

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 59,900 in November 2020. This November count is more than double the number recorded in March. 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.
- There were 1,370 proposed redundancies in November 2020 and 340 proposed between 1st and 11th December. From 1st December 2019 to 30th November 2020, 10,720 redundancies were proposed, the highest annual total since records began. The department was notified of 420 confirmed redundancies in November 2020. This takes the number of confirmed redundancies to 4,390 in the 12 months to the end of November.
- The number of employees receiving pay through HMRC PAYE in NI in October 2020 was 742,900, an increase of 0.1% over the month and a decrease 0.7% over the year. The flash estimate for November shows an increase of 0.1% on October's figure to 743,400.
- Earnings from the HMRC PAYE indicated that NI employees had a median monthly pay of £1,769 in October 2020, an increase of 0.3% over the month and 5.0% from the same time last year. The flash estimate for November shows no change in earnings from October's figure.
- The latest Labour Force Survey (LFS) estimates relate to August-October 2020 and indicate that, over the quarter, the unemployment and employment rates increased and the economic inactivity rate decreased. The NI unemployment rate (16+) increased over the quarter (0.9pps) and the year (1.6pps) to 3.9% in August-October 2020. The quarterly and annual changes were statistically significant. The NI unemployment rate was below the UK rate (4.9%), the Republic of Ireland rate (7.3%) and the EU (27) rate (7.5%).
- The proportion of people aged 16 to 64 in work (the employment rate) increased over the quarter (0.2ps) and decreased over the year (1.8pps) to 70.6%. Although recent changes were not statistically significant, the employment rate was significantly above rates in 2017. The latest employment rate recorded for the whole of the UK was 75.2%.
- 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) decreased over the quarter (0.9pps) and increased over the year (0.6pps) to 26.4%. Although recent changes were not statistically significant, the economic inactivity rate was significantly below rates in 2017. The NI economic inactivity rate remained above the UK rate (20.8%).
- Employee jobs decreased over both the quarter and the year to 775,020 jobs. September 2020 marked the third consecutive quarterly decrease in employee jobs. The quarterly decline in September 2020 was driven by decreases within the manufacturing, services and 'other' industry sectors. The annual decrease was the first annual decline since September 2012, and was driven by decreases in the manufacturing (-2,930 jobs) and services (-2,760 jobs) sectors. The manufacturing sector has experienced five consecutive quarters of decline since the peak in June 2019.

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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
- Reviewed and updated [quality protocols for release](#)
- Improved accessibility of labour market statistics by [changing the release dates of statistics to avoid public holidays](#).
- Temporarily changed timing of release in line with change in ONS release practices in [response to COVID-19](#).

1. Summary of Labour Market Statistics

Updated December 2020

Change over quarter

Seasonally adjusted LFS estimates for Northern Ireland for the period August-October 2020 showed that, over the quarter:

- the unemployment rate increased by 0.9pps to 3.9% Statistically significant
- the employment rate increased by 0.2pps to 70.6% Not statistically significant
- the economic inactivity rate decreased by 0.9pps to 26.4% Not statistically significant

The number of employee jobs at September 2020 was estimated at 775,020. This was:

- a decrease of 0.4% (-3,260 jobs) over the quarter from the revised June 2020 estimate of 778,280.

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 November 2020, there was:

- an increase of 0.8% (500) over the month to 59,900.

Experimental statistics from HMRC PAYE indicated that in October 2020:

- 742,900 people were payrolled employees, an increase of 0.1% from the previous month
- median monthly pay for employees in NI was £1,769, an increase of 0.3% (£6) over the month.

During November 2020 there were:

- 420 confirmed redundancies notified to the Department, lower than the previous month (1,240)
- 1,370 proposed redundancies and a further 340 proposed in the current month to 11th December.

Table 1: Labour Market Summary	Time Period	Estimate	Change over quarter	Change over year
		(95% Confidence interval)	(95% Confidence interval)	(95% Confidence interval)
Unemployment ¹	Aug-Oct 2020	35,000 (+/-8,000)	8,000 (+/-7,000)	14,000 (+/-9,000)
Employment ²	Aug-Oct 2020	857,000 (+/-24,000)	1,000 (+/-20,000)	-21,000 (+/-29,000)
Economically inactive ²	Aug-Oct 2020	586,000 (+/-23,000)	-8,000 (+/-19,000)	13,000 (+/-28,000)
Unemployment rate ¹	Aug-Oct 2020	3.9% (0.9pps)	0.9pps (0.7pps)	1.6pps (+/-1.0pps)
Employment rate ²	Aug-Oct 2020	70.6% (+/-2.0pps)	0.2pps (+/-1.5pps)	-1.8pps (+/-2.3pps)
Economic inactivity rate ²	Aug-Oct 2020	26.4% (+/-1.9pps)	-0.9pps (+/-1.4pps)	0.6pps (+/-2.2pps)
Employee jobs ³	September 2020	775,020 (+/-5,590)	-3,260	-4,080
		Estimate	Change over month	Change over year
Experimental Claimant Count ⁴	November 2020	59,900	500	-
Redundancies ⁵ - Confirmed	November 2020	420	-820	330
Redundancies ⁵ - Proposed	November 2020	1,370	550	1,120
Payrolled Employees ⁶	September 2020	742,900	600	-5,300
Median Monthly pay ⁷	September 2020	£1,769	£6	£85

[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. ¹People aged 16 and over. Unemployment rate = total unemployed as a proportion of the economically active.

²Levels for all persons aged 16 and over, rates for working age (16-64). ³Employee jobs survey date for Quarter 3 was 7th September 2020.

⁴The number of claimants on 12th November, seasonally adjusted. ⁵Redundancies in the calendar month, not seasonally adjusted and rounded to 10. ⁶HMRC Pay As You Earn Real Time Information, rounded to 100 and seasonally adjusted. ⁷HMRC Pay As You Earn Real Time Information, seasonally adjusted.

NI Labour Market Structure: Change over year

Seasonally adjusted LFS estimates for Northern Ireland for the period August-October 2020 showed that over the year:

- the unemployment rate increased by 1.6pps to 3.9% Statistically significant
- the employment rate decreased by 1.8pps to 70.6% Not statistically significant
- the economic inactivity rate increased by 0.6pps to 26.4% Not statistically significant

The employee jobs total in Northern Ireland at September 2020 was 775,020 jobs representing:

- a decrease of 0.5% (-4,080) jobs from the revised September 2019 estimate of 779,100.

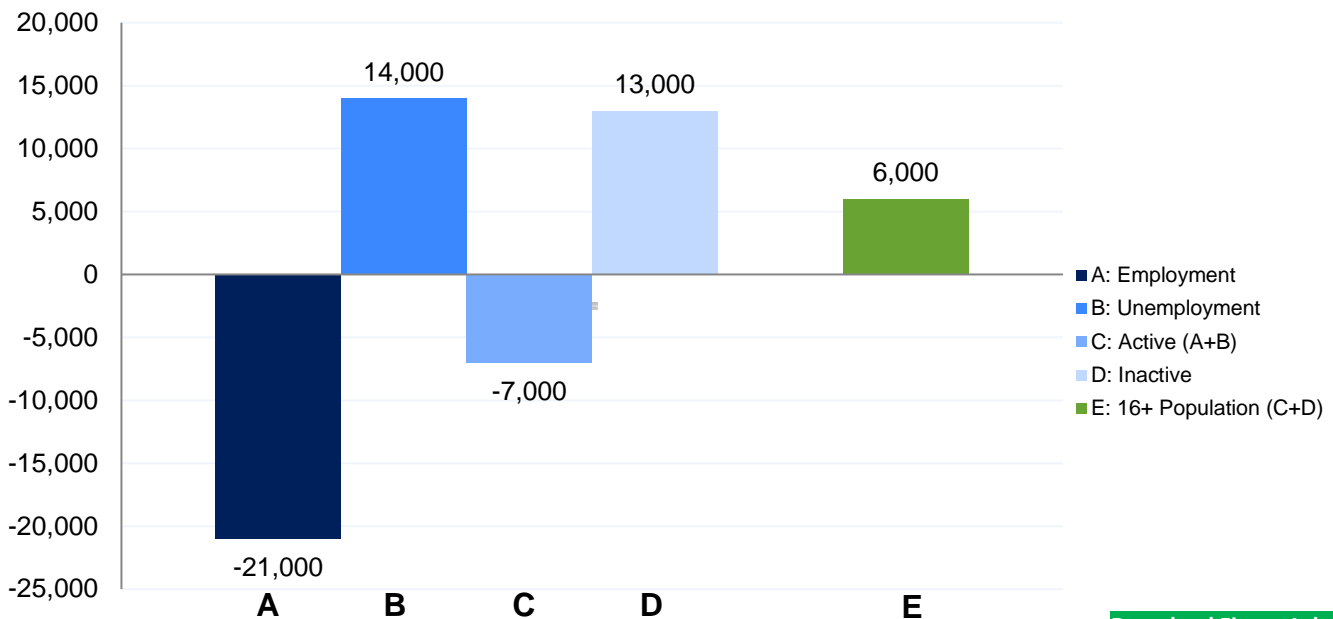
Experimental statistics from HMRC PAYE indicated that, in October 2020:

- 742,900 people were payrolled employees, a decrease of 0.7% from October 2019
- median monthly pay for employees in NI was £1,769, an increase of 5.0% (£85) from the same period one year earlier.

Over the latest twelve month period there were:

- 4,390 confirmed redundancies, which was an increase of 42% from the previous year (3,090)
- 10,720 redundancies were proposed, an increase of 168% from the previous year (4,000) and the highest annual total since comparable records began.

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



[Download Figure 1 data](#)

Note: figures rounded so may not sum

UK summary

Seasonally adjusted LFS estimates for the UK for the period August-October 2020 showed:

- the unemployment rate (4.9%) increased by 0.7pps over the quarter and 1.2pps over the year
- the employment rate (75.2%) decreased by 0.5pps over the quarter and 0.9pps over the year
- the economic inactivity rate (20.8%) was unchanged over the quarter and decreased by 0.1pps over the year

Commentary

The latest labour market data show that employment and jobs remain below pre-covid levels, while measures of unemployment remain above pre-covid levels.

Labour Force Survey data for the earlier period of August-October shows the unemployment (3.9%) and employment (70.6%) rates increased, and the economic inactivity (26.4%) rate decreased over the quarter. The August-October economic inactivity and unemployment rates are 0.6pps and 1.5pps above their pre-covid level (November to January 2020) and the employment rate is 1.7pps below. The majority of the decrease in employment since the start of the year has been due to decreases in the number of self-employed. Initial analysis at the UK level by ONS suggest that this could partly be due to changes in self - classification of individuals from self-employed to employed.

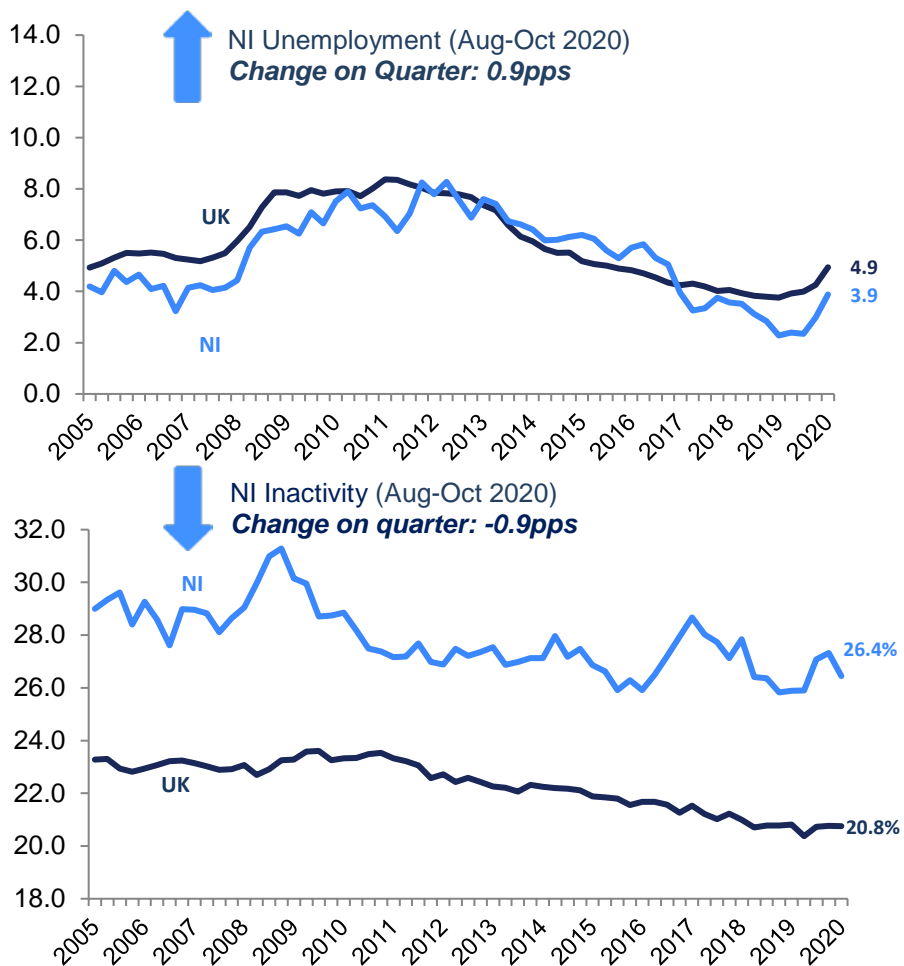
Businesses reported a decrease in the number of employee jobs over the quarter to September. This was the third consecutive quarterly decline following the peak in December 2019. The quarterly decline in September 2020 was driven by decreases within the manufacturing, services and 'other' industry sectors. The number of employee jobs in September 2020 is 5,140 (0.7%) below the December 2019 total.

Over 10,000 collective redundancies have been proposed since the beginning of March with approximately half being proposed in the Manufacturing, and Wholesale and Retail Sectors.

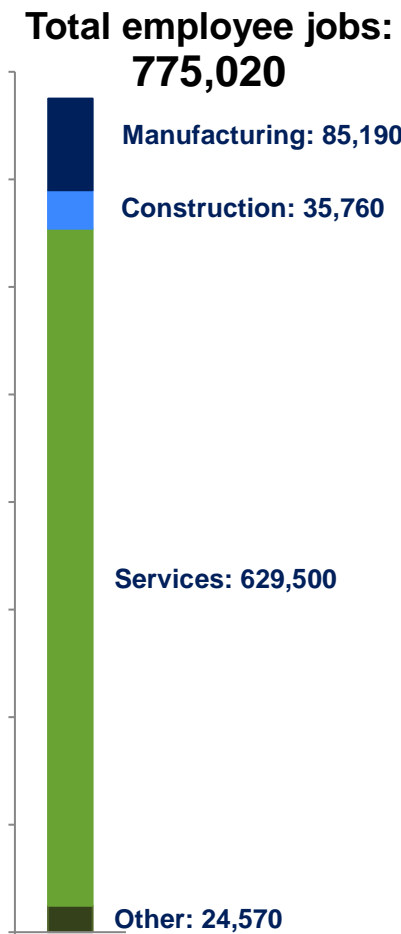
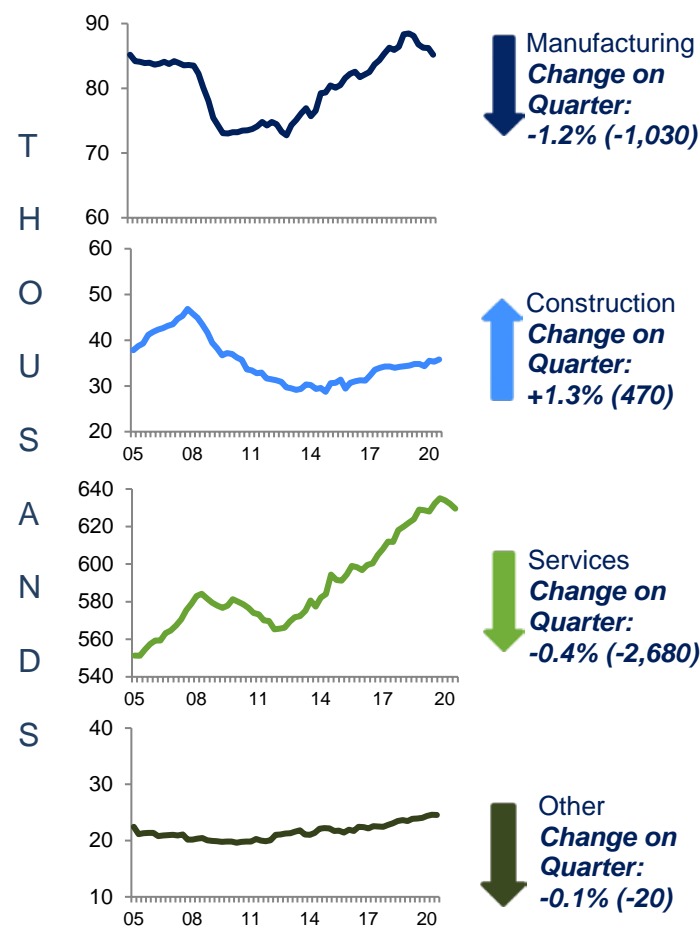
Further information is available on the NISRA - Economic and Labour Market Statistics website: [Labour Market Report – December 2020](#).

NISRA Labour Market Statistics

Labour Force Survey August-October 2020



Quarterly Employment Survey September 2020



pps! percentage points

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

Data published 15th December 2020

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.

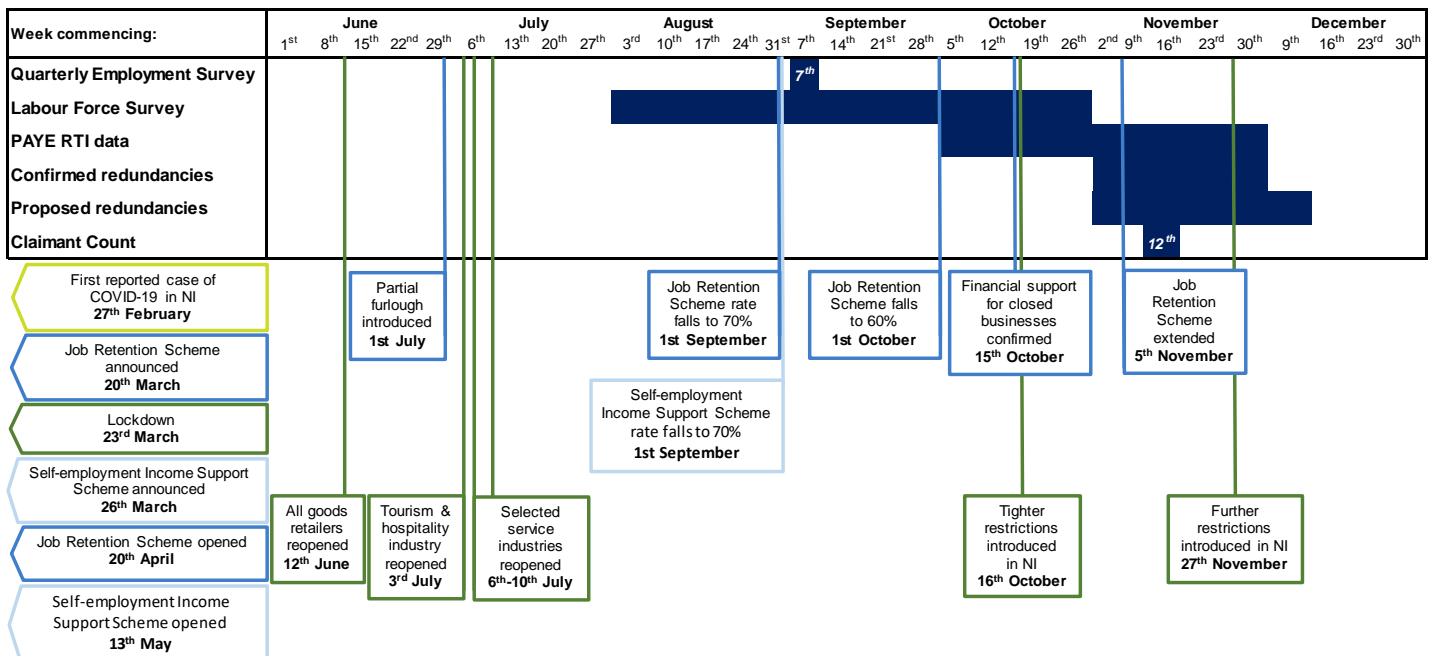
Revisions to Labour Force Survey Estimates from January –March 2020.

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, ONS have 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.

The sample size (16+) for August-October 2020 was 16% lower than the previous quarter and 35% 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 +/-0.2 percentage points from the May-July 2020 quarter and +/-0.4pps from August-October 2019.

Experimental statistics from HMRC Pay As You Earn system for October are included in today’s release to provide an additional indication of changes in the number of employees and a measure of employee earnings. Flash estimates for November 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 Northern Ireland key labour market statistics. It includes figures from the Labour Force Survey (LFS), the Quarterly Employment Survey, claimant count, redundancies counts, vacancies data and HMRC PAYE statistics. More information about the data sources can be found in Section 6. Where available, comparative UK data (produced by the ONS) have been included. The latest labour market statistics are available on the [Employment and labour market page](#) on the ONS website.

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. Key users of Northern Ireland labour market statistics include government departments, in particular the Department for the Economy (DfE), which uses the statistics to design and monitor the impact of economic and labour market policy. Other Government departments such as the Executive Office, 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. In addition, significant 'non-governmental' users of labour market statistics (including the media, banks, academics, private consultants and the general public) use the data primarily for reporting or researching the performance of the economy in general. Labour market statistics attract widespread media coverage, with a number of broadcasters publishing articles on the labour market on a monthly basis, generally on the day of publication of the LMR.

Labour market statistics feature on the [DfE Economic Commentary page](#), which provides an overview of the state of the Northern Ireland economy, in context with the UK and Republic of Ireland. The most up-to-date official statistics on the economy and labour market are available on the [Economic Overview page](#) of the NISRA website. More information on the production of LFS outputs in general can be found in the Background information section of the NISRA website.

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

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

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](#).

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 December 2020

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 6 and the Estimating and Reporting Uncertainty paper on the background information page for details). The Labour Force Survey estimates from January-March 2020 to May-July 2020 have been revised. Please see LFS revision note – October 2020 on the background information page of the NISRA website detailing the size of revisions.

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.

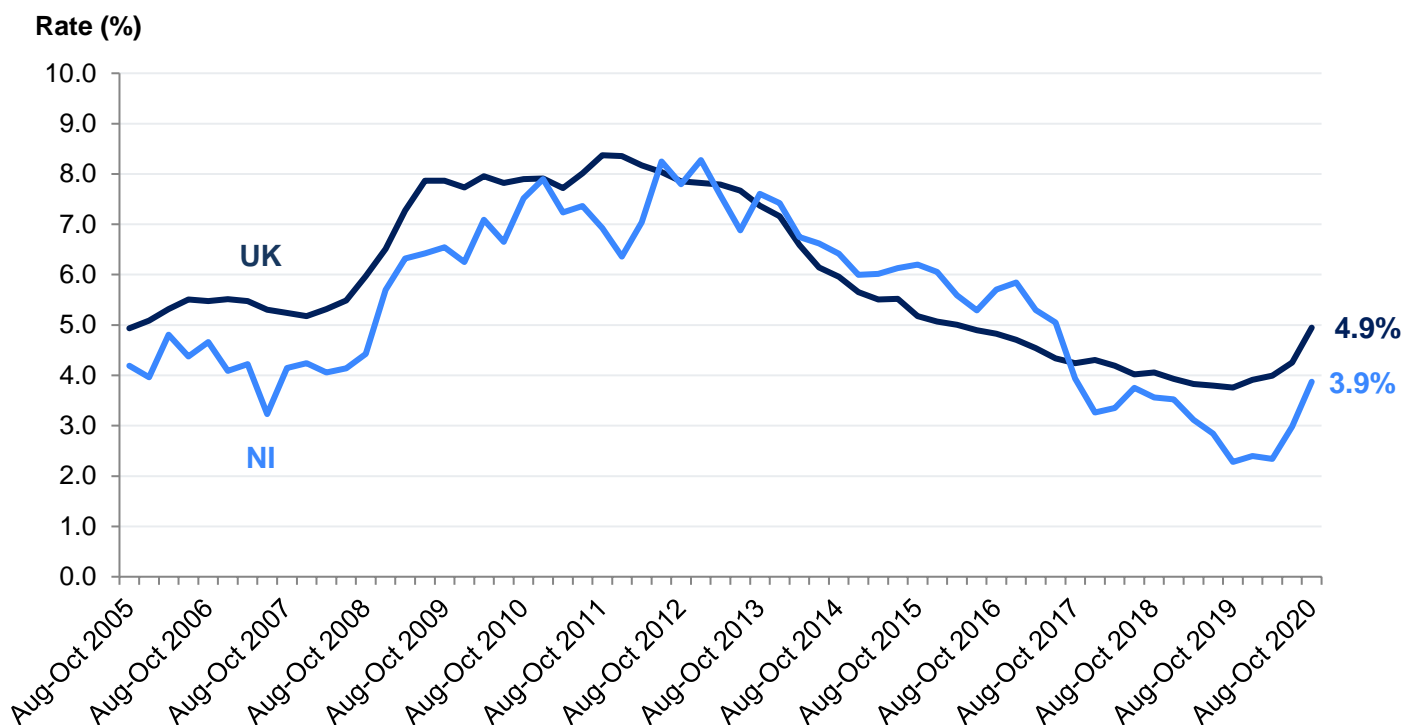
Long-Term Unemployment: those who have been unemployed for 12 months or more.

Youth Unemployment: unemployed people aged 16-24 years.

Key Findings

- LFS unemployment rate for August to October in NI increased over the quarter and over the year to 3.9%.
- The UK unemployment rate is estimated at 4.9%

Figure 2: Seasonally adjusted unemployment rate (16+), Aug-Oct 2005 to Aug-Oct 2020



[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 2011/2012 while the NI rate reached over 8% in 2012/2013. The NI rate has been below the UK rate since mid-2017.

The most recent quarter shows sizeable increases in both the UK and NI unemployment rates. The increase of 0.7 percentage points in the UK brings the unemployment rate to its highest point since 2016 while the increase of 0.9 percentage points over the quarter brings the NI rate to 2017 levels.

LFS unemployment

The unemployment rate (16+) for the period August-October 2020 was estimated at 3.9%, this was:

- an increase of 0.9pps over the quarter (statistically significant change)
- an increase of 1.6pps over the year (statistically significant change).
- the male (16+) unemployment rate (4.1%) increased by 1.7pps over the year.
- the female (16+) unemployment rate (3.6%) increased by 1.4pps over the year.

The number of unemployed persons aged 16+ was estimated at 35,000, which was:

- up 8,000 from last quarter.
- up 14,000 from the same period last year

UK regional and international LFS comparisons

The most recent NI unemployment rate (3.9%) was:

- below the overall UK average rate (4.9%)
- Joint lowest rate among the twelve UK regions with the South East.
- below the European Union (27) rate (7.5%) for September 2020 and the Republic of Ireland rate (7.3%) for October 2020

Long-term and youth unemployment*

In August-October 2020, the percentage of unemployed who have been unemployed for 1 year or more (long-term) was 31.6% in NI. The youth (16-24) unemployment rate was 11.7%.

*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 used with caution, 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. The most 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 12th November.**

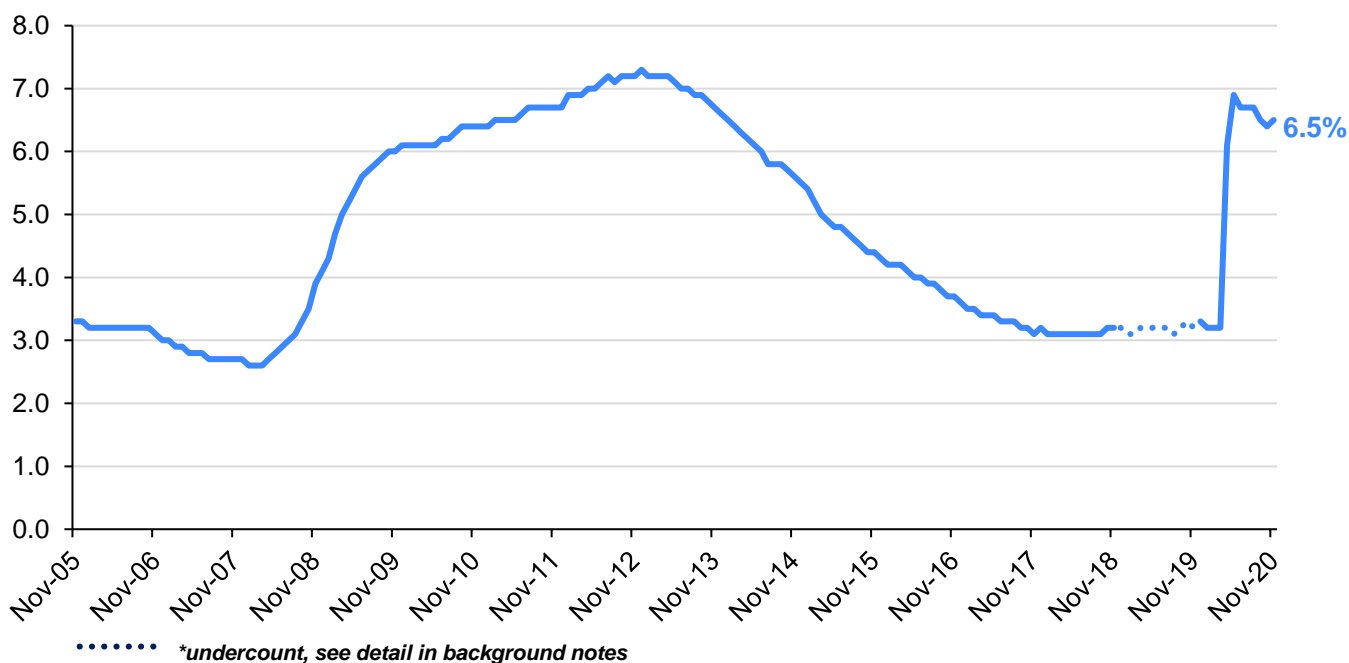
Universal Credit: Universal Credit was rolled out in NI for new claims of six benefits, including income-based JSA, on a phased geographical basis between September 2017 and December 2018.

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 over the month to 59,900
- In November 2020, 6.5% of the NI workforce were recorded on the claimant count

Figure 3: Seasonally adjusted claimant count (experimental) monthly rates, Nov 2005 – Nov 2020



[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 November 2020, 59,900 people were recorded on the NI Claimant Count. This is more than double the count in March 2020. Claimant counts since May have been similar to levels and rates seen in 2012 and 2013.

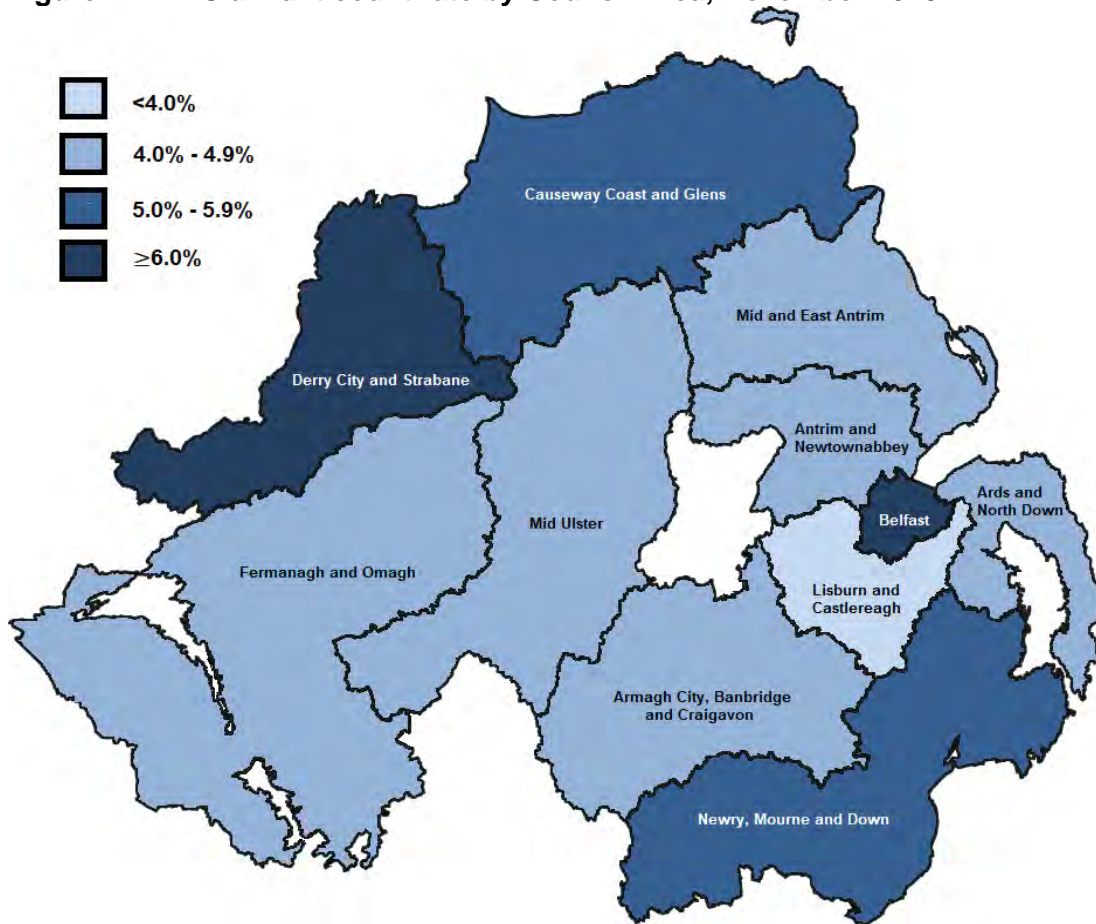
Claimant count (experimental) unemployment

The NI seasonally adjusted claimant count stood at 59,900 (6.5% of the workforce) in November 2020, representing:

- an increase of 0.8% over the month
- an increase of 1.0% in males and an increase of 0.5% in females
- a 0.1pps increase in the workforce claimant count rate over the month.
- an increase of 30,200 since March.

The UK seasonally adjusted claimant count increased by 2.5% over the month to 2,663,700 (7.4%).

Figure 4: Claimant count rate by Council Area, November 2020



[Download Figure 4 data](#)

The Council Area comparison using claimant count data unadjusted for seasonality found that:

- the highest claimant count rates were in Derry City and Strabane (7.0%) and Belfast (6.4%).
- the lowest claimant count rates were in Lisburn and Castlereagh (3.6%) and Fermanagh and Omagh (4.0%).

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

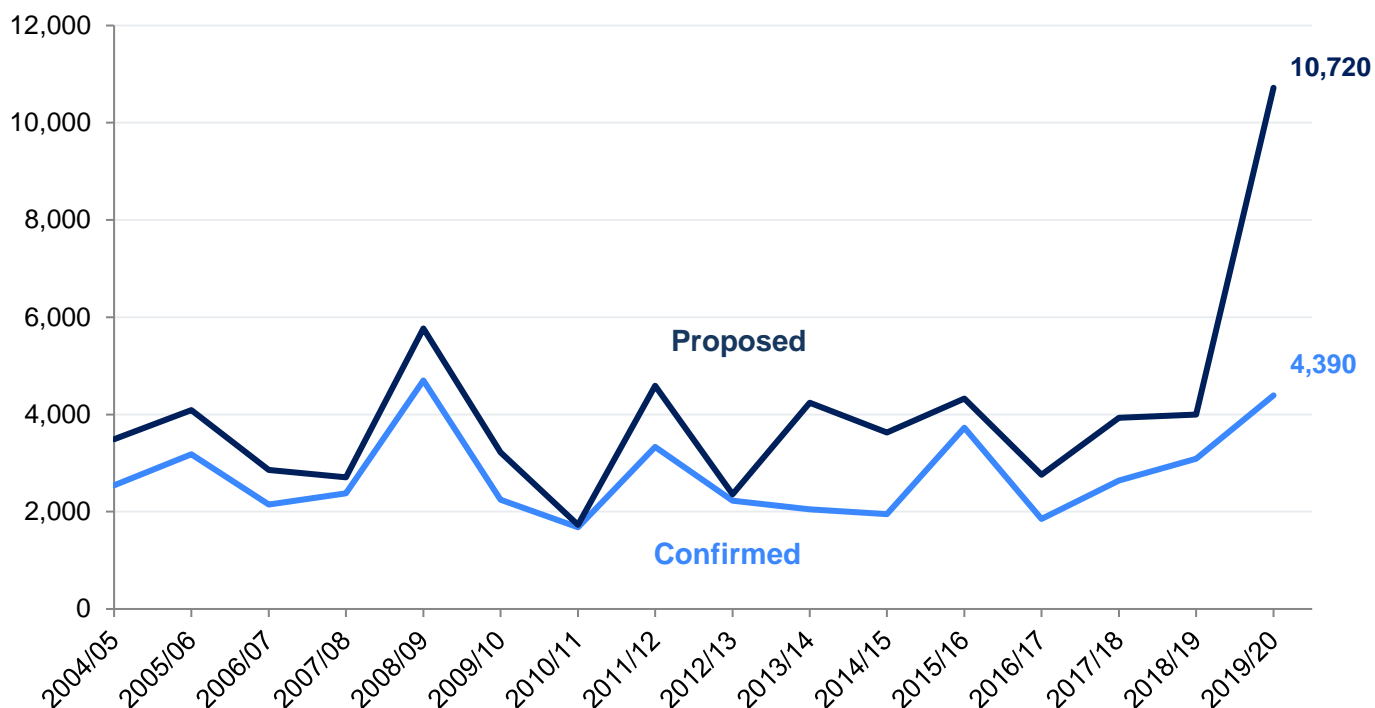
Under the Employment Rights (Northern Ireland) Order 1996 (Amended 8 October 2006) companies are only legally required to notify the Department of impending redundancies of 20 or more employees. Companies who propose less than 20 redundancies are not required to notify the Department, therefore the figures 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](#).

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 November 2020**
- **1,370 redundancies were proposed in November 2020 and a further 340 have been proposed in the current month up to 11th December 2020**
- **From 1st December 2019 to 30th November 2020, 10,720 redundancies were proposed, the highest annual total on record**

Figure 5: Confirmed and proposed redundancies – Annual totals, Dec-Nov 2005 to Dec-Nov 2020



[Download Figure 5 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. The graph above shows that, generally the number of proposed redundancies is higher than confirmed redundancies indicating that not all proposed redundancies take place.

In the year to 30th November 10,720 redundancies were proposed, the highest annual total on record. At nearly 4,400 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 80% of redundancies confirmed in the last year were in the last five months.

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 November 2020, the Department was notified of:

- 420 confirmed redundancies. In the last five months there has been over 3,600 confirmed redundancies, most of which resulted from notifications submitted in June and July.

Over the latest twelve month period there were:

- 4,390 confirmed redundancies, which was 42% higher than the previous year (3,090)
- 1,950 (or 44%) confirmed in manufacturing, which was higher than one year ago (1,680 or 54%)
- 570 (13% of all confirmed redundancies) in the wholesale and retail trade which was the same number as the previous year (570 and 18%)
- a further 500 (11% of all confirmed redundancies) in transportation and storage, which had no confirmed redundancies in the previous year.

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 there were:

- 1,370 proposed redundancies in November, below the record highs of 2,470 in June and 1,940 in July, but higher than the previous month (820)
- a further 340 redundancies proposed between 1st and 11th December.

Over the latest twelve month period there were:

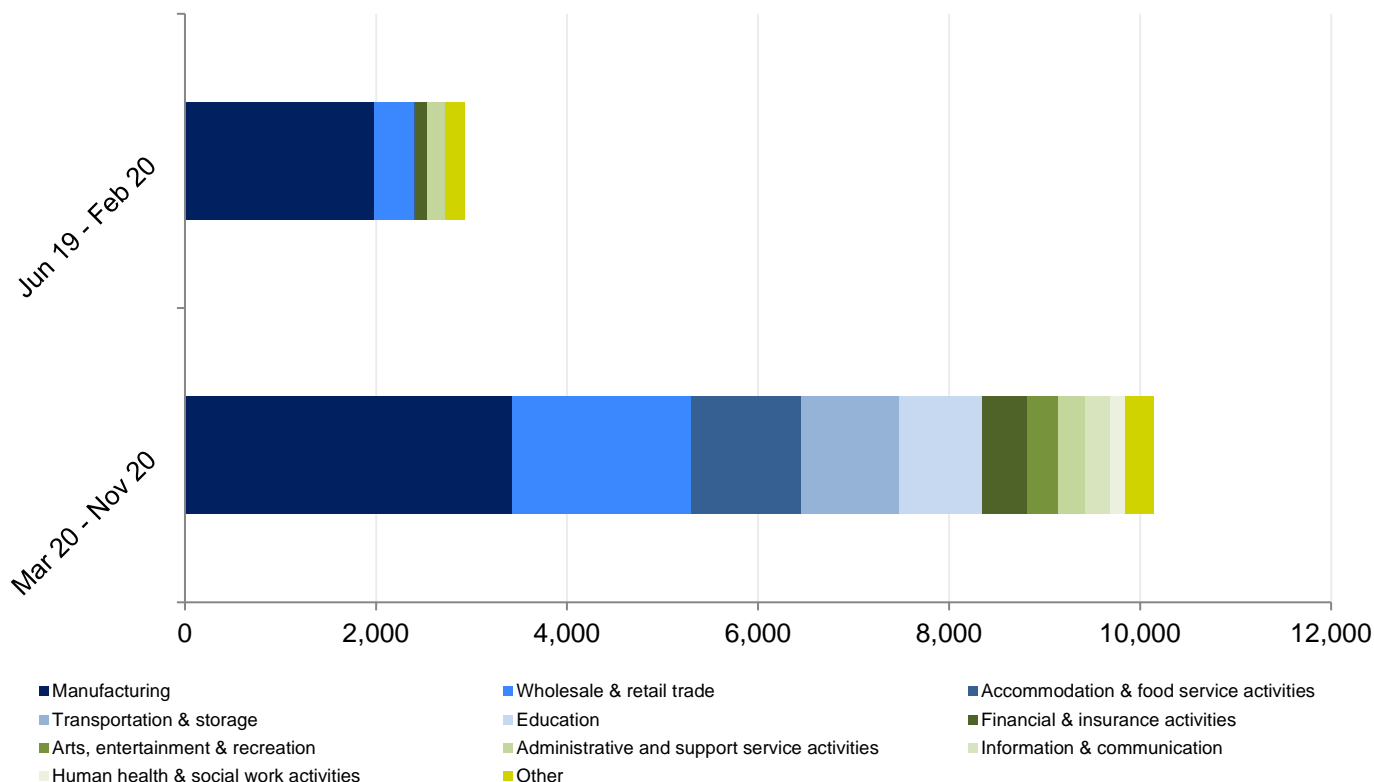
- 10,720 proposed redundancies, which was more than double the previous year (4,000) and the highest annual total on record
- 3,750 (35%) proposed in manufacturing, which was higher than one year ago (1,980 or 68%)
- 2,070 (19% of all proposed redundancies) in the wholesale and retail trade, higher than the previous year (420 or 14%)
- a further 1,150 (11% of all proposed redundancies) in accommodation and food service activities, which was much higher than in the previous year (20 or 1%).

Over 10,000 collective redundancies proposed in the nine months since March 2020

During the most recent nine months (Mar-Nov20), the number of proposed redundancies was 10,140, compared to 2,920 in the previous nine months (Jul19-Feb20). This increase was driven by increases within sectors and an increase in the number of sectors proposing redundancies. Redundancy notifications were received from 15 of the 21 industry sectors since March, whilst in the nine month prior to March, 98% of notifications received related to five industries. Furthermore, notifications were received from more than 120 different employers in the last nine months, compared to around 30 in the nine months prior to March.

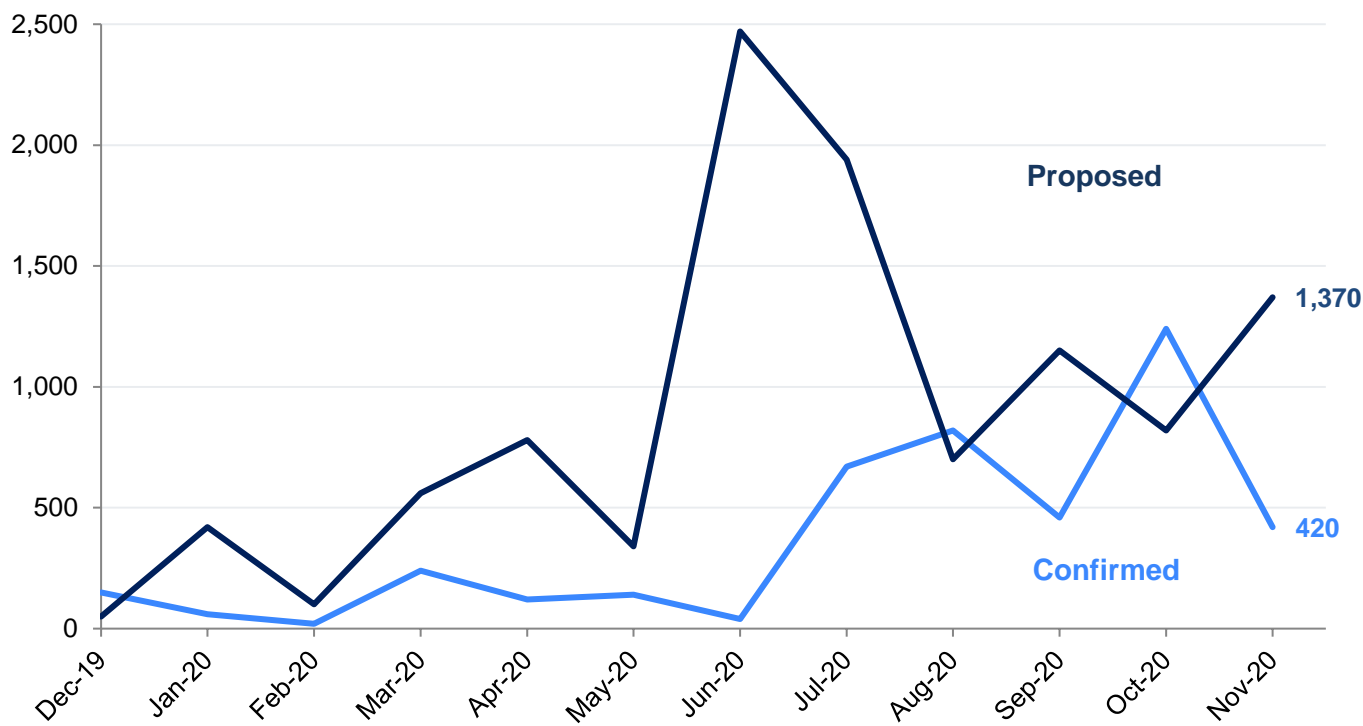
Manufacturing remained the sector with the largest number of proposed redundancies, however, although the numbers increased in the most recent nine months from 1,980 to 3,430, this sector now accounts for one third of all notifications compared to two-thirds in the previous nine months. Wholesale and retail trade remained the sector with the second highest number of proposed redundancies (1,870). Accommodation and food services activities and Transportation and storage sectors also recorded proposed redundancies greater than 1,000 over the nine months since March.

Figure 6: Industry breakdown of proposed redundancies – Jul19-Feb20 and Mar-Nov20



[Download Figure 6 data](#)

Figure 7: Confirmed and proposed redundancies – Monthly totals, December 2019 to November 2020



[Download Figure 7 data](#)

The graph above 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 5). 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. This began to translate into confirmed redundancies in June when increases were recorded following a period of relatively low numbers between March and June. Consequently, in the last five months there has been over 3,600 confirmed redundancies. The total for October 2020 is the highest number of monthly redundancies confirmed this year and the second highest on record.

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

3 Employment

Updated December 2020

LFS employment

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

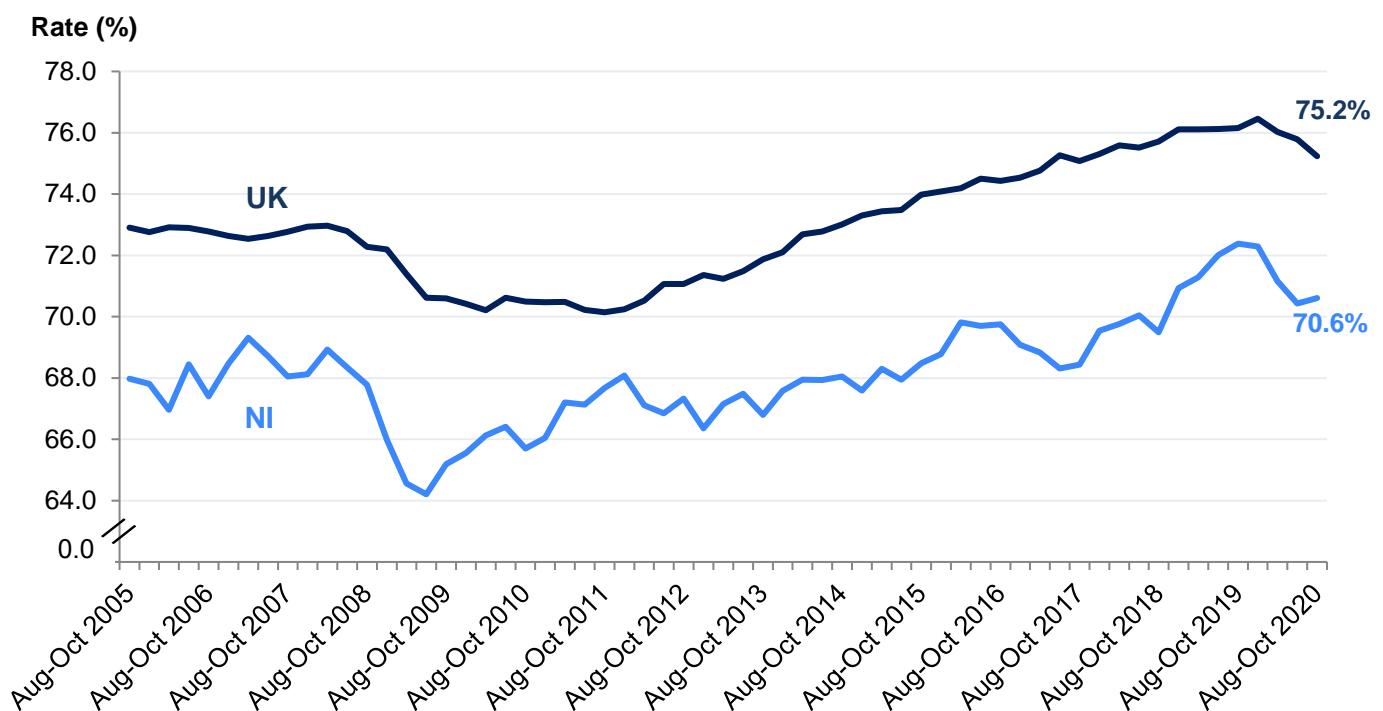
LFS employed: people aged 16 or over who did at least one hour of paid work in the reference week (whether as an employee or self-employed); those who had a paid job that they were temporarily away from; those on government-supported training and employee programmes and those doing unpaid family work.

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 increased over the quarter and decreased over the year to 70.6%
- Average number of hours worked was estimated at 30.6 hours per week for the period August-October 2020. This is 3.1 hours lower than the same period last year but 2.6 hours higher than last quarter. Hours figures are not adjusted for seasonality.

Figure 8: Seasonally adjusted employment rate (16-64), Aug-Oct 2005 to Aug-Oct 2020



[Download Figure 8 data](#)

Figure 8 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 4.4 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 August-October 2020 was estimated at 70.6%. The UK employment rate for those aged 16-64 for the same period was 75.2%. In Northern Ireland both the male and female employment rates decreased over the year.

Decreases in total employment over the year were driven by the number of self-employed which fell by approximately 13%.

Employment rate (16-64 years)

The most recent NI employment rate for those aged 16-64 for the period August-October 2020 was estimated at 70.6%. This was:

- an increase of 0.2pps over the quarter
- a decrease of 1.8pps over the year.

Annual changes by sex included:

- the male (16-64) employment rate (73.9%) decreased by 2.4pps over the year
- the female (16-64) employment rate (67.3%) decreased by 1.1pps over the year.

UK Regional comparison

The employment rate in NI (70.6%) was:

- below the UK average (75.2%)
- the lowest rate among the twelve UK regions

Employment 16+

The number of people in employment (16+) during the period August-October 2020 was estimated at 857,000, of which 52% (448,000) were male and 48% (409,000) were female and represented;

- an increase of 1,000 over the quarter and a decrease of 21,000 over the year, the decrease in employment over the year was driven by a fall in the number of self-employed.
- a decrease over the year in the number of males who were employed by 13,000 to 448,000
- a decrease over the year in the number of females who were employed by 8,000 to 409,000.

Self-Employment 16+

Of those aged 16+ in employment, 14.0% (119,000) were self-employed, a decrease of 18,000 over the year. This was driven by a record decrease in the number of males who were self-employed (17,000).

Annual changes by sex:

- the number of males who were self-employed decreased over the year by 17,000 to 85,000
- there was a marginal change in the number of females who were self-employed over the year to 35,000.

Worked fewer hours

New questions were added to the Labour Force Survey in July to provide more information on the reasons for decreases in hours worked and if these were linked to the Coronavirus pandemic. Estimates are not adjusted for seasonality.

Of the 853,000 aged 16+ in employment, 225,000 (26%) indicated they had worked fewer hours than usual (including those who were temporarily away from work) in the reference week.

- within this, 45,000 (20%) cited this was due to work interrupted by economic reasons
- a further 37,000 (16%) cited unspecified other reasons, the majority of which (61%) were linked to coronavirus

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

Average weekly hours

Average weekly hours: the number of hours worked in the reference week by those aged 16 or over in employment, in their main and 2nd jobs, averaged over the quarter

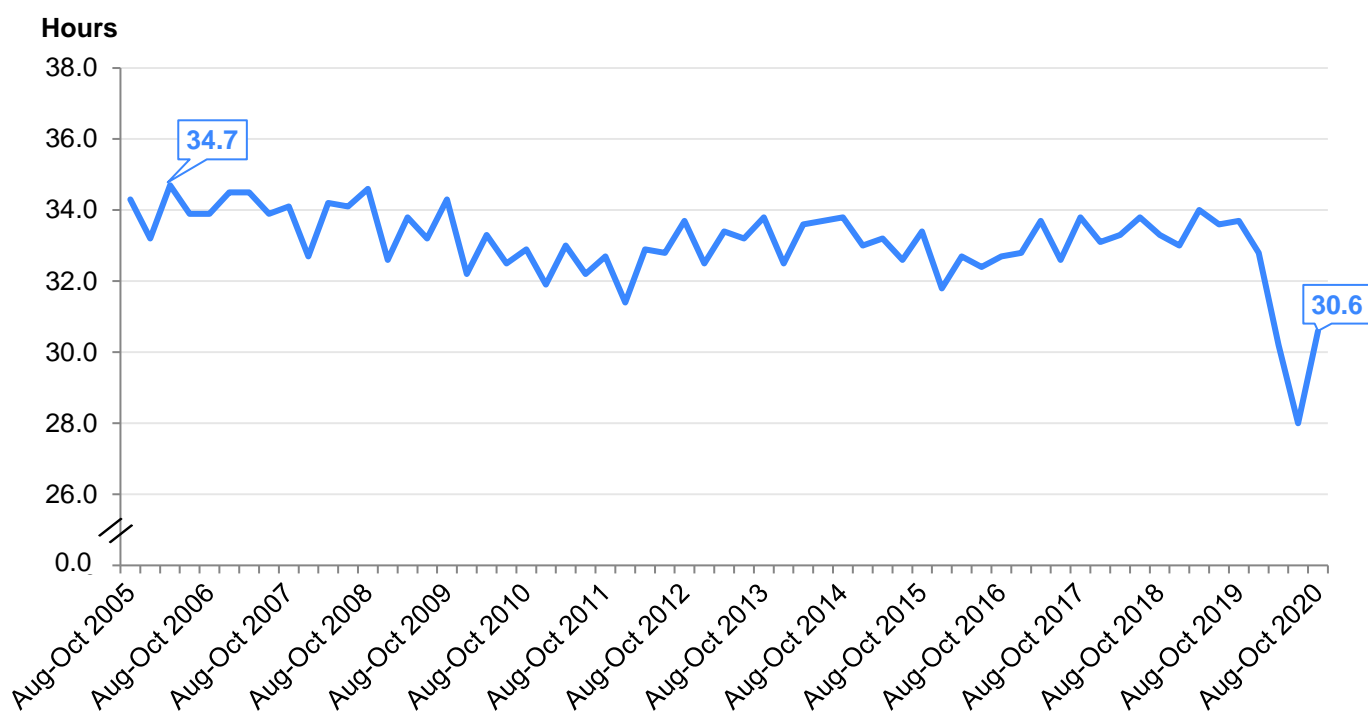
Total weekly hours: average weekly hours multiplied by the total in employment aged 16 or over.

Note: all numbers refer to people aged 16 and over and have not been adjusted for seasonality. Imputation used for the Labour Force Survey was not designed to deal with the changes experienced in the labour market in recent months. Experimental work with adjusted methodology suggests the use of the existing methodology has understated the reduction in the actual numbers of hours worked by approximately 2 to 3%. However now that hours are increasing, this has reversed and the methodology suggests the actual number of hours are approximately 3% higher than stated.

Average weekly hours worked during August-October 2020 was estimated at 30.6 hours, this was:

- down 3.1 hours or 9% over the year; and up 2.6 hours over the quarter
- remains one of the lowest average weekly hours worked on record.

Figure 9: Average weekly hours worked (16+), Aug-Oct 2005 to Aug-Oct 2020



[Download Figure 9 data](#)

Figure 9 shows that, like many labour market indicators, estimated average hours worked shows a seasonal pattern. Outside of these seasonal variations a trend of decreasing average weekly hours worked is seen between 2005 and 2012, decreasing from between 33 and 35 hours per week to between 31 and 33 hours, then increasing at a slower rate to between 33 and 34 hours per week in 2019.

Following a record decrease (5.6 hours) in this quarterly series in the average number of hours worked per week over the quarter to May-July 2020, the most recent estimates shows some recovery on the measure; an increase of 2.6 hours per week over the quarter. However, at 30.6 hours per week, it is 3.1 hours per week below the same quarter last year.

Total weekly hours

Total weekly hours in Northern Ireland was estimated at 26.1 million hours, this was:

- down by 3.3 million hours, or 11.3% from August-October 2019
- an increase of 9.1% on May-July 2020

Figure 10: Total weekly hours worked (16+), Aug-Oct 2005 to Aug-Oct 2020

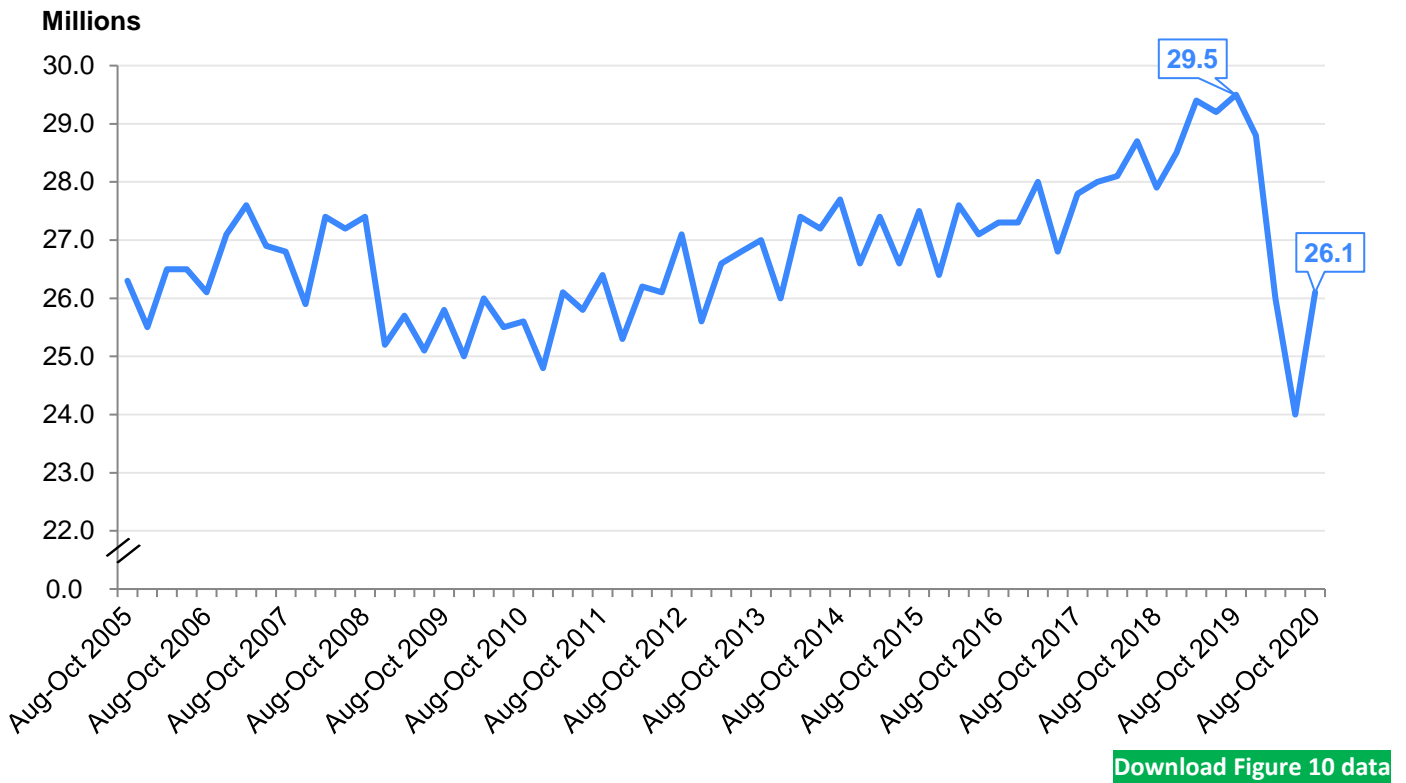


Figure 10 shows that between May-July 2020 and August-October 2020 the total number of hours worked showed some recovery and increased by 9%, after the falls over the last 3 consecutive quarters. However, at 26.1 million hours worked, it's 11% below the series high of 29.5 million hours seen in August-October 2019.

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

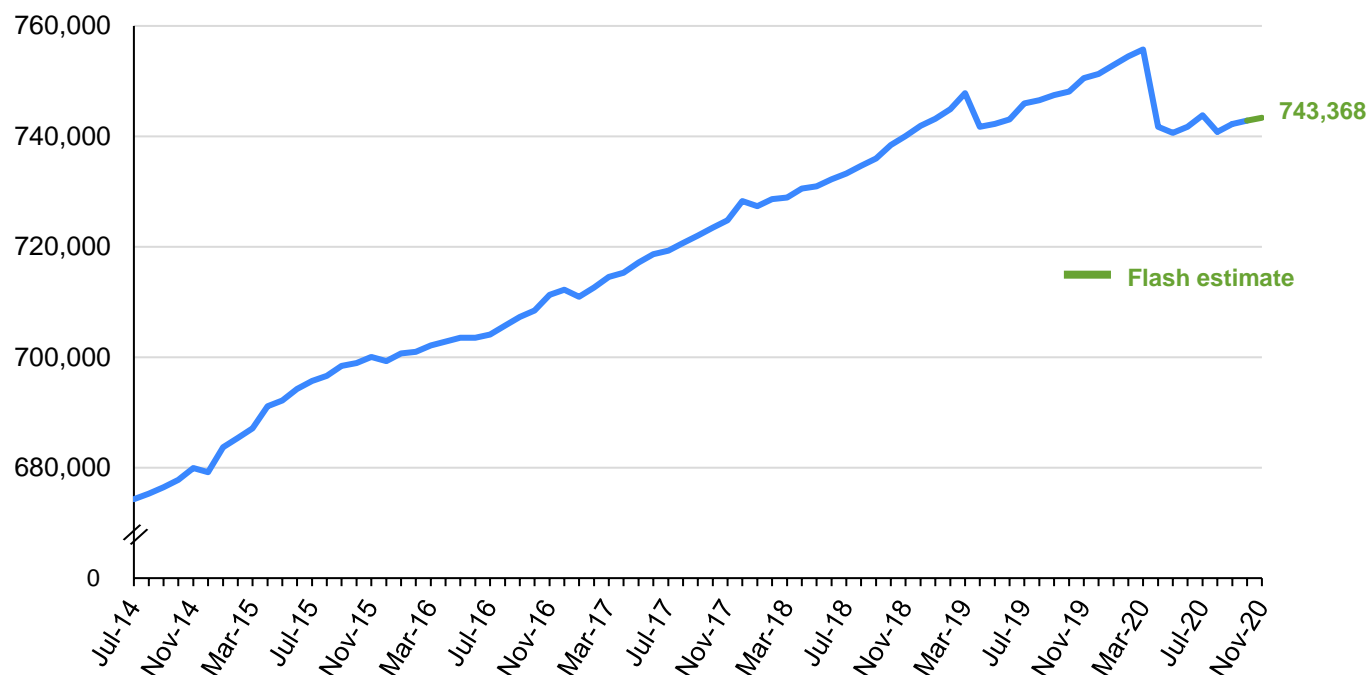
HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI)

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 October 2020 are based on around 85% of information and are considered of lower quality. October estimates may be subject to revision in next month's release when between 98% to 99% of data will be available.

Key Findings

- The number of payrolled employees in NI in October was 0.1% higher than September 2020 and 0.7% lower than October 2019
- The flash estimate for November indicates an increase from October of 0.1% to 743,400 and is 1.6% below the March total
- In the UK, employees fell marginally over the month and by 2.6% over the year to October

Figure 11: Payrolled employees from PAYE RTI, July 2014 to November 2020
[Download Figure 11 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 755,700 in March 2020 before a sharp decrease of 14,000 employees or 1.9% over the month to April. The number of paid employees has remained relatively constant since then and the flash estimate for November is 1.6% below the March total.

Data from the latest HMRC PAYE RTI show that:

- 742,900 people were payrolled employees in October, an increase of 0.1% on the previous month and a decrease of 0.7% from the October 2019.
- According to early estimates for November, there were 743,400 payrolled employees, an increase of 0.1% on the previous month and a decrease of 1.0% from November last year.
- In the UK, there were 28,223,600 payrolled employees at October 2020, down by less than 0.1% over the month and 2.6% over the year.
- All regions of the UK saw a decrease over the year to October 2020, with NI recording the lowest decrease (0.7%) and London recording the largest (4.5%).
- Between March and October, NI recorded the smallest decrease (1.7%) in payrolled employees across all the regions of the UK (UK decreased by 2.7% 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.

The self-employed group goes some way to explaining the difference between LFS employment and RTI employees, with record falls in self-employment seen over recent quarters. While the number of RTI payroll employees has fallen, the fall in LFS employees has been smaller and most recently have seen an increase over the quarter in the number of employees. Those who are not receiving pay through payroll should not be included in the RTI figures; the RTI definition states that a person must not have missed more than one period of pay (that is, for someone paid weekly, not to miss more than one week's pay, for someone paid monthly not to miss more than one month) to be included in the count of payrolled employees. However this group would remain within the LFS while they still reported having jobs, which goes some way to explaining the greater fall in the RTI figures.

Experimental Median monthly earnings from HMRC PAYE Real Time Information System

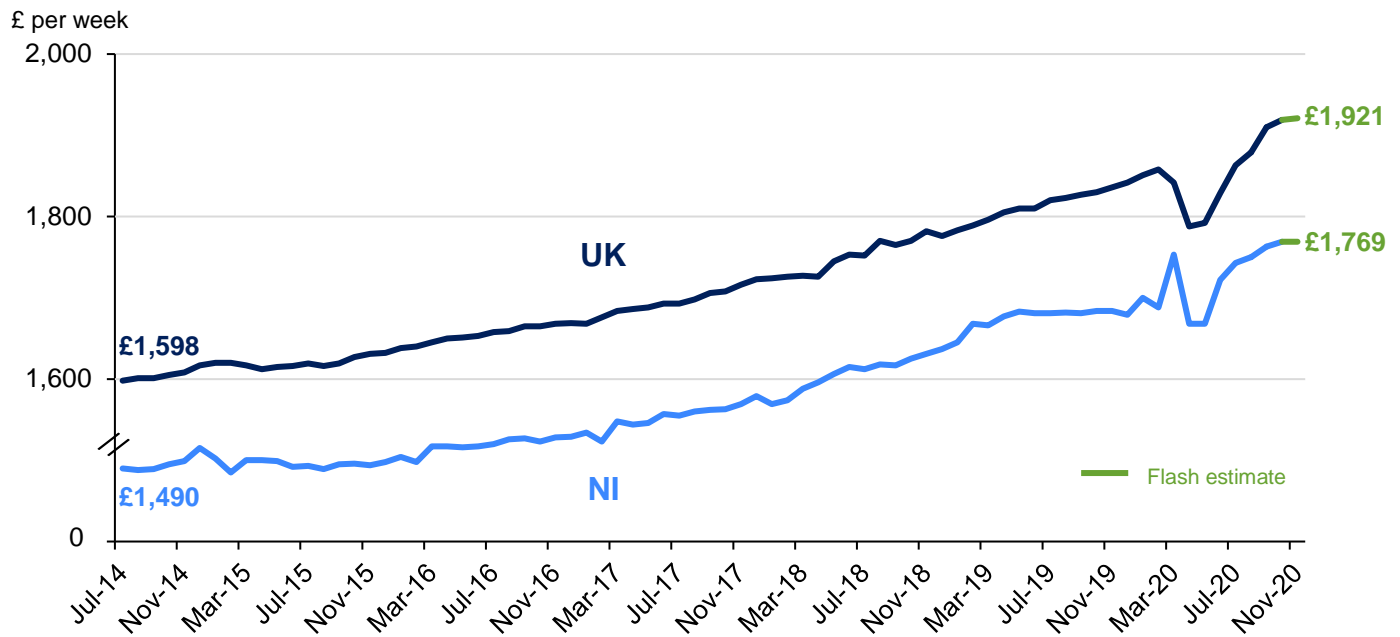
Median measures the amount earned by the average employee, i.e. the level of earnings at which half the population are above and half the population are below.

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

Key Findings

- Median monthly pay increased by 0.3% (£6) over the month to October to £1,769 and was 5.0% higher than the same period last year.
- Flash estimates for November show earnings of £1,769 in NI and £1,921 in the UK
- UK median monthly pay increased by 0.5% (£9) over the month to October to £1,919

Figure 12: Median Monthly Pay from PAYE RTI, July 2014 to November 2020



[Download Figure 12](#)

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 3.9% between February and March in NI, followed by a decrease of 4.8% in NI and 2.9% in the UK between March and April 2020. This coincided with decreases in the number of paid employees between March and April. Following increases since May, median pay in October and November was 5.0% above median pay a year earlier.

Data from the latest HMRC PAYE RTI show that:

- NI had a median monthly pay of £1,769 in October 2020, which was an increase of 0.3% on the previous month and an increase of 5.0% from the same time last year
- UK had a median monthly pay of £1,919 in October 2020, which was an increase of 0.5% on the previous month and an increase of 4.9% from the same time last year
- NI had the lowest median monthly pay (£1,769) of the 12 UK regions in October 2020 and London had the highest (£2,323)
- Flash estimate earnings for November 2020 were £1,769 for NI (unchanged over the month) and £1,921 for the UK (a 0.1% increase over the month).
- Between March and October, earnings in NI increased by 0.9%, whilst all other regions saw an increase of at least 3% 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 the 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 3 was 7th September 2020 for Northern Ireland. Those who are furloughed under the Coronavirus Job Retention Scheme (CJRS) are included in employee jobs estimates.**

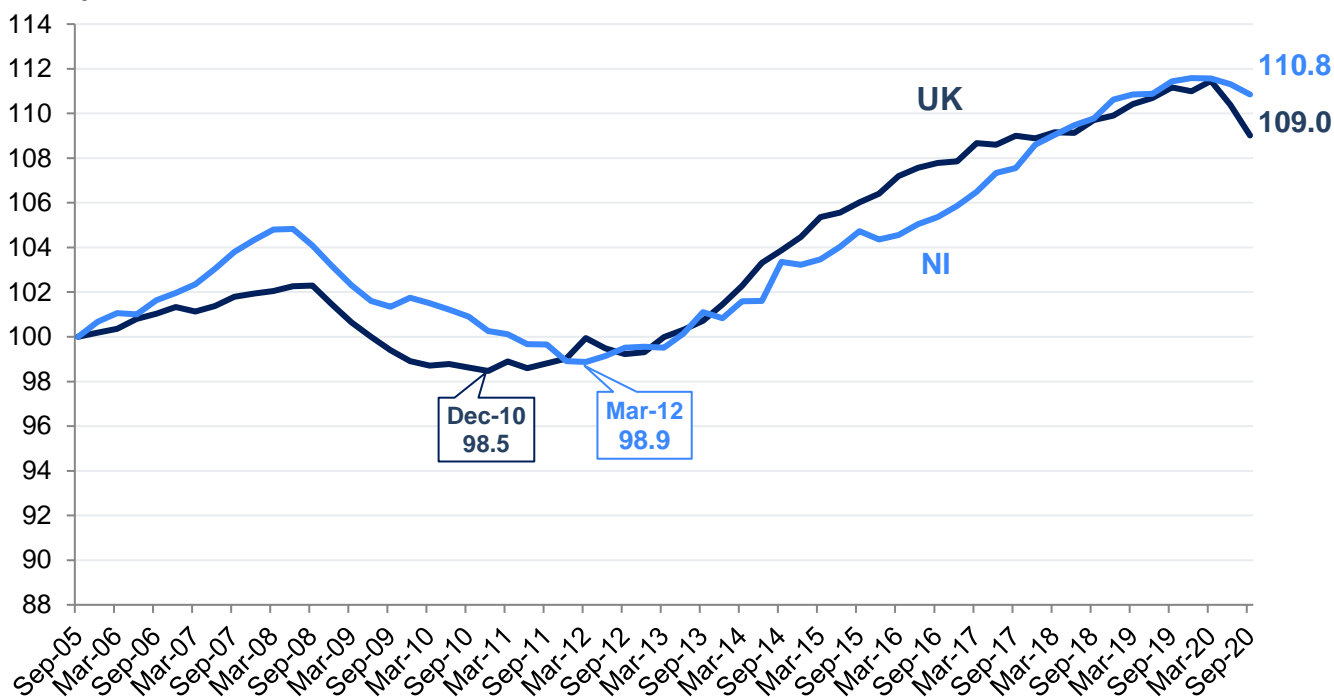
QES employee: An employee is defined as anyone aged 16 years or over that is directly paid from a business's payroll for carrying out a full-time or part-time job or being on a training scheme in Northern Ireland.

Key Findings

- Employee jobs in NI decreased over the quarter and the year to September 2020. This is the third consecutive quarter of decline in employee jobs, and the first annual decline since September 2012.
- The services, manufacturing and other industries sectors all saw quarterly decreases to September 2020. Construction was the only broad industry sector to report an increase over the quarter.
- The manufacturing sector has experienced five consecutive quarters of decline since the peak in June 2019.
- The annual decrease of 0.9% in private sector employee jobs is the first annual decline seen in the private sector series 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 thirteen consecutive quarters of annual growth in public sector jobs to September 2020.

Figure 13: Index of Employee Jobs, September 2005 to September 2020

Index: Sep 05 = 100



[Download Figure 13 data](#)

Figure 13 shows the estimated seasonally adjusted employee jobs, indexed to allow comparison between NI and the UK.

Since 2005, the UK reached a low point in December 2010, more than a year before the NI low in March 2012. There are now 83,720 more employee jobs in NI since the lowest point in March 2012, and 2,924,000 more jobs in the UK since December 2010.

Employee Jobs

The seasonally adjusted employee jobs total in Northern Ireland at September 2020 was 775,020, which was:

- a decrease of 0.4% (-3,260 jobs) over the quarter from the revised June 2020 estimate of 778,280.
- a decrease of 0.5% (-4,080 jobs) over the year from the revised September 2019 estimate of 779,100. This decrease is the first annual decline since September 2012.
- Neither the quarterly nor the annual changes in employee jobs were statistically significant.

Employee jobs by sector¹

The seasonally adjusted quarterly change consisted of:

- decreases in the services (-0.4% or -2,680 jobs), manufacturing (-1.2% or -1,030 jobs) and other industries sectors (-0.1% or -20 jobs).
- an increase of 1.3% (+470 jobs) in the construction sector.
- a decrease of 0.4% (-2,410 jobs) in the private sector.
- a decrease of 0.4% (-850 jobs) in the public sector.

Over the year to September 2020:

- decreases were seen in the manufacturing (-3.3% or -2,930 jobs) and services sectors (-0.4% or -2,760 jobs).
- increases were seen in the construction (+2.8% or 970 jobs) and other industries sectors (+2.7% or 640 jobs).
- the private sector decreased by 0.9% (-5,160 jobs).
- the public sector increased by 0.5% (1,030 jobs).

¹Registered housing associations in Northern Ireland were reclassified from the public sector to the private sector with effect from 28th August 2020. As a result, approximately 3,000 employee jobs that were previously classified as 'public sector' have been reclassified to the 'private' sector from Q3 2020.

The annual decrease of 0.9% in private sector employee jobs is the first annual decline seen in the private sector series 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 thirteen consecutive quarters of annual growth in public sector jobs to September 2020.

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 March, June and September 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.

Vacancies

Headline figures are presented for vacancies notified to the Department for Communities (DfC). A small proportion of vacancies notified are based in the UK mainland or in the Republic of Ireland. The statistics do not represent the total unsatisfied demand for staff by employers. This provides a partial picture of the true number of vacancies, as employers may advertise by other means and do not have to notify DfC of their vacancies. The 2016 Employer Skills Survey (ESS) estimated that administrative data sources account for approximately 55% of vacancies. Vacancies in a given month relate to those on the count date, are not seasonally adjusted and are subject to revision in the following periods.

For more information about vacancies data and publication dates, please see the [Department for Communities website](#).

Full-time vacancies: Full-time vacancies include any vacancy 30 hours or over per week.

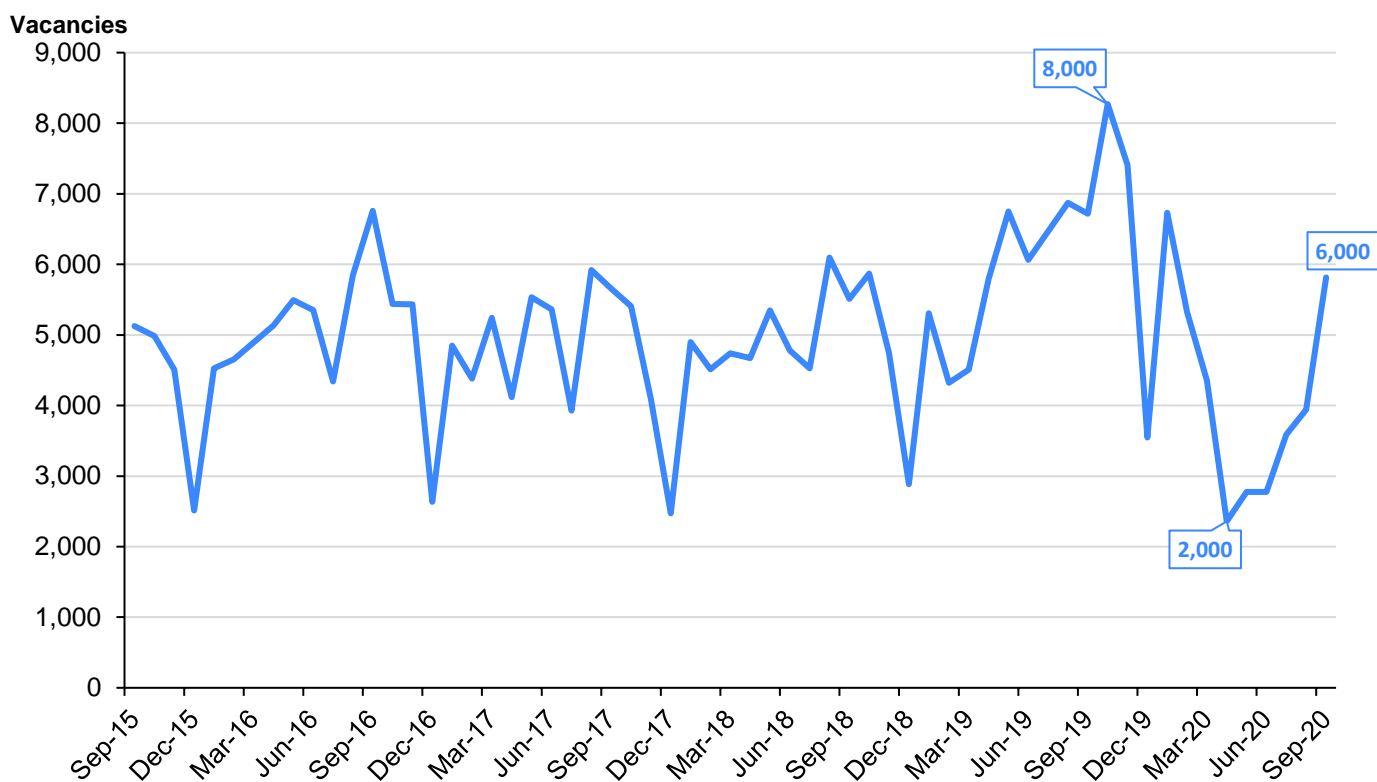
Part-time vacancies: Part-time vacancies include any vacancy between 1 and 29 hours per week.

Casual vacancies: Casual vacancies are vacancies where no regular hours are guaranteed.

Key Findings

- There were 13,300 vacancies notified during July-September 2020. This includes full-time, part-time and casual vacancies.
- This is an increase of 5,400 notifications on the previous quarter.

Figure 14: Monthly Notified Vacancies, September 2015 to September 2020



[Download Figure 14 data](#)

Figures in the above graph are not National Statistics.

(1) Monthly notified vacancies are all new vacancy positions notified to Department for Communities. All statistics are derived from data extracted from the Department for Communities Client Management System (CMS).

(2) Vacancies data is published quarterly and reported by financial year. Data for July-September 2020 was published in October 2020.

There were 13,300 vacancies notified during July-September 2020, an increase of (69%) 5,400 notifications on the previous quarter but a decrease of (33%) 6,700 from the same quarter last year.

During the April-June quarter, 75% of vacancies were full-time. This has decreased to 68% in July-September 2020, mainly due to a large increase in part-time vacancies.

Further breakdowns and background notes are available on the DfC website: [DfC labour market information page](#)

UK-wide Vacancy Statistics

UK-level statistics are available on the ONS website: [Vacancies and jobs in the UK page](#) and [ONS Vacancy Survey Methodology](#).

Vacancy statistics at the UK level are based on a business survey.

The most recent figures for the September-November 2020 period were released on the 15th December 2020 and are available from the vacancies and jobs in the UK page on the ONS website.

Vacancies at a UK level show a similar trend to NI; after a record low of 343,000 vacancies in April to June 2020 there has been an estimated record quarterly increase of 144,000 to 488,000 vacancies in July to September 2020. Vacancies remain below the pre-coronavirus (COVID-19) pandemic levels and are 332,000 (40.5%) less than a year ago.

4 Economic Inactivity

Updated December 2020

LFS economic inactivity

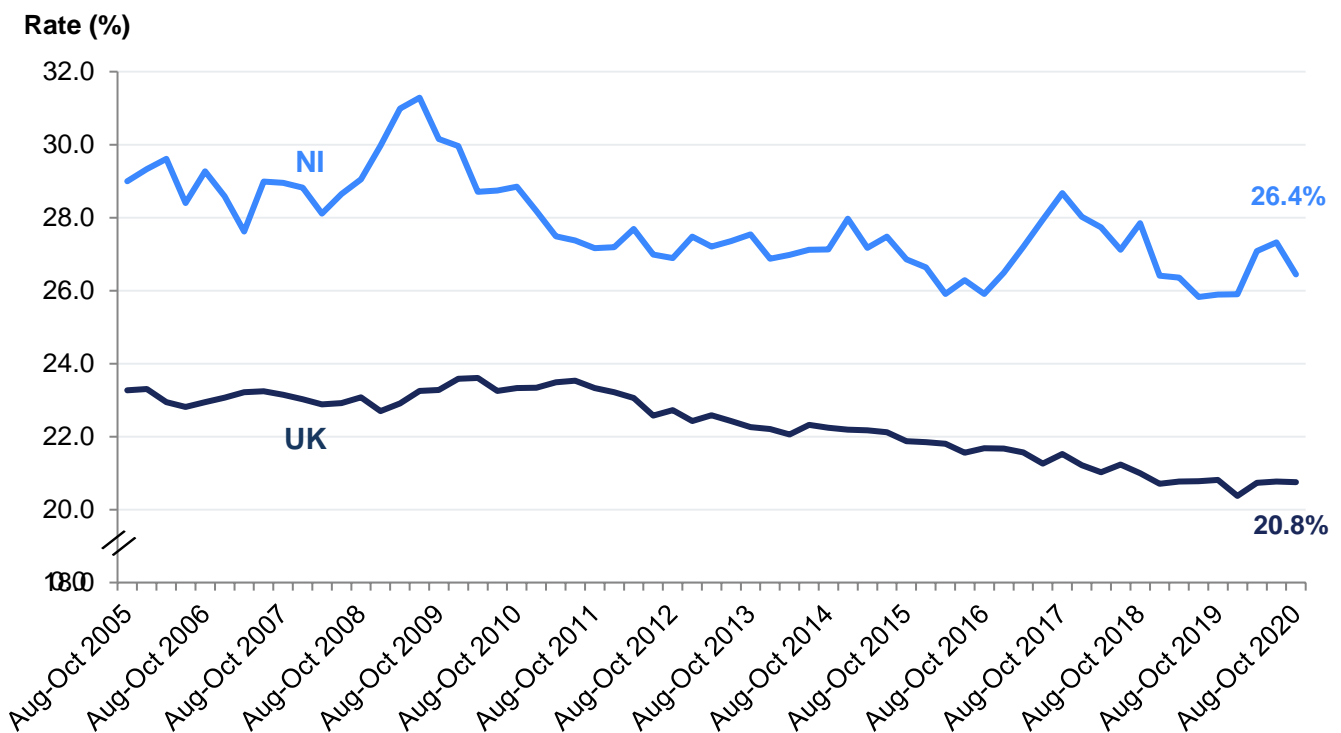
The Labour Force Survey estimates from January-March 2020 to May-July 2020 have been revised. Please see LFS revision note – October 2020 on the background information page of the NISRA website detailing the size of revisions.

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 decreased over the quarter and increased over the year to 26.4%
- NI economic inactivity remains the highest of the twelve UK regions

Figure 15: Seasonally adjusted economic inactivity rates (16-64), Aug-Oct 2005 to Aug-Oct 2020



[Download Figure 15 data](#)

Figure 15 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% in 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 the end of 2019. Economic inactivity increased over the first two quarters of 2020, but saw a decrease over the most recent quarter to 26.4%. The quarterly decrease was not statistically significant.

Economically inactive

The seasonally adjusted economic inactivity rate (aged 16-64) for August-October 2020 was estimated at 26.4%, which was:

- a decrease of 0.9ppps over the quarter (a decrease of 10,000)
- an increase of 0.6ppps over the year (an increase of 7,000)

Annual changes by sex:

- the male (16-64) economic inactivity rate (22.7%) increased by 1.0ppps over the year (an increase of 6,000)
- the female (16-64) economic inactivity rate (30.1%) increased by 0.1ppps over the year (equivalent to no change in the number of inactive females)

Reasons for economic inactivity*

There were no notable changes in the reasons for economic inactivity over the year.

Decreases in the number of people looking after family or home (down 2,000) and retired (down 2,000) were offset by increases in the number of people who were inactive due to long-term illness (4,000), being a student (4,000) or other reasons (2,000). Other reasons include those who do not need or want employment, awaiting the results of a job application, not yet started looking for work or those who did not give a reason.

UK Regional comparison

The NI economic inactivity rate for those aged 16-64 was 26.4%. This was:

- higher than the UK average rate (20.8%)
- 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](#)

*Note that reasons for inactivity figures have not been adjusted for seasonality.

5 Further Information

Updated December 2020

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 August-October 2020 and the quarter previous to that (i.e. May-July 2020). 'Over the year' refer to comparisons between the latest quarterly estimates for the period August-October 2020 and those of the corresponding quarter one year previously (i.e. August-October 2019).

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

August-October 2020	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
Unemployment¹	35,000	+/-8,000	8,000	+/-7,000	14,000	+/-9,000	+/-10,000
Employment²	857,000	+/-24,000	1,000	+/-20,000	-21,000	+/-29,000	+/-31,000
Economically inactive²	586,000	+/-23,000	-8,000	+/-19,000	13,000	+/-28,000	+/-30,000
Unemployment rate¹	3.9%	+/-0.9pps	0.9pps	+/-0.7pps	1.6pps	+/-1.0pps	+/-1.1pps
Employment rate²	70.6%	+/-2.0pps	0.2pps	+/-1.5pps	-1.8pps	+/-2.3pps	+/-2.5pps
Economic inactivity rate²	26.4%	+/-1.9pps	-0.9pps	+/-1.4pps	0.6pps	+/-2.2pps	+/-2.4pps

¹ People aged 16 and over. Unemployment rate = total unemployed as a proportion of the economically active.

² Levels for all persons aged 16 and over, rates for working age (16-64).

[Download Table 2 data](#)

Response Rates – Updated quarterly (last updated 10/11/2020)

The total eligible sample for the July-September 2020 LFS consisted of 6,114 addresses (2,558 chosen at random from the Land and Property Services (LPS) list of domestic properties and 3,556 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, July-September 2020

Fully and partially responding	1,774
Eligible sample	6,114
Response rate (%)	29.0%

*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 August-October 2020 should be compared with the estimates for May-July 2020. This provides a more robust estimate than comparing with the estimates for July-September 2020, as the August and September data are included within both estimates. Effectively, observed differences are those between the individual months of July 2020 and October 2020. 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. Additionally 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](#)

Revisions to Labour Force Survey Estimates from January –March 2020.

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, ONS have 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 on [measuring the labour market during the pandemic](#) is available on the ONS website.

Data collection changes due to COVID-19

Data collection methods for the Labour Force Survey changed in March 2020 with the suspension of all face-to-face household interviews. From April, all face-to-face interviews have been replaced by telephone

interviews and this is the first quarter of data where all interviews were conducted by telephone. In addition, from April, an online Labour Market Survey has been rolled out, designed to capture key labour market variables and to supplement main Labour Force Survey data.

For further information on the impacts of COVID-19 to collection and production of statistics 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.

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.

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 4. 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 June 2020 seasonally adjusted estimate first published in September 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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