

STATISTICAL PRESS RELEASE

17 August 2011

Coverage

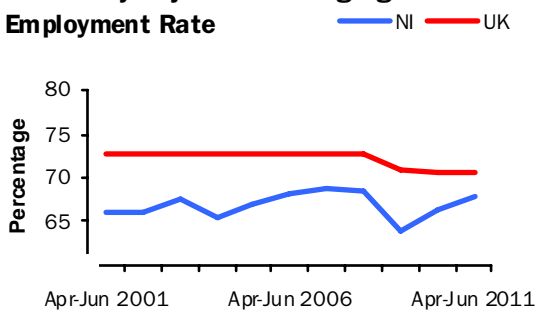
Northern Ireland, unless otherwise stated

Theme

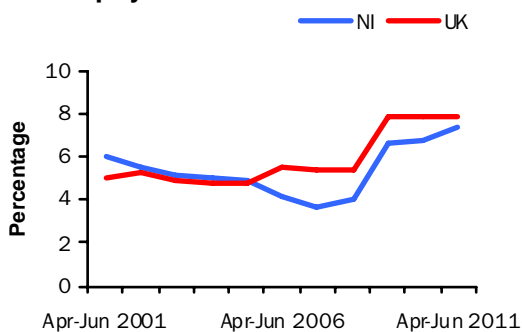
Labour Market

Seasonally Adjusted Working Age

Employment Rate



Seasonally Adjusted Unemployment Rate



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Next publication date: 14th September 2011



Labour Market Statistics – August 2011

Seasonally adjusted Labour Force Survey (LFS) estimates for Northern Ireland for the period April - June 2011 recorded an increase over the quarter in employment and unemployment levels, while there was a decrease in economic inactivity. The July Claimant Count recorded an increase of 600 claimants from the previous month's revised figure and now stands at 60,400.

In the latest reference period, the employment rate for those aged 16-64 was estimated at 67.9%, up 1.0 percentage points over the quarter and up 1.6 percentage points over the year.

The unemployment rate for the period April - June 2011 was estimated at 7.3%, up 0.1 percentage points over the quarter and up 0.6 percentage points over the year. The NI rate was lower than the UK (7.9%) rate and also remained below the European Union (9.3%) and Republic of Ireland (14.0%) rates for May 2011.

The economic inactivity rate for those aged 16-64 in NI stands at 26.6%, down 1.2 percentage points over the quarter and down 2.2 percentage points over the year. However, the NI rate remained above the UK average rate (23.2%) and was the highest rate among the twelve UK regions.

The LFS is a sample survey with an associated degree of sampling error (see table 1 overleaf for details).

The more recent seasonally adjusted claimant count stood at 60,400 (6.8%) at July 2011, up 600 from the previous month's revised figure. NI (1.0%) had the lowest percentage increase in claimants over the month to July 2011 of any UK region (the UK average increase was 2.4%). However, over the year the NI claimant count has increased by 6.7%, the same increase as that recorded by the UK as a whole (also 6.7%).

150 proposed redundancies were notified in the period mid July to mid August and there were 195 confirmed redundancies in July 2011.

The total number of employee jobs in NI at March 2011 was estimated at 703,860 (Quarterly Employment Survey), up 590 jobs (0.1%) over the quarter and down 6,830 jobs (-1.0%) over the year.

NI seasonally adjusted data

	Reference period	Levels	Rates (%)	Levels	Rates (pps)
				Change on quarter	
Employment ¹	Apr-Jun 2011	803,000	67.9%	18,000	1.0
Unemployment ²	Apr-Jun 2011	63,000	7.3%	2,000	0.1
Economically Active ¹	Apr-Jun 2011	866,000	73.4%	20,000	1.2
Economically Inactive ¹	Apr-Jun 2011	538,000	26.6%	-17,000	-1.2
Employee Jobs ³	March 2011	703,860		590	
				Change on month	
Claimant Count ⁴	July 2011	60,400	6.8	+600	0.0
Redundancies ⁵	July 2011	195		-	-

For footnotes, see 'Definitions' section (back page)

Labour Market

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Seasonally adjusted Labour Force Survey (LFS) estimates for Northern Ireland for the period April – June 2011 recorded an increase over the quarter in both employment and unemployment levels, while there was a decrease in the number of economically inactive persons. The seasonally adjusted claimant count in July 2011 increased by 600 over the month to 60,400.

150 proposed redundancies were notified in the latest reference period and 195 confirmed redundancies in July 2011.

Employment

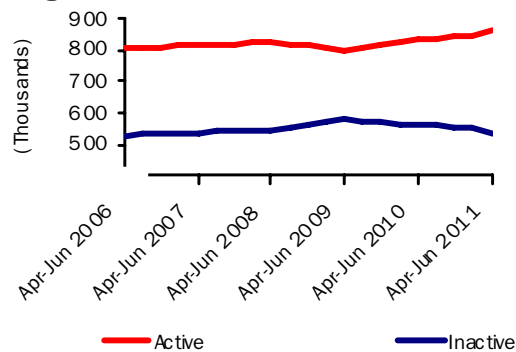
The number of persons in employment in the period April – June 2011 was estimated at 803,000. This estimate was up 18,000 over the quarter and up 26,000 over the year. The employment rate for those aged 16-64 was estimated at 67.9%, up 1.0 percentage points over the quarter and up 1.6 percentage points over the year. However, NI's employment rate remained below the UK average (70.7%) and was the second lowest rate among the twelve UK regions.

Unemployment

The unemployment rate for the period April – June 2011 was estimated at 7.3%, up 0.1 percentage points over the quarter and 0.6 percentage points over the year. The number of unemployed persons was estimated at 63,000, up 2,000 over the quarter and up 7,000 over the year.

Unadjusted figures show that 48.1% of the unemployed have been unemployed for 1 year or more – up 4.9 percentage points over the year. They also estimate the unemployment rate for 18- 24 year olds at 17.0% – up 1.1 percentage points over the year.

Seasonally Adjusted Labour Market Summary for Northern Ireland (16+)
Figure 1



Economically Inactive

The seasonally adjusted number of economically inactive persons in the period April – June 2011 was estimated at 538,000. This figure has fallen by 17,000 over the quarter and by 21,000 over the year.

The NI economic inactivity rate for those aged 16-64 stands at 26.6%. This is significantly higher than the UK average rate (23.2%) and is the highest of the twelve UK regions. Unadjusted figures estimate that 30% of the economically inactive, aged 16-64, in NI are sick/disabled, 29% are students, 22% are looking after the family/home, 12% are retired and 6% are 'other' reason.

Unadjusted figures also show that while 91% of the inactive do not want work, the remaining 9% (51,000) want employment but do not satisfy the full ILO job search criteria (by actively seeking work and being available to start a job).

Estimates from the LFS have an associated degree of statistical error as they are based on a

Northern Ireland Labour Market Summary (seasonally adjusted)

Table 1

	Period	Estimate	Sampling Variability of estimate	Change over year	Sampling Variability of change
Employment	Apr-Jun 2011	803,000	+/-23,000	26,000	+/-29,000
Unemployment	Apr-Jun 2011	63,000	+/-11,000	7,000	+/-14,000
Economically inactive	Apr-Jun 2011	538,000	+/-21,000	-21,000	+/-26,000
Unemployment rate	Apr-Jun 2011	7.3%	+/-1.3pps	0.6pps	+/-1.7pps
Employment rate ¹	Apr-Jun 2011	67.9%	+/-1.7pps	1.6pps	+/-2.2pps
Economic inactivity rate ¹	Apr-Jun 2011	26.6%	+/-1.7pps	-2.2pps	+/-2.1pps
Claimant Count	July 2011	60,400		3,800	

Note: pps = percentage points, ¹Rates based on 16-64 population, see 'Definitions' for details.

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sample of the population. The annual changes for the main LFS categories of employment, unemployment and economic inactivity were tested for statistical significance. The results showed that the annual change in the economic inactivity rate was statistically significant at the 95% level i.e. the recorded change exceeded the variability expected from a sample survey of this size (see table 1 and 'Definitions' for details).

Unemployment Regional Comparison

The latest NI seasonally adjusted unemployment rate (7.3%) was lower than the overall UK average rate (7.9%) and was the fourth lowest rate among the twelve UK regions. The NI rate was also below the European Union (9.3%) and Republic of Ireland (14.0%) rates for May 2011. Comparable figures for the three months to May 2011 estimate the NI unemployment rate for 18-24 year olds at 16.9%, compared to a UK average rate of 17.0%.

Claimant Count

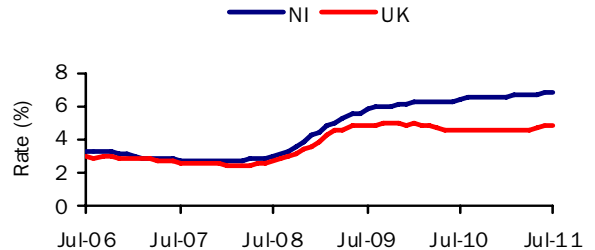
The more recent seasonally adjusted claimant count increased by 600 from last month's revised total. It now stands at 60,400 (6.8% of the workforce) in July 2011. The latest monthly increase was higher than the revised increase of 500 for the previous monthly period. Over the year the Claimant Count in NI has increased by 3,800 (6.7%) and the workforce unemployment rate has increased by 0.4 percentage points.

Claimant Count Regional Comparison

The seasonally adjusted claimant count rate in NI (6.8%) was higher than the UK average rate (4.9%) and was the second highest rate among the twelve UK regions. The July 2011 NI Claimant Count level increased by 1.0% (600 claimants) from last month's total, while the UK average increased by 2.4% (Figure 2). NI had the smallest monthly increase among the twelve UK regions. Over the year the NI Claimant Count level increased by 6.7%, which was the same as the rise in the UK (also 6.7%).

Seasonally Adjusted Claimant Count Monthly Rates

Figure 2



Claimant count rates for District Council Areas

Figure 3 (unadjusted numbers as a percentage of the resident working age population) show that the highest rates at July 2011 were in Derry (8.0%), Belfast (7.1%), Limavady (7.1%) and Strabane (7.0%). Those that showed the highest percentage increase in levels over the year to July 2011 were Ards (11.9%), Newry & Mourne (10.8%) and Derry (9.9%). For further District Council data please see section 3 of the Labour Market Report.

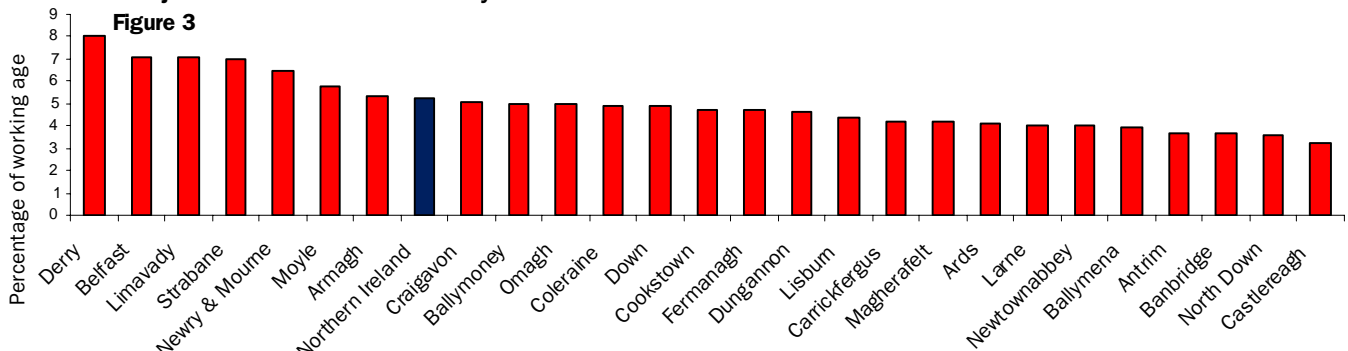
Employment and Training Measures

The Department for Employment and Learning (DEL) provides a number of services and programmes to help jobseekers find work. In September 2008 Steps to Work, the Department's new flexible approach to helping people to find work, was introduced in Northern Ireland and subsumes the main New Deal programmes. Overall, there has been an increase of 15.4% (1,775 persons) to 13,300 over the year to July 2011 in the number of those claimants who are eligible for mandatory participation on Steps to Work. However, anyone over 18 years old (or lone parents aged 16 years old or over) who is not working (or working less than 16 hours each week) is eligible. Steps to Work and New Deal statistics are currently accessible via the DEL web link below:

[Steps to Work / New Deal statistics](#)

Unadjusted Claimant Count Rates By District Council Area

Figure 3



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Redundancies

There were 150 proposed redundancies notified during the period mid July 2011 to mid August 2011. This compares to 125 proposed redundancies that were notified in the previous monthly period.

There were 195 confirmed redundancies in the month of July (Figure 5). Over the latest twelve monthly period there were a total of 1,957 confirmed redundancies, a decrease of 35% from the previous year (3,034). The highest number of confirmed redundancies took place in the Belfast District Council area which had 37.4% (732) of all redundancies over the year.

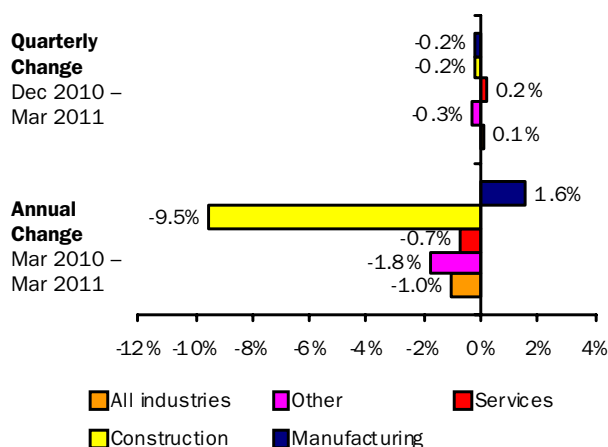
Over the latest twelve month period there were a total of 2,419 proposed redundancies, a decrease of 32% from the previous year (3,542). Currently there are 935 outstanding redundancies (that is, proposed but not confirmed), which is 18% lower than this time last year (1,136).

Note that since all proposed redundancies do not actually take place, the confirmed total provides a better indication of real job losses.

Quarterly Employment Survey

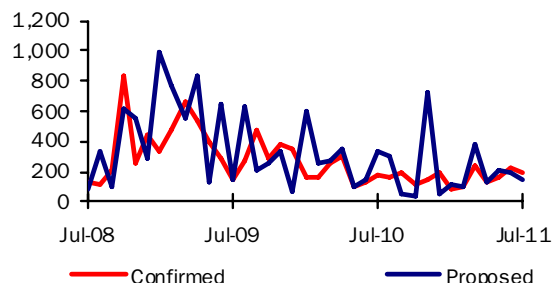
The QES provides an estimate of the number of jobs (rather than persons in employment) and is the preferred measure of change in employee jobs. The estimated seasonally adjusted employee jobs total in Northern Ireland at March 2011 was 703,860. This represents an increase of 590 from the revised figure for the previous quarter and a decrease of 6,830 over the year (see 'Definitions' for details of QES revisions).

Annual and Quarterly changes in employee jobs (seasonally adjusted)
Figure 4



The seasonally adjusted quarterly change consisted of decreases in the Manufacturing sector (-160 jobs), in Construction (-60 jobs) and also on Other industries (-60 jobs). The Services sector increased over the quarter (870 jobs).

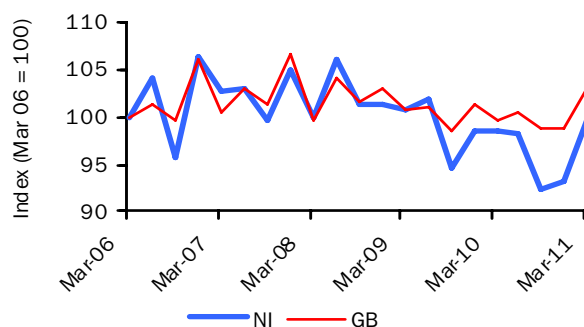
Confirmed and Proposed Redundancies
July 08 - July 11
Figure 5



Hours Worked

The total workforce hours worked per week in Northern Ireland in March 2011 was estimated at 25.9 million hours, representing an increase of 1.2% over the year (compared with an increase of 3.2% in GB). Between March 2006 and March 2011, NI's total workforce hours worked per week decreased by 0.4%, compared with an increase of 2.9% in GB (Figure 6). In the three months to May 2011, the average actual weekly hours worked in NI was 32.9 hours – higher than the UK average (31.4) for the period.

Index of total workforce hours worked per week, NI & GB
Figure 6



Source: Employment, Earnings and Productivity Division, ONS

Annual Survey of Hours and Earnings (ASHE)

Earnings results for April 2010, which were released on 8th December 2010, show that yearly growth in median gross weekly earnings for all employees (i.e. both full- and part-time) in NI was 0.6% (to £356.6) compared to 1.8% in the UK (to £404.3). NI full-time employees' gross weekly earnings at April 2010 were £440.8, which was approximately 88% of the figure in the UK (£498.8). NI full-time earnings increased by 0.8% over the period, compared with an increase of 2.1% in the UK.

Full-time weekly private sector earnings increased by 0.6% to £383.4 and part-time earnings fell by 7.1% to £120.0 over the year in NI. This resulted in a further widening of the NI/UK private sector pay gap to 81.0% of the UK figure.

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Labour Market Structure – Seasonally adjusted
Table 2

	Total aged 16 and over	Total persons of working age 16-64	All aged 16+					All working age 16-64	
			Total economically active	Total in employment	Unemployed	Economically inactive	Unemployment rate (%)	Activity rate 16-64 (%)	Employment rate (%) 16-64
			A	B	C	D	E	F	G
ALL PERSONS									
Apr-Jun 2008	1,368	1,134	825	793	33	542	4.0	71.5	68.6
Apr-Jun 2009	1,380	1,141	800	747	53	581	6.6	68.6	64.0
Apr-Jun 2010	1,393	1,148	833	777	56	560	6.7	71.2	66.4
Jul-Sep 2010	1,396	1,149	836	778	59	560	7.0	71.2	66.1
Oct-Dec 2010	1,399	1,151	841	774	67	558	8.0	71.7	65.8
Jan-Mar 2011	1,402	1,152	846	785	61	555	7.2	72.2	67.0
Apr-Jun 2011	1,405	1,154	866	803	63	538	7.3	73.4	67.9
Change on Quarter	3	1	20	18	2	-17	0.1	1.2	1.0
Change on Year	12	6	33	26	7	-21	0.6	2.2	1.6
MALES									
Apr-Jun 2008	663	561	453	431	23	210	5.0	79.2	75.1
Apr-Jun 2009	670	565	437	401	36	233	8.2	75.3	69.0
Apr-Jun 2010	676	568	457	416	41	219	9.0	78.4	71.2
Jul-Sep 2010	678	569	458	416	41	221	9.1	78.4	71.1
Oct-Dec 2010	680	570	459	412	47	220	10.2	78.6	70.4
Jan-Mar 2011	681	571	461	418	42	220	9.2	79.4	72.1
Apr-Jun 2011	683	572	465	424	41	218	8.8	79.6	72.5
FEMALES									
Apr-Jun 2008	705	572	372	362	10	333	2.7	63.9	62.1
Apr-Jun 2009	710	576	362	346	17	348	4.6	62.0	59.1
Apr-Jun 2010	717	579	376	361	15	341	4.0	64.2	61.6
Jul-Sep 2010	718	580	379	361	17	339	4.5	64.2	61.2
Oct-Dec 2010	719	581	382	361	21	337	5.4	64.8	61.3
Jan-Mar 2011	721	581	386	367	19	335	4.9	65.2	62.0
Apr-Jun 2011	722	582	402	379	22	320	5.6	67.4	63.5

Relationship between columns: A=C+F; C=D+E; G=E/C, H=economically active of working age/total population of working age, I=in employment of working age/total population of working age, * **A and B are underlying population estimates and are therefore not seasonally adjusted.**

The estimates above have been revised to incorporate latest population figures - see note on revisions policy in 'Definitions'.

Working age rates based on 16-64 population for both males and females - see 'Definitions' for details.

Figures may not sum due to rounding.

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Seasonally Adjusted Regional Summary, April - June 2011

Table 3

	Labour Force Survey (LFS) ¹						Employee Jobs ³	Claimant count rate (%) ⁴	Claimant count level Percentage Change over the year	Claimant count level Percentage Change over the month	Jobs Density Indicator ⁵
	Employment		Unemployment		Economically Inactive						
	Rate	Annual Change ²	Rate	Annual Change ²	Rate	Annual Change ²					
North East	66.4	-1.1	10.0	0.5	26.1	0.8	1,017	7.0	8.9	3.2	0.66
North West	68.5	-0.5	8.8	0.7	24.7	0.0	2,922	5.5	7.3	2.1	0.75
Yorkshire & the Humber	68.1	-1.5	8.5	-0.7	25.4	2.2	2,170	6.0	8.7	3.0	0.73
East Midlands	72.2	1.4	8.0	0.4	21.4	-1.9	1,869	4.8	7.2	2.7	0.74
West Midlands	68.0	-1.2	8.5	0.2	25.5	1.2	2,244	6.2	4.9	2.5	0.75
East of England	75.0	1.5	6.5	-0.3	19.7	-1.4	2,399	3.9	5.9	3.2	0.76
London	68.4	0.1	9.5	0.3	24.3	-0.4	4,093	4.7	8.0	1.8	0.88
South East	75.0	0.4	5.8	-0.2	20.2	-0.3	3,707	3.2	2.9	2.6	0.80
South West	73.0	-0.8	6.6	0.4	21.7	0.5	2,190	3.2	6.3	3.1	0.82
England	70.8	-0.1	7.9	0.1	23.0	0.0	22,613	4.7	6.7	2.5	0.78
Wales	68.2	1.4	8.4	-0.4	25.3	-1.2	1,139	5.5	7.4	2.8	0.71
Scotland	71.9	1.6	7.7	-0.7	22.0	-1.1	2,325	5.4	6.8	1.8	0.78
Great Britain	70.8	0.1	7.9	0.0	23.1	-0.2	26,076	4.8	6.7	2.5	0.78
N Ireland	67.9	1.6	7.3	0.6	26.6	-2.2	704	6.8	6.7	1.0	0.73
United Kingdom	70.7	0.2	7.9	0.0	23.2	-0.2	26,780	4.9	6.7	2.4	0.77

¹ Employment and economic inactivity rates are based on working age population (16-64); Unemployment rates are based on 16+ population.

² Data refer to percentage point change of respective rate.

³ As at March 2011 (thousands).

⁴ As at July 2011: percentage of the workforce.

⁵ Not seasonally adjusted – data relates to 2009. Jobs Density – total number of jobs in an area divided by the resident population of working age in that area.

DEFINITIONS

Notes to Table on Front Page

pps=percentage points

¹ Levels for all persons aged 16 and over, rates for working age (16-64)

² People aged 16 and over. Unemployment rate=total unemployed as a proportion of the economically active

³ Quarterly Employment Survey

⁴ Seasonally adjusted. Rates are as a percentage of the total workforce.

⁵ Confirmed redundancies in the calendar month.

⁶ 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.

Unemployment

The definition of unemployment used in the Labour Force Survey (LFS) is in accordance with that promulgated by the International Labour Organisation (ILO). The ILO unemployed include 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.

Employment

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

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

Sampling variability

The LFS is a sample survey, and as such, estimates obtained from it are subject to sampling variability. If we drew many samples each would give a different result. The ranges shown for the LFS data in table 1 represent 95% confidence intervals i.e. we would expect that in 95% of samples the range would contain the true value. These confidence intervals have been calculated using data that is unadjusted for seasonality, with the relevant sampling errors produced applied to the seasonally adjusted data.

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If the 'annual change' for an estimate has increased or decreased by more than the 'sampling variability of the change', this change would be statistically significant. The annual changes for the main LFS categories of employment, unemployment and economic inactivity were tested for statistical significance. The results showed that the annual change in the working age economic inactivity rate was statistically significant at the 95% level.

Please see attached link for further LFS notes and definitions.

[Labour Force Survey Notes and Definitions](#)

LFS revisions

LFS microdata have recently been revised to incorporate the latest population estimates. The revision effect LFS data from the period June to August 2001 onwards and were first published in May 2011. The magnitude of the revisions were relatively small, with the revisions to the unemployment rate falling within +/-0.1 percentage points and the working age employment rate within +/- 0.2 percentage points. The procedures being applied to the NI LFS results were consistent with those applied by the Office for National Statistics to other UK regions.

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

[Labour market statistics revisions policy](#)

Definition of 'working age'

The 'working age' definition, used in the calculation of employment and economic inactivity rates, was changed in August 2010 to include those aged from 16 to 64 for both men and women. Previously these rates were based on upper age limits of 59 for women and 64 for men, reflecting the state pension ages in the UK. However, between 2010 and 2020, the state pension age for women is increasing (by one month every two months) from 60 to 65, thereby making a change to the definition necessary.

The change in definition follows a UK wide public consultation on the issue and the approach being applied to Northern Ireland labour market statistics mirrors the approach that the Office for National Statistics (ONS) are applying to other UK regions. A consistent time series for the new headline rates has been produced and all future reference to working age rates will be based on the 16 to 64 definition. Please see link for further details:

[Change in female state pension age](#)

For a limited period, employment and inactivity rates based on the old working age economic definition (i.e. 16-59/64) will be available on the DETI website at:

[Comparison of working age rates.](#)

Please note that there are no implications for the headline unemployment rate, which will continue to be based on the economically active population aged 16 and over.

Claimant Count definition

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

Seasonally Adjusted claimant count figures are provisional when published and subject to revision, mainly the following month and are only available at Northern Ireland level. Seasonally Adjusted totals are subject to an annual update (usually April) to take account of latest assessment trends.

The 'Flows' data contained in section three is sourced to the Office of National Statistics (via the NOMIS website). Claimants appear as flows if they have either joined or left the count in the reference period or if they joined the count in a previous period, but were only processed during the reference period.

[Definitions for the Annual Survey of Hours and Earnings ASHE](#)

Quarterly Employment Survey (QES) Revisions

Important Notice : Due to revisions in the QES sampling methodology, a discontinuity in the jobs series exists for all estimates from Q3 2009 onwards. For more details please follow link : <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-qes-discontinuity-notice.htm>

QES estimates are revised quarterly to reflect the latest information provided to the Department by employers. Estimates can be revised back to the last Census of Employment reference period (September 2009). The December 2010 estimate first published in March 2011 has subsequently been revised up by (1.6%). For further details of QES revisions please see link below.

At the latest review of seasonal adjustment, both Construction and Other industries showed no seasonality.

[Background Notes to the Quarterly Employment Survey \(QES\)](#)

Government Targets

Data from the Labour Force Survey (LFS) and the Quarterly Employment Survey (QES) are used in the measurement of targets set in the Northern Ireland Executive's Programme for Government (PSA targets) See [Programme for Government](#) for further details. The LFS and QES data feed into productivity estimates for NI and are therefore indirectly used to measure progress towards PSA 1: Productivity growth. In addition, LFS data is used to measure the proportion of the working age population qualified to Skill levels 2 and 3. This data therefore feeds into the measurement of PSA 2: Skills for prosperity.

Details of progress towards these targets can be found at:

[Programme for Government Delivery Report](#)

For further information:

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