



STATISTICAL PRESS RELEASE

13 October 2010

Coverage

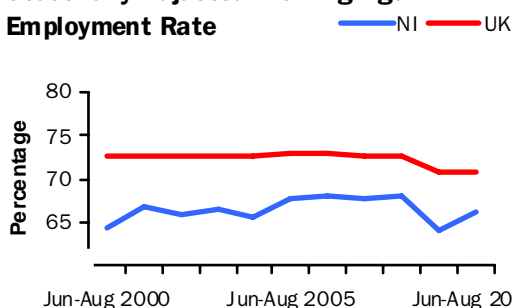
Northern Ireland, unless otherwise stated

Theme

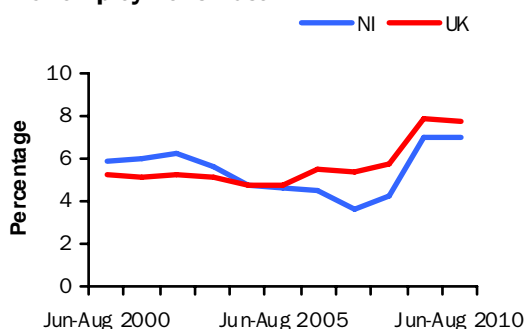
Labour Market

Seasonally Adjusted Working Age

Employment Rate



**Seasonally Adjusted
Unemployment Rate**



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Labour Market Statistics – October 2010

Seasonally adjusted Labour Force Survey (LFS) data for Northern Ireland for the period June - August 2010 estimated an increase over the quarter in the number of employed persons, while there was a fall in the number of economically inactive and no change in the estimate for unemployed persons. The September Claimant Count recorded an increase of 500 claimants from the previous month and now stands at 58,300.

In the latest reference period, the employment rate for those aged 16-64 was estimated at 66.4%, up 0.3 percentage points over the quarter and 2.4 percentage points over the year.

The unemployment rate for the period June - August 2010 was estimated at 7.0%, down 0.1 percentage points over the quarter and unchanged⁶ over the year. The NI rate remained below the UK (7.7%), European Union (9.6%) and Republic of Ireland (13.6%) rates.

The economic inactivity rate for those aged 16-64 in NI stands at 28.5%, down 0.3 percentage points over the quarter. The NI rate remains significantly higher than the UK average rate (23.2%) and is the highest of 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 58,300 (6.5%) at September 2010, representing an increase of 500 from the previous month's figure. Northern Ireland had the third largest monthly increase in claimants and the second highest Claimant Count rate of the twelve UK regions.

The Department was notified of 50 proposed redundancies in the period mid September to mid October and there were 159 confirmed redundancies in September 2010.

The total number of employee jobs in Northern Ireland at June 2010 was 699,230 (Quarterly Employment Survey), down 1,120 jobs (-0.2%) over the quarter and 7,220 jobs (-1.0%) over the year.

NI seasonally adjusted data

	Reference period	Levels	Rates (%)	Levels	Rates (pps)
				Change on quarter	
Employment ¹	Jun-Aug 2010	779,000	66.4%	5,000	0.3
Unemployment ²	Jun-Aug 2010	58,000	7.0%	0	-0.1
Economically Active ¹	Jun-Aug 2010	838,000	71.5%	4,000	0.3
Economically Inactive ¹	Jun-Aug 2010	557,000	28.5%	-1,000	-0.3
Employee Jobs ³	June 2010	699,230	-	-1,120	-
				Change on month	
Claimant Count ⁴	September 2010	58,300	6.5%	+500	0.0
Redundancies ⁵	September 2010	159	-	-	-

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

Labour Market

Statistical Press Release

Seasonally adjusted Labour Force Survey (LFS) data for Northern Ireland for the period June - August 2010 estimated an increase over the quarter in the number of employed persons, while there was a fall in the number of economically inactive and no change in the estimate for unemployed persons. The seasonally adjusted claimant count in September 2010 increased by 500 over the month to 58,300. The Department was notified of 50 proposed redundancies in the latest reference period and 159 confirmed redundancies in September 2010.

Employment

The number of persons in employment in the period June - August 2010 was estimated at 779,000. This represented increases of 5,000 over the quarter and 31,000 over the year. The employment rate for those aged 16-64 was estimated at 66.4%, up 0.3 percentage points over the quarter and 2.4 percentage points over the year. However, NI's employment rate remained well below the UK average (70.7%) and was the lowest of the twelve UK regions.

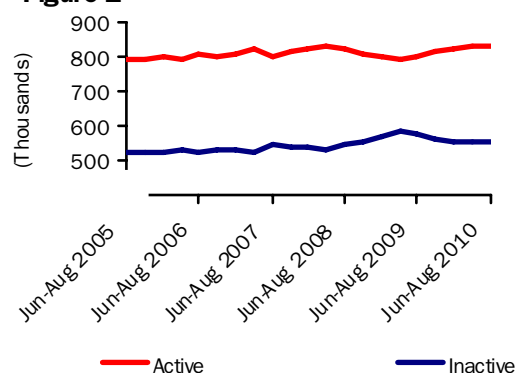
Unemployment

The unemployment rate for the period June - August 2010 was estimated at 7.0%, down 0.1 percentage points over the quarter and unchanged over the year. The number of unemployed persons was estimated at 58,000, unchanged over the quarter, but up 2,000 over the year (see 'Definitions' for further details). The male unemployment rate (9.0%) was double the female rate (4.5%) in June - August 2010.

Unadjusted figures show that 42.7% of the unemployed have been unemployed for 1 year or more – up 12.9 percentage points over the year. They also estimate the unemployment rate for

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

Figure 1



18-24 year olds at 19.0% – up 0.2 percentage points over the year.

Economically Inactive

The seasonally adjusted number of economically inactive persons in the period June - August 2010 was estimated at 557,000. This figure was down 1,000 over the quarter and 21,000 over the year.

The NI economic inactivity rate for those aged 16-64 stands at 28.5%. This is significantly higher than the UK average rate (23.2%) and is the highest of the twelve UK regions. Unadjusted figures estimate that 28% of the economically inactive, aged 16-64, in NI are sick/disabled, 26% are students, 24% are looking after the family/home, 13% are retired and 9% are 'other' reason.

Unadjusted figures also show that while 92% of the inactive do not want work, the remaining 8% want employment but do not satisfy the full ILO job search criteria (by actively seeking work and being available to start a job).

Northern Ireland Labour Market Summary (seasonally adjusted)

Table 1

	Period	Estimate	Sampling Variability of estimate	Change over year	Sampling Variability of change
Employment	Jun-Aug 2010	779,000	+/-23,000	31,000	+/-29,000
Unemployment	Jun-Aug 2010	58,000	+/-10,000	2,000	+/-14,000
Economically inactive	Jun-Aug 2010	557,000	+/-20,000	-21,000	+/-26,000
Unemployment rate	Jun-Aug 2010	7.0%	+/-1.3pps	0.0pps	+/-1.7pps
Employment rate ¹	Jun-Aug 2010	66.4%	+/-1.8pps	2.4pps	+/-2.3pps
Economic inactivity rate ¹	Jun-Aug 2010	28.5%	+/-1.7pps	-2.6pps	+/-2.2pps
Claimant Count	September 2010	58,300		5,100	

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

Statistical Press Release

Estimates from the LFS have an associated degree of statistical error as they are based on a 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 employment and economic inactivity rates were statistically significant 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 seasonally adjusted unemployment rate in NI (7.0%) remained below the UK average rate (7.7%) and was the fourth lowest rate among the twelve UK regions. The NI rate also compared favourably to the European Union rate (9.6%) and the Republic of Ireland rate (13.6%) for July 2010.

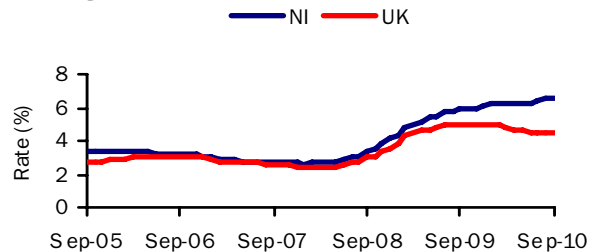
Claimant Count

The more recent seasonally adjusted claimant count increased by 500 over the month to September 2010 to 58,300 (6.5% of the workforce). This compares to an increase of 900 in the previous month. Over the last four months the Claimant Count in NI increased by 2,800. Over the year it increased by 5,100 (9.6%) and the workforce unemployment rate has increased by 0.5 percentage points.

Claimant Count Regional Comparison

The seasonally adjusted claimant count rate in NI (6.5%) was higher than the UK average rate (4.5%) and was the second highest rate among the twelve UK regions. Over the month to September 2010 the NI Claimant Count level increased by 0.9% (500 claimants), while the UK average increased by 0.4% (Figure 2). NI showed the third highest percentage monthly increase of all the UK regions. Over the year the NI Claimant Count level increased by 9.6%, compared to a fall of 8.9% in the UK. The annual change in NI was the highest increase among the twelve UK regions.

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 September 2010 were in Derry (7.7%), Limavady (7.1%) and Strabane (7.0%). Those that showed the highest percentage increase in levels over the year to September 2010 were Newry & Mourne (26.3%), Banbridge (20.5%) and Armagh (16.6%). For further District Council data please see section 3 of the Labour Market Report.

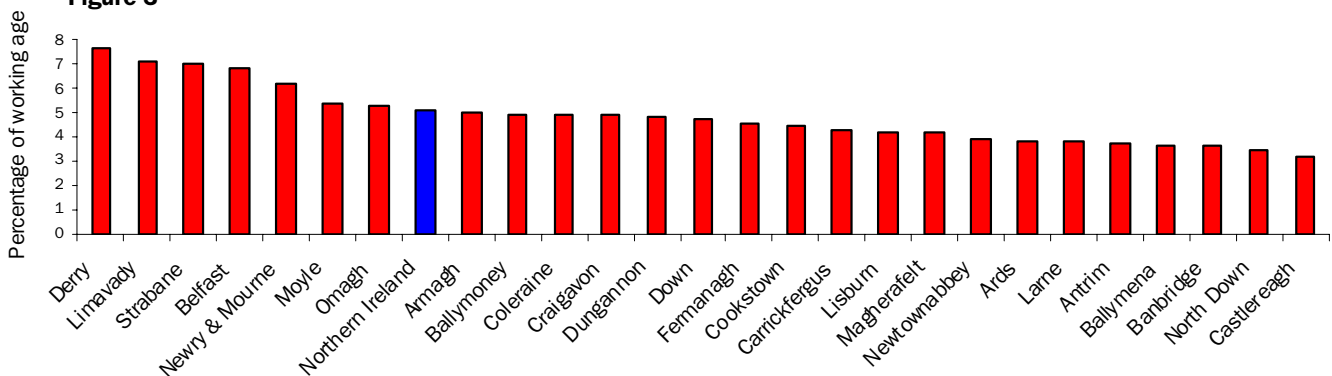
Employment and Training Measures

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 50.0% (4,150 persons) to 12,447 over the year to September 2010 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. New Deal statistics are currently accessible via the DEL web link below:

<http://www.delni.gov.uk/index/pubs-statistics-and-research/s-and-r-stats/training-and-employment-stats/steps-to-work-statistics.htm>

Unadjusted Claimant Count Rates By District Council Area

Figure 3



Statistical Press Release

Redundancies

The Department was notified of 50 proposed redundancies over the period mid September 2010 to mid October 2010. This compares to 277 proposed redundancies notified to the Department in the previous monthly period.

There were 159 confirmed redundancies in the month of September (Figure 5). Over the latest twelve monthly period there were a total of 2,618 confirmed redundancies, a decrease of 49% from the previous year (5,123). The highest number of confirmed redundancies took place in Belfast District Council area which had 29.2% (764) of all redundancies over the year.

Over the latest twelve month period there were a total of 3,052 proposed redundancies, a decrease of 52% from the previous year (6,345).

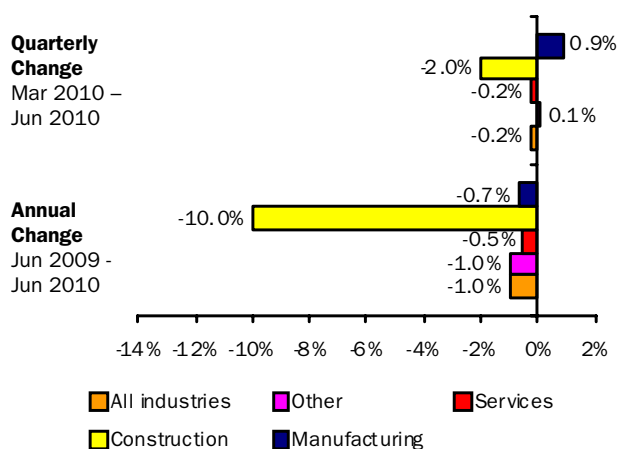
Currently there are 860 outstanding redundancies (that is, proposed but not confirmed), which is 58% lower than this time last year (2,047).

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

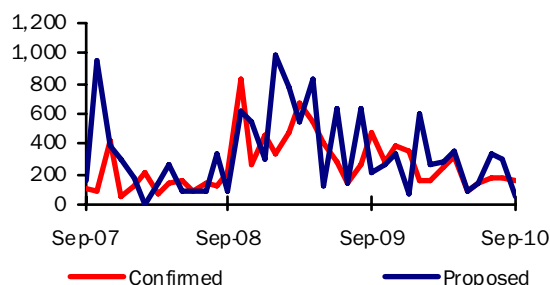
The QES provides an estimate of the number of jobs (rather than persons in employment) and is the preferred measure of change in employee jobs. The estimated seasonally adjusted employee jobs total in Northern Ireland at June 2010 was 699,230. This represents a decrease of 1,120 over the quarter and a decrease of 7,220 over the year.

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



The seasonally adjusted quarterly change consisted of decreases in the Service sector (-1,090) and in Construction (-690). There were increases in Manufacturing (630) and also Other industries (+30) over the quarter.

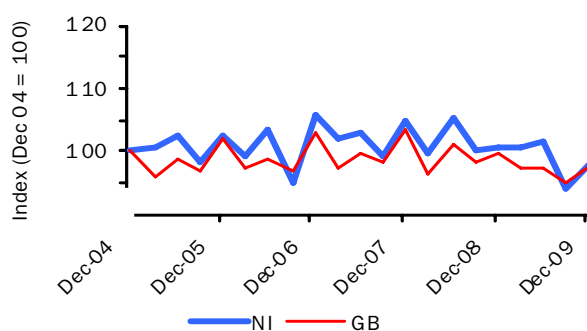
Confirmed and Proposed Redundancies
September 07 - September 10
Figure 5



Hours Worked

The total workforce hours worked per week in Northern Ireland in December 2009 was estimated at 25.5 million hours, representing a decrease of 2.7% over the year (compared with a decrease of 1.9% in GB). Between December 2004 and December 2009, NI's total workforce hours worked per week decreased by 1.9%, compared to a 2.4% fall in GB (Figure 6). In the three months to July 2010, the average actual weekly hours worked in NI was 32.5 hours – the same as the UK average (32.5) 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)

Earning results for April 2009, which were released on 12th November 2009, show that yearly growth in median gross weekly earnings for all employees (i.e. both full- and part-time) in NI was 3.4% (to £356.7) compared to 2.2% in the UK (to £397.3). NI full-time employees' gross weekly earnings in April 2009 were £439.1, which was approximately 90% of the figure in the UK (£488.7). NI full-time earnings increased by 5.1% over the period, compared with an increase of 2.0% in the UK.

Full-time private sector median gross weekly earnings in NI increased at a marginally faster rate (1.6% to £383.0) than in the UK, where growth was 1.0% over the year (to £464.7). This represented little change in the NI/UK private sector pay gap, from 82.0% of the UK figure at April 2008 to 82.4% at April 2009.

Statistical Press Release

Labour Market Structure – Seasonally adjusted
Table 2

	(Thousands/Percentage)								
	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	H	I	
ALL PERSONS									
Jun-Aug 2007	1,356	1,126	805	775	29	551	3.7%	70.3%	67.7%
Jun-Aug 2008	1,370	1,135	824	789	35	546	4.2%	71.3%	68.3%
Jun-Aug 2009	1,383	1,142	804	748	56	578	7.0%	68.9%	64.0%
Sep-Nov 2009	1,386	1,144	822	766	55	564	6.8%	70.3%	65.4%
Dec-Feb 2010	1,389	1,146	829	775	54	560	6.5%	70.8%	66.1%
Mar-May 2010	1,392	1,147	833	774	59	559	7.1%	71.2%	66.1%
Jun-Aug 2010	1,395	1,149	838	779	58	557	7.0%	71.5%	66.4%
Change on Quarter	3	2	4	5	0	-1	-0.1	0.3	0.3
Change on Year	12	7	33	31	2	-21	0.0	2.6	2.4
MALES									
Jun-Aug 2007	656	557	442	425	17	214	3.8%	78.0%	74.9%
Jun-Aug 2008	664	562	451	428	23	213	5.1%	78.7%	74.5%
Jun-Aug 2009	671	565	441	400	42	229	9.4%	76.0%	68.6%
Sep-Nov 2009	673	566	447	406	41	226	9.1%	76.7%	69.6%
Dec-Feb 2010	674	567	451	411	40	223	8.9%	77.3%	70.3%
Mar-May 2010	676	568	458	414	44	218	9.5%	78.5%	70.8%
Jun-Aug 2010	678	569	459	417	41	219	9.0%	78.7%	71.4%
FEMALES									
Jun-Aug 2007	700	569	362	350	12	337	3.4%	62.9%	60.7%
Jun-Aug 2008	706	573	373	361	12	333	3.1%	64.1%	62.1%
Jun-Aug 2009	712	577	363	349	14	349	3.9%	61.9%	59.5%
Sep-Nov 2009	713	577	374	360	15	339	4.0%	63.9%	61.3%
Dec-Feb 2010	715	578	377	363	14	337	3.7%	64.4%	62.0%
Mar-May 2010	716	579	375	360	15	341	4.1%	64.1%	61.4%
Jun-Aug 2010	717	580	379	362	17	339	4.5%	64.4%	61.5%

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.**

Please 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.

Statistical Press Release

Seasonally Adjusted Regional Summary, June - August 2010

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					
	Rate	Change ²	Rate	Change ²	Rate	Change ²					
North East	68.3	2.0	9.0	-0.6	24.9	-1.9	1,032	6.7	-6.7	1.2	0.69
North West	69.3	0.5	8.0	-0.6	24.4	-0.1	2,878	5.1	-10.4	0.3	0.76
Yorkshire & the Humber	68.8	-0.5	9.3	0.7	24.0	-0.1	2,125	5.5	-8.1	0.7	0.75
East Midlands	71.3	-1.8	7.5	0.4	22.8	1.5	1,813	4.5	-13.3	0.4	0.75
West Midlands	70.0	1.8	8.0	-2.4	23.8	0.0	2,203	5.8	-13.7	-0.1	0.77
East	73.6	-1.6	6.8	0.2	20.9	1.5	2,349	3.8	-10.3	0.6	0.77
London	68.2	0.1	9.1	0.2	24.9	-0.3	4,073	4.4	-4.9	0.4	0.90
South East	74.9	0.2	6.3	0.1	20.0	-0.3	3,540	3.0	-15.1	0.2	0.82
South West	74.5	0.5	5.7	-1.0	21.0	0.3	2,139	3.0	-14.8	1.2	0.82
England	71.1	0.1	7.7	-0.2	22.8	0.1	22,153	4.4	-10.5	0.5	0.79
Wales	67.2	0.3	8.2	-0.9	26.6	0.2	1,134	5.1	-11.2	0.3	0.71
Scotland	70.3	-1.6	8.6	1.4	22.9	0.5	2,220	4.8	1.4	-0.8	0.80
Great Britain	70.9	0.0	7.8	-0.1	23.0	0.1	25,507	4.5	-9.5	0.3	0.79
N Ireland	66.4	2.4	7.0	0.0	28.5	-2.6	699	6.5	9.6	0.9	0.76
United Kingdom	70.7	0.0	7.7	-0.1	23.2	0.1	26,206	4.5	-8.9	0.4	0.79

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 June 2010 (thousands).

⁴ As at September 2010: percentage of the workforce.

⁵ Not seasonally adjusted – data relates to 2008. Jobs Density – total number of jobs in an area divided by the resident population of working age in that area.

Statistical Press Release

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.

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 for June- August 2010 showed that the annual change in the employment and economic inactivity rates were 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 has recently been revised to incorporate the latest population estimates. The revision effect LFS data from the period June to August 2006 onwards and were first published in February 2010. The magnitude of the revisions were relatively small, with the revisions to the unemployment rate falling within +/-0.05 percentage points and the working age employment rate within +/- 0.1 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

http://www.detini.gov.uk/introduction_of_new_working_age_definition.pdf.

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 <http://www.detini.gov.uk/deti-stats-index/stats-surveys.htm>.

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 that is published in section three relates to the date the claimant actually joined or left the claimant count. The Office for National Statistics (ONS) use a different methodology when collating flows. They count flows based on the month in which the flow was added to the system regardless of the actual period to which the flow related. Since the majority of flows are recorded on the system in the month they actually happen, there is not much difference between these two methodologies.

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

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

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 www.pfgbudgetni.gov.uk/finalpfg.pdf 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:

www.pfgbudgetni.gov.uk/pfg_delivery_report_q4_08_09-final_-_pdf_version-5.pdf

For further information:

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