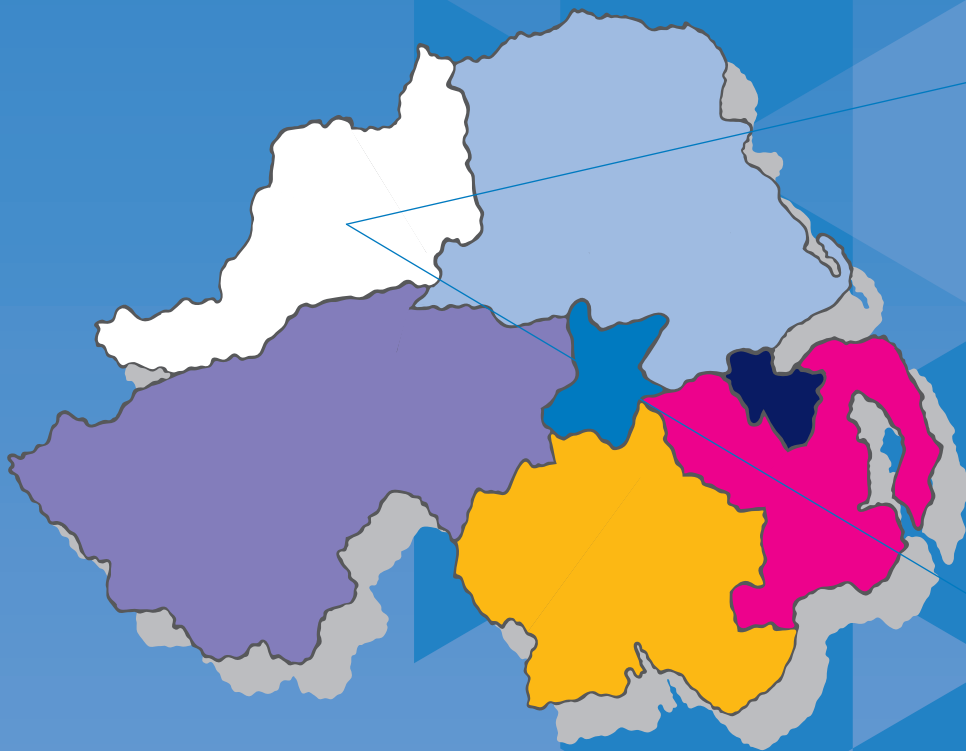




# Labour Market Profile



North West  
Workforce  
Development  
Forum

## KEY FIGURES

- **Table 1** shows the working age employment rate in the North West WDF was 56.6%, 8.5 percentage points lower than Northern Ireland as a whole.
- The working age economic activity rate (**Table 1**) in the North West WDF was 63.8%, 6.1 percentage points lower than Northern Ireland as a whole.
- **Table 1** also shows the working age economic inactivity rate in the North West WDF was 36.2%, 6.1 percentage points higher than Northern Ireland as a whole.
- **Table 2** shows the claimant count rate for 2009 in the North West WDF was 11.4%, 4.6 percentage points higher than Northern Ireland as a whole.

**Table 1: Economic activity, inactivity and employment of the working age population for the North West WDF, 2009**

	North West WDF		Northern Ireland
	Number	%	%
Employment	66,000	56.6	65.1
Economic Activity	75,000	63.8	69.9
Economic Inactivity	42,000	36.2	30.1

Source: Labour Force Survey Local Area Database 2009, DETI

**Table 2: Claimant count as a proportion of the resident working age population for the North West WDF, 2009**

	North West WDF		Northern Ireland
	Number	%	%
Claimant Count	9,000	11.4	6.8

Source: Claimant Count, DETI

## **OVERVIEW OF THE WORKFORCE IN THE NORTH WEST WDF**

This report provides a Labour Market Profile for the North West WDF in Northern Ireland. Similar profiles have been developed for the five remaining WDFs as well as an overall report for Northern Ireland. North West WDF comprises Derry City Council, Limavady Borough Council and Strabane District Council. The content is based on official information sources.

### **POPULATION**

- In 2008, the population of the North West WDF was 182,828, with 49.5% being males (90,545) and 50.5% being females (92,283).
- Between 1998 and 2008 the population of the North West WDF has increased by 7,363 (4.2%).
- In 2008, the working age population in the North West WDF was 114,558.
- The working age population has increased by 8,140 (7.6%) between 1998 and 2008.
- The number of young people in the North West WDF (aged 16-24) decreased by 549 between 1998 and 2008. This is an increase of 2.2%.
- The number of 25-49 year olds in the North West WDF increased by 3,732 between 1998 and 2008. This is an increase of 6.1%.
- The number of people aged 50-59/64 increased by 4,957 between 1998 and 2008. This is an increase of 25.4%.

### **WORKFORCE EMPLOYMENT**

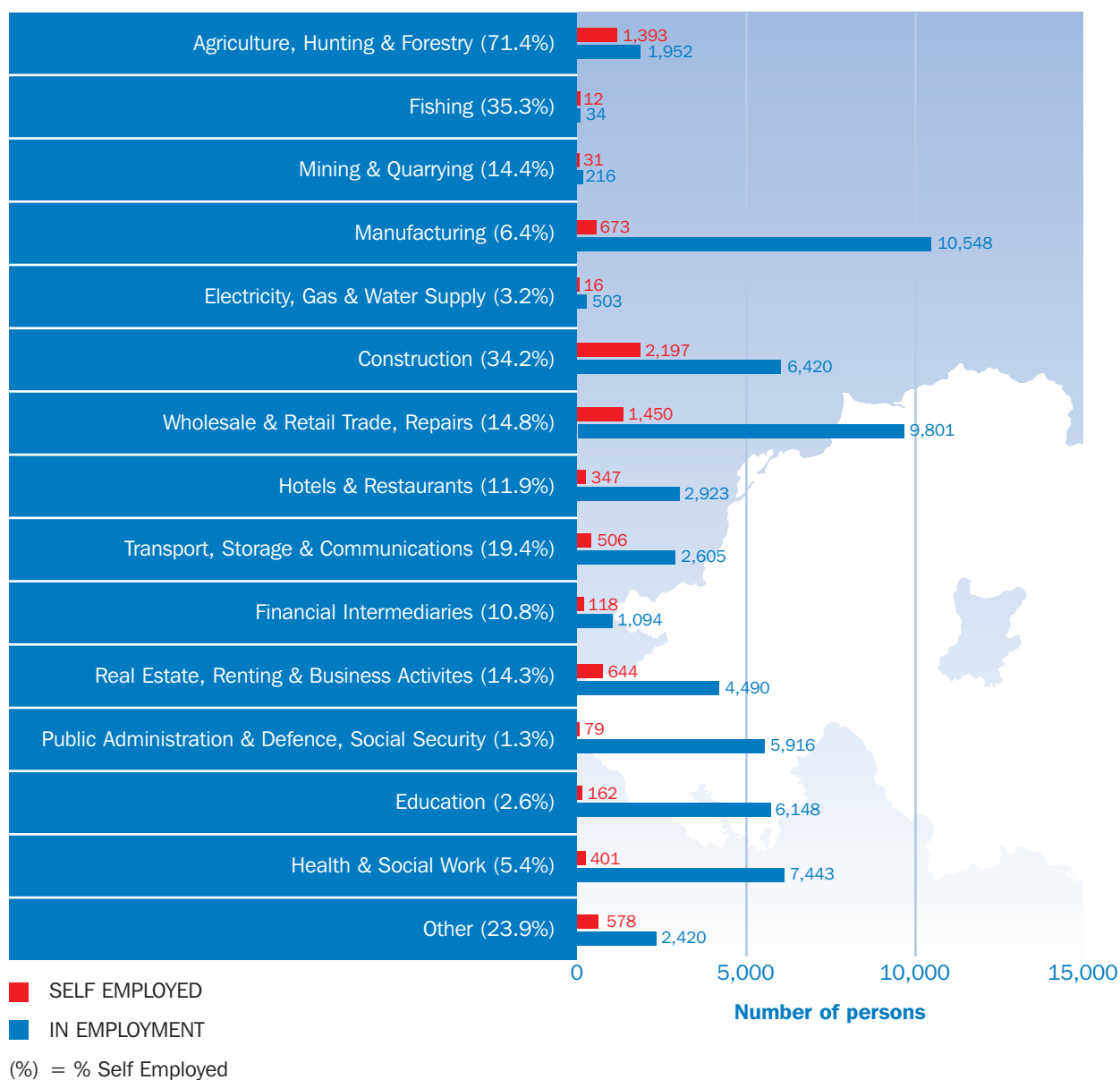
There were 61,187 employee jobs in the North West WDF in 2007. This represented an increase of 2,382 (4.1%) since 2005.

- Females made up 52.2% of all employees in the North West WDF in 2007. The number of female jobs increased by 2.4% between 2005 and 2007. Male employment in the North West WDF increased by 5.9% in the same period.
- Almost two thirds (66.2%) of jobs were full-time in 2007. Full-time jobs increased by 3.9% between 2005 and 2007 while part-time jobs increased by 4.4%.

## SELF EMPLOYED

- **Figure 1** shows that in 2001, 71.4% of those persons aged between 16 and 74 in Agriculture, Hunting & Forestry in the North West WDF were self-employed.
- 35.3% of persons in Fishing in the North West WDF were self-employed as were 34.2% in Construction (**Figure 1**).
- **Figure 1** shows that 2.6% of persons aged between 16 and 74 in Education in the North West WDF were self-employed, as were 1.3% of persons in Public Administration & Defence, Social Security.

**Figure 1: All persons aged 16-74 in employment the week before the Census 2001 for the North West WDF**



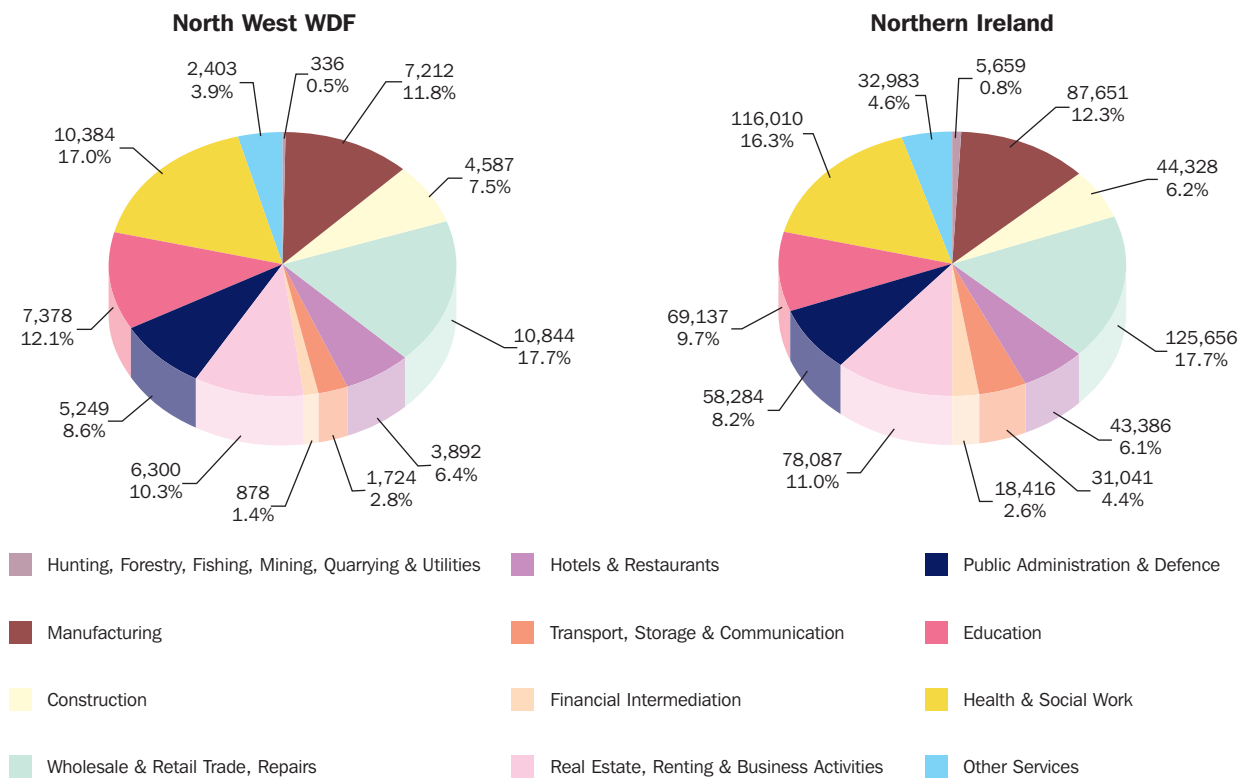
Source: Census 2001

Note: Percentages may not sum to 100 due to rounding.

## INDUSTRIAL STRUCTURE

- **Figure 2** shows that almost one fifth of jobs were in Wholesale & Retail Trade, Repairs (17.7%). This was followed by 17.0% in Health & Social Work.
- In 2007, there were only 878 employee jobs in Financial Intermediation, which accounted for 1.4% of all jobs in the North West WDF (**Figure 2**).

**Figure 2: Employee jobs by industrial sector for the North West WDF and Northern Ireland, 2007**



Source: *Census of Employment 2007, DETI*

Note: Percentages may not sum to 100 due to rounding.

- **Table 3** shows that in the North West WDF Real Estate, Renting & Business Activities increased by 31.7% (1,516 jobs) between 2005 and 2007.
- During the same period, Construction increased by 12.7% whilst Financial Intermediation increased by 12.1% (**Table 3**).
- **Table 3** shows that between 2005 and 2007, Manufacturing decreased by 8.5% which equates to a loss of 673 jobs in the North West WDF whilst Education decreased by 318 jobs, a loss of 4.1%.

**Table 3: Change in Employee Jobs by industrial sector for the North West WDF, September 2005 to September 2007**

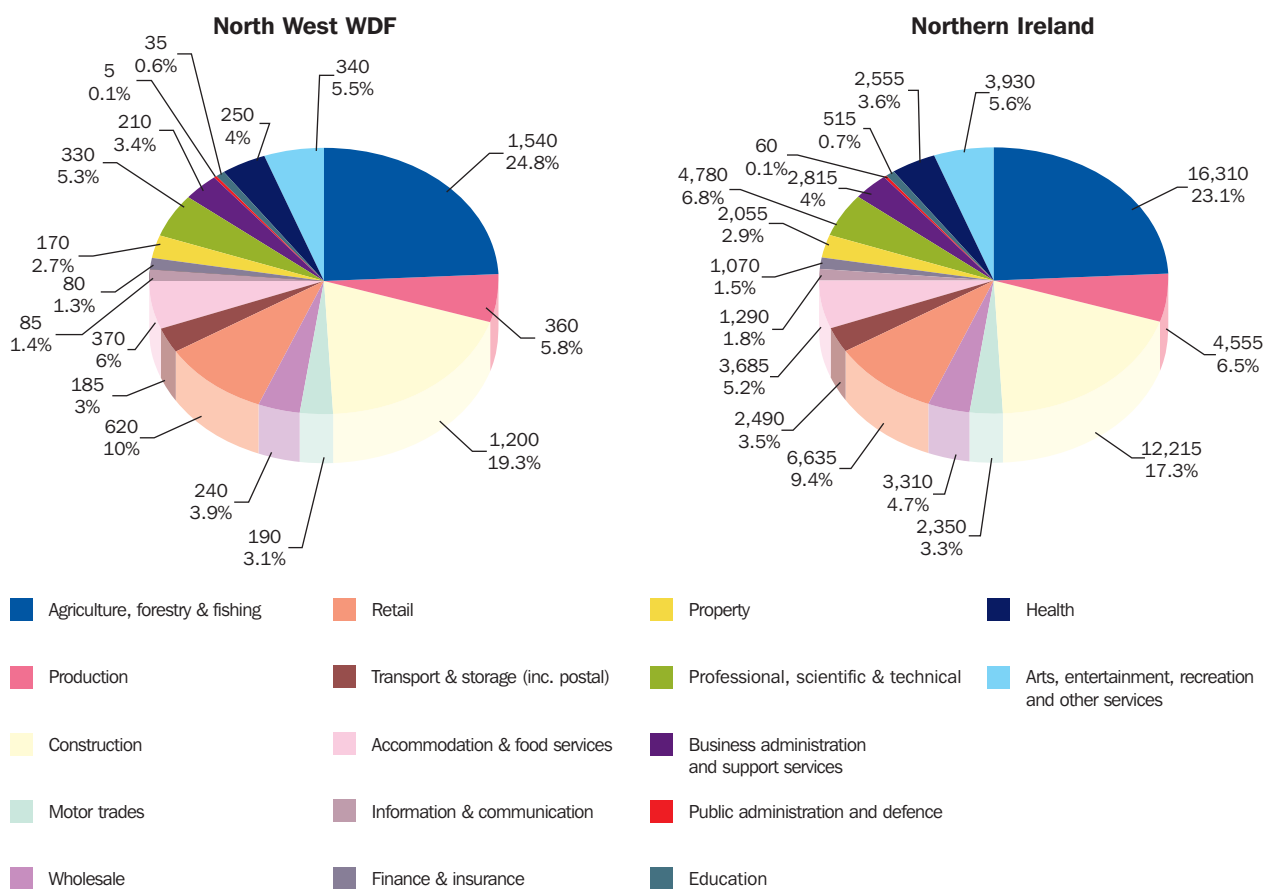
	Absolute change in the North West WDF	% Change in the North West WDF	% Change in Northern Ireland
Hunting, Forestry, Fishing, Mining, Quarrying & Utilities	+55	+19.6	+4.8
Manufacturing	-673	-8.5	-0.1
Construction	+517	+12.7	+15.6
Wholesale & Retail Trade, Repairs	+732	+7.2	+5.7
Hotels & Restaurants	-134	-3.3	+3.3
Transport, Storage & Communication	+2	+0.1	+7.7
Financial Intermediation	+95	+12.1	+2.7
Real Estate, Renting & Business Activities	+1,516	+31.7	+14.5
Public Administration & Defence	-103	-1.9	-2.8
Education	-318	-4.1	-4.8
Health & Social Work	+651	+6.7	+4.7
Other Services	+42	+1.8	+1.7

Source: *Census of Employment 2007, DETI*

## VAT REGISTERED ENTERPRISES

- **Figure 3** shows that in 2009 there were a total of 6,210 VAT registered businesses in the North West WDF. Of these almost a quarter were in Agriculture (24.8%) while just under a fifth were in Construction (19.3%).
- Between 2007 and 2009 the number of VAT registered businesses increased by 20.2% in the North West WDF. This was lower than for Northern Ireland as a whole (21.5%).

**Figure 3: Number of VAT registered businesses by industrial sector for the North West WDF and Northern Ireland, 2009**



Source: *Inter-departmental Business Register, DETI*

### Notes:

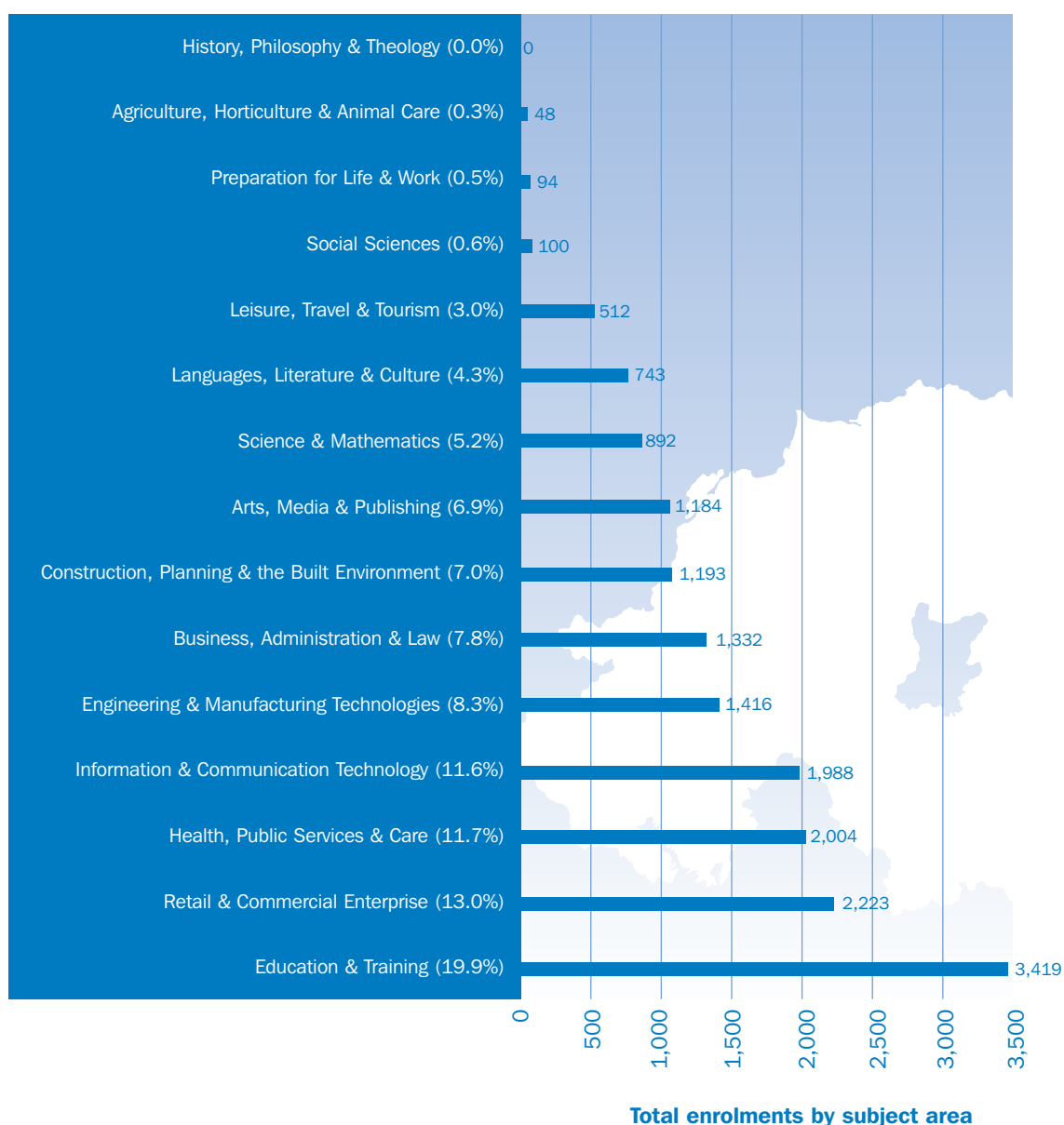
1. Figures may not sum to total and percentages may not sum to 100 due to rounding.
2. On the Inter-departmental Business Register (IDBR), the enterprise is the statistical unit that most closely relates to a business.

Definition: "The enterprise is the smallest combination of legal units that has an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more locations. An enterprise may be a sole legal unit."

## FURTHER EDUCATION

- **Figure 4** shows that in 2008/09 the highest number of enrolments at North West Regional College was in Education & Training courses (19.9%). This was followed by Retail & Commercial Enterprise courses, accounting for 13% of enrolments.
- Only 0.3% of enrolments were in Agriculture, Horticulture & Animal Care courses (**Figure 4**). There were no enrolments on History, Philosophy & Theology courses.

**Figure 4: Enrolments in North West Regional College by subject area 2008/09**



(%) = % enrolments by subject area

Source: FESR

Note: Percentages may not sum to 100 due to rounding.



## QUALIFICATIONS

- **Table 4** shows that in 2001 46.5% of the North West WDF working age population had no qualifications. This compares to 41.6% of the Northern Ireland working age population who also had no qualifications.
- In 2001, 40.5% of the North West WDF working age population had qualification Levels 1, 2 or 3 (A-level or less). This compares to 42.6% of the Northern Ireland working age population who had the same level of qualifications (**Table 4**).
- **Table 4** also shows that in 2001, 13.0% of the North West WDF working age population had qualification Levels 4 and 5 (First degree and higher). This compares to 15.8% of the Northern Ireland working age population who had the same level of qualifications.

**Table 4: Qualification levels of the working age population in the North West WDF**

		All persons	No qualifications	Level 1	Level 2	Level 3	Level 4	Level 5
North West WDF	No	121,880	56,701	20,818	18,770	9,799	10,885	4,907
	%	100.0	46.5	17.1	15.4	8.0	8.9	4.0
Northern Ireland	%	100.0	41.6	17.2	16.4	9.0	10.9	4.9

Source: Census 2001

Notes:

1. Percentages may not sum to 100 due to rounding.
2. Qualification NVQ Levels

No Qualifications: No qualifications

Level 1 : GCSE (grades D-G), CSE (grades 2-5), 1-4 CSEs (grade 1), 1-4 GCSEs (grades A-C), 1-4 'O' level passes, NVQ Level 1, GNVQ Foundation or equivalents

Level 2 : 5+ CSEs (grade 1), 5+ GCSEs (grades A-C), 5+ 'O' level passes, Senior Certificate, 1 'A' level, 1-3 AS levels, Advanced Senior Certificate, NVQ Level 2, GNVQ Intermediate or equivalents

Level 3 : 2+ 'A' levels, 4+ AS levels, NVQ Level 3, GNVQ Advanced or equivalents

Level 4 : First Degree, NVQ Level 4, HNC, HND or equivalents

Level 5 : Higher Degree, NVQ Level 5 or equivalents

## MIGRANT WORKERS

There are migrants from a large number of countries living and working within the North West WDF. These migrants come from a variety of different countries - Lithuania, Poland, Latvia, India, France, Australia, Portugal, Czech Republic, Slovakia, Spain, South Africa, Philippines, Italy, Germany, Russia, China, Moldova, Hungary and North America.

- The net external migration from the North West WDF between Mid 2006 and Mid 2007 was 25<sup>1</sup>.
- In 2001 there were 974 individuals who recorded their country of birth as being from another EU country and 1,484 recorded their country of birth as being born elsewhere (not another EU country and not Northern Ireland). These two groups equate to 1.4% of the North West WDF<sup>1</sup>.
- Between April 2004 and March 2009 there were 3,370 NINO registrations from migrants in the North West WDF<sup>2</sup>.
- In Northern Ireland there were 36,705 Worker Registration Scheme Registrations (WRSR) between May 2004 and March 2009. In the North West WDF there were 1,485 WRSR and this equated to 4% of the Northern Ireland total<sup>3</sup>.

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<sup>1</sup> NIHE Equality Unit

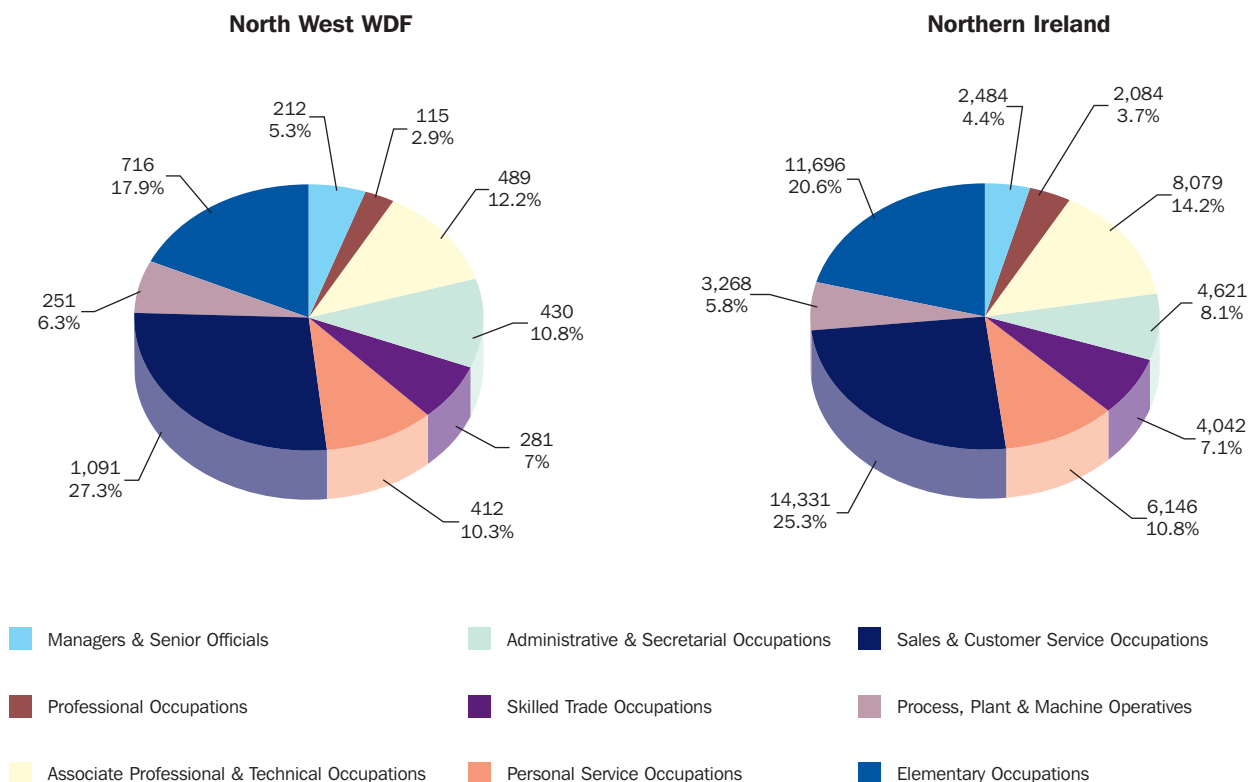
<sup>2</sup> Department for Work and Pensions

<sup>3</sup> Home Office – Local Government

## VACANCIES

- **Figure 5** shows that just over a quarter of all notified vacancies in 2009 in the North West WDF were in Sales & Customer Service Occupations (27.3%). This was followed by 17.9% in Elementary Occupations.
- In 2009, the smallest number of vacancies were for Professional Occupations accounting for 2.9% of all vacancies (**Figure 5**).

**Figure 5: Notified vacancies for the North West WDF and Northern Ireland, 2008**



Source: Client Management System, Department for Employment and Learning

### Notes:

1. Northern Ireland vacancy figures are taken from the Department for Employment and Learning Client Management System (CMS) and include vacancies both notified and added to during 2009. Vacancies notified are all vacancy positions notified and added to JobCentres/Jobs & Benefits offices (JBOs) of the Department.
2. Vacancies may be subsequently cancelled or withdrawn and such amendments are not incorporated in the figures.
3. Vacancy statistics are currently under review within the Department.
4. Occupations are taken from the Standard Occupational Classification (SOC) 2000.
5. Vacancies are mapped to WDF on the basis of postcode.
6. Percentages may not sum to 100 due to rounding.

## REDUNDANCIES

- **Table 5** shows that in 2009 there were 745 confirmed redundancies in the North West WDF. This equates to 16.2% of the total number of redundancies in Northern Ireland in 2009.
- Over the period 2008 to 2009, the number of confirmed redundancies in the North West WDF has decreased by 32% (**Table 5**).

**Table 5: Confirmed Redundancies for the North West WDF, 2004 to 2009**

	2004	2005	2006	2007	2008	2009
<b>North West WDF</b>	808	402	595	112	1,090	745
<b>Northern Ireland</b>	2,978	2,525	3,143	1,912	2,782	4,592
<b>Redundancies in the North West WDF as a % of Northern Ireland total</b>	27.1	15.9	18.9	5.9	39.2	16.2

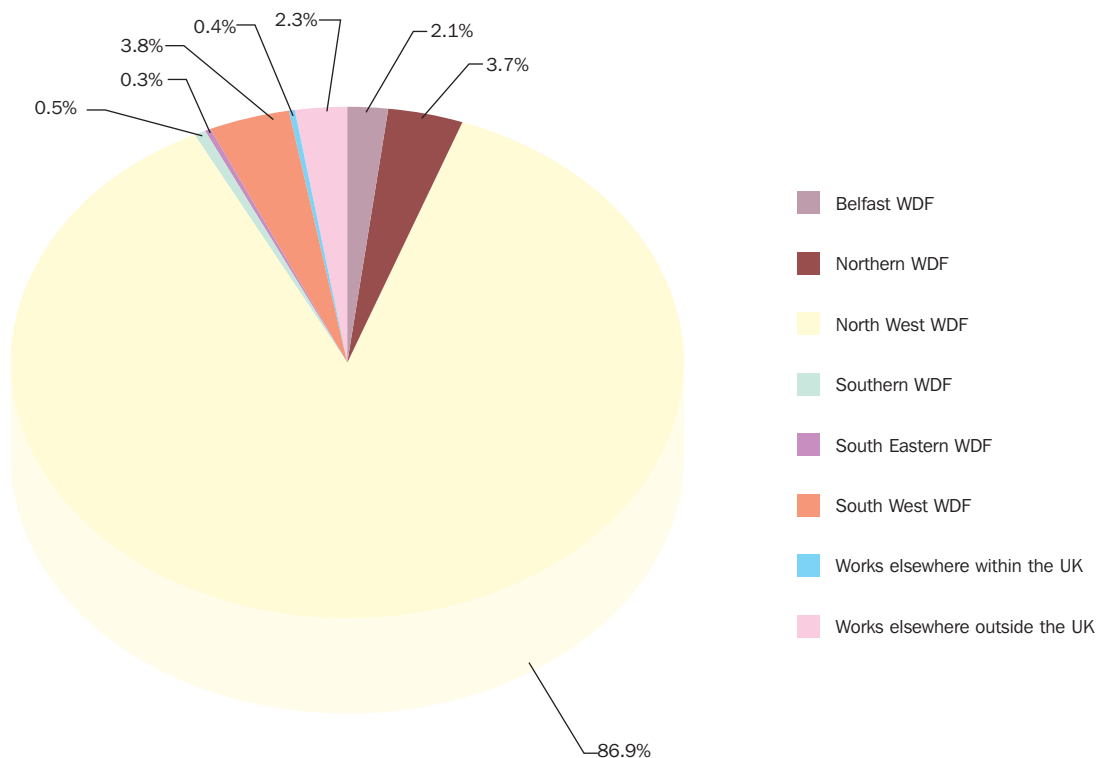
Source: *Redundancies, DETI*

Note: 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, hence these figures underestimate the total number of losses. The above figures represent the number of people confirmed to the Department as subsequently being made redundant.

## TRAVEL TO WORK

- **Figure 6** shows that in 2001, 97.3% of the persons living in the North West WDF who were in employment worked in Northern Ireland. 0.4% worked elsewhere within the UK and 2.3% worked elsewhere outside the UK, (2.1% in Republic of Ireland, 0.2% Other).
- In 2001, 57.9% of persons living in the North West WDF who were in employment worked in Derry, whilst the figures for Strabane and Limavady were 14.9% and 14.1% respectively.
- **Figure 6** shows that 86.9% of persons living in the North West WDF work within this WDF, whilst 10.4% of persons living in the North West WDF work in other WDFs, 0.4% worked elsewhere within the UK and 2.3% worked elsewhere outside the UK (2.1% in Republic of Ireland, 0.2% Other).

**Figure 6: Travel to work patterns of residents from the North West WDF**



Source: Census 2001

Note: Percentages may not sum to 100 due to rounding.

## TOMORROW'S ECONOMY AND LABOUR MARKET

In 2010 DEL published reports for all of the Workforce Development Forum areas on future skill needs based on work carried out by Oxford Economics<sup>4</sup>. The forecasts are based on two scenarios about the NI (and hence WDF) economy: a **baseline scenario**, which details the central estimates assuming no step change to the economy; and an **aspirational scenario**, based on NI achieving the productivity targets laid out in the Executive's Programme for Government<sup>5</sup>.

Like all forecasts, the data shown below represent the central estimates at the time the analysis was carried out (Summer 2009) and will be subject to a margin of uncertainty.

The results for the North West WDF area are contained in **Table 6**.

**Table 6: Sectoral Employment Forecasts to 2020**

	WDF Change (000s)			
	1998-2008	2008-2010	2010-2020 baseline	2010-2020 aspirational
Agriculture, forestry & fishing	-1.8	-0.1	0.0	0.2
Mining & quarrying	0.0	0.0	0.0	0.0
Manufacturing	-7.2	-1.1	-1.0	-0.8
Utilities	0.0	0.0	0.0	0.0
Construction	3.0	-1.3	1.0	1.3
Retail & distribution	4.3	-0.1	0.3	0.6
Hotels & restaurants	1.0	-0.2	0.7	1.1
Transport & communications	0.2	-0.2	0.3	0.4
Financial services	0.2	-0.1	0.1	0.2
Business services	5.1	-0.6	3.5	4.8
Public administration & defence	0.3	-0.1	0.0	0.0
Land forces	-1.0	0.0	0.0	0.0
Education	0.5	0.0	0.4	0.4
Health & social work	2.3	0.2	1.2	1.2
Other personal services	0.8	-0.1	0.3	0.5
<b>Total employment (job-based)</b>	<b>6.6</b>	<b>-3.7</b>	<b>6.9</b>	<b>9.9</b>
<b>Total employment (jobs pa)</b>	<b>0.7</b>	<b>-1.8</b>	<b>0.7</b>	<b>1.0</b>
<b>Total employment (people-based)</b>	<b>5.5</b>	<b>-3.5</b>	<b>5.6</b>	<b>8.3</b>

Source: Oxford Economics

Note: People-based excludes Government training schemes

### KEY POINTS:

- **The Downturn:** The North West economy's recent period of strong growth (albeit slower than other WDF regions) is forecast to have come to an abrupt end during the recession. Oxford Economics's central outlook for the North West economy is for just over **3,500 net job losses between 2008 and 2010** (mid-year figures), equivalent to 5% of total jobs. Losses are forecast across a number of sectors, although the majority are in construction, manufacturing and business services.

<sup>4</sup> Oxford Economics (2010) Workforce Future Skill Needs Analysis: North West Workforce Development Forum Report [www.delni.gov.uk/north\\_west\\_workforce\\_analysis\\_final\\_report\\_feb\\_2010.pdf](http://www.delni.gov.uk/north_west_workforce_analysis_final_report_feb_2010.pdf). These reports are based in Oxford Economics's NI Policy Simulation model and forecasts were produced in the summer of 2009. It should be noted that all forecasts are workplace-based, not residence based – it thus takes no account of commuting patterns

<sup>5</sup> Available at [www.pfgbudgetni.gov.uk/finalpfg.pdf](http://www.pfgbudgetni.gov.uk/finalpfg.pdf)

- **Baseline Scenario:** Looking beyond the recession, the central prediction is for **net job growth of 700 per annum** (pa), the same level of net expansion of the past decade (most other WDF economies are predicted to grow much slower in the next decade compared to the past decade, partly as growth in the previous decade in other WDF economies was much stronger than in the North West). This similar level of growth to the past is explained by an initial period of 'bounce back' (when growth is above its long-term sustainable rate) and the fact that previous levels of growth were by no means spectacular relative to other WDF economies.
- **Future sectoral growth is predicted to be driven by exporting service sectors** – particularly business services which is forecast to create 3,500 net jobs between 2010 and 2020. The health & social work sector is forecast to create 1,200 jobs over the same period, although this is dependent upon health spending being 'ring-fenced' from the pending squeeze in public finances.
- **Aspirational Scenario** – This suggests that employment in the North West WDF area could grow by around 1,000 jobs per year (about 8,300 over the period to 2020). Given the nature of the scenario and the sectoral pattern of employment uplift, a high proportion of the additional scenario jobs (hi-tech manufacturing and 'potential' service exporting sectors) will be 'urban-friendly'.

## **USEFUL SOURCES OF LABOUR MARKET INFORMATION**

Expert Group on Future Skills Needs – Republic of Ireland

[www.skillsireland.ie](http://www.skillsireland.ie)

DETI – Northern Ireland District Council Briefing, Redundancies, Census of Employment, Labour Force Survey, Annual Survey of Hours and Earnings

[www.detini.gov.uk/deti-stats-index.htm](http://www.detini.gov.uk/deti-stats-index.htm)

UK Labour Market Trends

[www.statistics.gov.uk/about/platforms/lmt](http://www.statistics.gov.uk/about/platforms/lmt)

Office for National Statistics

[www.statistics.gov.uk/default.asp](http://www.statistics.gov.uk/default.asp)

Careers Service Northern Ireland

[www.careersserviceni.com](http://www.careersserviceni.com)

## **EXPLANATORY NOTES**

- Some of the information in the Labour Market Profile is taken from sample surveys and so results are subject to sampling error. The nature of sampling variability is that the smaller the group whose size is being estimated the (proportionately) less precise that estimate is.
- Figures for people in employment include those aged 16 and over, who have completed at least one hours paid work in the reference week (either employed or self-employed).
- Figures for employee jobs do not include those who are self-employed.









people:skills:jobs:



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