

# Labour Force Survey Annual Summary 2019

Theme: Labour Market

Frequency: Annual

Geographical Area: Northern Ireland

This summary provides key labour market results from the Labour Force Survey (LFS) for the year ending 31 December 2019. Headline employment, unemployment and economic inactivity are included. Further, the summary contains updates for two of the Outcomes Delivery Plan indicators (16 & 17) for Northern Ireland.

## Key Points

- The LFS indicated that the Northern Ireland (NI) unemployment rate (16+) in 2019 was estimated at 2.6%. The unemployment rate decreased from the previous year (3.7%) by 1.1 percentage points (pps). The change was statistically significant and likely to reflect real change.
- The NI employment rate (the proportion of people aged 16-64 in work) in 2019 was estimated at 71.9%. The NI employment rate increased from the previous year (70.0%) by 1.9pps. The change was statistically significant and likely to reflect real change.
- The NI economic inactivity rate (the proportion of people aged 16-64 who were not working nor seeking or available to work) in 2019 was estimated at 26.2%. The inactivity rate decreased from the previous year (27.2%) by 1.1pps. The change was not statistically significant.

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## **NATIONAL STATISTICS STATUS**

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.

These statistics were designated as National Statistics in August 2010 following a full [assessment](#) against the [Code of Practice](#).

Since the assessment by the UK Statistics Authority, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Redesigned the release of annual data outputs into both a summary and detailed report which has improved timeliness of dissemination;
- Improved quality of the LFS data by boosting the sample size and improving precision around headline estimates.

# 1 Context

The latest LFS data covers the year from 1 January 2019 to 31 December 2019. This report provides updated economic headline estimates and includes trends over time, with comparisons made with the year before or over the decade. The LFS is the largest regular household survey in Northern Ireland and is the primary source for information on the labour market using internationally agreed concepts and definitions.

As the LFS is a sample survey estimates are subject to sampling error. Data in the annual summary estimated below 6,000 are suppressed. The Further Information section provides more detail on sampling variability (in the 'reporting change and sampling variability' section).

A recent Labour Market Outputs [consultation](#) showed labour market statistics are used for policy monitoring and research, academic and private sector research, service planning and delivery. Key users of Northern Ireland labour market statistics include government departments, in particular the Department for the Economy (DfE) which uses the statistics to design and monitor the impact of economic and labour market policy. Other Government departments such as the Executive Office (TEO), 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 (including the media, banks, academics, private consultants and the general public) use the data 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 publication day of the monthly [Labour Market Report](#).

Labour market statistics feature in the [DfE 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 NISRA website.

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

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

## **Outcomes Delivery Plan Indicators (ODP)**

The [Outcomes Delivery Plan 2018/19](#) set out the actions that departments intended to take during 2018/19 to give effect to the previous Executive's stated objective of improving wellbeing for all – by tackling disadvantage and driving economic growth. The [Outcomes Delivery Plan \(December 2019\)](#) is a further update which does not cover a fixed period with the intention to maintain it as a more responsive "live" document. The framework reflects population conditions in 12 key areas of economic and societal wellbeing identified through consultation as priorities, the 12 areas are then supported by 49 indicators. The LFS annual dataset informs seven indicators, two of which have been detailed in the following sections of this report. A further four indicators will be reported in the annual report due for publication in June 2020. The 7th indicator (ODP 42, Life Satisfaction score of people with disabilities) is published in the [Personal Wellbeing](#) section of the NISRA website.

## 2 Unemployment

**LFS unemployment:** The International Labour Organisation (ILO) defines unemployed as those aged 16+ 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

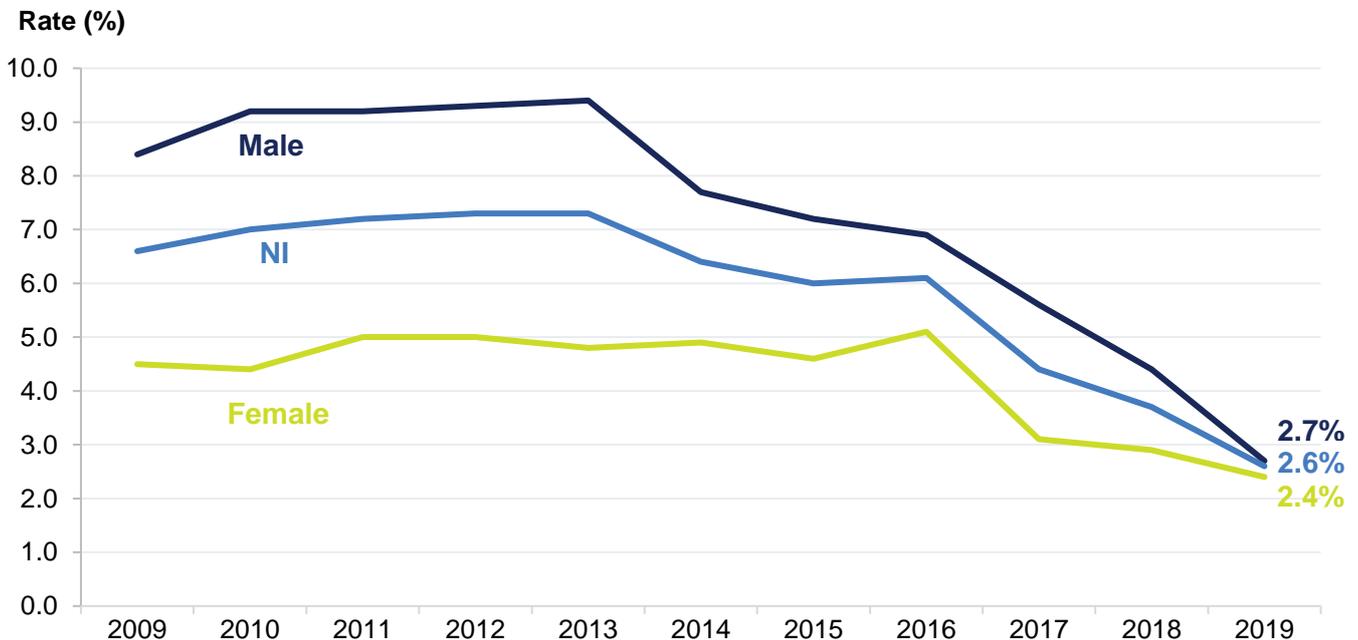
- The unemployment rate (16+) in NI was estimated at 2.6%, a decrease of 1.1 percentage points over the year and a decrease of 4.1 percentage points over the decade.
- The number of unemployed persons aged 16+ in 2019 was estimated at 23,000, a decrease of 10,000 over the year and a decrease of 31,000 over the decade.
- The unemployment rate for males (16+) was estimated at 2.7% and the female rate was estimated at 2.4%.

Of those aged 16+ who were unemployed, 56% (13,000) were male and 44% (10,000) were female.

The changes by sex included:

- The male (16+) unemployment rate (2.7%) decreased by 1.7pps over the year.
- The female (16+) unemployment rate (2.4%) decreased by 0.5pps over the year.
- The unemployment rate for females has been consistently lower than males over the last decade, however the gap between the two has decreased in the last 5 years.

Figure 1: Northern Ireland unemployment rate (16+), Jan-Dec 2009 to Jan-Dec 2019



[Download in excel](#)

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

[LFS unemployment](#)

# 3 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.

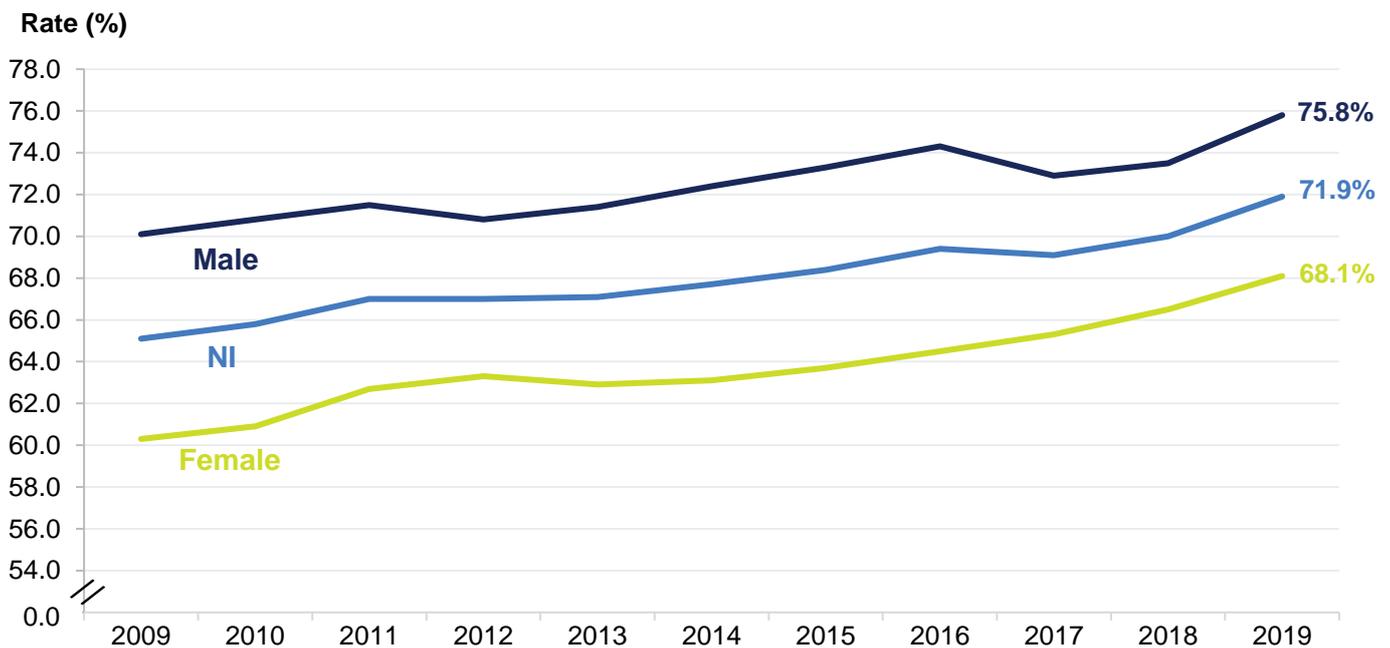
## Key findings

- The 2019 employment rate (16-64) in NI was estimated at 71.9%, an increase of 1.9 percentage points over the year
- The number of persons in employment (16-64) was estimated at 839,000.
- The estimated employment rate (16-64) was 75.8% for males and 68.1% for females.

Of those aged 16-64 who were employed, 52% (438,000) were male and 48% (402,000) were female. The changes by sex included:

- The male (16-64) employment rate (75.8%) increased by 2.3pps over the year
- The female (16-64) employment rate (68.1%) increased by 1.5pps over the year
- The employment rate for males has been consistently higher than for females.

**Figure 2: Northern Ireland employment rate (16-64), Jan-Dec 2009 to Jan-Dec 2019**



[Download in excel](#)

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

**ODP Indicator 16: Seasonally adjusted employment rate (16-64).**

**Current position:** The Northern Ireland employment rate for those aged 16-64 in 2019 was 71.9%. This was a 3.5 percentage point increase from the baseline year (2015). This was a statistically significant change.

Outcome 6 – We have more people working in better jobs.

Further information is available on the TEO website: [Outcomes Delivery Plan \(December 2019\)](#)

# 4 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.

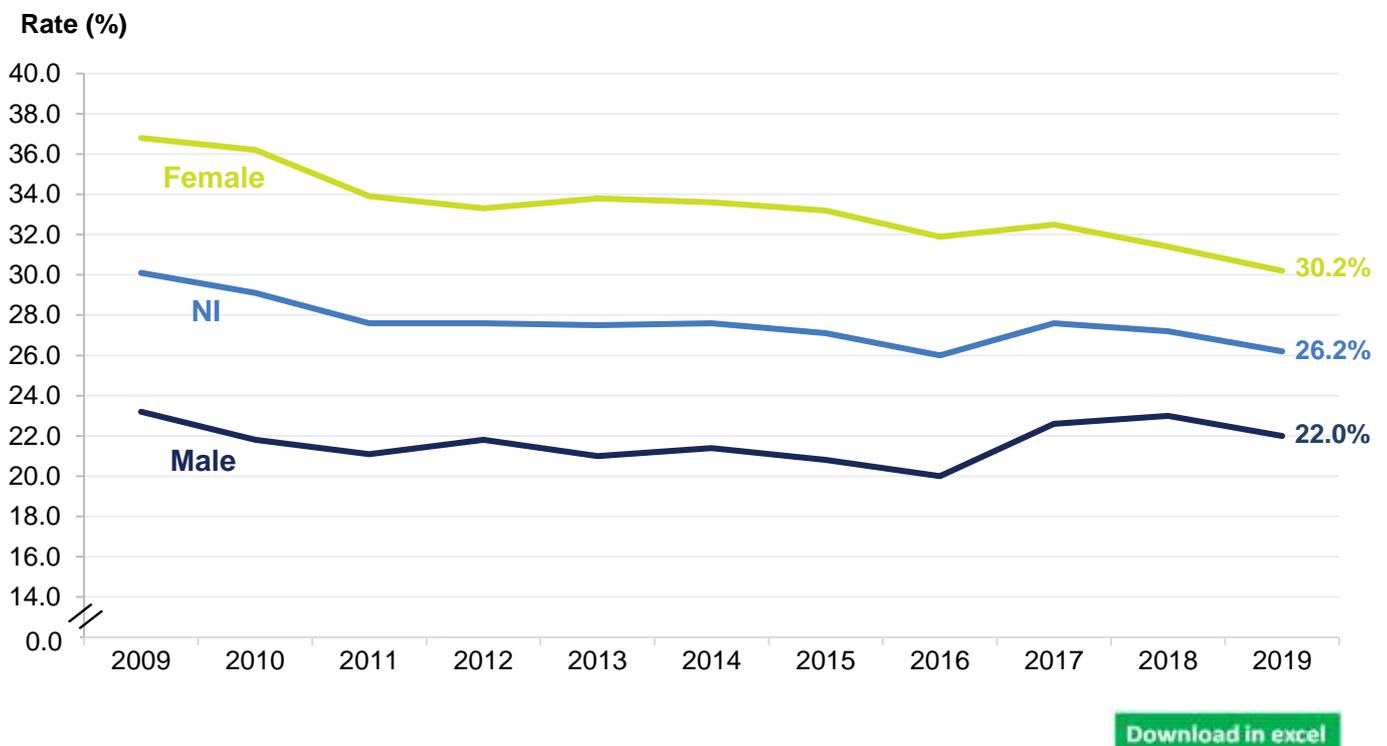
## Key findings

- The 2019 economic inactivity rate (16-64) in NI was estimated at 26.2%, a decrease of 1.1 percentage points over the year.
- The number of persons who were economically inactive (16-64) in 2019 was estimated at 306,000.
- The estimated economic inactivity rate (16-64) was 22.0% for males and 30.2% for females.

Of those aged 16-64 who were economically inactive, 42% (127,000) were male and 58% (178,000) were female. The changes by sex included:

- The male (16-64) economically inactive rate (22.0%) decreased by 1.0pps over the year
- The female (16-64) economically inactive rate (30.2%) decreased by 1.2pps over the year
- The inactivity rate for females has been consistently higher than for males.

Figure 3: Northern Ireland economic inactivity rate (16-64), Jan-Dec 2009 to Jan-Dec 2019



Further information is available on the NISRA - Economic and Labour Market Statistics website: [LFS economic inactivity](#)

**ODP Indicator 17: Economic inactivity rate (16-64) excluding students.**

**Current position:** The Northern Ireland economic inactivity rate (16-64) excluding students in 2019 was 19.7%. This was a 0.4 percentage point decrease from the baseline year (2015). This was not a statistically significant change.

Outcome 3 – We have a more equal society.

Outcome 6 – We have more people working in better jobs.

Further information is available on the TEO website: [Outcomes Delivery Plan \(December 2019\)](#)

# 5 Further Information

## Background

The LFS annual dataset used for this publication is derived from four consecutive quarters of the LFS. Each quarter's LFS sample of around 4,500 households in NI is made up of 5 waves with around 1,300 private households selected for the first time in wave 1 and the remaining 3,200 private households spread across waves 2 to 5. This results in a total of around 7,000 individuals included each quarter. Individuals in each wave are interviewed in five successive quarters, such that in any quarter one wave will be receiving their first interview, one wave their second, and so on, with one receiving their fifth and final interview. The annual dataset is created by selecting the relevant cases from each quarter and combining them to create a dataset of unique cases. Selecting all wave one and five interviews allows the maximum number of respondents over a one-year period to be included whilst avoiding double counting. The resulting sample size in the 2019 dataset is approximately 11,000 individuals.

The LFS collects information from a sample of the population living in households. To provide estimates for the entire population the data must be grossed. This is achieved by creating grossing factors often referred to as weights, that can be applied to each sampled individual so that grossed results match published population data in terms of age distribution, sex and region of residence. Mid-year population estimates and projections are used to ensure that the LFS is grossed to the most up to date population data available.

## Reporting change and sampling variability

Reported change is calculated using unrounded data and is presented to 1 decimal place. When a change is less than 0.05pps, it is rounded to 0.0pps and the data is reported as unchanged.

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 tables LFSAS19 1.1 to 1.3 represent 95% confidence intervals i.e. we would expect that in 95% of samples the range would contain the true value. See the [Estimating and reporting uncertainty paper](#) for details.

If the annual change of an estimate is larger than the 'confidence interval around the change', the change is statistically significant. If none of the reported changes over the year were statistically significant, then the recorded changes did not exceed the variability expected from a sample survey of this size.

## Thresholds

Thresholds are used to determine whether LFS data are suitably robust for publication. The threshold used for the annual LFS datasets is 6,000. As such, data below 6,000 are suppressed.

## LFS revisions

LFS microdata are routinely revised to incorporate the latest population estimates. The latest annual revisions were published in March 2019 and affect annual datasets from 2012 onwards. In addition the 2018 and 2019 annual datasets include a boost to the LFS sample. More information on the revision policy concerning labour market statistics can be found through the following link: [Labour market statistics revisions policy](#)

## LFS definitions

**Employment:** The definition of ILO employed applies to anyone (aged 16 or over) who has carried out 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. In this publication employment estimates are for the working age (16-64) population.

**Employment rate:** The employment rate is the percentage of all working age (16-64) people who are employed.

**Unemployment:** The definition of unemployment used in the LFS is in accordance with that of the International Labour Organisation (ILO). 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 unemployment rate is the percentage of economically active people (16+) who are unemployed.

**Economic inactivity:** Economic inactivity applies to those individuals who are neither in employment nor unemployed on the ILO measure. This group includes all those who were looking after a home, long term sick or disabled, students or retired.

**Economic inactivity rate:** The economic inactivity rate is the percentage of people of working age who are economically inactive.

**Economic inactivity excluding students:** People who are neither in employment, nor unemployed on the ILO measure, nor economically inactive due to being a student. This group includes all those who are looking after a home, long term sick or disabled and retired. The rate is calculated as all people of working age who are economically inactive, except those who are economically inactive due to being a student, as a proportion of all people of working age.

## Further information

If you require further information about the figures contained in this publication or the accompanying tables, please contact the Labour Force Survey section using the details below:

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**Table No.**

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LFSAS19 1.2	<a href="#"><u>Employment by sex, 2009-2019</u></a>
LFSAS19 1.3	<a href="#"><u>Economic inactivity by sex, 2009-2019</u></a>
ODP16 2019	<a href="#"><u>Employment rate (16-64), 2009-2019</u></a>
ODP17 2019	<a href="#"><u>Economic inactivity rate (16-64), excluding students, 2009-2019</u></a>