

# Quarterly Supplement to the Labour Market Report

## April - June 2016



Date: 31<sup>st</sup> August 2016  
Geographical Area: Northern Ireland  
Theme: Labour Market  
Frequency: Quarterly



The Quarterly Supplement provides a more detailed range of statistics from the Labour Force Survey than is available from the monthly [Labour Market Report](#) including information disaggregated by gender, age and by Local Government District.

The additional information is provided as Excel tables, which can be accessed directly from the attached index of tables (Page 10). The information included is not seasonally adjusted unless otherwise stated. The Further Information section provides detail on sampling variability.

The key points from the supplementary tables are:

### Unemployment

- In April - June 2016, the unemployment rate for males was 7.2% compared with 4.2% for females.
- Over half of unemployed persons were aged 16 – 29 (52%).
- More than half of unemployed males (54%) were long term unemployed.
- Over half (62%) of those unemployed aged 30 years and over were unemployed for more than one year.

### Employment

- There were an estimated 807,000 persons, aged 16 – 64, in employment in NI in Q2 2016.
- The number of those in employment increased by approximately 22,000 in the last five years.
- Fewer females than males work beyond the age of 60.
- A higher proportion of females (36%) worked part time than males (12%).
- The main reasons cited by female employees for working part-time were that they did not want a full-time job (73%) or could not find a full-time job (15%).
- The major industries in terms of employment were public administration, education and health (31%) and distribution, hotels and restaurants (20%).
- Professional occupations accounted for the largest proportion of persons in employment (18%).
- In April – June 2016, the working age employment rate was highest in Ards and North Down (75%) and lowest in Derry and Strabane (54%)

## **Economic activity**

- At 79%, the 16-64 economic activity rate for males in April - June 2016 was 12 percentage points higher than that for females (68%). The current differential between the activity rates of males and females has decreased from a 15 percentage point gap ten years ago.
- Economic activity rates were highest in Ards and North Down (78%) and lowest in Derry and Strabane (63%).

## **Economically inactive**

- The April - June 2016 economic inactivity rate (16-64) was higher for females (32%) than males (21%).
- Over half (53%) the economically inactive were aged 65 and over in the UK compared to 45% in NI.
- In comparison to the UK, NI had a higher percentage of economically inactive (16-64) who were sick / disabled (30% compared to 25%).
- In April - June 2016 the highest level of economic inactivity was reported in Derry and Strabane (37%) and the lowest in Ards and North Down (22%).

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

- In April – June 2016, there were 21,000 young people (aged from 16 to 24) in Northern Ireland who were NEET.
- The percentage of all young people in NI who were NEET was 9.9%.
- Of the 16-24 year olds who were NEET, 10,000 were economically inactive.
- NI had the lowest 16-24 NEET rate (9.9%) of the 4 UK countries. Scotland had the highest rate (12.3%), Wales were the second highest (11.7%) while England had the second lowest rate (11.2%). The UK average was 11.3%.

## **Education and training**

- The qualifications levels of those aged 16-64 in employment or economically active were consistently higher than those who were economically inactive.
- Just under one third (30%) of economically inactive persons had no formal qualifications at April - June 2016, compared with 11% of economically active.
- A higher proportion of older employees received job-related training.

## **Disability and the labour market**

- Just under one in five persons (18%) of working age in NI had a disability.
- Almost three times the proportion (31%) of disabled persons had no qualifications compared to non-disabled persons (12%) at April - June 2016.
- People without a disability were more than twice as likely to be in employment (78%) than those with a disability (33%).

## **Self-employment**

- The number of self-employed people increased by 7,000 (6%) in the period 2006 to 2016.
- Over the same period, the number of self-employed males decreased by 3,000 (3%), while the numbers of self-employed females has increased by 10,000 (44%) from the level reported in 2006.
- Only 8% of females in employment were self-employed, compared to 22% of males.

- There was a larger proportion of self employed who were 60+ in April - June 2016 (20%) compared to April - June 2011 (10%).
- Those with an A level or equivalent qualifications were more likely to be self-employed than those with other types of qualifications.
- Of those classified as self-employed in April – June 2016 18% were employed in construction.
- Over one third (36%) of those classified as self-employed were employed in skilled trade occupations.
- Northern Ireland ranked fourth highest across UK regions in terms of self-employment rates for April – June 2016.

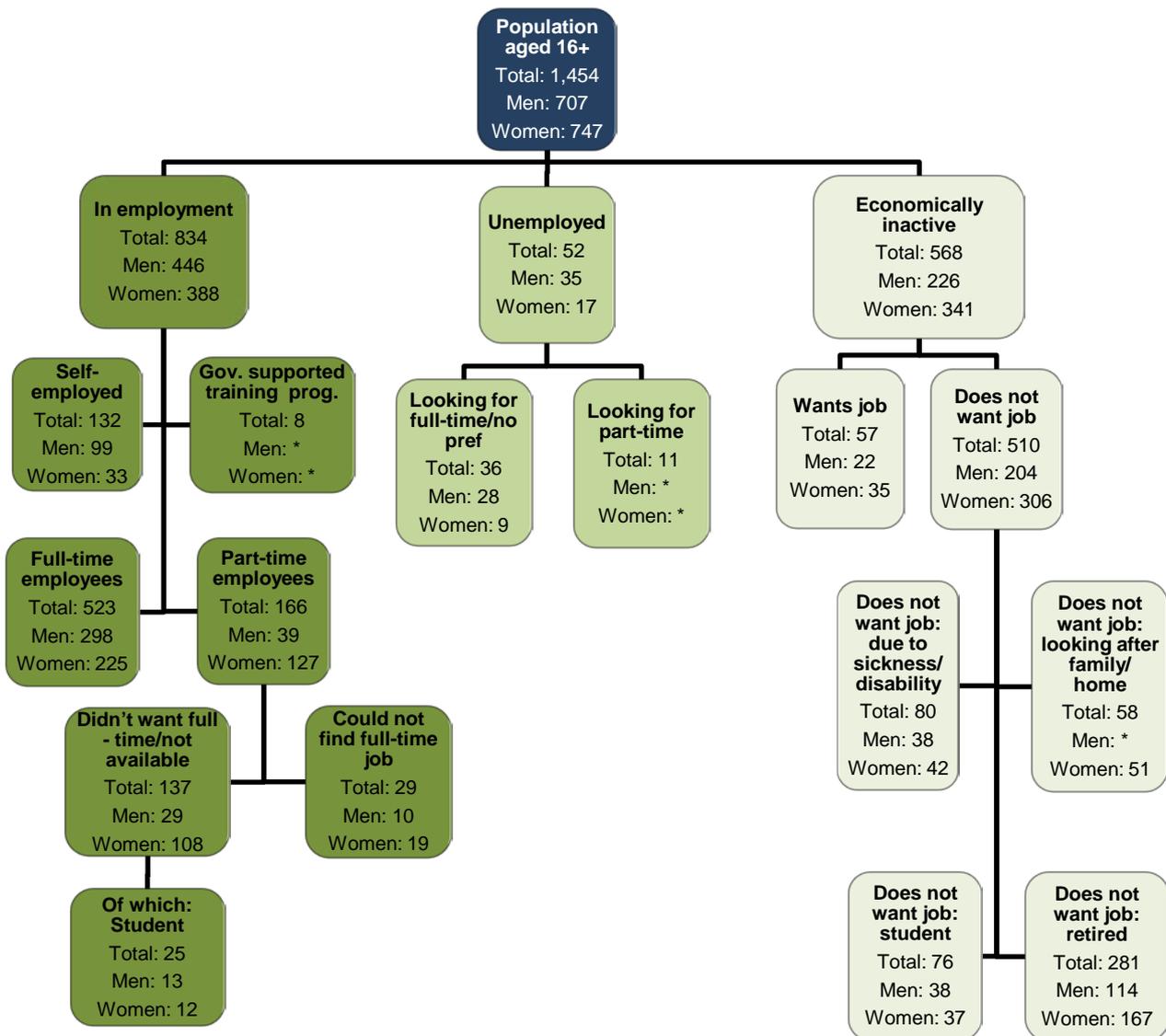
### **Graduates**

- The number of NI graduates has increased by 21% in the last five years, to 256,000 in April – June 2016.
- The 30-39 age group in NI had the largest proportion of graduates with 72,000 (28%), closely followed by those aged 20-29 with 69,000 (27%).
- The NI working age employment rate was considerably higher for graduates (87%) than for non-graduates (64%).
- The largest occupation group for graduates was professional occupations, where 48% of graduates were employed, compared to only 6% of non-graduates.

### **Households**

- In October - December 2015, the most common type of household in NI consisted of a couple with children, which accounted for 30% of all households.
- NI had the second highest proportion of working age workless households (22%) among the UK regions. This compared to 15% in the UK as a whole.
- An estimated 70% of females of working age with dependent children under 19 were economically active, which is higher than the rate for those without dependent children (66%).
- When the youngest dependent child was aged 0-4, the economic activity rate of the female head of family (70%) was 6.0 percentage points higher than the rate for the 16-18 age group (64%).

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



Source: Labour Force Survey, April - June 2016

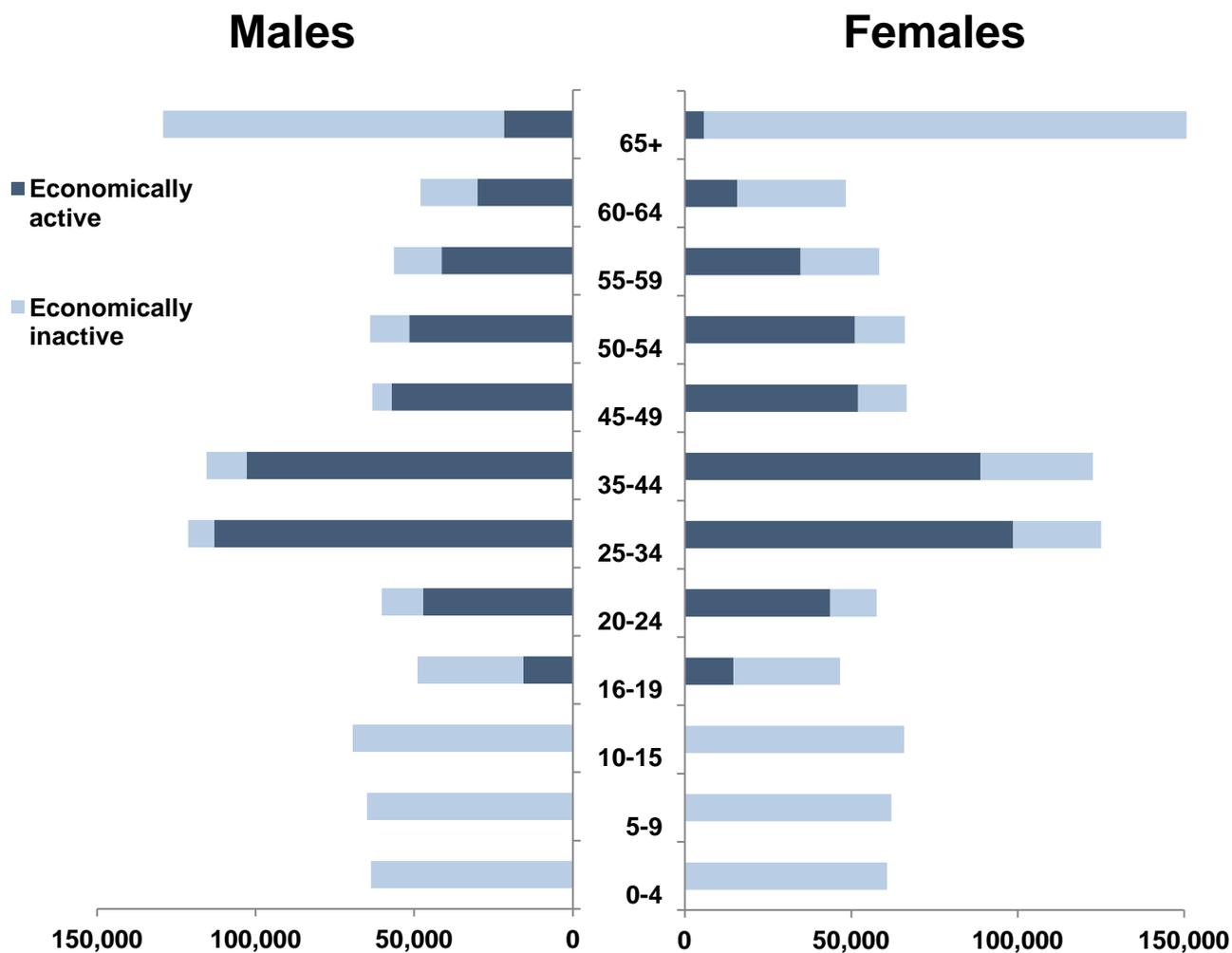
Notes:

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

\* Sample size is too small to provide a reliable estimate (this explains why a gender split for some categories is omitted).

Figures may not sum due to rounding.

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



Source: Labour Force Survey, April - June 2016

**National Statistics**

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Official Statistics. They are awarded National Statistics status following an assessment by the Authority’s regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is a producer’s responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

## Context

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

In keeping with feedback from various user consultation exercises, which highlighted a demand for data in re-usable format, the quarterly supplement has moved from a traditional publication style to being primarily tabular, with key points highlighted in this summary report alongside figures and notes which are useful for context. The detailed tables are available on the NISRA-ELMS webpage and can be accessed via the attached index of tables (Page 10).

Key users of Northern Ireland labour market statistics include government departments, in particular the Department for the Economy (DfE), to design and monitor the impact of economic and labour market policy. Other Government departments such as the Executive Office, the Department of Finance (DoF) and the Department of Agriculture, Environment and Rural Affairs (DAERA), as well as bodies such as Invest NI and Belfast City Council, regularly require specific ad hoc labour market analysis in order to monitor policies for example, equality and employment. In addition, significant 'non-governmental' users of labour market statistics include the media, banks, academics, private consultants and the general public, primarily for reporting or researching the performance of the economy in general. Labour market statistics attract widespread media coverage, with a number of broadcasters publishing articles on the labour market on a monthly basis, generally on the day of publication of the Labour Market Report.

Labour market statistics feature in the [DfE Economic Briefing](#) which provides an overview of the state of the Northern Ireland economy, setting it in context with the UK and Republic of Ireland. The most up-to-date official statistics on the economy and labour market are available on the [Economic Overview section](#) of the website.

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

- [Explaining the concepts of employment, unemployment and economic inactivity](#)
- [Interpreting Labour Market statistics](#)
- [Guide to Labour Market Statistics](#)
- [Glossary](#)

## Further information

### Labour Force Survey

The Labour Force Survey (LFS) is a household sample survey carried out by interviewing individuals about their personal circumstances and work. It provides a rich source of information on the labour force using internationally agreed definitions.

### LFS unemployment

The definition of unemployment used in the Labour Force Survey (LFS) is in accordance with that of the International Labour Organisation (ILO). The ILO unemployed includes those without a job who were able to start work in the two weeks following their LFS interview and had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained.

Unemployment rate - the percentage of economically active people who are unemployed.

Please note that it is possible for the number of unemployed to increase and the unemployment rate to fall during the same period, as the latter measure is a ratio e.g. if the number of economically active has increased at a faster rate than the number unemployed, the unemployment rate will fall.

### LFS employment

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

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

### LFS economic activity

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

### Definition of 'working age'

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

### Sampling

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

The following table shows the proportions obtained from the April - June 2016 survey for some key LFS variables and indicates their sampling accuracy. The confidence intervals represent the ranges either side of the LFS proportions which are 95% certain to include the true values of the quantities estimated.

**LFS proportions of total private household population (16+), including 95% confidence intervals, April - June 2016**

|                             | <b>LFS estimate</b> | <b>Confidence interval (%)</b> |
|-----------------------------|---------------------|--------------------------------|
| Economically active         | 61%                 | +/- 1.8                        |
| In employment               | 57%                 | +/- 1.8                        |
| Employees*                  | 83%                 | +/- 1.4                        |
| Self-employed*              | 16%                 | +/- 1.3                        |
| Unemployed                  | 4%                  | +/-0.7                         |
| Economically inactive (16+) | 39%                 | +/- 1.8                        |
| Unemployment rate           | 5.8%                | +/- 1.1                        |

\* As a percentage of all in employment.

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

**Response Rates**

The sample for the April - June 2016 LFS consisted of 2,339 addresses, (1,168 chosen at random from the Valuation & Lands Agency list of domestic properties, 1,494 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 NI.

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

**Response rates, April - June 2016**

|                                |       |
|--------------------------------|-------|
| Total addresses sampled        | 2,662 |
| Fully and partially responding | 1,494 |
| Eligible sample                | 2,339 |
| Response rate (%)              | 63.9% |

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

## Breakdown of non-response and ineligible addresses, April - June 2016

| Non-response/non-contact:            | Number |
|--------------------------------------|--------|
| - Outright refusal                   | 278    |
| - Circumstantial refusal             | 134    |
| - Non-contact                        | 433    |
| <b>Ineligible addresses:</b>         |        |
| - Vacant/derelict/under construction | 225    |
| - Holiday accommodation              | 36     |
| - Non-residential                    | 5      |
| - Second residence                   | 31     |
| - Other ineligible                   | 21     |
| - Household moves                    | 5      |
| Total                                | 1,168  |

### LFS revisions

LFS microdata have recently been revised to incorporate the latest population estimates. The revisions affect LFS data from the period May - July 2012 onwards and were first published in May 2016. The magnitude of the revisions are relatively small, with the revisions to the unemployment rate falling within +/-0.1 percentage points and the working age employment rate within +/- 0.2 percentage points. The procedures being applied to the NI LFS results are consistent with those applied by the Office for National Statistics to other UK regions.

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

More information on the revision policy concerning labour market statistics can be found through the link: [Labour market statistics revisions policy](#)

### Changes to the Disability data

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

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

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

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

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

**For further information:**

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

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

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