 2016**



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**Claimant count Council Area comparison**

The Council Area comparison (see Table 2 overleaf) using claimant count data unadjusted for seasonality found that:

- the highest claimant count rates were in Derry City and Strabane (6.1%) and Belfast (4.3%),
- all 11 Council Areas showed a decrease over year, with the largest decreases in Mid Ulster (27.2%), and Newry, Mourne and Down (22.4%).

Annual and monthly claimant count data are available on the NINIS website in the form of interactive maps for Parliamentary Constituency and Council Area and can be accessed via the [NISRA - Economic and Labour Market Statistics website](#).

**Table 2: Claimant count by Council Area, April 2016**

Council Area	Number of claimants			% of working age			Change over month		Change over year	
	Males	Females	All	Males	Females	All	Number	%	Number	%
Antrim and Newtownabbey	1,615	611	2,226	3.7	1.3	2.5	-83	-3.6	-167	-7.0
Ards and North Down	1,882	778	2,660	4.0	1.6	2.7	-98	-3.6	-288	-9.8
Armagh City, Banbridge and Craigavon	2,169	1,049	3,218	3.3	1.6	2.5	-161	-4.8	-774	-19.4
Belfast	7,020	2,502	9,522	6.5	2.2	4.3	-204	-2.1	-1,722	-15.3
Causeway Coast and Glens	2,077	981	3,058	4.6	2.2	3.4	-187	-5.8	-306	-9.1
Derry City and Strabane	4,035	1,788	5,823	8.6	3.7	6.1	-179	-3.0	-947	-14.0
Fermanagh and Omagh	1,418	729	2,147	3.9	2.0	3.0	-125	-5.5	-417	-16.3
Lisburn and Castlereagh	1,186	573	1,759	2.7	1.3	2.0	-89	-4.8	-264	-13.0
Mid and East Antrim	1,581	716	2,297	3.7	1.6	2.7	-106	-4.4	-263	-10.3
Mid Ulster	1,091	634	1,725	2.4	1.4	1.9	-127	-6.9	-646	-27.2
Newry, Mourne and Down	2,099	960	3,059	3.8	1.7	2.8	-157	-4.9	-884	-22.4
<b>Northern Ireland</b>	<b>26,173</b>	<b>11,321</b>	<b>37,494</b>	<b>4.5</b>	<b>1.9</b>	<b>3.2</b>	<b>-1,516</b>	<b>-3.9</b>	<b>-6,678</b>	<b>-15.1</b>

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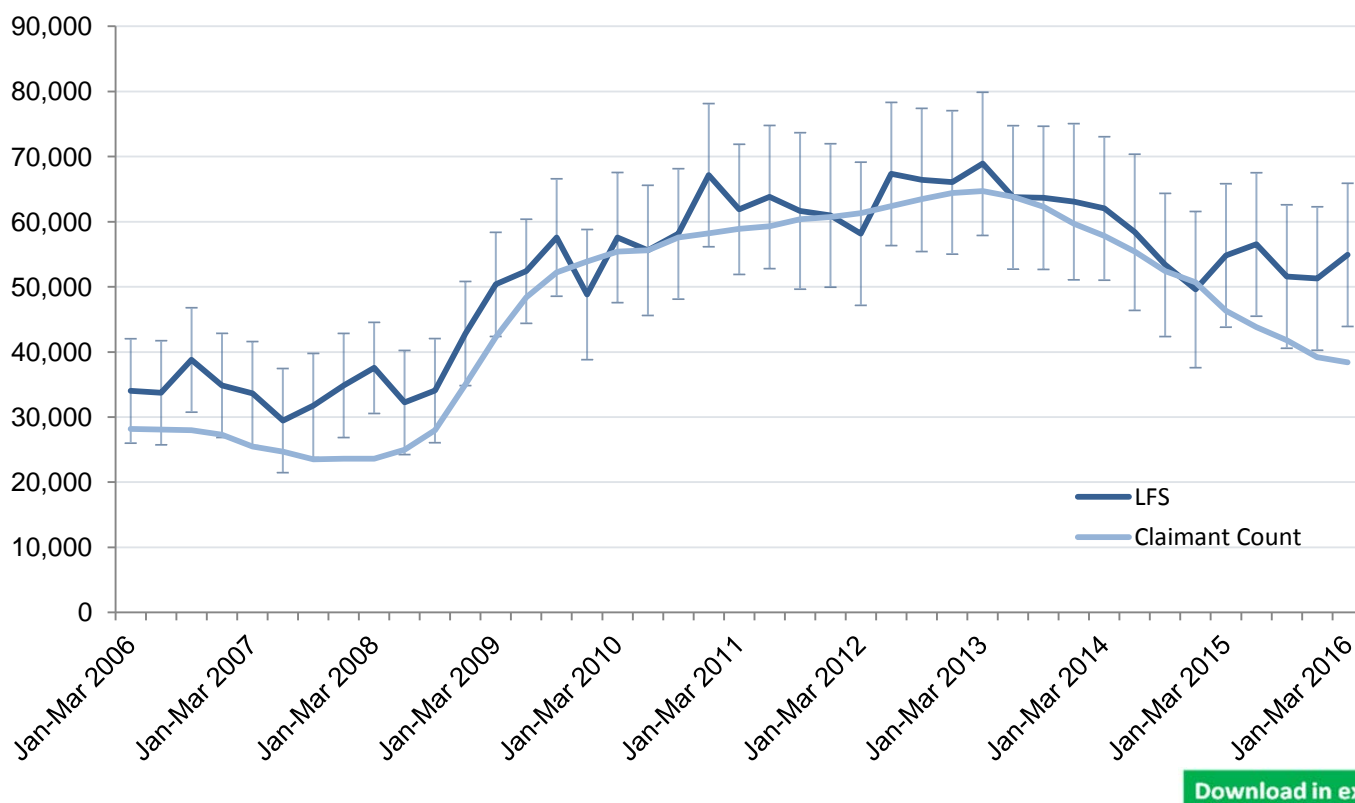
Further information is available on the NISRA - Economic and Labour Market Statistics website: [Claimant count unemployment](#)

## Comparison between LFS unemployment and claimant count

Economic and Labour Market Statistics (ELMS) publishes two measures of unemployment – the LFS unemployment and the claimant count. Although there is a large degree of overlap between the two series, they measure unemployment using different criteria. An overview of the differences between the LFS and claimant count measures of unemployment is provided at the following link: [Differences between LFS and claimant count unemployment](#)

Figure 5 compares quarterly movements in unemployment and the monthly headline claimant count since 2005. The unemployment estimates shown in this comparison are based on aged 16 and over and refers to the total unemployed as a proportion of the economically active. The claimant count includes all claimants aged 16-64.

**Figure 5: Seasonally adjusted LFS unemployment and claimant count, 2006 – 2016**



[Download in excel](#)

### Notes:

1. LFS unemployment is based on aged 16 and over and is the total unemployed as a proportion of the economically active.
2. Claimant count includes all claimants aged 16-64.

The chart shows that, although the two series are measuring different things, the overall trend is similar over time. The LFS confidence intervals demonstrate the variability of the LFS estimate, showing that on many occasions the claimant count level falls within the range of the LFS estimate. Over the last 10 years, the lowest rates were recorded for both measures just prior to the economic downturn in 2008 – LFS unemployment was 29,000 in April – June 2007 and claimant count reached 23,500 in September 2007. The most recent LFS unemployment was reported as 55,000 (January - March 2016) and claimant count as 37,900 in April 2016.

## Redundancies

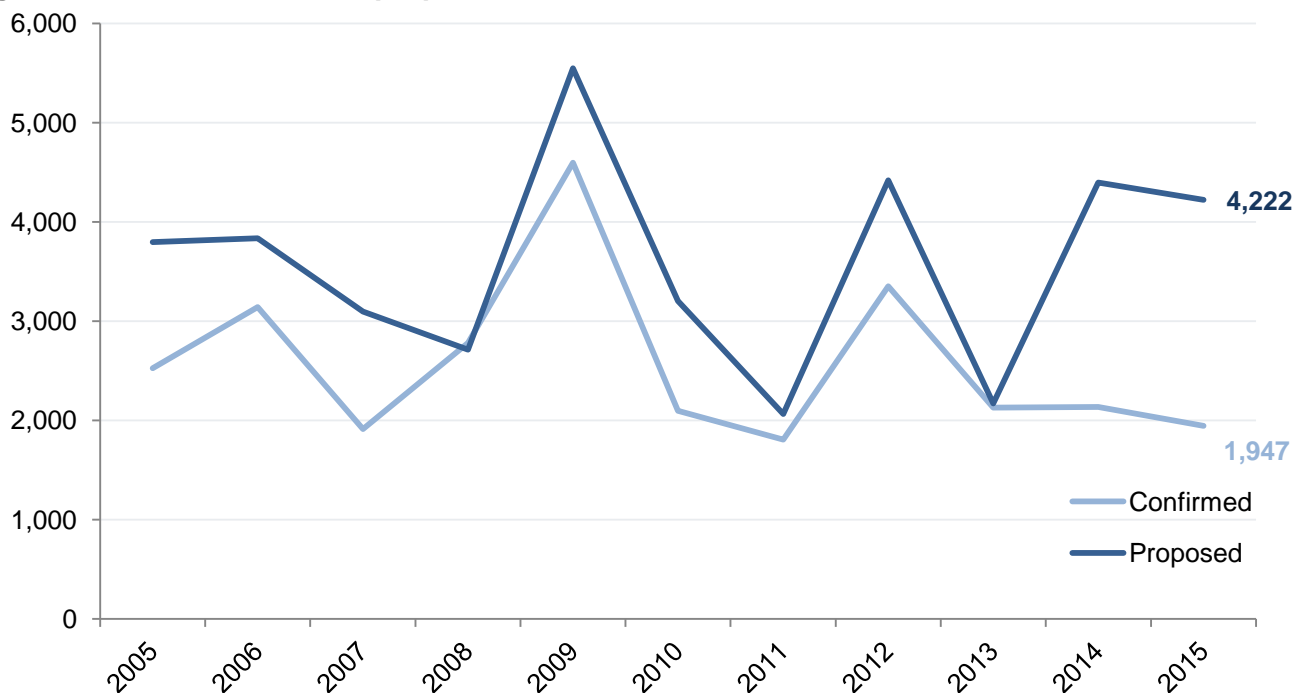
Under the Employment Rights (Northern Ireland) Order 1996 (Amended 8 October 2006) companies are only legally required to notify the Department of impending redundancies of 20 or more employees. Companies who propose less than 20 redundancies are not included in the statistics. As a result, the figures provided are likely to be an underestimate of total job losses, however it is not possible to quantify the extent of the shortfall.

**Redundancies:** Subject to the criteria mentioned above, employers must notify the Department of (a) redundancies proposed and (b) redundancies confirmed. Since all proposed redundancies do not actually take place, the confirmed total provides a better indication of real job losses.

### Key Findings

- During April 2016 the department was notified of 579 confirmed redundancies in Northern Ireland
- Confirmed redundancies increased over the year
- Highest proportion of redundancies found in Manufacturing
- Outstanding redundancies up 98% since this time last year

Figure 6: Confirmed and proposed redundancies – annual totals, 2005 - 2015



[Download in excel](#)

### Confirmed and proposed redundancies

The latest figures show that there were:

- 599 proposed redundancies notified between mid April 2016 and mid May 2016, representing an increase on the previous monthly period total of 413 proposed redundancies
- 579 confirmed redundancies in April 2016.

Over the latest twelve month period there were:

- 4,473 proposed redundancies, an increase of 17% from the previous year (3,814)
- 2,601 confirmed redundancies which was an increase of 37% from the previous year (1,893).

Currently there are 3,539 outstanding redundancies (that is, proposed but not confirmed), which is 98% higher than this time last year (1,783). It should be noted that since all proposed redundancies do not actually take place, the confirmed total provides a better indication of real job losses.

### **Redundancies by sector**

Of the 2,601 confirmed redundancies:

- 715 or 27% were in manufacturing
- 549 redundancies (21% of all redundancies) occurred in wholesale and retail trade; repair of motor vehicles and motorcycles
- a further 299 redundancies (11% of all redundancies) occurred in the financial and insurance activities sector.

**Further information is available on the NISRA - Economic and Labour Market Statistics website:**

[Redundancies](#)



# 3

## Employment

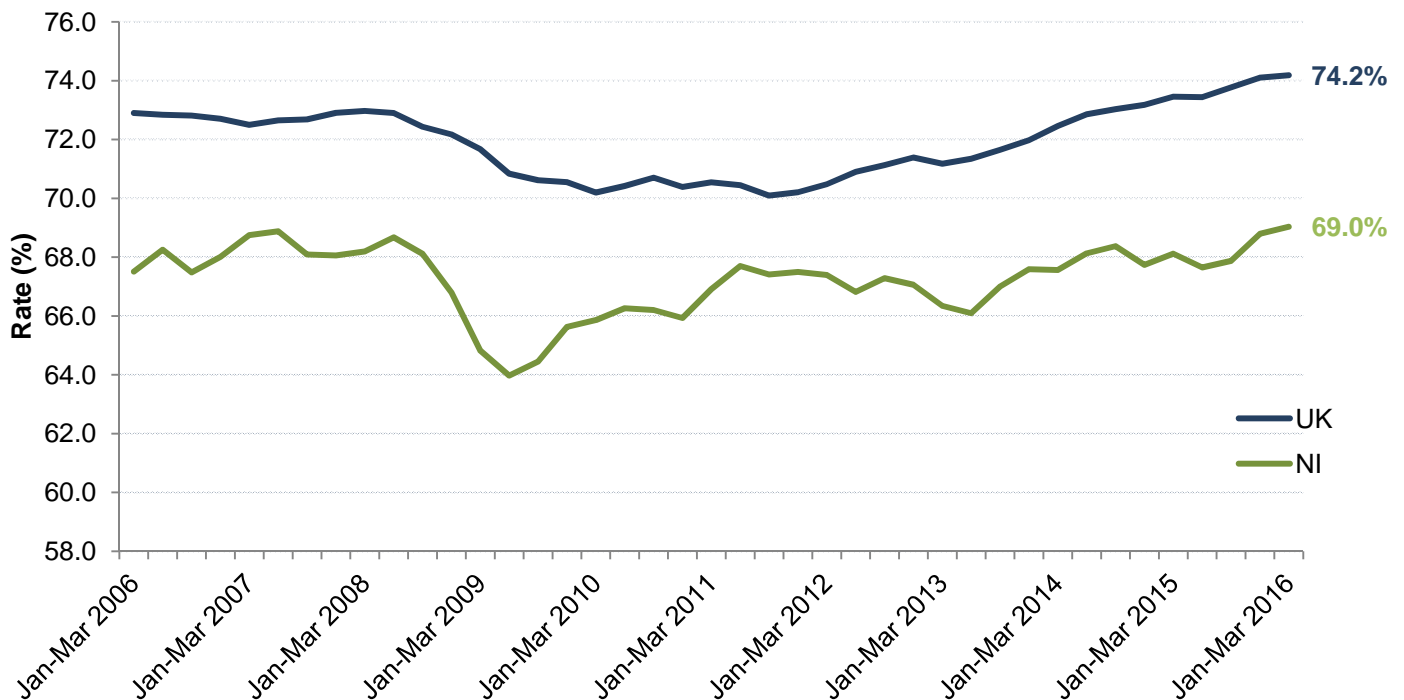
### LFS employment

**LFS employed:** people aged 16 or over who did at least one hour of paid work in the reference week (whether as an employee or self employed); those who had a paid job that they were temporarily away from; those on government-supported training and employee programmes and those doing unpaid family work.

### Key Findings

- NI employment rate increases for 3<sup>rd</sup> consecutive quarter
- Female employment rate unchanged over the year, male rate increased
- NI employment rate was below the UK average and the lowest of the twelve UK regions

Figure 7: Seasonally adjusted employment rate, Jan-Mar 2006 to Jan-Mar 2016



[Download in excel](#)

### Employment

Figure 7 shows that the NI employment rate has consistently been below the UK average over the last 10 years. The most recent NI employment rate for those aged 16-64 for the period January - March 2016 was estimated at 69.0%, representing:

- an increase of 0.2 pps over the quarter
- an increase of 0.9 pps over the year.

The number of persons in employment (16+) in the period January - March 2016 was estimated at 837,000, which was:

- an increase of 7,000 over the quarter and
- an increase of 10,000 over the year.

## **Employment by gender**

Of the total, 54% (456,000) were male and 46% (381,000) were female, within which:

- the male employment rate (75.0%) increased by 1.8 pps over the year
- the female rate (63.2%) unchanged over the year.

## **Regional comparison**

The employment rate in NI (69.0%) was:

- below the UK average (74.2%)
- the lowest rate among the twelve UK regions.

**Further information is available on the NISRA - Economic and Labour Market Statistics website:**

[LFS employment](#)

## Quarterly Employment Survey (QES) – First published March 2016

The QES is a business survey which samples approximately 5,700 companies who are asked to supply the Department with employment data for each of their business activities. This information is then collated by Economic and Labour Market Statistics, from which employee jobs estimates are produced.

**QES employee:** An employee is defined as anyone aged 16 years or over that is directly paid from a business's payroll for carrying out a full-time or part time job or being on a training scheme in Northern Ireland.

### Key Findings

- Employee jobs increased over the quarter and year

Figure 8: Index of Employee Jobs, December 2005 – December 2015

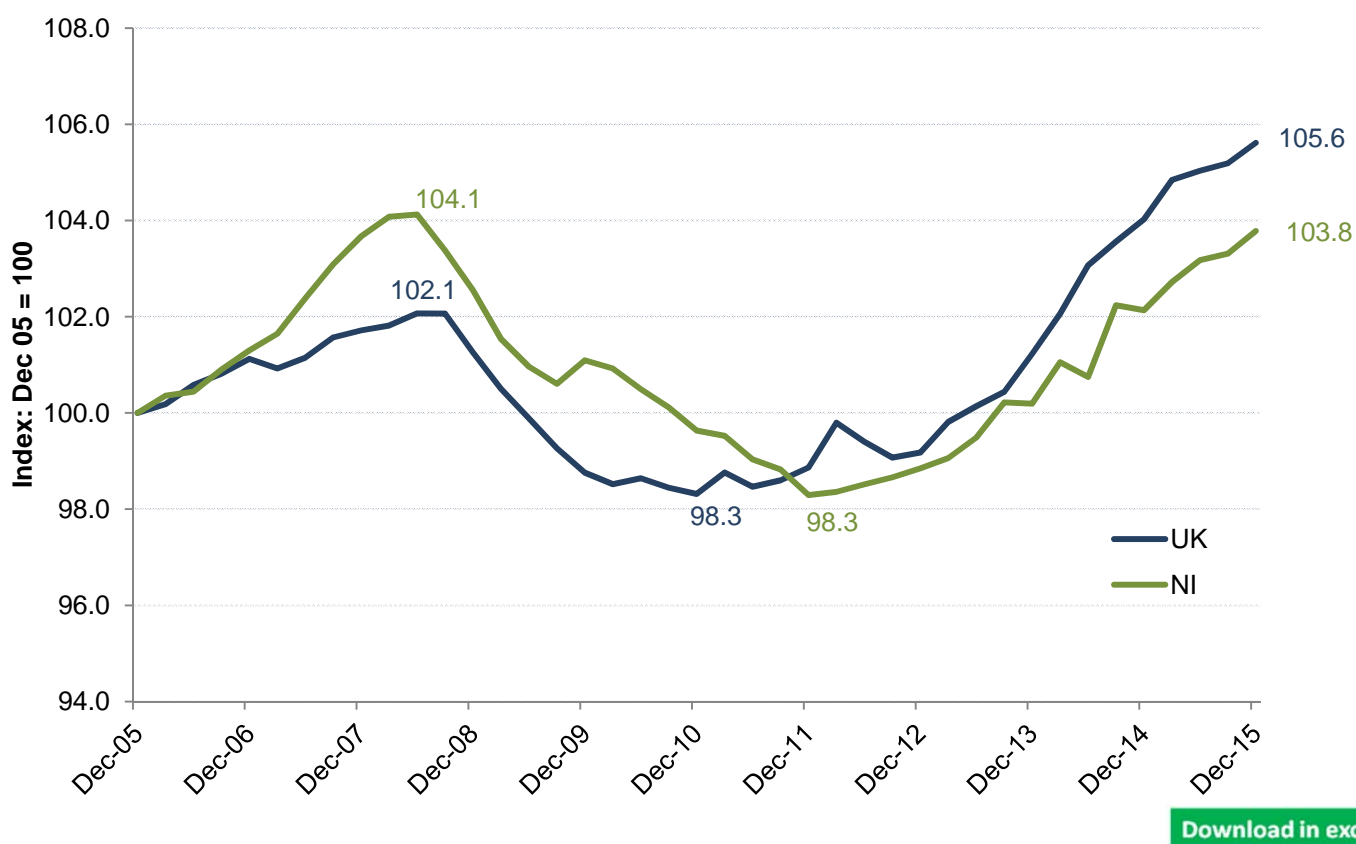


Figure 8 shows the estimated seasonally adjusted employee jobs, indexed to allow comparison between NI and the UK. Both series peaked in June 2008 with the UK reaching its lowest point in December 2010 – one year before the NI low in December 2011. The UK is now above its pre downturn peak.

### Employee Jobs

The seasonally adjusted employee jobs total in Northern Ireland at December 2015 was 730,410, which was:

- an increase of 0.5% (3,310) from the September 2015 estimate of 727,100
- an increase of 11,590 (1.6%) jobs over the year.

### Employee jobs by sector

The seasonally adjusted quarterly change consisted of:

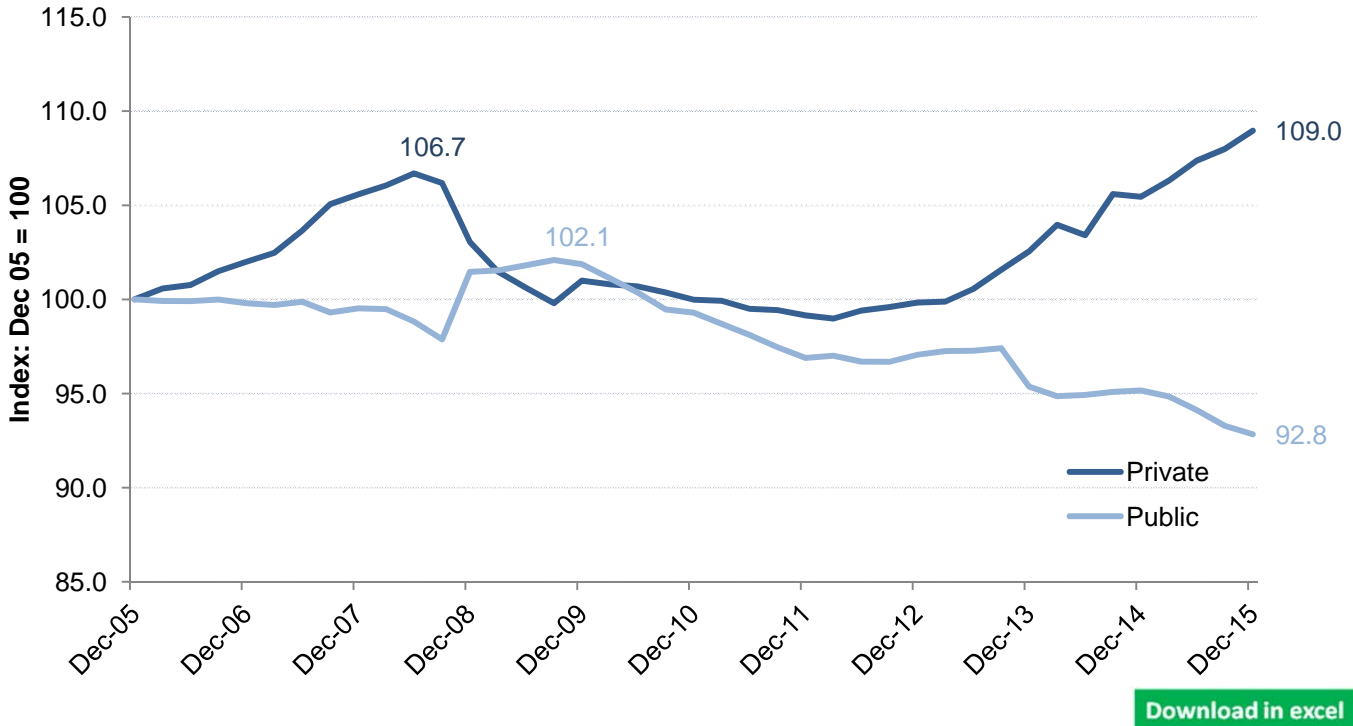
- increases of 0.6% in the manufacturing sector (450 jobs), 1.0% in the construction sector (280 jobs), 0.4% in the services sector (2,530 jobs) and 0.2% in the other industries sector (50 jobs)

- a decrease of 0.5% (-1,000 jobs) in the public sector
- an increase of 0.9% (4,660 jobs) in the private sector.

Over the year to December 2015:

- the public sector decreased by 2.5% (-5,150 jobs)
- the private sector increased by 3.3% (16,940 jobs).

**Figure 9: Index of NI Private and Public Sector Jobs, December 2005 – December 2015**



<sup>1</sup> Users of QES data should be aware that the sample coverage used to derive employee jobs estimates in Northern Ireland has been extended. This has resulted in a discontinuity in the QES employee jobs series from the reference period Q3 2009 onwards.

<sup>2</sup> Royal Mail plc is included in the public sector for September 2013 and earlier periods, but not for subsequent periods.

<sup>3</sup> Lloyds Banking Group and its subsidiaries are included in public sector estimates from December 2008 to December 2013 but not in earlier or subsequent periods.

Figure 9 shows that private sector jobs peaked in June 2008 and public sector reached its peak in September 2009. In the latest quarter, private sector jobs experienced an increase of 4,660 jobs (0.9%) while public sector jobs decreased by 1,000 jobs (-0.5%).

Further information is available on the NISRA - Economic and Labour Market Statistics website:

[Quarterly Employment Survey](#)

Further breakdowns of employee jobs by geography and industry are available from the [Business Register and Employment Survey](#).

## **Comparisons between LFS Employment and QES Employee Jobs**

The concept of employment (measured by the LFS as the number of people in work) differs from the concept of jobs, since a person can have more than one job, and some jobs may be shared by more than one person.

The LFS and QES measure employment in different ways. The LFS is a sample survey carried out by interviewing individuals about their personal circumstances and work. The QES is a quarterly survey of businesses which provides short term employee jobs estimates for Northern Ireland. It surveys all public sector jobs, all private sector firms with 25 or more employees and a sample of the remainder. LFS employment figures are based on a rolling three month period and QES measures the number of jobs on a particular day.

LFS employment includes those who are employed, self-employed, unpaid family workers and those on Government supported training programmes. QES employee jobs include full-time and part-time jobs and those on a training scheme and excludes self-employed.

## Vacancies – First published April 2016

Headline figures are presented for vacancies which have been notified to JobCentres / Jobs & Benefits Offices (J&BO) of the Department for Communities (DfC). A small proportion of vacancies notified are based in the UK mainland or in the Republic of Ireland. The statistics do not represent the total unsatisfied demand for staff by employers, but are only those vacant positions notified by employers to DfC.

There were 51,753 vacancies notified in the 2015/16 financial year, a decrease of 5% when compared against the 2014/15 financial year.

**Table 3: Monthly Notified Vacancies, 2015/16**

Financial Year 2015/16	Notified Vacancies (1)			Total
	Full-Time	Part-Time	Casual	
Apr-15	2,417	1,404	383	4,204
May-15	2,344	1,458	370	4,172
Jun-15	2,359	1,549	423	4,331
Jul-15	2,113	1,272	358	3,743
Aug-15	2,252	1,436	395	4,083
Sep-15	2,692	1,975	460	5,127
Oct-15	2,561	1,946	476	4,983
Nov-15	2,415	1,658	434	4,507
Dec-15	1,494	837	182	2,513
Jan-16	2,445	1,585	497	4,527
Feb-16	2,601	1,667	390	4,658
Mar-16	2,803	1,653	449	4,905
<b>Total</b>	<b>28,496</b>	<b>18,440</b>	<b>4,817</b>	<b>51,753</b>

Figures in the above table are not National Statistics.

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(1) Monthly notified vacancies are all new vacancy positions notified and added to JobCentres / Jobs & Benefits Offices of the Department for Employment and Learning. Notified is subdivided by financial years which run from 1st April to 31st March. All statistics are derived from data extracted from the Department for Communities Client Management System (CMS) on 6th May 2016.

(2) Vacancies data is published quarterly and reported by financial year. Data for April-June will be published on 27th July 2016.

Further statistics are available on the DfC website: [DfC Statistics](#)

# 4

## Economic inactivity

### LFS economic inactivity

**Economically inactive:** people who are neither in employment nor unemployed on the ILO measure. This group includes all those who are looking after a home, long term sick or disabled, students and retired.

#### Key Findings

- NI economic inactivity rate was the lowest since the series began in 1995.
- NI economic inactivity highest of the twelve UK regions
- Of the 16-64 economically inactive, 18% wanted to work

Figure 10: Seasonally adjusted economic inactivity rates (16-64), Jan-Mar 2006 to Jan-Mar 2016

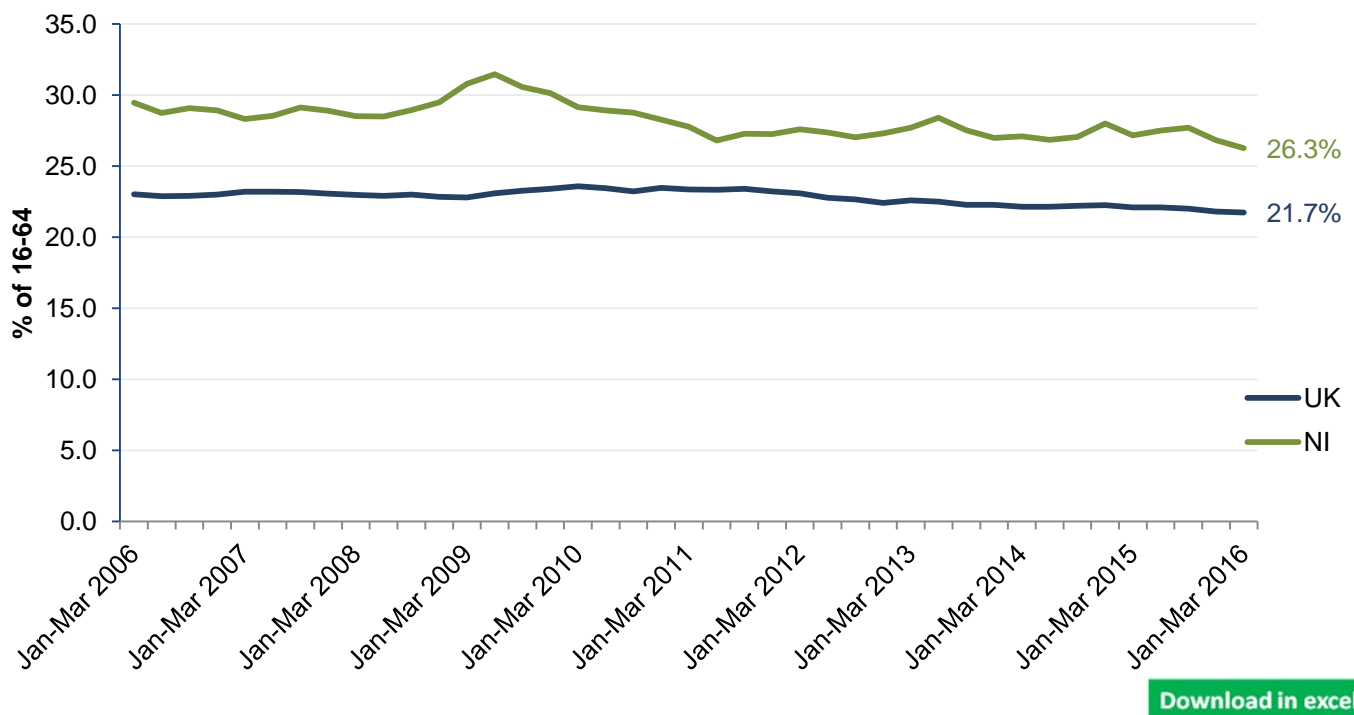


Figure 10 shows that over the last 10 years the NI economic inactivity rate was consistently higher than the UK.

#### Economically inactive

The seasonally adjusted economic inactivity rate (16-64) for January - March 2016 was estimated at 26.3%, which was the lowest rate since the series began in 1995 and showed:

- a decrease of 0.6 percentage points over the quarter and
- a decrease of 0.9 percentage points over the year.

The number of economically inactive persons (16-64) was estimated at 307,000, which was:

- a decrease of 6,000 over the quarter
- a decrease of 10,000 over the year.

Of the economically inactive:

- 37% (112,000) were male and 63% (195,000) were female

Figures unadjusted for seasonality show that, of the economically inactive:

- 82% did not want a job while 18% did
- 30% were long-term sick / disabled, 26% were students, 24% were looking after the family / home, 10% were retired and 9% cited an 'other' reason for inactivity.

### **Regional comparison**

The NI economic inactivity rate for those aged 16-64 stood at 26.3%. This was:

- significantly higher than the UK average rate (21.7%)
- the highest of the twelve UK regions.

**Further information is available on the NISRA - Economic and Labour Market Statistics website:**

[LFS economic inactivity](#)



# 5

## Earnings

### Annual Survey of Hours and Earnings (ASHE) – First published November 2015

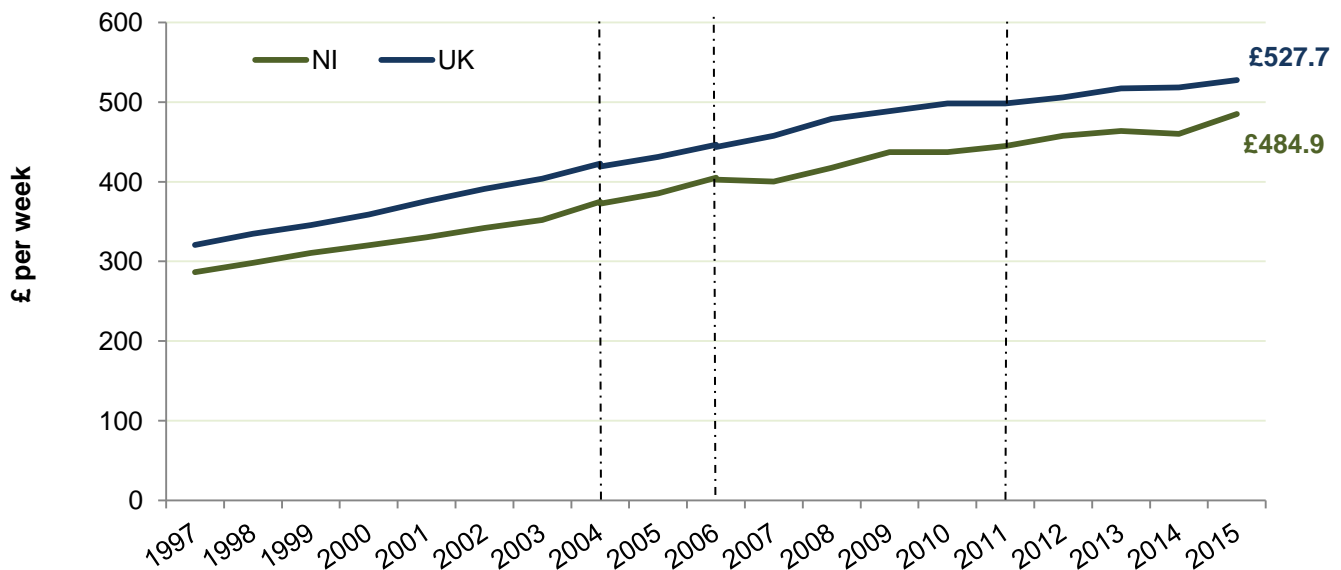
ASHE provides information on employees' hourly, weekly and annual earnings by gender, work pattern, industry and occupation. It has been designed by the Office for National Statistics and is carried out in Northern Ireland by NISRA statisticians.

**Median earnings:** Both median and mean results are reported by ASHE. The mean is the arithmetic average while the median is the value below which 50 per cent of employees fall. The median is often preferred for skewed data such as earnings as it is influenced less by extreme values.

#### Key Findings

- Median weekly earnings for all employees in NI at April 2015 were up from 2014
- Full-time and part-time weekly earnings in NI increased over the year
- The percentage increases in NI were larger than in the UK

Figure 11: Median gross weekly earning for full-time employees, 1997 - 2015



\* dashed vertical lines represent discontinuities caused by methodology changes.

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#### Earnings

Figure 11 shows that for almost 20 years the median gross weekly earnings for full-time employees in NI has consistently been below the UK average. Results for 2015 showed that:

- median gross weekly earnings for all employees increased by 5.3% over the year to £383, compared to an increase of 1.9% in the UK to £426.
- over the year to April 2015, median gross weekly earnings for full-time employees increased by 5.4% to £485, representing a return to growth after a fall of 0.8% in 2014. This was the largest annual percentage increase in earnings since 2004 and the first increase in inflation adjusted earnings since 2009.
- part-time weekly earnings increased by 5.4% since 2014, to £163.

Further information is available on the NISRA - Economic and Labour Market Statistics website: [Annual Survey of Hours and Earnings](#)

### **LFS unemployment**

The definition of unemployment used in the Labour Force Survey (LFS) is in accordance with that of the International Labour Organisation (ILO). The ILO unemployed includes those without a job who were able to start work in the two weeks following their LFS interview and had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained.

Unemployment rate - the percentage of economically active people who are unemployed.

Please note that it is possible for the number of unemployed to increase and the unemployment rate to fall during the same period, as the latter measure is a ratio e.g. if the number of economically active has increased at a faster rate than the number unemployed, the unemployment rate will fall.

### **LFS employment**

The definition of ILO employed applies to anyone (aged 16 or over) who has done at least one hour's paid work in the week prior to interview, or has a job they are temporarily away from (e.g. on holiday). Also included are people who do unpaid work in a family business and people on Government-supported employment training schemes.

The ILO measures are particularly useful for examining short term and long term trends over time and key LFS time series data are available both seasonally adjusted and unadjusted.

### **Sampling variability**

The LFS is a sample survey, and as such, estimates obtained from it are subject to sampling variability. If we drew many samples each would give a different result. The ranges shown for the LFS data in the table overleaf represent 95% confidence intervals i.e. we would expect that in 95% of samples the range would contain the true value. These confidence intervals have been calculated using data that is not seasonally adjusted, with the relevant sampling errors produced then applied to the seasonally adjusted data.

If the 'annual change' for an estimate has increased or decreased by more than the 'sampling variability of the change', this change would be statistically significant. The annual changes for the main LFS categories of employment, unemployment and economic inactivity were tested for statistical significance. The results showed that none of the annual changes, for January - March 2016, were statistically significant over the year, i.e. the recorded change did not exceed the variability expected from a sample survey of this size and was not likely to reflect a real change.

**Table 4: Sampling variability of labour market estimates, January - March 2016**

	Reference period	Estimate	Sampling variability of estimate	Change over quarter	Sampling variability of quarterly change	Change over year	Sampling variability of annual change
Unemployment <sup>1</sup>	Jan-Mar 2016	55,000	+/-12,000	4,000	+/-12,000	0	+/-16,000
Employment <sup>2</sup>	Jan-Mar 2016	837,000	+/-26,000	7,000	+/-19,000	10,000	+/-33,000
Economically inactive <sup>2</sup>	Jan-Mar 2016	559,000	+/-24,000	-8,000	+/-17,000	-1,000	+/-30,000
Unemployment rate <sup>1</sup>	Jan-Mar 2016	6.2%	+/-1.3pps	0.3pps	+/-1.3pps	-0.1pps	+/-1.8pps
Employment rate <sup>2</sup>	Jan-Mar 2016	69.0%	+/-1.9pps	0.2pps	+/-1.4pps	0.9pps	+/-2.5pps
Economic inactivity rate <sup>2</sup>	Jan-Mar 2016	26.3%	+/-1.8pps	-0.6pps	+/-1.3pps	-0.9pps	+/-2.4pps

<sup>1</sup> People aged 16 and over. Unemployment rate = total unemployed as a proportion of the economically active.

<sup>2</sup> Levels for all persons aged 16 and over, rates for working age (16-64).

[Download in excel](#)

Please see attached link for further LFS notes and definitions:

[Labour Force Survey Background Information](#)

### LFS Comparisons

Estimates of employment, unemployment, and economic inactivity are derived from the LFS, a survey of households. The most robust estimates of short-term movements in these estimates are obtained by comparing the estimates over rolling three month periods. For example the 3 months ending March 2016 should be compared with the estimates for October - December 2015, which were first published on February 2016. This provides a more robust estimate than comparing with the estimates for December – February 2016. This is because the January and February data are included within both estimates, so effectively observed differences are those between the individual months of December 2015 and March 2016. The LFS is sampled such that it is representative of the NI population over a three month period, not for single month periods.

### Seasonal adjustment

All estimates discussed in this Statistical Bulletin are seasonally adjusted except where otherwise stated. Like many economic indicators, the labour market is affected by factors that tend to occur at around the same time every year; for example school leavers entering the labour market in July and whether Easter falls in March or April. In order to compare movements other than annual changes in labour market statistics, such as since the previous quarter or since the previous month, the data are seasonally adjusted to remove the effects of seasonal factors and the arrangement of the calendar.

### LFS revisions

LFS microdata have recently been revised to incorporate the latest population estimates. The revisions affect LFS data from the period May - July 2012 onwards and were first published in May 2016. The magnitude of the revisions are relatively small, with the revisions to the unemployment rate falling within +/- 0.1 percentage points and the working age employment rate within +/- 0.2 percentage points. The procedures being applied to the NI LFS results are consistent with those applied by the Office for National Statistics to other UK regions.

More information on the revision policy concerning labour market statistics can be found through the link below:

[Labour market statistics revisions policy](#)

## **Definition of 'working age'**

The 'working age' definition, used in the calculation of employment and economic inactivity rates, was changed in August 2010 to include those aged from 16 to 64 for both men and women. Previously these rates were based on upper age limits of 59 for women and 64 for men, reflecting the state pension ages in the UK.

## **Claimant count definition**

Claimant count figures are derived from records of claimants held at Jobs and Benefits Offices. The term 'claimants' in the claimant count is used to include those who claim Jobseeker's Allowance (JSA) and National Insurance credits. The figures include severely disabled claimants, but exclude students seeking vacation work and the temporarily stopped. The claimant count is a very up-to-date measure of those eligible to claim a specific unemployment related benefit and data are available for a range of geographical sub-regions (e.g. District Council Areas, Parliamentary Constituency Areas, Travel-to-Work Areas and Wards). It also provides seasonally adjusted and unadjusted data and as a result is a useful measure for examining both short-term and long-term trends.

Seasonally adjusted claimant count figures are provisional when published and subject to revision, mainly the following month and are only available at NI level. Seasonally adjusted totals are subject to an annual update, which revises back for 3 years (usually May) to take account of latest assessment trends. The most recent revision took place on 17<sup>th</sup> June 2015. The magnitudes of the revisions are relatively small, with the change of the monthly total claimants within +/- 0.8%. For further information see: [Claimant Count Revisions](#)

## **Universal Credit**

In November 2010 the government announced plans to reform the welfare system by creating a new Universal Credit (UC). The new benefit replaces many of the current separate welfare benefits, as well as subsuming in-work support currently administered through tax credits. Among those benefits being replaced is the means-tested element of Jobseeker's Allowance (JSA) which makes up a significant proportion of the monthly claimant count.

From 17 June 2015, the Office for National Statistics (ONS) replaced the claimant count based on JSA for Great Britain (GB) with an experimental claimant count based on JSA claimants and a measure of out-of-work claimants of UC. As the roll-out of UC in GB proceeds, the undercount arising from continuing to use only JSA data increases and its usefulness decreases as a measure of the number of people claiming unemployment related benefits. As a result the Statistics Authority assessed the designation of the claimant count and decided to withdraw National Statistics designation. The full correspondence between ONS and the Statistics Authority can be accessed at the links below:

[Letter from National Statistician to UK Statistics Authority, 9 June 2015](#)

[Reply from UK Statistics Authority to National Statistician, 10 June 2015](#)

As UC has not been introduced in NI this issue does not arise for the NI series. However it does apply to comparisons between the NI claimant count series and the new GB measure based on Jobseeker's Allowance and out of work UC recipients. ONS have indicated that the new and old claimant counts are not identical since the definition of out-of-work for UC does not precisely match the claimant count definition (since it includes economically inactive claimants i.e. those not seeking and/or not available for work). However ONS analysis has shown that any bias in the new experimental measure is now less than the bias in the old series.

## **Redundancy Legal Requirements**

Under the Employment Rights (Northern Ireland) Order 1996 (Amended 8 October 2006) companies are only legally required to notify the Department of impending redundancies of 20 or more employees. Companies who propose less than 20 redundancies are not included in the statistics.

## **Annual Survey of Hours and Earnings (ASHE)**

Please note, changes in NI earnings over the year and relative to the UK can be influenced by a range of factors including the timing of pay settlements, the extent of overtime, and differences in the composition of the workforce. As ASHE is a sample survey, results are also subject to an associated level of sampling variability. Further information is available at:

[Northern Ireland Annual Survey of Hours and Earnings](#)

[ASHE Background Information](#)

## **Quarterly Employment Survey (QES) Revisions**

QES estimates are revised quarterly to reflect the latest information provided to the Department by employers. The September 2015 seasonally adjusted estimate first published in December 2015 has subsequently been revised down (0.4%). For further details of QES revisions please see link below:

[QES Background Information](#)

**For further information:**

**AN ELECTRONIC VERSION OF THIS DOCUMENT WITH ASSOCIATED HYPERLINKS IS AVAILABLE ON THE [NISRA – ECONOMIC AND LABOUR MARKET STATISTICS WEBSITE](#)**

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