



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

# Quarterly Supplement to the Labour Market Report April – June 2017 30th August 2017

The Quarterly Supplement provides a more detailed range of statistics from the Labour Force Survey than is available from the monthly <u>Labour Market Report</u> including information disaggregated by gender, age and by Local Government District.

The additional information is provided as Excel tables, which can be accessed directly from the attached index of tables (Page 11). The information included is **not seasonally adjusted** unless otherwise stated. The Further Information section provides detail on sampling variability.

The key points from the supplementary tables are:

#### Unemployment

- In April June 2017, the unemployment rate for males was 7.1% compared with 2.9% for females.
- Half of unemployed persons were aged 30+ (51%).
- More than half of unemployed males (53%) were unemployed for more than one year (long term unemployed).
- Over half (59%) of those unemployed aged 30 years and over were unemployed for more than one year.

#### **Employment**

- There were an estimated 809,000 persons, aged 16-64, in employment in Northern Ireland in April – June 2017.
- The number of those in employment increased by approximately 34,000 in the last five years
- Fewer females than males work beyond the age of 60.
- A higher proportion of females (41%) worked part time than males (12%).
- The main reasons cited by female employees for working part-time were that they did not want a full-time job (74%) or were students (13%).
- The major industries of all those in employment were public administration, education and health (31%) and distribution, hotels and restaurants (20%).
- Professional occupations accounted for the largest proportion of persons in employment (19%).

• In April - June 2017, the working age employment rate by Local Government District was highest in Antrim and Newtownabbey (77%) and lowest in Derry City and Strabane (55%).

#### **Economic activity**

- At 78%, the 16-64 economic activity rate for males in April June 2017 was 10 percentage
  points higher than that for females (68%). The current differential between the activity rates
  of males and females has decreased from a 15 percentage point gap ten years ago.
- Economic activity rates by Local Government District were highest in Antrim and Newtownabbey (82%) and lowest in Derry City and Strabane (62%).

#### **Economically inactive**

- The April June 2017 economic inactivity rate (16-64) was higher for females (32%) than males (22%).
- Under half (46%) of the economically inactive were aged 65 and over in Northern Ireland compared to 54% in the UK.
- Northern Ireland had a higher percentage of economically inactive (16-64) who were sick / disabled than in the UK (34% compared to 24%).
- In April June 2017 the highest level of economic inactivity (16-64) by Local Government
  District was reported in Derry City and Strabane (38%) and the lowest in Antrim and
  Newtownabbey (18%).

#### Not in Education, Employment or Training (NEET)

- In April June 2017, there were 25,000 young people (aged from 16 to 24) in Northern Ireland who were NEET.
- The percentage of all young people in Northern Ireland who were NEET was 12.0%.
- Of the 16-24 year olds who were NEET, 16,000 were economically inactive.
- Northern Ireland had the highest 16-24 NEET rate (12.0%) of the 4 UK countries. England had the second highest rate (10.9%), Wales were the second lowest (9.1%) while Scotland had the lowest rate (8.4%). The UK average was 10.7%.

#### **Education and training**

- The qualification levels of those aged 16-64 who were economically active were consistently higher than those who were economically inactive.
- One third (33%) of economically inactive persons had no formal qualifications at April -June 2017, compared with 11% of economically active.
- A higher proportion of younger employees received job-related training.

#### Disability and the labour market

- Just over one in five persons (22%) of working age in Northern Ireland had a disability.
- More than double the proportion (31%) of disabled persons had no qualifications compared to non-disabled persons (12%) at April June 2017.
- People without a disability were more than twice as likely to be in employment (78%) than those with a disability (38%).

#### **Self-employment**

• The number of self-employed people increased by 10,000 (9%) in the period 2007 to 2017.

- The number of self-employed females has increased by 13,000 (59%) from the level reported in 2007, while the number of self-employed males decreased by 3,000 (3%) over the same period.
- Only 9% of females in employment were self-employed, compared to 22% of males.
- There was a larger proportion of self-employed who were aged 16-29 in April June 2017 (13%) compared to April June 2012 (9%).
- Those with higher qualifications were more likely to be self-employed than those with other types of qualifications.
- Of those classified as self-employed in April June 2017, 18% were employed in the construction industry.
- Over one third (35%) of those classified as self-employed were employed in skilled trade occupations.
- Northern Ireland ranked fifth highest across UK regions in terms of self-employment rates for April - June 2017.

#### **Graduates**

- The number of Northern Ireland graduates has increased by 11% in the last five years, to 260,000 in April June 2017.
- The 30-39 age group in Northern Ireland had the largest proportion of graduates with 76,000 (29%), closely followed by those aged 40-49 with 68,000 (26%).
- The Northern Ireland working age employment rate was considerably higher for graduates (89%) than for non-graduates (63%).
- The largest occupation group for graduates was professional occupations, where 50% of graduates were employed, compared to only 7% of non-graduates.

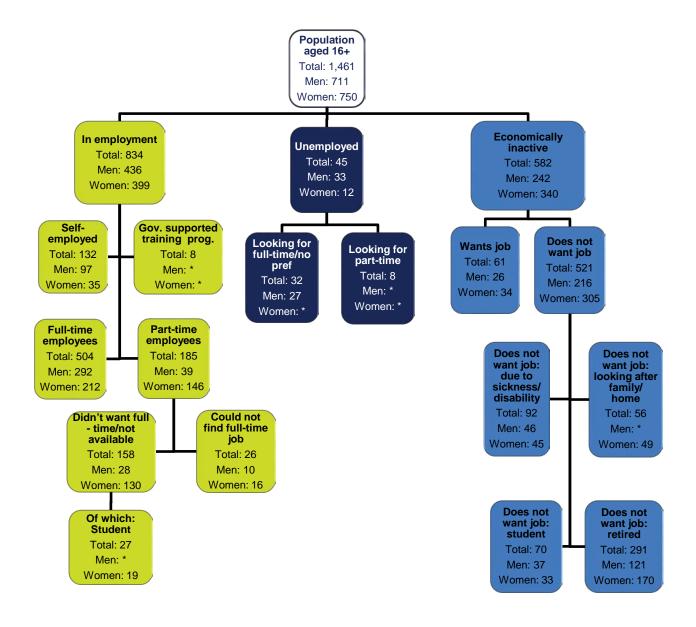
#### Households

• In October - December 2016<sup>1</sup>, the most common type of household in Northern Ireland consisted of a couple with children, which accounted for 28% of all households.

- Northern Ireland had the highest proportion of working age workless households (21%) among the UK regions. This compared to 15% in the UK as a whole.
- An estimated 76% of females of working age with dependent children under 19 were economically active, which is higher than the rate for those without dependent children (68%).
- When the youngest dependent child was aged 0-4, the economic activity rate of the female head of family (70%) was 12 percentage points lower than the rate for the 16-18 age group (82%).

<sup>1</sup> The household data refers to a different quarter than the rest of the document as this comes from the household dataset which is only published every six month and at a later date than the personal datasets

Figure 1: Overall labour market structure, 16+ (thousands)



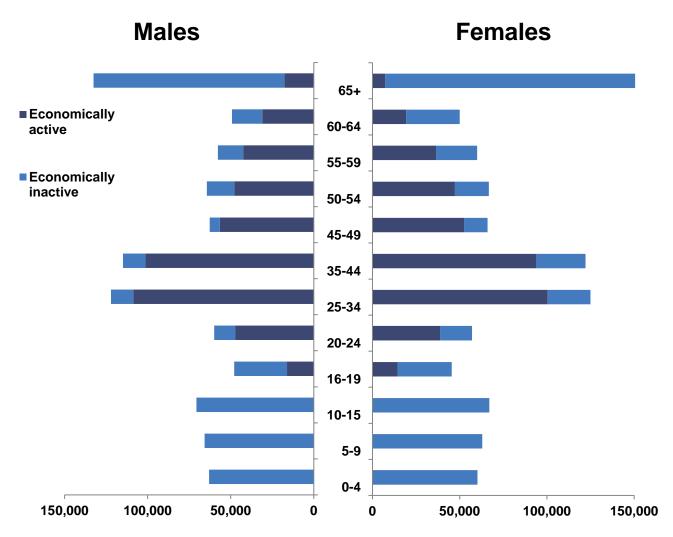
Source: Labour Force Survey, April - June 2017

#### Notes:

This chart illustrates the structure of the private household population in relation to the key ILO defined categories of in employment, unemployed and economically inactive (see Further Information for definitions).

<sup>\*</sup> Sample size is too small to provide a reliable estimate (this explains why a gender split for some categories is omitted). Figures may not sum due to rounding.

Figure 2: Northern Ireland population structure by age, sex and economic activity



Source: Labour Force Survey, April - June 2017

#### Context

The Quarterly Supplement to the Labour Market Report (LMR) provides more detailed statistics from the most recent quarterly Labour Force Survey (LFS). The Quarterly Supplement analyses data which has not been adjusted for seasonality whereas the monthly LMR provides headline data adjusted for seasonality. The quarterly publication provides additional data in key areas such as employment, unemployment and economic activity / inactivity. In addition, it provides the most up-to-date information on specific areas such as those Not in Education, Employment or Training (NEET), disability and the labour market, self-employment and graduates.

In keeping with feedback from various user consultation exercises, which highlighted a demand for data in re-usable format, the quarterly supplement has moved from a traditional publication style to being primarily tabular, with key points highlighted in this summary report alongside figures and notes which are useful for context. The detailed tables are available on the NISRA-ELMS webpage and can be accessed via the attached index of tables (Page 11).

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 <u>economic commentary</u> 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 <u>Economic Overview</u> <u>section</u> of the website.

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

- Explaining the concepts of employment, unemployment and economic inactivity
- Interpreting Labour Market statistics
- Guide to Labour Market Statistics
- Glossary

## **Further Information**

#### **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.

#### 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.

#### LFS economic activity

The economic activity rate is the percentage of people aged 16-64 who are economically active.

#### Definition of 'working age'

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

#### Sampling

Because the LFS is a sample survey, results are subject to sampling error, i.e. the actual proportion of the population in private households with a particular characteristic may differ from the proportion of the LFS sample with that characteristic. Accordingly, although percentages in most tables are quoted to one decimal place, they should not be regarded as having this degree of accuracy, and indeed some apparent trends over time may be misleading due to sampling error. In general, the larger the group, the more precise (proportionately) is the LFS estimate.

The following table shows the proportions obtained from the April - June 2017 survey for some key LFS variables and indicates their sampling accuracy. The confidence intervals represent the ranges either side of the LFS proportions which are 95% certain to include the true values of the quantities estimated.

## LFS proportions of total private household population (16+), including 95% confidence intervals, April - June 2017

	Estimate	Change over quarter	Change over year
In employment		8,000	0
(Sampling variability of change)	834,000	(+/-18,000)	(+/-32,000)
Unemployment	45,000	-1,000	-7,000
(Sampling variability of change)		(+/-10,000)	(+/-14,000)
Economically		-5,000	14,000
inactive	582,000		
(Sampling variability of change)		(+/-16,000)	(+/-29,000)
Unemployment rate	5.1%	-0.2pps	-0.7pps
(Sampling variability of change)		+/-1.2pps	+/-1.6pps
Economic activity		0.4pps	-0.8pps
rate	60.2%		
(Sampling variability of change)		+/-1.3pps	+/-2.3pps

<sup>\*</sup> As a percentage of all in employment.

Confidence intervals for other proportions produced in this publication may be obtained on request from contacts given at the end of this note.

#### **Response Rates**

The sample for the April - June 2017 LFS consisted of 2,451 addresses, (1,179 chosen at random from the Valuation & Lands Agency list of domestic properties, 1,600 carried forward from the previous quarter). A random start, fixed interval sampling technique of the addresses, which are ordered by Council Area and Ward, is used. This ensures a proportional representation across the Council Areas in Northern Ireland.

Only private household addresses were eligible since the LFS is a survey of the private household population. Every selected address is interviewed on five successive occasions, such that in any one quarter, a fifth of the sample will be receiving their first interview, one fifth their second and so on, with one fifth receiving their fifth and final interview. This results in an 80% sample overlap between quarters.

Response rates, April - June 2017

Total addresses sampled	2,779
Fully and partially responding	1,600
Eligible sample	2,451
Response rate (%)	65.3%

<sup>\*</sup>Of the addresses sampled, a small number contained more than one household and some contained households which moved during the quarter. Residents in NHS hospital accommodation (formerly called nurses' homes) and students living in halls of residence or boarding schools are included to improve the coverage of young people.

Breakdown of non-response and ineligible addresses, April - June 2017

Non-response/non-contact:	Number
- Outright refusal	249
- Circumstantial refusal	111
- Non-contact	491
Ineligible addresses:	
- Vacant/derelict/under construction	224
- Holiday accommodation	19
- Non-residential	10
- Second residence	48
- Other ineligible	23
- Household moves	4
Total	1179

#### 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 2017. 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 Northern Ireland LFS results are consistent with those applied by the Office for National Statistics to other UK regions.

Please note household data will not be revised until the next publication.

More information on the revision policy concerning labour market statistics can be found through the link: <u>Labour market statistics revisions policy</u>

#### **Changes to the Disability data**

As of May 2016 the definition of Disability used on the Labour Force Survey in Northern Ireland has changed from the DDA-based definition to the GSS Harmonised Standard definition of Disability. This is to ensure consistence and comparability with the UK. It has caused a discontinuity in the time series at April 2013.

The GSS Harmonised Standards focus on a 'core' definition of people whose condition currently limits their activity. In summary the core definition covers people who report:

- (current) physical or mental health condition(s) or illnesses lasting or expected to last 12 months or more; and
- the condition(s) or illness(es) reduce their ability to carry out day-to-day activities.

This differs from the DDA-based definition of disability previously used in the LFS in that it excludes the following groups which are "non-core" under the new Act:

- people with a progressive condition (specified in the Equality Act as HIV/AIDS, cancer or multiple sclerosis) that does not currently reduce their ability to carry out day-to-day activities.
- people whose activities would be restricted only without medication or treatment.

#### For further information:

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

You can also contact Economic & Labour Market Statistics Branch by:

#### Writing to:

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## **Index of Tables**

QS7.2

QS7.3

#### Table No. Title Unemployment QS1.1 Unemployment by sex, 16+ QS1.2 Age distribution of the unemployed, 16+ QS1.3 Duration of unemployment in Northern Ireland by sex and age, 16+ In employment QS2.1 Employment by sex, 16-64 QS2.2 Age distribution of those in employment, 16+ QS2.3 Employment status of those in employment, 16+ QS2.4 Reasons for females working part-time, 16+ QS2.5 Persons in employment by industry section, 16+ QS2.6 Persons in employment by occupation, 16+ QS2.7 Daily sickness absence rates of employees, 16+ QS2.8 Employment by sex and local government district, 16-64 **Economic activity** QS3.1 Economic activity by sex, 16-64 QS3.2 Economic activity by sex and local government district, 16-64 **Economically inactive** QS4.1 Economic inactivity by sex, 16-64 QS4.2 Age distribution of the economically inactive, NI & UK, 16+ QS4.3 Reason for economic inactivity, NI & UK, 16-64 QS4.4 Economic inactivity by local government district, 16-64 Not in Education, Employment or Training (NEET) Not in Education, Employment or Training (NEET), 16-24 QS5.1 QS5.2 Economic overview, 16-24 QS5.3 NEET rate by UK country, 16-24 **Education and training** Qualifications by economic activity, 16-64 QS6.1 QS6.2 Percentage of employees receiving job-related training by age group, 16-64 **Disability** QS7.1 Disability rate by age and sex, 16-64

Qualifications of persons with or without a disability, 16-64

Economic activity of persons with or without a disability, 16-64

### **Self Employment**

QS8.1	Employee and self employment, 16+
QS8.2	Self-employment by sex, 16+
QS8.3	Self-employment by age group, 16+
QS8.4	Highest qualification of the self employed and those in employment, 16-64
QS8.5	Percentage of self-employed persons by industry section, 16+
QS8.6	Percentage of self-employed persons by occupation, 16+
QS8.7	Self-employment rate by UK region, 16+

Graduates	
QS9.1	Number of NI graduates, 16-64
QS9.2	Number of graduates by age group, 16+
QS9.3	Graduate & non-graduate employment rates by UK region, 16-64
QS9.4	Occupational groups for graduates and non-graduates, 16-64

#### Households

QS10.1	Household type, NI & UK
QS10.2	Combined economic activity status of household members by UK regions, 16-64
QS10.3	Economic activity rates for females (16-64) by number of dependent children
QS10.4	Economic activity rates for females (16-64) by age of youngest dependent child