

# Northern Ireland Labour Market Report

Theme: Labour Market

Frequency: Monthly

Geographical Area: Northern Ireland

## Key Points

- The number of people on the NI claimant count (experimental) increased over the month to 58,900 in February 2021. This is the first monthly increase since the peak in May 2020. The experimental Claimant Count includes Jobseeker's Allowance Claimants and those claimants of Universal Credit who were claiming principally for the reason of being unemployed.
- From 1<sup>st</sup> March 2020 to 28<sup>th</sup> February 2021, 10,650 redundancies were proposed, more than double the previous 12 months. The department was notified of 420 confirmed redundancies in February 2021, taking the annual total to 5,770.
- The number of employees receiving pay through HMRC PAYE in NI in January 2021 was 744,300, an increase of 0.2% over the month and a decrease of 0.9% over the year. The flash estimate for February 2021 shows a further increase of 0.2% on January's figure to 746,100.
- Earnings from the HMRC PAYE indicated that NI employees had a median monthly pay of £1,775 in January 2021, a decrease of 0.7% over the month and an increase of 4.8% over the year. The flash estimate for February 2021 shows a further 0.5% decrease in earnings from January's figure.
- The latest Labour Force Survey (LFS) estimates relate to November-January 2021 and indicate that, over the quarter, the employment and unemployment rates decreased, and the economic inactivity rate increased.
- The NI unemployment rate (16+) decreased over the quarter (0.1pps) and increased over the year (1.3pps) to 3.7% in November-January 2021. The annual change was statistically significant and is likely to reflect real change. The NI unemployment rate was below the UK rate (5.0%).
- The proportion of people aged 16 to 64 in work (the employment rate) decreased over the quarter (1.3pps) and the year (3.0pps) to 69.3%. The annual change was statistically significant and is likely to reflect real change. The latest employment rate recorded for the whole of the UK was 75.0%.
- The NI economic inactivity rate (the proportion of people aged from 16 to 64 who were not working and not seeking or available to work) increased over the quarter (1.5pps) and the year (2.1pps) to 28.0%. The economic inactivity rate was similar to rates over the last ten years but significantly below peak rates in 2009. The NI economic inactivity rate remained above the UK rate (21.0%).
- Businesses reported that employee jobs decreased over both the quarter and the year to 770,900 jobs in December 2020. This marked the third consecutive quarter of decline in employee jobs. The quarterly decline in December 2020 was driven by decreases within the services, construction and other industry sectors. The annual decrease was the second consecutive annual decline since September 2012, and was driven by decreases in the services (-9,870 jobs) and manufacturing (-830 jobs) sectors.

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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 of Labour Market Statistics for Northern Ireland](#) against the [Code of Practice for statistics](#). A compliance check in March 2020 recommended the continued designation of the report as a National Statistic. These statistics were considered as part of a wider [assessment of the UK employment and jobs statistics](#).

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 Labour Market Report, providing more context to results by setting recent changes within context of longer term trends;
- Removed pre-release access to enhance trustworthiness, and brought forward the publication date as a result;
- Improved timeliness of [quarterly labour force survey tables](#) (ranging from 1 week to 3 months) by incorporating quarterly tables in the main Labour Market Report Publication
- Improved quality of the LFS data by boosting the sample size and improving precision around headline estimates (Please note since the COVID-19 pandemic sample sizes have decreased due to difficulty of collecting survey information from households)
- Reviewed and updated [quality protocols for release](#) for LFS data
- Improved accessibility of labour market statistics by [changing the release dates of statistics to avoid public holidays](#) and amended the format and structure of reports in line with accessibility regulations.
- Temporarily changed timing of release in line with change in ONS release practices in [response to COVID-19](#).
- Included additional administrative sources of labour market data to provide a fuller picture of the labour market

# 1. Summary of Labour Market Statistics

Updated March 2021

## Change over quarter

Seasonally adjusted LFS estimates for Northern Ireland for the period November-January 2021 showed that, over the quarter:

- the unemployment rate decreased by 0.1pps to 3.7% Not statistically significant
- the employment rate decreased by 1.3pps to 69.3% Not statistically significant
- the economic inactivity rate increased by 1.5pps to 28.0% Not statistically significant

The number of employee jobs at December 2020 was estimated at 770,900. This was:

- a decrease of 0.3% (-2,400 jobs) over the quarter from the revised September 2020 estimate of 773,300.

The seasonally adjusted experimental claimant count (Jobseeker's Allowance Claimants and those claimants of Universal Credit who were claiming principally for the reason of being unemployed) showed that in February 2021, there was:

- an increase of 3.9% (2,200) over the month to 58,900.

Experimental statistics from HMRC PAYE indicated that in January 2021:

- 744,300 people were payrolled employees, an increase of 0.2% from the previous month
- median monthly pay for employees in NI was £1,775, a decrease of 0.7% (£12) over the month.

During February 2021 there were:

- 420 confirmed redundancies notified to the Department, similar to the previous month (410)

Table 1: Labour Market Summary	Time Period	Estimate	Change over quarter	Change over year
		(95% Confidence interval)	(95% Confidence interval)	(95% Confidence interval)
Unemployment <sup>1</sup>	Nov-Jan 2021	33,000 (+/-8,000)	-2,000 (+/-8,000)	11,000 (+/-9,000)
Employment <sup>2</sup>	Nov-Jan 2021	843,000 (+/-24,000)	-14,000 (+/-22,000)	-33,000 (+/-28,000)
Economically inactive <sup>2</sup>	Nov-Jan 2021	604,000 (+/-23,000)	18,000 (+/-22,000)	28,000 (+/-28,000)
Unemployment rate <sup>1</sup>	Nov-Jan 2021	3.7% 0.9pps	-0.1pps 0.9pps	1.3pps +/-1.0pps
Employment rate <sup>2</sup>	Nov-Jan 2021	69.3% +/-2.0pps	-1.3pps +/-1.7pps	-3.0pps +/-2.3pps
Economic inactivity rate <sup>2</sup>	Nov-Jan 2021	28.0% +/-1.9pps	1.5pps +/-1.7pps	2.1pps +/-2.2pps
Employee jobs <sup>3</sup>	December 2020	770,900 (+/-6,910)	-2,400	-9,070
		Estimate	Change over month	Change over year
Experimental Claimant Count <sup>4</sup>	February 2021	58,900	2,200	29,300
Redundancies <sup>5</sup> - Confirmed	February 2021	420	20	400
Redundancies <sup>5</sup> - Proposed	February 2021	*	*	*
Payrolled Employees <sup>6</sup>	January 2021	744,300	1,800	-7,100
Median Monthly pay <sup>7</sup>	January 2021	£1,775	£12	£82

[Download Table 1 data](#)

LFS data are seasonally adjusted. More information on confidence intervals is available on the [background information page](#) in the Estimating and reporting uncertainty paper.

<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>Employee jobs survey date for Quarter 4 was 1<sup>st</sup> December 2020.

<sup>4</sup>The number of claimants on 11<sup>th</sup> February, seasonally adjusted.

<sup>5</sup>Redundancies in the calendar month, not seasonally adjusted and rounded to 10.

<sup>6</sup>HMRC Pay As You Earn Real Time Information, rounded to 100 and seasonally adjusted.

<sup>7</sup>HMRC Pay As You Earn Real Time Information, seasonally adjusted.

\* Redundancy estimates with less than three business returns are suppressed.

## NI Labour Market Structure: Change over year

Seasonally adjusted LFS estimates for Northern Ireland for the period November-January 2021 showed that over the year:

- the unemployment rate increased by 1.3pps to 3.7% Statistically significant
- the employment rate decreased by 3.0pps to 69.3% Statistically significant
- the economic inactivity rate increased by 2.1pps to 28.0% Not statistically significant

The employee jobs total in Northern Ireland at December 2020 was 770,900 jobs representing:

- a decrease of 1.2% (-9,070 jobs) over the year from the revised December 2019 estimate of 779,970.

The seasonally adjusted experimental claimant count showed that in February 2021, there was:

- an increase of 99% (29,300) over the year to 58,900.

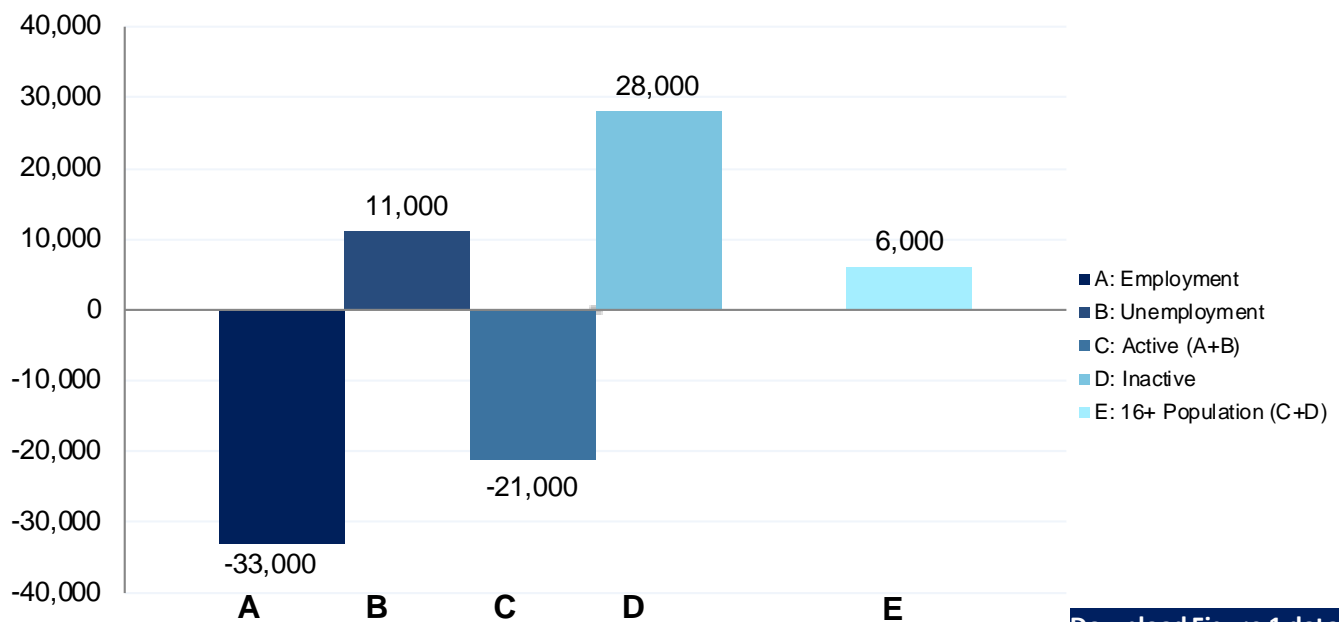
Experimental statistics from HMRC PAYE indicated that, in January 2021:

- 744,300 people were payrolled employees, a decrease of 0.9% from January 2020
- median monthly pay for employees in NI was £1,775, an increase of 4.8% (£82) from the same period one year earlier.

Over the latest twelve month period there were:

- 5,770 confirmed redundancies, which was an increase of 89% from the previous year (3,050) and the highest annual total recorded since 2001
- 10,650 redundancies were proposed, an increase of 143% from the previous year (4,390).

**Figure 1: NI labour market structure (16+): change over year**



Note: figures rounded so may not sum

[Download Figure 1 data](#)

## UK summary

Seasonally adjusted LFS estimates for the UK for the period November-January 2021 showed:

- the unemployment rate (5.0%) increased by 0.1pps over the quarter and 1.1pps over the year
- the employment rate (75.0%) decreased by 0.3pps over the quarter and 1.5pps over the year
- the economic inactivity rate (21.0%) increased by 0.3pps over the quarter and 0.6pps over the year

## Commentary

One year on since the COVID-19 pandemic began the latest labour market data show that employment levels (which include furloughed jobs) remain below pre-covid levels, while measures of unemployment remain above pre-covid levels. Although some recovery has been seen since the second quarter of 2020, in terms of hours worked, number of unemployment related benefit claimants and decrease in collective redundancy proposals, the scale of the recovery is less than the size of the initial shift in indicators.

The HMRC payroll data is the most timely and best single, overall indicator of the labour market. The latest data shows that the number of paid employees has increased in the most recent three months after remaining relatively constant between April and November. However, the number of employees in February remains 1.0% below the March 2020 total.

Businesses reported a decrease in the number of employee jobs over the quarter to December 2020, the third consecutive quarter of decline in employee jobs. The December 2020 quarterly decrease (-2,400 jobs) was however smaller than the decreases seen in June 2020 (-3,250 jobs) and September 2020 (-4,150 jobs). The number of employees jobs in December 2020 are 1.2% (-9,070 jobs) below the December 2019 total.

The pace of collective redundancy proposals from businesses has slowed in the most recent three months following a record number of redundancies in the six-month period between June and November. The number of confirmed redundancies between November and February however remain high at approximately 400 per month as the redundancy proposals from earlier in the year take effect.

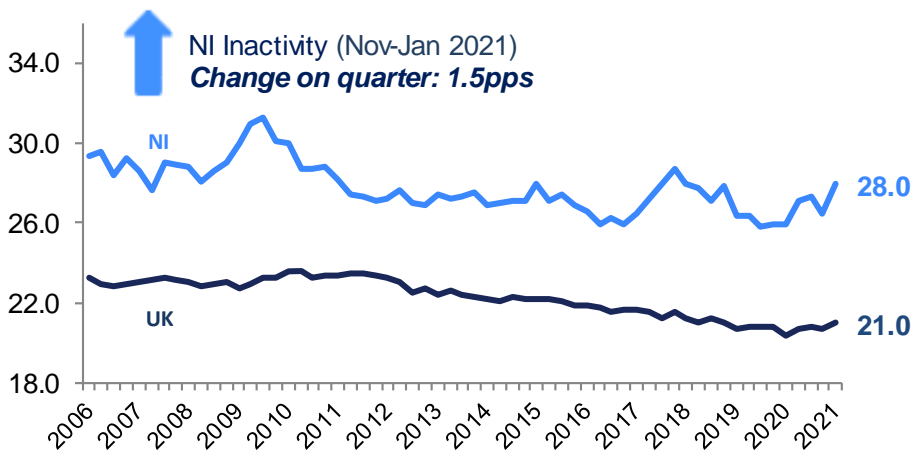
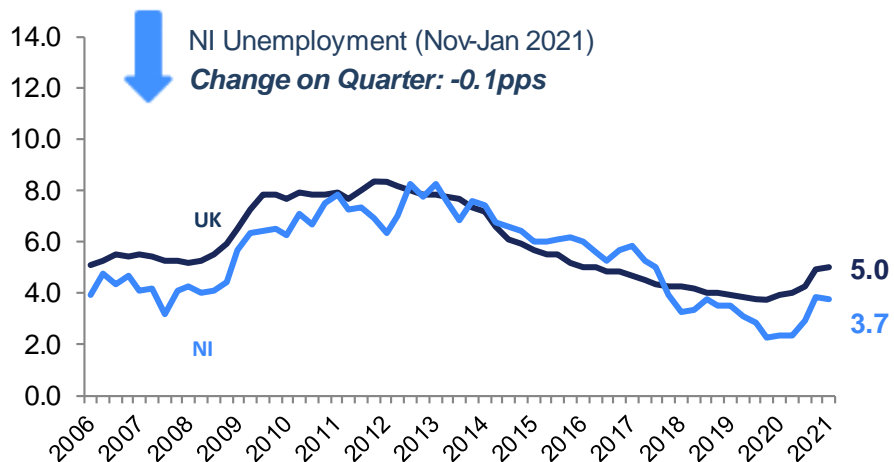
Labour Force Survey data for November-January shows the unemployment (3.7%) rate and the employment (69.3%) rate decreased, and the economic inactivity (28.0%) rate increased over the quarter. The November-January economic inactivity and unemployment rates were 2.1pps and 1.3pps respectively above their pre-covid levels (November-January 2020), and the employment rate was 3.0pps below. Decreases in employment were driven by those aged 16-24 (which fell by 24% over the year) while economic inactivity increased for this age group by 26%.

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

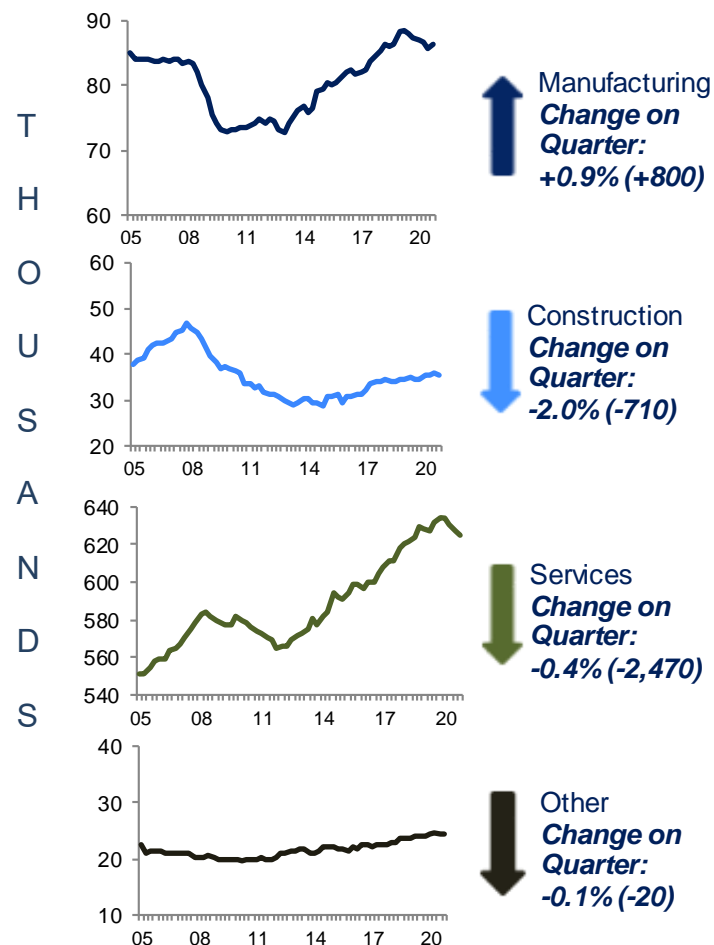
[Labour Market Report – March 2021](#) .

# NISRA Labour Market Statistics

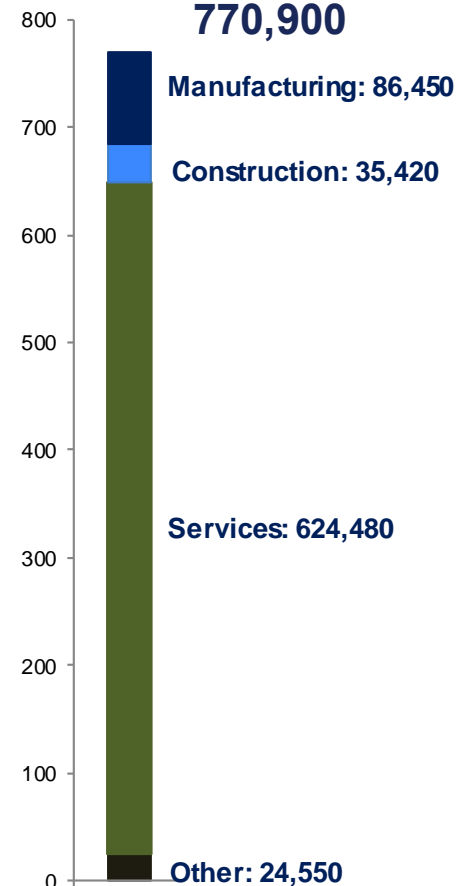
## Labour Force Survey November-January 2021



## Quarterly Employment Survey – December 2020



Total employee jobs:  
**770,900**



pps<sup>1</sup> = percentage points

Labour Force Survey, seasonally adjusted and subject to future revisions.

Data published – 23<sup>rd</sup> March 2021

## Things users need to know

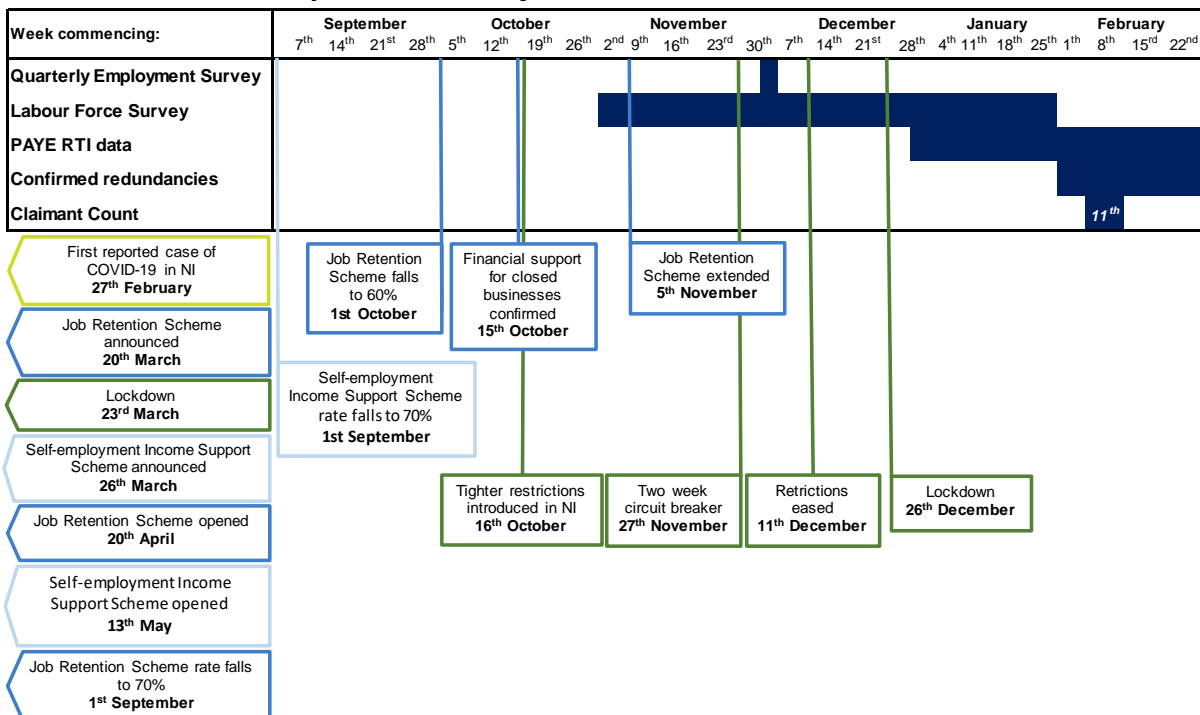
Today’s release contains labour market indicators from business surveys, household surveys and administrative data sources. Although the broad concepts are similar across sources, differences in reference periods, definitions and methodology exist which impact the interpretation of the statistics. Of particular note is the ‘location’ of the furloughed in the estimates. Those furloughed under the Coronavirus Job Retention Scheme (CJRS) or receiving a grant through the Self Employment Income Support Scheme (SEISS) are likely\* to be included in the Labour Force Survey (LFS) estimates of employment and not within the LFS unemployment estimates. (\*As labour market status is self-defined by respondents in the survey). Similarly, employees on the CJRS are included in the HMRC count of employees paid through payroll, and the Quarterly Employment Survey estimate of employee jobs. In contrast, a proportion of those receiving grants through CJRS and SEISS may be accessing Universal Credit unemployment benefits as a ‘top-up’ payment and are included in the experimental Claimant Count. More information is available in the [comparison of labour market data sources](#) article by ONS.

NISRA suspended all face to face household interviews in the middle of March 2020 due to COVID-19 and from April all LFS interviews have been conducted by telephone. This has reduced the achieved sample size and the response rate for October to December was 22%. The achieved sample size (16+) for October-December 2020 was 37% lower than the same quarter last year. This has impacted the precision of the estimates. For example the employment rate 95% confidence interval increased by +/- 0.5pps from October-December 2019.

COVID-19 has resulted in a decrease in coverage response rate in QES Q4 2020 when compared to 2019, primarily due to the restrictions in place for businesses. The coverage response rate for Q4 2020 (66%) was lower than the median coverage response rate for 2019 (77%). As a result, employee jobs estimates for 2020 are likely to be subject to higher revisions than normal over the coming quarters. These can be tracked through the [revisions triangle \(opens in a new window\)](#). Comparisons of provisional employee jobs estimates at lower industry levels in particular (e.g. 2 digit Standard Industrial Classification level), should be treated with caution.

[ONS recommend](#) HMRC payroll data as the best single indicator of the labour market. Experimental statistics from HMRC Pay As You Earn system for January are included in today’s release and show the number of employees paid through PAYE and a measure of employee earnings. Flash estimates for February are included which are based on 85% of data and subject to revision in next month’s release.

## Data source reference periods and key dates





## Context

The LMR is a monthly overview of key labour market statistics for NI. It includes figures from the Labour Force Survey (LFS), the Quarterly Employment Survey, claimant count, redundancies counts and HMRC PAYE statistics. More information about the data sources can be found in Section 5. Where available, comparative UK data (produced by the ONS) have been included.

A Labour Market Outputs consultation in summer 2019 ([Labour Market Statistics User Engagement page](#)) showed labour market statistics are used for policy monitoring and research, academic and private sector research, service planning and delivery.

Government Departments are key users of labour market statistics. The Labour Force Survey is used to calculate 7 of the 49 draft 2016 – 2021 Programme for Government Indicators, helping to measure progress towards three high level outcomes – We prosper through a strong competitive regionally balanced economy; We have a more equal society; We have more people working in better jobs. The Labour Force Survey is also used to provide baselines for DfE’s draft Industrial Strategy, OECD Skills Strategy for NI, and DfC’s Enabling Success Strategy. 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 [user requested](#) labour market analysis in order to monitor policies for example, equality and employment. 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. 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 LMR.

Ad-hoc data requests related to the labour market impacts of coronavirus and associated schemes are added to the [COVID-19 related analysis page](#).

For more on how COVID-19 has impacted the production of statistics please see the COVID-19 and the production of statistics section on the NISRA website and an ONS Statement on [ensuring the best possible information during COVID-19 through safe data collection page](#).

[DfE Economic Commentary page](#), provides an overview of the state of the Northern Ireland economy including the labour market, in context with the UK and Republic of Ireland and the most up-to-date official statistics on the economy and labour market are available on the [Economic Overview page](#) of the NISRA website.

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

- [Employment and labour market page](#)
- [Guide to Labour Market Statistics page](#)
- [Glossary page](#)

## Labour Market User Group

The online labour market user group took place on Wednesday 21st October 2020. The presentation is available from the [Labour Market Statistics user engagement page](#) on the NISRA website.

# 2 Unemployment

Updated March 2021

## 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. Estimates are subject to sampling error (see section 5 and the Estimating and Reporting Uncertainty paper on the background information page for details).

**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.

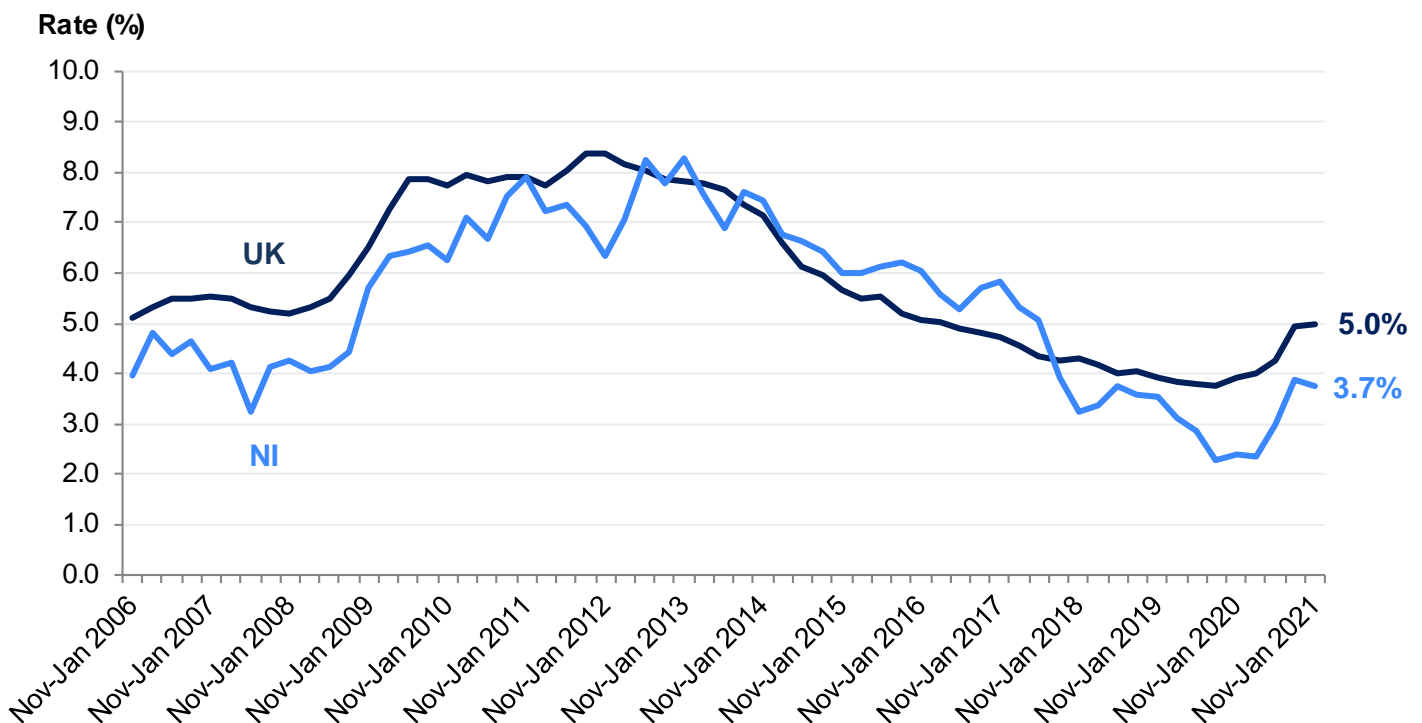
**Long-Term Unemployment:** those who have been unemployed for 12 months or more.

**Youth Unemployment:** unemployed people aged 16-24 years.

## Key Findings

- LFS unemployment rate for November-January in NI decreased over the quarter and increased over the year to 3.7%
- The UK unemployment rate is estimated at 5.0%

Figure 2: Seasonally adjusted unemployment rate (16+), Nov-Jan 2006 to Nov-Jan 2021



[Download Figure 2 data](#)

Figure 2 shows unemployment rates on the current 3 month rolling average for NI and the UK over the last 15 years. The unemployment rate in the UK reached over 8% in 2011 while the NI rate reached 8% in 2012. The NI rate has been below the UK rate since mid-2017. The UK unemployment rate is 1.1 percentage points (pps) higher than one year ago and similarly the NI unemployment rate is 1.3 pps higher than one year ago.

## LFS unemployment

The unemployment rate (16+) for the period November-January 2021 was estimated at 3.7%, this was:

- a decrease over the quarter and an increase of 1.3pps over the year.
- the male (16+) unemployment rate (4.0%) increased by 1.5pps over the year.
- the female (16+) unemployment rate (3.4%) increased by 1.2pps over the year.

The number of unemployed people aged 16+ was estimated at 33,000, which was:

- down 2,000 from last quarter.
- up 11,000 from the same period last year

## UK regional and international LFS comparisons

The most recent NI unemployment rate (3.7%) was:

- below the overall UK average rate (5.0%)
- the second lowest rate among the twelve UK regions.

## Long-term and youth unemployment\*

In November-January 2021, the percentage of unemployed who have been unemployed for 1 year or more (long-term) was 31.4% in NI. The youth (16-24) unemployment rate was 10.7%.

\*Please note that estimates for both long-term and youth unemployment for Northern Ireland are based on a smaller sample size. This may result in less precise estimates which should be treated as indicative, in particular when comparing with other regions or over time.

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

[Labour Force Survey page](#)

## Comparison between LFS Unemployment and the Experimental Claimant Count

LFS is a sample survey and is conducted to International Labour Organisation (ILO) definitions. It provides the official unemployment measure in NI with a time lag of six weeks between the end of data collection and publication of estimates. The experimental claimant count is a measure of the number of people claiming benefits principally for the reason of being unemployed and is derived from Jobs and Benefits Offices systems. Statistics derived from it are influenced by changes to benefit system, such as the introduction of Universal Credit. It is a timelier labour market indicator than measures produced from the LFS, with estimates published one month after the claimant count date.

There is a similar overall trend between LFS unemployment and the claimant count for most of the twenty year period from 2000 – 2020. Recent figures, however, show a clear divergence and highlights the difference in methodology and definitions between the two measures. One important difference contributing to the divergence since April is that those furloughed under the Coronavirus Job Retention Scheme and not working would be included within the LFS employment estimates as 'temporarily away from work', and not the LFS unemployed estimates. In contrast, those who are furloughed could potentially be included within the Universal Credit 'searching for work' conditionality and therefore be counted within the experimental claimant count.

A fuller user guide setting out the differences between the experimental claimant count and the LFS unemployment is available from the [differences between the ILO unemployment and claimant count page](#) on the NISRA website.

## Claimant count (experimental)

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.

**Claimant count (experimental):** consists of all people claiming Jobseeker's Allowance (JSA) plus those Universal Credit (UC) claimants who were claiming principally for the reason of being unemployed. Some claimants are wholly unemployed and seeking work, while others may be employed but with low earnings that make them eligible for unemployment related benefit support. **The most recent reference date was 11<sup>th</sup> February.**

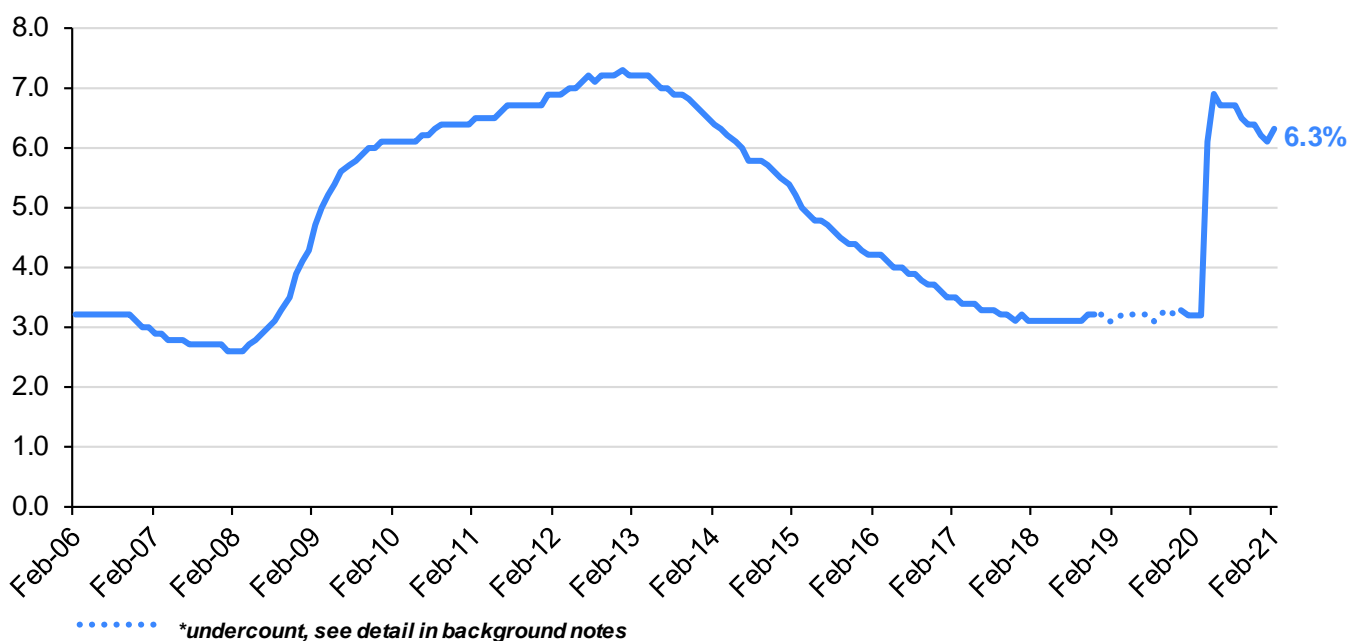
**Universal Credit:** Universal Credit was rolled out in NI for new claims of six benefits, including income-based JSA, on a phased geographical basis between September 2017 and December 2018.

**Percentage of workforce:** 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, and government-supported trainees. This measure is only available at the NI level.

## Key Findings

- NI claimant count (experimental) increased by 2,200 over the month to 58,900
- In February 2021, 6.3% of the NI workforce were recorded on the claimant count

Figure 3: Seasonally adjusted claimant count (experimental) monthly rates, Feb 2006 – Feb 2021



[Download Figure 3 data](#)

In March 2018 the NI claimant count measure changed from one based solely on Jobseekers Allowance (JSA) to an experimental measure based on JSA claimants and Universal Credit (UC) claimants who were claiming principally for the reason of being unemployed. Those claiming unemployment-related benefits (either UC or JSA) may be wholly unemployed and seeking work, or may be employed but with low income and/or low hours, that make them eligible for unemployment-related benefit support. Under UC a broader span of claimants became eligible for unemployment-related benefit than under the previous benefit regime.

The recent increases in claimant count can largely be attributed to the increase in the numbers of people becoming unemployed or having their hours reduced, resulting in very low earnings below the administrative earnings threshold. There may be some persons, previously not eligible for UC due to partner earnings, now eligible as a result of work allowance increases who would now be included within the count. Estimates to identify the extent to which each group has contributed to the increase in claimant count are not available for NI.

In February 2021, 58,900 people were recorded on the NI Claimant Count. This is 98% more than the count in March 2020. The current Claimant Count is similar to levels previously seen in 2014.

### **Claimant count (experimental) unemployment**

The NI seasonally adjusted claimant count stood at 58,900 (6.3% of the workforce) in February 2021, representing:

- an increase of 3.9% over the month
- an increase of 4.3% in males and 3.2% in females
- a 0.2pps increase in the workforce claimant count rate over the month
- an increase of 29,100 since March 2020
- an increase of 98.8% over the year.

The UK seasonally adjusted claimant count increased by 3.3% over the month to 2,682,800 (7.5%).

Annual and monthly claimant count data are available on the NINIS website in the form of interactive maps for [Parliamentary Constituency](#), [Council Area](#) and [Super Output Area](#).

**Further details on the experimental claimant count are available on the NISRA - Economic and Labour Market Statistics website: [Claimant Count](#)**

## Redundancies

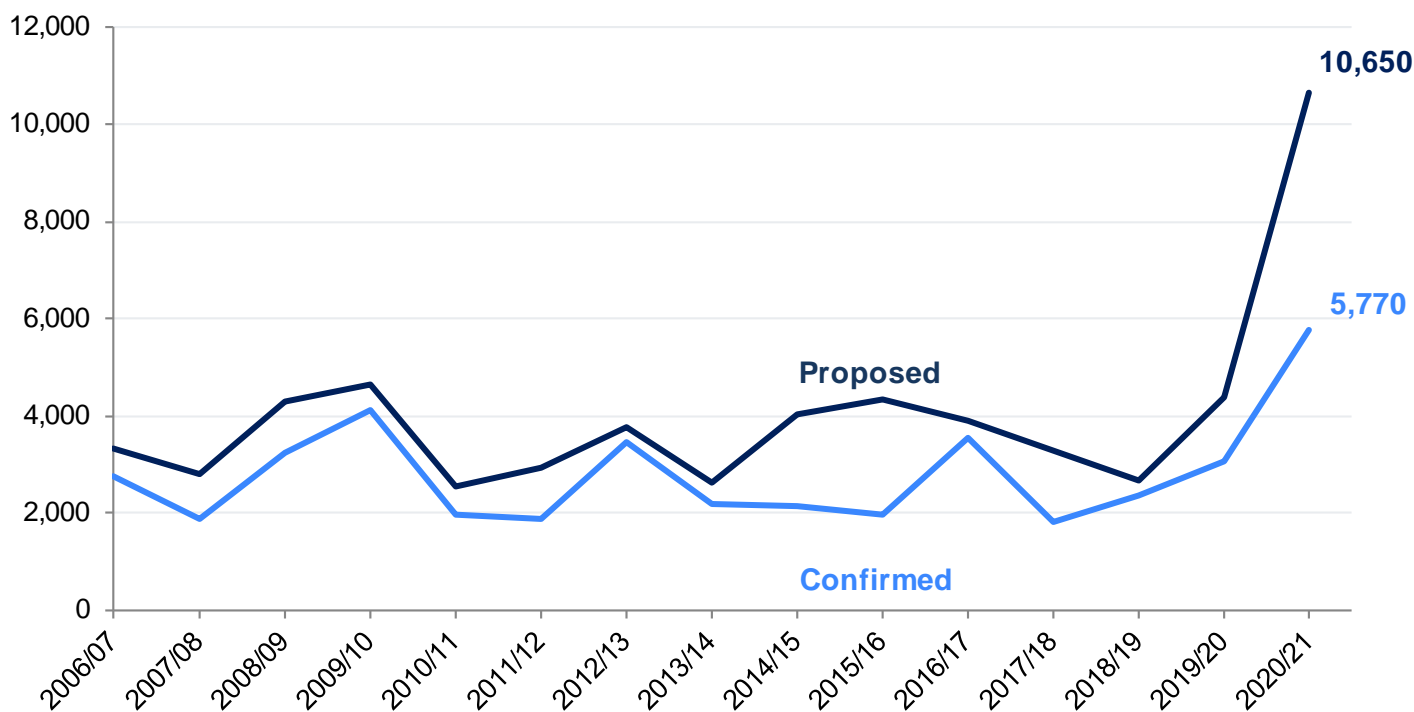
Under the Employment Rights (Northern Ireland) Order 1996 (Amended 8 October 2006) companies are only legally required to notify the Department of impending redundancies of 20 or more employees. Companies who propose less than 20 redundancies are not required to notify the Department, therefore the figures provided are likely to be an underestimate of total job losses, however, it is not possible to quantify the extent of the shortfall. Further information can be found in the [Redundancies Background Quality Report](#). To prevent potential identification of individual businesses, redundancy totals relating to fewer than 3 businesses are not disclosed. Please see the [Redundancy Data Statistical Disclosure Control Policy](#) for further information.

**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

- 420 redundancies were confirmed in February 2021, taking the annual total to 5,770, the highest since 2001
- From 1<sup>st</sup> March 2020 to 28<sup>th</sup> February 2021, 10,650 redundancies were proposed, more than double the number recorded in the previous 12 months

Figure 4: Confirmed and proposed redundancies – Annual totals, Mar-Feb 2007 to Mar-Feb 2021



[Download Figure 4 data](#)

Redundancy notification data shows a high degree of correlation between proposed and confirmed redundancies when grouped by year. On a monthly basis the correlation is lower as there is a time lag between proposing and making redundancies (see Figure 6). The graph above shows that, generally the number of proposed redundancies is higher than confirmed redundancies indicating that not all proposed redundancies take place.

Over the last twelve month period, 10,650 redundancies were proposed. At 5,770, the number of confirmed redundancies in the last year is much lower and in part reflects the advanced notification period between proposed and confirmed redundancies. Around 40% of the redundancy notifications (proposals) in the most

recent 12 months took place in June and July while over 90% of redundancies confirmed in the last year were in the eight months since July.

### **Confirmed redundancies**

Employers are required by law to notify the Department of proposals to make 20 to 99 redundancies at least 30 days before the first dismissal, and, for 100 or more redundancies, 90 days before the first dismissal. This results in a time lag of at least a month between the redundancies being proposed and then being confirmed.

During February 2021, the Department was notified of:

- 420 confirmed redundancies, taking the number of confirmed redundancies in the last eight months to over 5,200.

Over the latest twelve month period there were:

- 5,770 confirmed redundancies, which was 89% higher than the previous year (3,050) and the highest annual total recorded since 2001
- 2,310 (or 40%) confirmed in manufacturing
- 1,360 (24% of all confirmed redundancies) in the wholesale and retail trade
- a further 500 (9% of all confirmed redundancies) in transportation and storage.

### **Proposed redundancies**

It should be noted that since not all proposed redundancies actually take place, the confirmed total provides a better indication of real job losses.

The most recent data shows that, over the last twelve months there were:

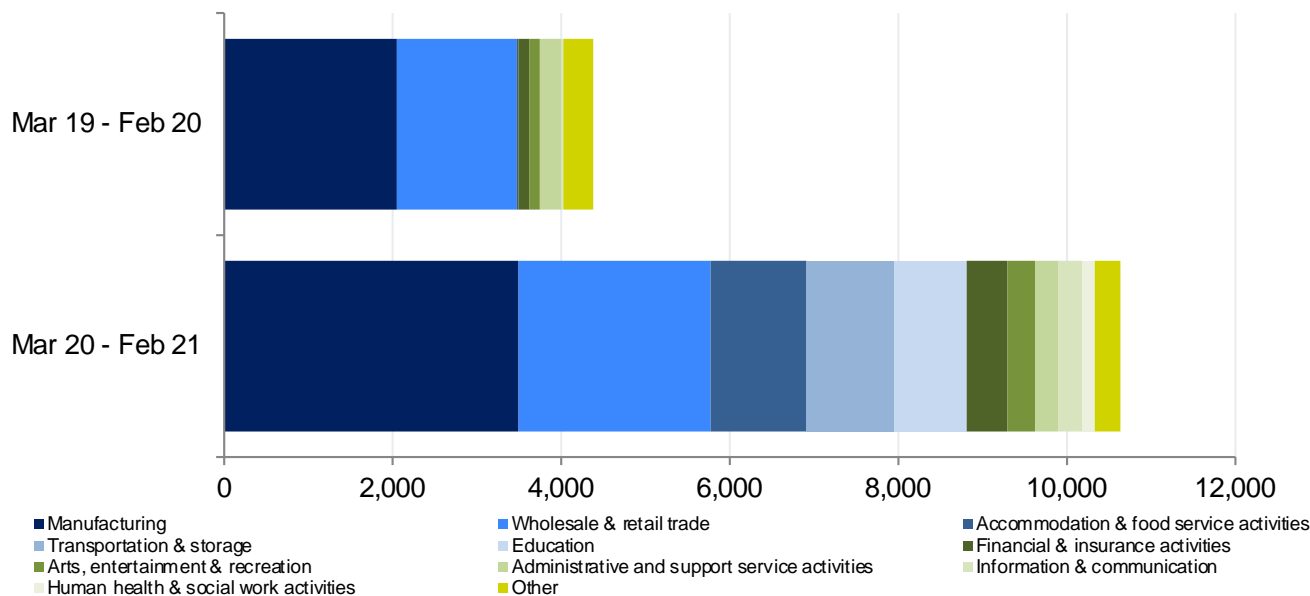
- 10,650 proposed redundancies, which was more than double the previous year (4,390)
- 3,500 (33%) proposed in manufacturing
- 2,260 (21% of all proposed redundancies) in the wholesale and retail trade
- a further 1,150 (11% of all proposed redundancies) in accommodation and food service activities.
- 1,030 (10% of all proposed redundancies) in Transportation and storage.

### **Over 10,000 collective redundancies proposed in the twelve months since March 2020**

During the most recent twelve months (Mar20-Feb21), there were 10,650 redundancies proposed, compared to 4,390 in the previous twelve months (Mar19-Feb20). This increase was driven by increases within sectors as well as an increase in the number of sectors proposing redundancies. Redundancy notifications have been received from 15 of the 21 industry sectors since March 2020, whilst in the twelve month prior to March, notifications were received from 10 industry sectors. Furthermore, notifications were received from almost 130 different employers in the last twelve months, compared to around 40 in the previous twelve month period.

Manufacturing remained the sector with the largest number of proposed redundancies, increasing from 2,040 in Mar19-Feb20 to 3,500 in Mar20-Feb21. However, this sector now accounts for a third of all notifications compared to almost a half in the previous twelve months. Wholesale and retail trade remained the sector with the second highest number of proposed redundancies (2,260), however the proportion of redundancies in this sector has decreased from 33% to 21% over the year. Accommodation and food services activities and Transportation and storage sectors each recorded proposed redundancies greater than 1,000 over the twelve months since March, whilst they recorded 20 in total in the previous twelve months.

**Figure 5: Industry breakdown of proposed redundancies – Mar19-Feb20 and Mar20-Feb21**



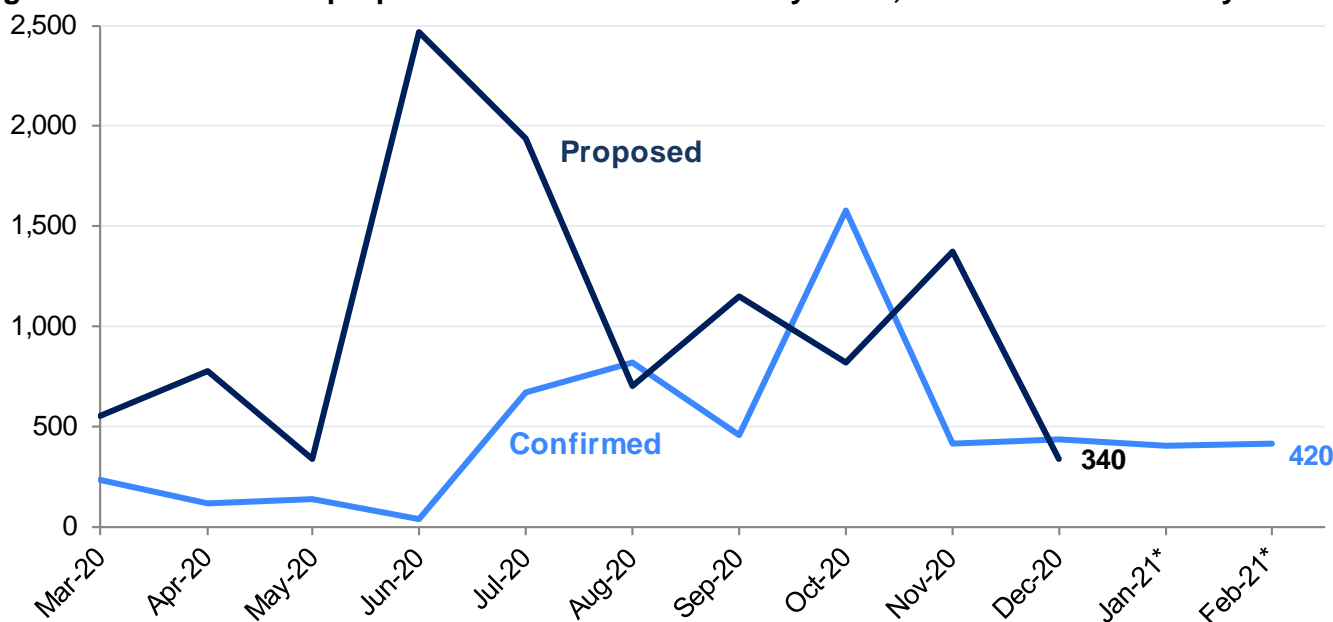
[Download Figure 5 data](#)

Figure 6 charts monthly proposed and confirmed redundancies over the last twelve months. The graph shows the lag between proposed redundancies and the confirmation of the redundancies, which is not apparent when plotted on an annual basis (as in Figure 4).

Of note are the proposed redundancies in June and July, which was the highest consecutive monthly total of proposed redundancies on record at over 4,400. The number of proposed redundancies between August and November remained high, an average of around 1,000 per month, before falling in the most recent three months from December to February 2021.

The large number of proposed redundancies began to translate into confirmed redundancies from July and peaked in October. The October total was the highest number on record. The number of confirmed redundancies has been decreasing since then, to approximately 400 per month. These numbers, however, remain high by historical standards and are higher than the monthly averages since 2001, including the previous redundancy peaks between 2008 and 2010.

**Figure 6: Confirmed and proposed redundancies – Monthly totals, March 2020 to February 2021**



[Download Figure 6 data](#)

\*Cells with less than three business returns are suppressed from August 2020

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



# 3 Employment

Updated March 2021

## LFS employment

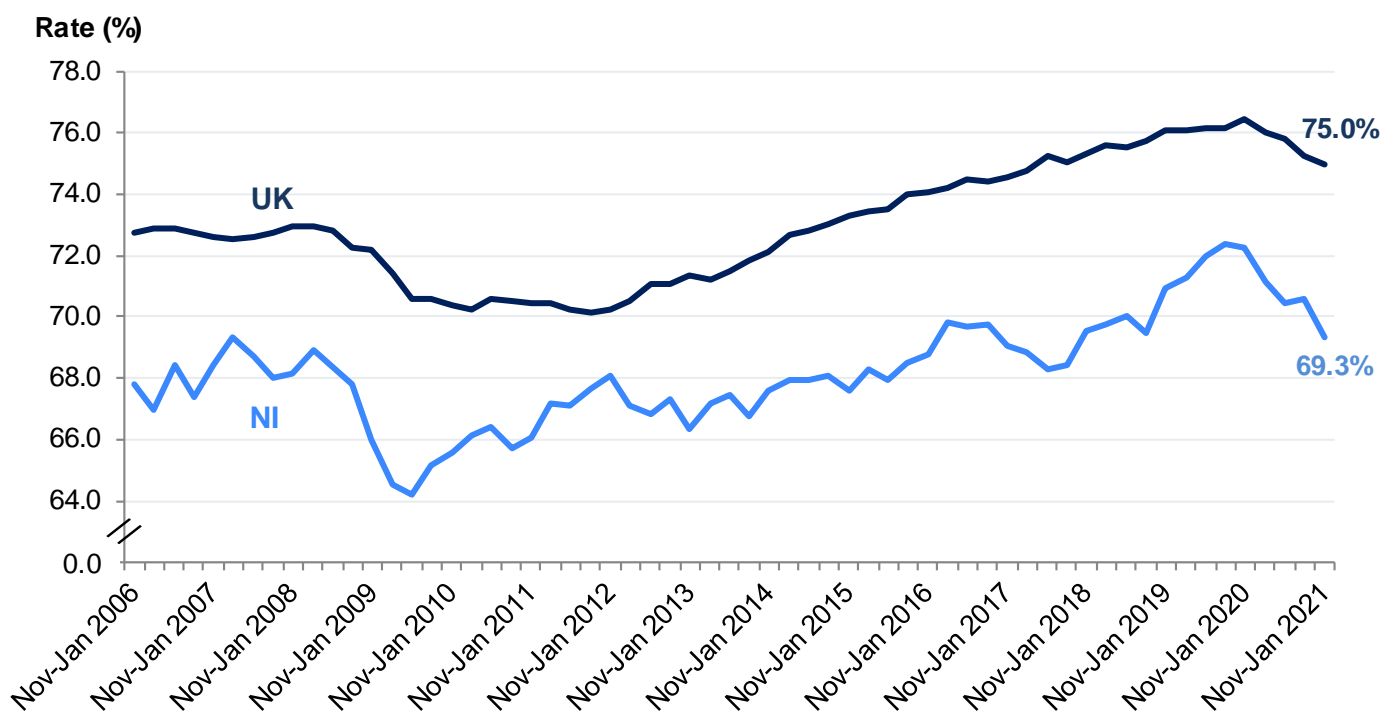
**LFS employed:** people aged 16 or over who did at least one hour of paid work in the reference week (whether as an employee or self-employed); those who had a paid job that they were temporarily away from; those on government-supported training and employee programmes and those doing unpaid family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

**Note:** For analysis purposes, numbers refer to people aged 16 and over while rates relate to people aged between 16 and 64 years.

### Key Findings

- The employment rate decreased over the quarter and over the year to 69.3%
- Total weekly hours worked was estimated at 25.6 million hours per week for the period November-January 2021. This was 3.2 million hours (11%) lower than the same period last year. Hours figures are not adjusted for seasonality.

Figure 7: Seasonally adjusted employment rate (16-64), Nov-Jan 2006 to Nov-Jan 2021



[Download Figure 7 data](#)

Figure 7 shows that, over the last 15 years, the NI employment rate has been consistently below the UK average. Although showing a similar trend, the fall in the employment rate in NI between 2008 and 2009 (decrease of 4.7 percentage points over one year) was steeper than the UK average. The most recent NI employment rate for those aged 16-64 for the period November-January 2021 was estimated at 69.3% and decreased by 3.0pps over the year, the largest annual decrease since May-July 2009. The UK employment rate for those aged 16-64 for the same period was 75.0%. In NI both the male and female employment rates decreased over the year.

## Employment rate (16-64 years)

The most recent NI employment rate for those aged 16-64 for the period November-January 2021 was estimated at 69.3%. This was:

- a decrease of 1.3pps over the quarter
- a decrease of 3.0pps over the year.

Annual changes by sex included:

- the male (16-64) employment rate (72.7%) decreased by 3.5pps over the year
- the female (16-64) employment rate (66.0%) decreased by 2.5pps over the year.

## UK Regional comparison

The employment rate in NI (69.3%) was:

- below the UK average (75.0%)
- the lowest rate among the twelve UK regions and the only region with an employment rate below 70%.

## Employment 16+

The number of people in employment (16+) during the period November-January 2021 was estimated at 843,000, of which 52% (441,000) were male and 48% (402,000) were female and represented;

- a decrease of 14,000 over the quarter and 33,000 over the year; the decrease in employment over the year was driven by a fall in the number of 16-24 year olds in employment (a decrease of 27,000)

## Worked fewer hours

Estimates below are not adjusted for seasonality and as such differ marginally from the seasonally adjusted estimate above.

Of the 846,000 aged 16+ in employment, 246,000 (29%) indicated they had worked fewer hours than usual (including those who were temporarily away from work) in the reference week.

For more information on how coronavirus and decreased working hours are linked please see the [Employment and hours worked page](#).

## Total weekly hours

The total number of weekly hours worked in Northern Ireland was estimated at 25.6 million hours, this was:

- down by 3.2 million hours, or 11% from November-January 2020
- a decrease of 2.0% on August-October 2020.

**Figure 8: Total weekly hours worked (16+), Nov-Jan 2006 to Nov-Jan 2021**

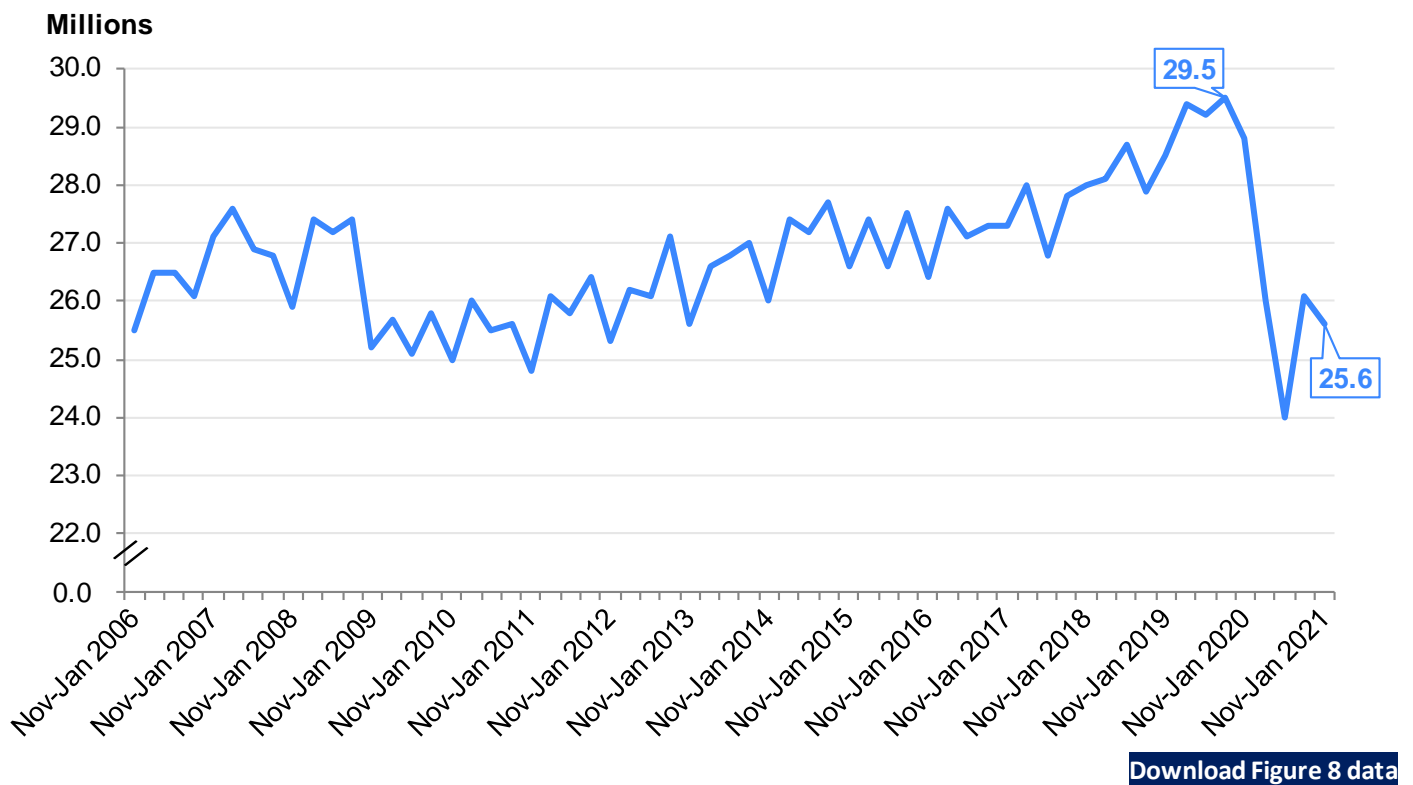


Figure 8 shows that, like many labour market indicators, total weekly hours worked shows a seasonal pattern. Outside of these seasonal variations a trend of increasing weekly hours worked is shown between 2008 and 2020.

The total number of hours worked in November-January 2021 is 7% higher than the recent low point in May-July 2020. However, at 25.6 million hours worked, it is 11% below the same quarter last year.

The decrease in total weekly hours worked over the year was driven by a decrease in average hours worked and by decreases in the number of people employed.

## HMRC PAYE Real Time Information

## Experimental payrolled employee counts from HMRC PAYE Real Time Information System

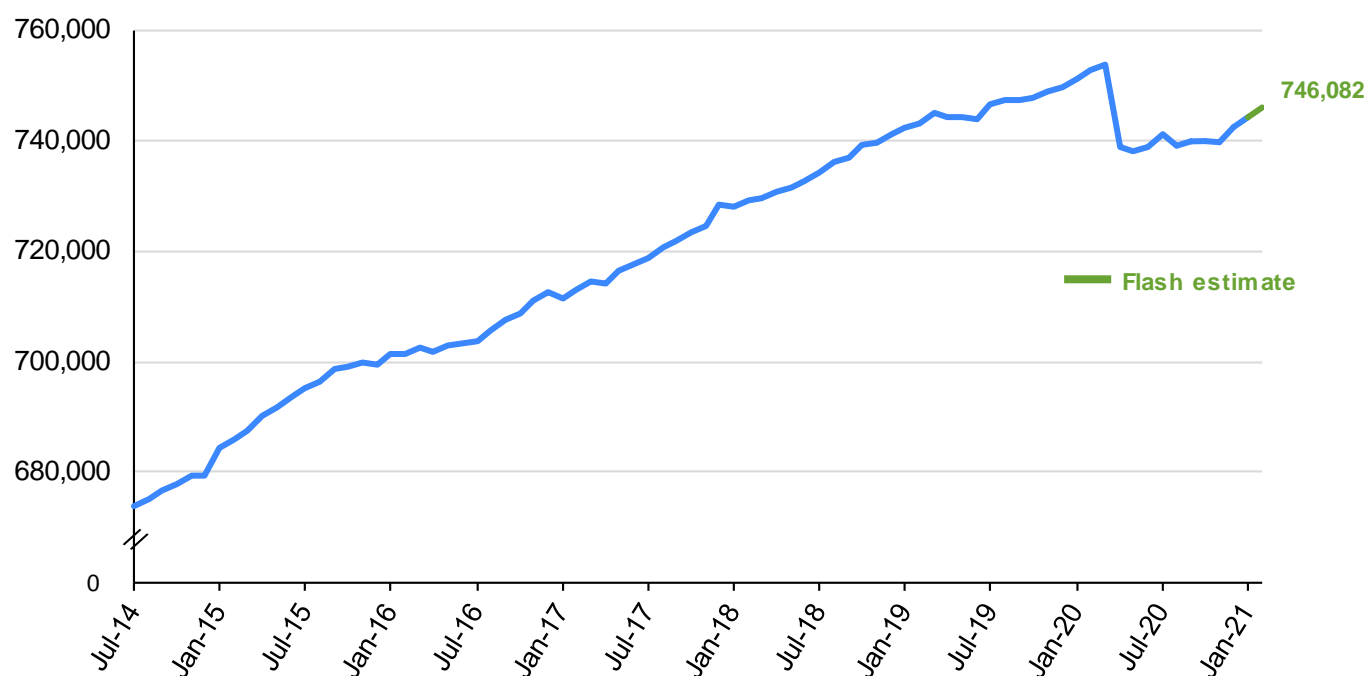
**HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) system** is the system employers use to take Income Tax and National Insurance contributions before they pay wages to employees. These data relate to employees paid by employers only, and do not include those who are self-employed. Data are based on where employees live and not the location of their place of work within the UK. Data are seasonally adjusted but not adjusted for inflation. As employees who are "furloughed" as part of the Coronavirus Job Retention Scheme programme should still have their payments reported through this system, they should feature in these data.

The data are classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions. Early estimates for February 2021 are based on around 85% of information and are considered of lower quality. February estimates may be subject to revision in next month's release when between 98% and 99% of data will be available.

## Key Findings

- The number of payrolled employees in NI in January was 0.2% higher than December 2020 and 0.9% lower than January 2020
- The flash estimate for February shows an increase of 0.2% from January to 746,100 and is 1.0% below the March 2020 total
- In the UK, the number of employees increased by 0.2% over the month and fell by 2.6% over the year to January

Figure 9: Payrolled employees from PAYE RTI, July 2014 to February 2021


[Download Figure 9 data](#)

Between 2014 and 2020 the number of payrolled employees had generally been increasing each month.

The number of paid employees reached a peak of 753,800 in March 2020 before a sharp decrease of 14,700 employees or 2.0% over the month to April. The number of paid employees has increased in the most recent three months after remaining relatively constant between April and November. Despite the recent increases, the flash estimate for February remains 1.0% below the March total.

Data from the latest HMRC PAYE RTI show that:

- 744,300 people were payrolled employees in January, a 0.2% increase on the previous month and a decrease of 0.9% from January 2020.
- According to early estimates for February, there were 746,100 payrolled employees, an increase of 0.2% on the previous month and a decrease of 0.9% from February last year.
- In the UK, there were 28,259,800 payrolled employees at January 2021, up by 0.2% over the month and down 2.6% over the year.
- All regions of the UK saw a decrease over the year to January 2021, with NI recording the lowest decrease (0.9%) and London recording the largest (5.3%).
- Between March and January, NI recorded the smallest decrease (1.3%) in payrolled employees across all the regions of the UK (UK decreased by 2.6% overall).

## **Comparison between LFS Employment and the number of paid employees from HMRC PAYE RTI**

The LFS and HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) RTI measure different things. The LFS follows the International Labour Organization (ILO) definition of employment (anyone aged 16 years and over in paid work and those who had a job that they were temporarily away from in the reference week), this is the official measure of employment in NI but also has a time lag of six weeks between the end of data collection and the publication of estimates. LFS includes unpaid family workers who were employed but not paid, those earning below PAYE threshold and the self-employed but excludes those aged under 16 years, those in communal establishments, temporary foreign workers and employees doing certain types of seasonal work.

RTI measures the number of people who are being paid through the PAYE system via company payrolls and therefore the whole population of employees rather than a sample and not the self-employed. While those receiving pay through the PAYE scheme will include those under 16, people in communal establishments and some foreign residents it excludes those in the undeclared economy whose income is not reported via PAYE, the self-employed and those members of PAYE schemes where no employee earns above the Lower Earning Limit for National Insurance or has another job. The data are also classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions. Early estimates with a two week time lag are based on around 85% of information and are considered of lower quality and subject to larger revisions in the following release, when between 98% to 99% of data are available.

A [blog published by ONS](#)<sup>5</sup>, helps to explain the differences between LFS and HMRC payroll estimates and recommends HMRC payroll data as the most timely and best single, overall indicator of the labour market.

## Experimental Median monthly earnings from HMRC PAYE Real Time Information System

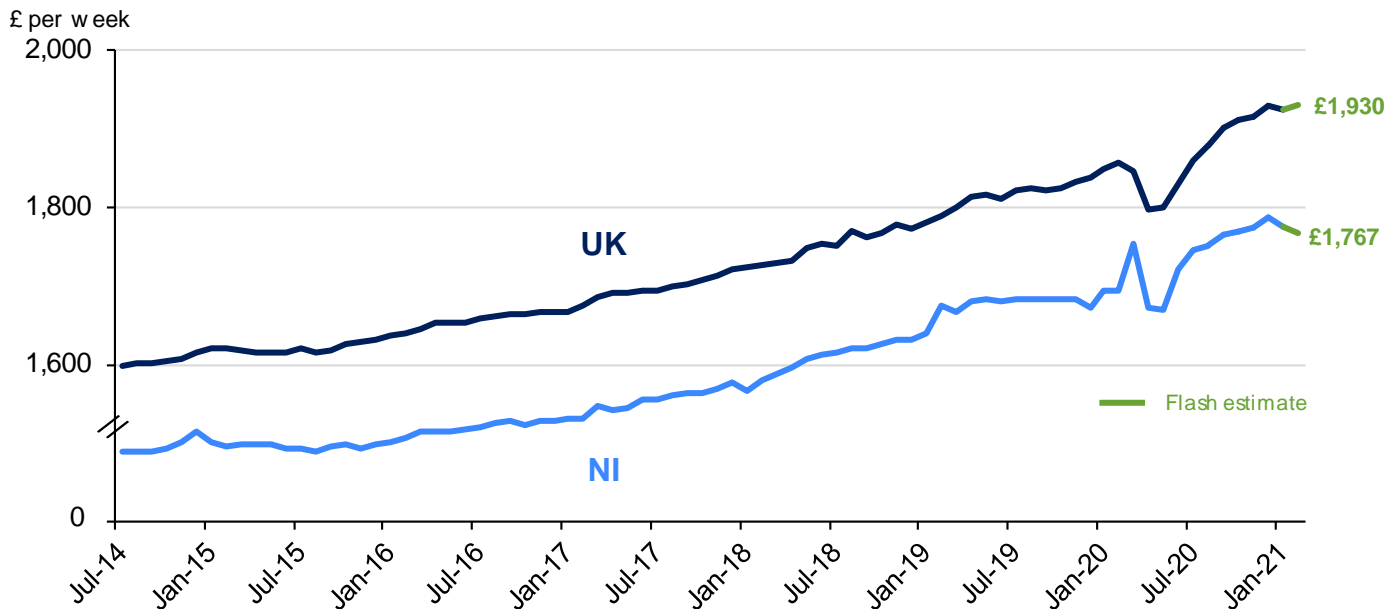
**Median** measures the amount earned by the average employee, i.e. the level of earnings at which half the population are above and half the population are below.

**Note:** The percentage change of the median has been calculated using rounded figures.

### Key Findings

- Median monthly pay decreased by 0.7% (£12) over the month to January to £1,775 and was 4.8% (£82) higher than the same period last year. Flash estimates for February show a further decrease in earnings in NI to £1,767
- UK median monthly pay decreased by 0.3% (£5) over the month to January to £1,924 and increased to £1,930 in February

**Figure 10: Median Monthly Pay from PAYE RTI, July 2014 to February 2021**



[Download Figure 10 data](#)

Median employee pay in NI and UK has generally been on an increasing trend between mid-2015 and early 2020. More recently monthly estimates showed a sharp increase in median pay of 3.5% between February and March in NI, followed by a decrease of 4.7% in NI and 2.7% in the UK between March and April 2020. This coincided with decreases in the number of paid employees between March and April.

The January 2021 estimate was the first decrease in earnings recorded since May 2020, and the flash estimate for February showed a further decrease over the month. Median pay in February 2021 however, was still 0.8% above median pay in March 2020.

Data from the latest HMRC PAYE RTI show that:

- NI had a median monthly pay of £1,775 in January 2021, which was a decrease of 0.7% on the previous month and an increase of 4.8% from January 2020
- UK had a median monthly pay of £1,924 in January 2021, which was a decrease of 0.3% on the previous month and an increase of 4.1% from January 2020
- NI had the lowest median monthly pay (£1,775) of the 12 UK regions in January 2021 and London had the highest (£2,320)
- Flash estimate earnings for February 2021 were £1,767 for NI (a 0.5% decrease over the month) and £1,930 for the UK (a 0.3% increase over the month)
- Between March and January, earnings in NI increased by 1.3%, whilst all other regions saw increases greater than 3.5% over this period (4.2% in the UK overall). This was in part due to the large increase recorded over the month to March in NI only.

Further information on UK monthly pay, UK pay distribution, methodology, data source, collection and coverage of PAYE RTI data can be found on the [Earnings and employment from PAYE page](#)

## Quarterly Employment Survey (QES)

Employee jobs estimates are calculated from the Quarterly Employment Survey (QES) aspect of the Quarterly Business Survey (QBS). The QES has a sample size of approximately 6,000 companies that are asked to provide employment data for each of their business activities. **The survey date for Quarter 4 was 1<sup>st</sup> December 2020 for Northern Ireland. Those who are furloughed under the Coronavirus Job Retention Scheme (CJRS) are included in employee jobs estimates.**

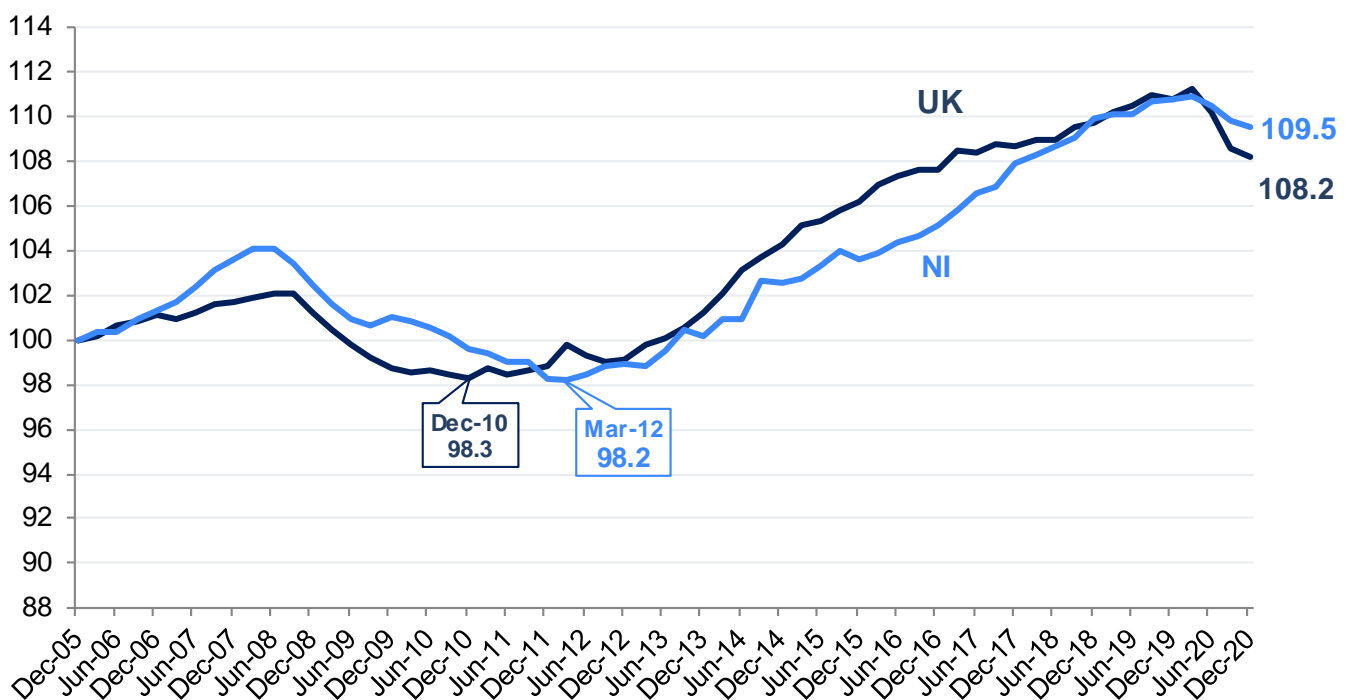
**QES employee:** An employee is defined as anyone aged 16 years or over that is directly paid from a business's payroll for carrying out a full-time or part-time job or being on a training scheme in Northern Ireland.

### Key Findings

- Employee jobs in NI decreased over the quarter and the year to December 2020. This is the third consecutive quarter of decline in employee jobs, and the second consecutive annual decline since September 2012.
- The services, construction and other industries sectors all saw quarterly decreases to December 2020.
- The annualised growth rate has fallen every quarter between March 2018 (2.3%) and December 2020 (-0.2%). December 2020 marked the first negative annualised growth rate since December 2012.
- The annual decline in private sector (-1.7%) jobs was the third consecutive annual decrease seen since June 2012. Following a period of annual decline in public sector employee jobs between June 2015 and June 2017, since September 2017 there have been fourteen consecutive quarters of annual growth in public sector jobs to December 2020.

**Figure 11: Index of Employee Jobs, December 2005 to December 2020**

Index: Dec 05 = 100



[Download Figure 11 data](#)

Figure 11 shows the estimated seasonally adjusted employee jobs, indexed to allow comparison between NI and the UK.

The UK reached a low point in December 2010, more than a year before the NI low in March 2012. There are now 79,590 more employee jobs in NI since the lowest point in March 2012, and 2,752,000 more jobs in the UK since December 2010.

## Employee Jobs

The seasonally adjusted employee jobs total in Northern Ireland at December 2020 was 770,900, which was:

- a decrease of 0.3% (-2,400 jobs) over the quarter from the revised September 2020 estimate of 773,300.
- a decrease of 1.2% (-9,070 jobs) over the year from the revised December 2019 estimate of 779,970.
- Neither the quarterly nor the annual changes in employee jobs were statistically significant.

## Employee jobs by sector

The seasonally adjusted quarterly change consisted of:

- decreases in the services (-0.4% or -2,470 jobs), construction (-2.0% or -710 jobs) and other industries (-0.1% or -20 jobs) sectors.
- an increase of 0.9% (+800 jobs) in the manufacturing sector.
- a decrease of 0.7% (-3,650 jobs) in the private sector.
- an increase of 0.3% (+580 jobs) in the public sector.

Over the year to December 2020:

- decreases were seen in the services (-1.6% or -9,870 jobs) and manufacturing (-1.0% or -830 jobs) sectors.
- increases were seen in the construction (+3.3% or +1,120 jobs) and other industries (+2.1% or +510 jobs) sectors.
- the private sector decreased by 1.7% (-9,580 jobs).
- the public sector increased by 0.3% (+560 jobs).

Private sector jobs decreased over the quarter (-0.7% or -3,650 jobs) and the year (-1.7% or -9,580 jobs). The annual decrease in private sector jobs was the third consecutive annual decrease seen since June 2012.

Following a period of annual decline in public sector employee jobs between June 2015 and June 2017, since September 2017 there have been fourteen consecutive quarters of annual growth in public sector jobs to December 2020. There are 15,990 fewer public sector jobs (-7.0%) than the series peak in September 2009.

Further information is available on the [Quarterly Employment Survey page](#) and further breakdowns of employee jobs by geography and industry are available from the [Business Register and Employment Survey page](#).

## Impact of COVID-19 on data collection and estimates

COVID-19 impacted on the data collection and the validation of employee jobs data, which are collected on the Quarterly Business Survey. As a result, the employee jobs estimates for 2020 are likely to be subject to higher revisions than normal over the coming quarters. These can be tracked through the revisions triangle which is published alongside the QES publication on the [QES revisions page](#). Comparisons of employee jobs estimates at lower industry levels in particular (eg 2 digit Standard Industrial Classification level), should be treated with caution.



## **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, all businesses with more than one industry activity and a representative sample of smaller firms. 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.

# 4 Economic Inactivity

Updated March 2021

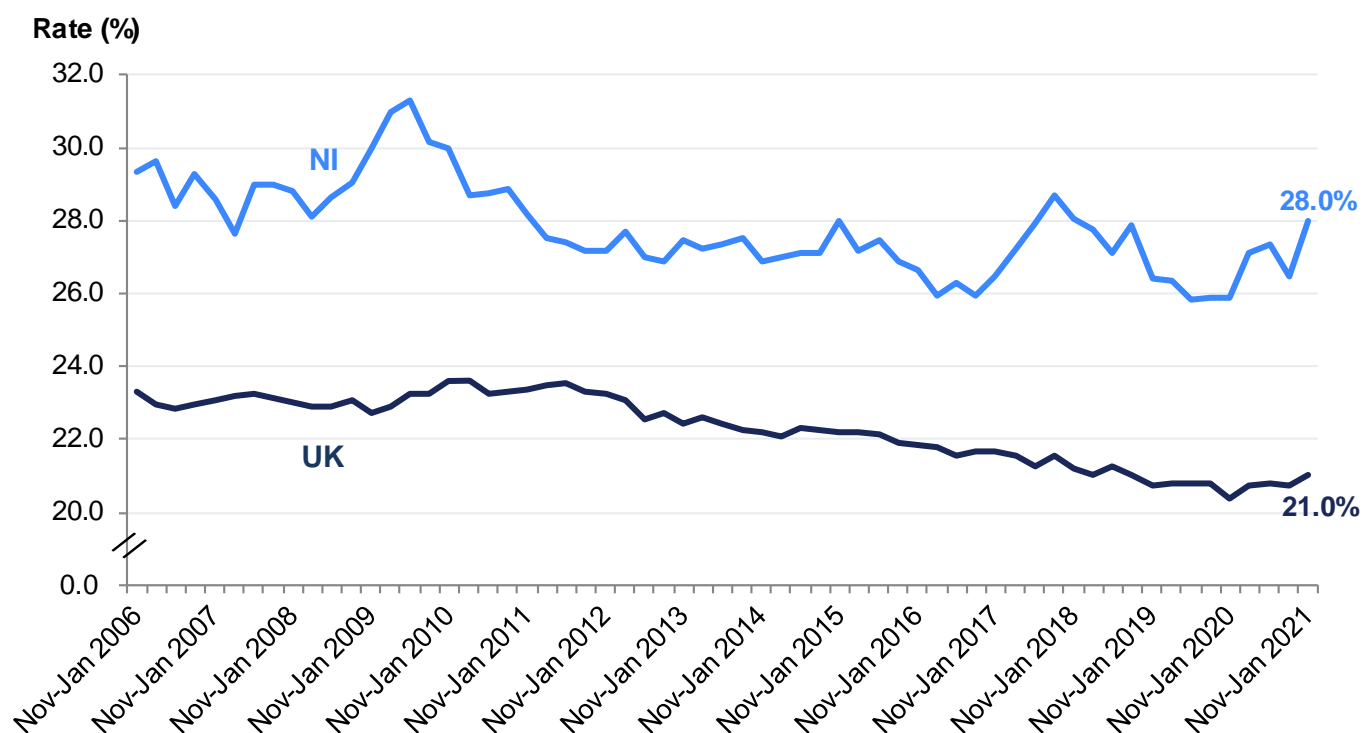
## LFS economic inactivity

**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

- The economic inactivity rate increased over the quarter and the year to 28.0%
- NI economic inactivity remains the highest of the twelve UK regions

Figure 12: Seasonally adjusted economic inactivity rates (16-64), Nov-Jan 2006 to Nov-Jan 2021



[Download Figure 12 data](#)

Figure 12 shows that, over the last 15 years, economic inactivity in NI has been consistently higher than the UK average. Economic inactivity peaked in NI during this time period in 2009 at over 31% compared to the peak in the UK as a whole at 23.6% at the beginning of 2010.

During the past 10 years, the UK inactivity rate has mostly been on a downward trend while there was a trend of decreasing economic inactivity in NI from mid-2017 until mid-2019 when it reached 25.8%. Since mid-2019 a trend of increasing economic inactivity is visible. The current rate at 28.0% is 2.1 percentage points above the inactivity rate one year ago.

## **Economically inactive**

The seasonally adjusted economic inactivity rate (aged 16-64) for November-January 2021 was estimated at 28.0%, which was:

- an increase of 1.5pps over the quarter
- an increase of 2.1pps over the year

Annual changes by sex:

- the male (16-64) economic inactivity rate (24.2%) increased by 2.4pps over the year
- the female (16-64) economic inactivity rate (31.6%) increased by 1.7pps over the year

## **UK Regional comparison**

The NI economic inactivity rate for those aged 16-64 was 28.0%. This was:

- higher than the UK average rate (21.0%)
- the highest of the twelve UK regions

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

[Economic Inactivity in Northern Ireland topic paper page](#)

[Women in Northern Ireland 2020 page](#)

# 5 Further Information

Updated March 2021

## 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.

The definition of unemployment rate is 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 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.

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

## LFS economic inactivity

Economic inactivity is defined as those individuals who are neither in employment nor unemployed as determined by the ILO measure. This economic status includes all those who are looking after a home, are long term sick or disabled, are students or are retired.

## 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. 'Over the quarter' refer to comparisons between the latest quarterly estimates for the period November-January 2021 and the quarter previous to that (i.e. August-October 2020). 'Over the year' refer to comparisons between the latest quarterly estimates for the period November-January 2021 and those of the corresponding quarter one year previously (i.e. November-January 2020).

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. Table 2 shows the sampling variability of the estimates, and quarterly and annual changes using 95% confidence intervals. We would expect that in 95% of samples the range would contain the true value. The final column contains the confidence interval that can be used when assessing change between two independent samples. Due to the LFS five wave structure, this means it can be used to assess changes over six quarters or more. The confidence intervals have been calculated using data that are not seasonally adjusted, with the relevant sampling errors produced then applied to the seasonally adjusted data.

If the 'quarterly or 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 or the quarter were statistically significant, then the recorded changes did not exceed the variability expected from a sample survey of this size.

**Table 2: Sampling variability of labour market estimates**

November-January 2021	Estimate	Confidence interval around estimate	Change over quarter	Confidence interval around quarterly change	Change over year	Confidence interval around annual change	Confidence interval around change
<b>Unemployment<sup>1</sup></b>	33,000	+/-8,000	-2,000	+/-8,000	11,000	+/-9,000	+/-9,000
<b>Employment<sup>2</sup></b>	843,000	+/-24,000	-14,000	+/-22,000	-33,000	+/-28,000	+/-30,000
<b>Economically inactive<sup>2</sup></b>	604,000	+/-23,000	18,000	+/-22,000	28,000	+/-28,000	+/-30,000
<b>Unemployment rate<sup>1</sup></b>	3.7%	+/-0.9pps	-0.1pps	+/-0.9pps	1.3pps	+/-1.0pps	+/-1.1pps
<b>Employment rate<sup>2</sup></b>	69.3%	+/-2.0pps	-1.3pps	+/-1.7pps	-3.0pps	+/-2.3pps	+/-2.5pps
<b>Economic inactivity rate<sup>2</sup></b>	28.0%	+/-1.9pps	1.5pps	+/-1.7pps	2.1pps	+/-2.2pps	+/-2.4pps

[Download Table 2 data](#)

<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).

### Response Rates – Updated quarterly (last updated 23/02/2021)

The total eligible sample for the October-December 2020 LFS consisted of 7,908 addresses (2,572 chosen at random from the Land and Property Services (LPS) list of domestic properties and 5,336 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.

**Table 3: Response rates, October-December 2020**

<b>Fully and partially responding</b>	1,770
<b>Eligible sample</b>	7,908
<b>Response rate (%)</b>	22.4%

\*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.

### LFS Comparisons

Estimates of employment, unemployment, and economic inactivity are derived from the LFS. The most robust estimates of short-term movements in these estimates are obtained by comparing the estimates over separate three month periods. For example, estimates relating to November-January 2021 should be compared with the estimates for August-October 2020. This provides a more robust estimate than comparing with the estimates for October-December 2020, as the November and December data are included within both estimates. Effectively, observed differences are those between the individual months of October 2020 and January 2021. The LFS is sampled such that it is representative of the NI population over a three month period, not for a single month period.

### Seasonal adjustment

All estimates discussed in this Statistical Bulletin are seasonally adjusted unless 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. To compare over months or quarters, the data are seasonally adjusted to remove the effects of seasonal factors and the arrangement of the calendar.

## Thresholds

Thresholds are used to determine whether LFS data are suitably robust for publication. Estimates below a grossed value of 8,000 were previously suppressed however this has been reviewed and tables accompanying this release have been subsequently updated. Now, only estimates based on fewer than 3 events are suppressed to prevent disclosure. Shading is used to draw attention to lower statistical quality/precision of estimates that are based on a smaller sample size. These give the best estimate of the size of a group but comparison across time or between groups with similar values should be avoided. Unshaded estimates are based on a larger sample size. This is likely to result in estimates of higher precision, although they will still be subject to some sampling variability. Further information is available on the NISRA website in the reporting reliability in user requested data guidance. Please note that estimates for youth unemployment and long term unemployment have been included in the report however they are based on a smaller sample size and are therefore shaded in the accompanying tables. As such, associated confidence intervals for these estimates are wide and comparisons over time and with other regions are not encouraged as differences are not likely to be statistically significant.

## LFS revisions

Estimates derived from the Labour Force Survey (including estimates of employment, unemployment and economic inactivity) are calculated using 2016 based population projections and the 2017 mid-year population estimates. LFS microdata are routinely revised to incorporate the latest population estimates. The latest revisions were published in February 2019 and affect LFS data from the period June-August 2011 onwards. In addition, data from November-January 2018 onwards also reflects a boost to the LFS sample that has been rolled out from January 2018 beginning with wave 1 and was fully implemented through all 5 waves by April-June 2019. To illustrate this boost in sample size, the November-January 2017 eligible sample was 2,394 (with 1,517 of those fully or partially responding), while the December-February 2020 sample size was 3,846 (with 2,773 of those fully or partially responding). More information on the increased sample size is available in a separate paper on the background information page of the NISRA website.

A review of seasonal adjustment methodology also took place in February 2019 and affected seasonally adjusted data from June-August 2011 onwards. The majority of revisions to the unemployment rate fell within +/-0.1 percentage points and the largest revision was -0.3pps; the working age employment rate mostly fell within +/- 0.1 percentage points and the largest revision was 1.0pps. More information on the [revision policies for labour market statistics page](#)

The Labour Force Survey estimates from January-March 2020 to May-July 2020 were revised in October 2020. Please see LFS revision note – October 2020 on the background information page of the NISRA website detailing the size of revisions.

## Impact of COVID-19 on Labour Force Survey – field operations, imputation, population estimates

NISRA suspended all face to face household interviews in the middle of March due to COVID-19 and from April all LFS interviews were conducted by telephone. This change in mode for first interviews has changed the non-response bias of the survey, affecting interviews from March 2020 onwards. In particular, the proportion of households where people own their homes in the sample has increased and rented accommodation households has decreased. As such, in October 2020 ONS revised the weighting methodology to include tenure type and provided a consistent reweighted time series back to January-March 2020. The impact on the NI results has generally been to increase the unemployment rate and economic inactivity rate and decrease the employment rate. More information can be found in the [Coronavirus and its impact on the labour force survey page](#) or in the LFS Revision note on the background information page of the NISRA website.

Imputation used for the Labour Force Survey (LFS) was not designed to deal with the changes experienced in the labour market in recent months. Experimental work by ONS with adjusted methodology suggests the use of the existing methodology has little impact on the employment rate (less than 0.2 percentage points). Further information can be found on the ONS website [ONS – Measuring the data](#)

Labour Force Survey (LFS) responses are weighted to official population projections. As the current projections are 2018-based they are based on demographic trends that pre-date the COVID-19 pandemic. We are analysing the population totals used in the weighting process and may make adjustments if appropriate. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution.

Further information has been released by ONS in two new blogs [Understanding the impact of Covid-19 on UK population](#) and [Painting the full picture: what our statistics tell us about the labour market](#)

### **Temporary change in release time**

Due to a change in ONS release and briefing practices in light of COVID-19, from April NISRA market sensitive statistics are released at 7am and not the standard release of 9.30am. NISRA requested the temporary change in time from the Office for Statistics Regulation. Correspondence between NISRA and OSR is available on the [OSR website](#), and more detail on the change in ONS practices is available on the [Changes to publication times for market-sensitive statistics page](#).

### **Experimental Claimant Count (Jobseekers Allowance claimants plus some out-of-work Universal Credit claimants)**

In March 2018, the NI JSA-only claimant count was replaced by an experimental measure based on JSA claimants plus out-of-work UC claimants who were claiming principally for the reason of being unemployed. The measure is categorised as experimental as the statistics are in the testing phase and not yet fully developed. ONS have produced a useful '[Guide to Experimental Statistics](#)' page and an FAQ document explaining the difference between the two measures is available on the [changes to the claimant count page](#) on the NISRA website.

Additional data tables are published on the [Claimant Count page](#) and counts are available from the [NOMIS](#) website.

### **Claimant count correction note**

A number of claims across the UK to the UC element of the Claimant Count were coded to incorrect locations for data relating to December 2018 to November 2019. This has been corrected for December 2019 onwards, but previous periods remain affected. The impact of the revision on NI for December 2019 was an increase of fewer than 1,000 cases.

### **Claimant count revisions**

Seasonally adjusted estimates are revised on a regular basis. Each month the previous estimate is revised in line with the current seasonal adjustment model, giving the best estimate of change for the latest period. During the Covid-19 outbreak the seasonal adjustment parameters for the Claimant Count will be under constant review and may result in revisions to the seasonally adjusted Claimant Count. Further details and previous seasonal adjustment revisions are available from the [changes to the claimant count page](#)

### **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 required to notify the Department so there is likely to be an undercount.

To prevent the potential identification of individual businesses, redundancy totals relating to fewer than 3 businesses are not disclosed. The [Statistical Disclosure Control Policy](#) is available on the NISRA website.

## HMRC PAYE

Experimental Statistics on earnings and number of payrolled employees from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) system are included in Section 3. HMRC PAYE RTI is the system employers use to take Income Tax and National Insurance contributions before they pay wages to employees. Data relate to employees paid by employers only, and do not include self-employment income or income from pensions, property rental or investments. Data are based on where employees live and not the location of their place of work within the UK. Data are seasonally adjusted but not adjusted for inflation. The HMRC PAYE covers the whole population rather than a sample of employees or companies. The data are classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions. Background information including the methodology used to compile the statistics, strengths and limitation and a comparison with other labour market sources is available on the [Earnings and employment from PAYE page](#) on the ONS website. Detail is also available [on the guide to experimental statistics page](#).

## Quarterly Employment Survey (QES)

All QES data contained in the LMR are adjusted for seasonality. The seasonally adjusted series started in 2005. Public sector and private sector series are seasonally adjusted separately to the industry breakdowns. As such, the two series may differ at the NI level.

## QES Revisions

QES estimates are revised quarterly to reflect the latest information provided to the Department by employers. The September 2020 seasonally adjusted estimate first published in December 2020 has subsequently been revised down 0.2%. For further details please see the [Quarterly Employment Survey revisions page](#).

***The Northern Ireland Statistics and Research Agency wishes to thank the participating households and businesses for their co-operation in agreeing to take part in the surveys and for facilitating the collection of the relevant data. For further information contact:***

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