

Northern Ireland's labour market statistics have provided a plentiful source of positivity in recent years. Unemployment has hit lows that no economist forecasted and employment has never been higher. The latest batch of data in the Labour Force Survey (June - August 2019) reveals some more record highs (e.g. employment amongst males). However, there are a variety of indicators that suggest that the labour market is on the turn. These signs of a weakening labour market must be placed in the appropriate context; namely, Northern Ireland's labour market has never been stronger. Indeed, Northern Ireland's unemployment rate remains at the ridiculously low level of 2.9%, just a shade above last month's record low of 2.8%.



Over the last quarter, economic inactivity has rebounded off its record low. Meanwhile the employment rate has edged down from its Q2 record high of 72.2. This has been brought

about by a 1.3% fall (-11,000) in the number of people working in Jun-Aug relative to Q2. Over the same period the number of employees has fallen by almost 2%. A turning point is also evident with the total number of weekly hours worked in Jun-Aug falling 3% from the record highs in the first half of 2019.

The labour market news in September was dominated by Wrightbus going into administration with 1,200 redundancies. This accounted for the bulk of the 1,452 redundancies proposed in September. Last month's total represents the highest calendar month total since 2003. It remains to be seen how many of these jobs will be saved following the proposed recent acquisition of Wrightbus by a new investor.

Looking ahead, Northern Ireland's labour market is set to weaken in coming quarters given the marked deterioration in business conditions that has occurred in Q3. It looks increasingly likely that Q2 represented Northern Ireland's labour market peak for jobs and trough for unemployment. Ongoing Brexit uncertainty has been translating into negative economic and business outcomes. Ultimately these outcomes impact on investment plans, staffing levels and the labour market in general.

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