

Labour Market

Employment Rate	Unemployment Rate	Inactivity Rate
71.7%	3.1%	25.9%



Up over quarter,
Up over year

Source: NISRA



Up over quarter,
Down over year



Down over quarter,
Down over year

NI Construction Output

Up 2.3%	Up 7.6%
Over the quarter	Over the year



Source: NISRA

NI Composite Economic Index

Economic
Activity Over
the Quarter

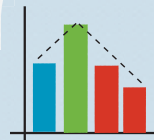
+0.3%

Annualised
Economic
Activity

+1.6%

Source: NISRA

Ulster Bank PMI



Reduction
in
Business
Activity



Further
Decline in
Business
Sentiment



Fall
in jobs for
sixth
month



Decrease
in new
Export
Orders

Source: Ulster Bank

DfE Monthly Economic Update

July 2019

In **Northern Ireland** the latest labour market statistics show that the unemployment rate increased over the quarter and decreased over the year to 3.1%. The NI Rate is below the UK (3.8%), the RoI (4.6%) and the EU rate (6.4%). The claimant count increased over the month by 450 and by 1,500 over the year, and currently stands at 30,300. The employment rate increased over the quarter and the year to a record high of 71.7%. The Economic inactivity rate decreased over the quarter and year by 0.6pps and 1.5pps respectively to 25.9%, one of the lowest on record.

According to the latest NI Composite Economic Index, economic activity increased by 0.3% over the quarter to Q1 2019 and by 1.5% compared to Q1 2018. The increase over the year was driven by increases in the construction sector (+0.5pps), production sector (+0.4pps), services sector (+0.4pps) and the public sector (+0.2pps). Average annualised output growth for the four quarters to Q1 2019 was 1.6% compared to the previous four quarters.

Construction output in NI increased by 2.3% compared with Q4 2018 and was 7.6% higher over the year to Q1 2019. The increase from the previous quarter was accounted for by a 0.4% increase in New Work. There were increases in Housing (+7.7%), Infrastructure (+0.7%) and Other Work (+0.9%) compared with the previous quarter.

The Ulster Bank PMI for June signalled a deepening downturn for the Northern Ireland private sector. Business activity fell further, representing the strongest reduction in output since November 2012, while employment fell for the sixth successive month. Falling output was registered across all four broad sectors, with steep declines seen in construction, retail and manufacturing. New orders hit a 7-year low, with export

orders falling which in turn fed into a further reduction in backlogs of work.

The latest Northern Ireland Broad Economy Sales and Exports statistics reveal that total purchases by NI companies were estimated to be valued at £44.3 billion in 2017, a 3.2% increase over the year. Total imports to NI in 2017 were £7.1 billion, an increase of 8.3% over the year. Imports from RoI were estimated to be worth £2.6 billion in 2017, 36% of total imports to NI

The Northern Ireland Business Register and Employment Survey reveal the total number of employee jobs in 2018 were 771,379 representing an increase of 2.0% since September 2017. The increase in employee jobs was driven by growth in the service industry (10,405 jobs) which accounted for 69% of the increase.

The latest Inter Departmental Business Register shows that the number of VAT and/or PAYE registered businesses in NI increased by 1,430 (1.9%) in 2019 to 75,490. This marked the fourth consecutive year of increase. The largest increases were in construction (300) and agriculture, forestry and fishing Industries (235).

Key Recent Statistics and Updates

- Business generated approximate GVA (aGVA) of £22.0bn in 2017 according to the Annual Business Inquiry an increase of 1.2%.
- The Department of International Trade reveal Foreign Direct Investment projects to Northern Ireland increased by 25% to 35 compared to 2017-18.
- CPI was 2.0% in June 2019, unchanged from May 2019.
- Northern Ireland at 39% was the least innovative region of the UK; this was 10pps below the UK average according to the 2017 Innovation Survey