



OXFORD
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Department for Regional Development (DRD)

Business Land Need Study

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Contents

EXECUTIVE SUMMARY.....	i
CAVEATS	ix
1 INTRODUCTION.....	11
1.1 BACKGROUND.....	11
1.2 SCOPE OF UPDATE REPORT.....	11
1.3 REPORT STRUCTURE	12
2 CHANGE IN ECONOMIC BACKDROP	14
2.1 GLOBAL AND NATIONAL CONTEXT	14
2.2 LOCAL CONTEXT	15
3 BASELINE EMPLOYMENT FORECASTS.....	17
3.1 NI TOTAL EMPLOYMENT TRENDS AND FORECASTS.....	17
3.2 NI SIC EMPLOYMENT TRENDS AND FORECASTS	17
3.3 NI B-SPACE EMPLOYMENT TRENDS AND FORECASTS.....	20
3.4 ELEVEN COUNCIL TOTAL EMPLOYMENT TRENDS AND FORECASTS.....	22
3.5 ELEVEN COUNCIL B-SPACE EMPLOYMENT TRENDS AND FORECASTS	25
4 UPPER SCENARIO EMPLOYMENT FORECASTS.....	26
4.1 TARGETS AND ASSUMPTIONS	26
4.2 NI WIDER ECONOMY OUTCOMES	28
4.3 NI SIC EMPLOYMENT FORECASTS.....	29
4.4 NI B-SPACE EMPLOYMENT FORECASTS	32
4.5 ELEVEN COUNCIL TOTAL AND B-SPACE EMPLOYMENT FORECASTS	33
ANNEX A: PLANNING (USE CLASSES) ORDER (NI) 2004 SCHEDULE.....	35
ANNEX B: ELEVEN COUNCIL BASELINE B-SPACE EMPLOYMENT FORECASTS	37
ANNEX C: ELEVEN COUNCIL UPPER SCENARIO B-SPACE EMPLOYMENT FORECASTS	40

Executive summary

In order to facilitate read-across and comparison with the original business land need forecasting research, undertaken by Oxford Economics and Roger Tyms & Partners approximately one year ago, the executive summary of this update report is presented in the style of a 'key findings / conclusions one year ago' compared to a 'what still holds, what has changed' from latest employment outlooks. The executive summary reporting style is deliberately brief and in bullet form.

Note this approach includes presenting on issues which have not been updated in this report (given the agreed scope), but which we believe are still as pertinent today and are therefore worth recapping.

Key findings / conclusions one year ago (summer 2008 outlooks)	What still holds / what has changed (latest summer 2009 outlooks)
Recent key employment trends for B-space land use	
<p style="text-align: center;">Manufacturing</p> <p>There had been a decline in overall employment with large losses in the least competitive sub-sectors such as textiles. Although it was noted that some manufacturing employment was likely to have been recorded under the growing labour recruitment element of business services and some manufacturing sub-sectors had recorded net employment growth (e.g. pharmaceuticals), albeit on a relatively small scale</p> <p style="text-align: center;">Construction</p> <p>Strong employment growth had been driven by a growing population (supported by a reversal in migration), a housing market boom and an overall strong economy</p> <p style="text-align: center;">Business services</p> <p>Business services was the fastest growing sector in absolute employment terms</p> <p style="text-align: center;">Spatial</p> <p>Over the last decade a number of council areas had experienced a net increase in employment of 5,000+, besides just Belfast - this included Ballymena, Craigavon, Dungannon, Lisburn and Newry</p>	<p style="text-align: center;">Manufacturing</p> <p>Bucking the long-established trend, there was an approximate 1,000 net increase in manufacturing employee jobs between 2005 and 2007, even with almost 2,000 net job losses in textiles (manufacturing self-employment however fell). A portion of the growth will have been linked to the strength in demand over the same period in the domestic construction sector (e.g. manufacturing of aggregates etc), which is now expected to reverse partly with the slowdown in the housing market.</p> <p style="text-align: center;">Construction</p> <p>Over 6,000 net extra construction employee jobs were created between 2005 and 2007, exceeding even the strong growth of preceding years and mirroring a similar trend in ROI</p> <p style="text-align: center;">Business services</p> <p>The pattern of previous years continued with a 5,000+ net expansion in business service employee jobs 2005-2007</p> <p style="text-align: center;">Spatial</p> <p>DETI Census of Employment data 2005-2007 shows all councils growing in net employee terms with the exception of Strabane. The fastest growing councils, in absolute total employment terms 2005-2007, included Belfast, Newry, Dungannon, Armagh, Derry and Lisburn</p>

Key findings / conclusions one year ago (summer 2008 outlooks)	What still holds / what has changed (latest summer 2009 outlooks)
Forecast key employment trends for B-space land use – baseline	
<p style="text-align: center;">Global and national</p> <p>Slowing short-term global, UK and ROI economic growth in 2008 and 2009 had been predicted but global growth was forecast to remain relatively robust), followed by recovery in 2010 and a return to long-term average rates</p> <p style="text-align: center;">Total employment</p> <p>A sharp slowdown in employment growth in the coming years was expected one year ago - total employment was forecast to increase by only 12,000 between 2007 and 2012 on a net basis (and by 27,000 from 2012-2017). It was also explained how the UK Comprehensive Spending Review (CSR), which was resulting in a slowdown in growth in public spending across all UK regions, would have knock-on effects on employment in the rest of the NI economy</p> <p style="text-align: center;">Manufacturing</p> <p>Fewer job losses in manufacturing were predicted in the decade ahead as the shake-out of less competitive jobs (e.g. textiles) was deemed to be more or less complete</p> <p style="text-align: center;">Construction</p> <p>The sector had been forecast to contract in the next few years before recovering, given Oxford Economics view at the time that house prices were significantly over-valued</p>	<p style="text-align: center;">Global and national</p> <p>Since summer 2008, international conditions have worsened dramatically with global recession predicted in 2009 for the first time since WWII. Both the UK and ROI are already in technical recession, and severe recessions at that, with full recovery not expected until 2011/2012. The long-term outlook is however for a return to similar rates of global and national growth as predicted one year ago</p> <p style="text-align: center;">Total employment</p> <p>The short-term employment outlook has changed markedly since last summer with, rather than a period of moderate growth, almost 40,000 net jobs are forecast to be lost between 2008 and 2010. Total employment is not expected to return to its 2008 peak until 2016. A much tighter fiscal environment, even more so than previously announced in the last CSR, will be one of the factors weighing on NI's medium-term prospects. The longer-term total employment outlook, i.e. 2015-2028, is for a similar net annual expansion of 6,000-7,000 as predicted one year ago. Note that growth of the past was twice this rate in absolute terms (approx 13,000 pa)</p> <p style="text-align: center;">Manufacturing</p> <p>Despite the shake out in textiles, NI's manufacturing sector is being hit hard in the recession from a combination of global (fall in world trade) and domestic factors (downturn in construction). While the weakness of sterling provides a boost, this is offset by rising import costs from the US and Eurozone and overall weak demand. The outlook further ahead, beyond the recession and recovery phase, is similar to before with a slower rate of decline compared to the past decade</p> <p style="text-align: center;">Construction</p> <p>The bursting of the housing bubble had been factored into Oxford Economics construction employment forecasts one year ago and as such the current scale of predicted net job loss is similar to before. Recovery in construction employment is still predicted as the sector is pro-cyclical and will start to grow again when the economy grows and demand for housing picks up</p> <p style="text-align: center;">Business services</p> <p>Unlike the bursting of the housing bubble, the credit crunch /</p>

Key findings / conclusions one year ago (summer 2008 outlooks)	What still holds / what has changed (latest summer 2009 outlooks)
<p style="text-align: center;">Business services</p> <p>Continued expansion in business services employment had been predicted though at a more modest rate of growth than the last decade</p> <p style="text-align: center;">Spatial</p> <ul style="list-style-type: none"> • The emergence of city economies was predicted, as well as a different outlook in terms of the magnitude and pattern of employment growth compared to the 'golden era' of the previous decade • The potential for overall net job losses or negligible employment growth in a number of councils over the next decade was flagged, particularly areas more dependent on retail and construction. • Only Belfast was forecast at the time to create more than 5,000 net jobs in the next decade, with other city economies expected to out-perform more rural economies (in absolute and per cent growth terms). Some manufacturing areas, particularly around mid-Ulster, were expected to perform reasonably 	<p>global banking crisis and associated knock-on impacts took almost everyone by surprise – forecasters, governments, investors alike. This was partly due to the opaqueness of financial transactions (e.g. hedge funds) and partly because the role and risks of growing debt levels were not fully understood or explored. The business service sector in NI is being directly affected by the: housing market downturn (e.g. sub-sectors such as real estate and legal services dependent on housing transactions), manufacturing weaknesses (remember labour recruitment is part of business services), a fall in general business spending (implications for advertising, marketing etc) and drop in global demand for service exports such as software. The sector is forecast to lose 7,000 net jobs during the recession and remain relatively stagnant for a number of years before returning to a path of modest growth</p> <p style="text-align: center;">Spatial</p> <ul style="list-style-type: none"> • NI cities are / will be hit hard in the recession with their concentration of professional services and retail, although the latter in some locations is currently being boosted by unprecedented cross-border shopper flows, despite the severity of the ROI recession. • Belfast's total net employment growth forecast for the next decade is now 15,000 lower compared to one year ago. Over the period 2018-2028 (and indeed a few years before) city economies are however expected to come to the fore again with almost half of all NI's net new jobs expected to be created in 4 of NI's 5 city councils (Belfast, Derry, Lisburn and Newry) • While cities will suffer in the recession, no area is predicted to be spared. All councils are forecast to experience net job loss in 2009 and 2010 although losses in 2010 are not expected to be as high • It is worth mentioning here also that the outlook for agriculture employment has improved (a much more modest decline), which along with the emergence of the green technology sector (where ever these jobs might locate and whatever form they may take), suggest a potentially brighter economic future for rural economies than was predicted one year ago
Forecast key employment trends for B-space land use - upper scenario	
<p>Magnitude and sectoral distribution of additional jobs</p> <p>45,700 extra direct jobs in export potential sectors, professional services, tourism and manufacturing by 2028, with assumed above sector average productivity. 50,300</p>	<p>Magnitude and sectoral distribution of additional jobs</p> <p>An almost identical number of extra direct and multiplier jobs are assumed again across the same sectoral distribution, i.e. direct jobs are in export sectors. Due to changes in actual and</p>

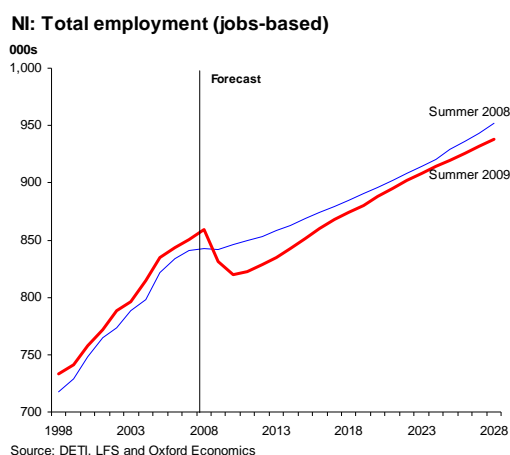
Key findings / conclusions one year ago (summer 2008 outlooks)	What still holds / what has changed (latest summer 2009 outlooks)
<p>secondary jobs generated as 'multiplier' jobs by 2028 (sometimes known as indirect and induced jobs)</p> <p style="text-align: center;">Spatial</p> <p>Location of extra jobs was dictated by past local trends and thus indirectly by local endowments of skills, land and transport infrastructure. This meant, for example, that areas with a limited export base did not receive a considerable boost to employment. City locations benefited most attracting most of the extra professional service office jobs. Industrial areas in mid-Ulster also performed significantly better in the upper scenario</p>	<p>forecast levels of GVA across regions, it has been necessary to assume slightly higher productivity uplift factors to achieve convergence with the forecast UK level of whole economy productivity in 2030, as well as GVA per capita and employment rate convergence. Note achievement of this scenario would substantially exceed, by 2015, the PSA 1 private sector productivity gap, which excludes the Greater South East</p> <p style="text-align: center;">Spatial</p> <p>Again location of extra B-space jobs is dictated by past local trends and by local endowments of skills, land and transport infrastructure. City locations benefit most attracting the majority of the extra professional service office jobs though industrial areas in mid-Ulster and Armagh & Bann (which includes the large industrial estates of Craigavon) also attract a significant portion of the extra manufacturing jobs (or overall lose fewer industry jobs in the upper scenario)</p>
Market balance - adequacy of supply	
<p style="text-align: center;">Supply of employment land</p> <p>The supply-side audit exercise in the original report revealed that NI, at the time and based on information available, had over 2,000 ha of zoned employment land available (or at least zoned at the time development plans were prepared). As a rough guide and based on the prevailing B-space employment structure, 2,000 ha of employment land could support almost 190,000 extra jobs</p> <p style="text-align: center;">Demand versus supply</p> <ul style="list-style-type: none"> A simple comparison of identified supply against the forecast demand for employment land showed a major excess supply of employment land across NI, even considering demand up to 2028 and even under the upper scenario. Across councils only Antrim was forecast to have a potential employment land supply bottleneck (and only after including town centre office employment which strictly should not be included). Several areas, as well as BMA, were expected to have a significant excess supply of land such as Cookstown, Dungannon, Larne, Limavady and Magherafelt <p style="text-align: center;">Cautionary caveats</p> <ul style="list-style-type: none"> The zoned employment land figure of 2,000 ha from area 	<p style="text-align: center;">Supply of employment land</p> <p>It was beyond the scope of this work, as agreed with DRD, to re-visit the supply-side audit of employment land. For the purposes of drawing conclusions, we assume the headline result from before, notwithstanding all previous caveats, of there being over 2,000 ha of zoned employment land available. This of course is unlikely to still fully hold with development already well progressed on major employment sites which will have been part of the available supply in Area Plans</p> <p style="text-align: center;">Demand versus supply</p> <ul style="list-style-type: none"> <u>Perhaps the key result from this update report is that the B-space net employment growth (excluding town centre office) over the period 2008-2028 is much lower than before. There is forecast to be 13,000 fewer B-space jobs in the new baseline by 2028 compared to one year ago</u> <u>In fact B-space sectors are hit so hard by the recession that the total B-space employment peak in 2006-2008 is not even reached again by 2028</u> <u>Obviously therefore the same simple comparison of identified previous supply (2,000 ha zoned land) against the new forecast demand for employment land shows an even greater excess supply of</u>

Key findings / conclusions one year ago (summer 2008 outlooks)	What still holds / what has changed (latest summer 2009 outlooks)
<p>plans did, and still does not necessarily mean that all of this land is developable. The scope of the study did not extend to assess the quality or market attractiveness of the supply sites. It could be that the sites identified were not financially viable to develop either because of an infrastructure deficit or because their location is not attractive to potential B-space occupiers. i.e. the analysis is purely quantitative – in other words the quality, deliverability and phasing of land supply was not considered</p> <ul style="list-style-type: none"> The comparison of demand versus supply did not take account of future losses, where employment land is transferred to other uses such as housing or retail The demand forecasts related to net change in employment (difference between jobs lost and gained) and therefore the net floorspace / land requirement change – the balance of space gained minus space vacated. The planned land supply represented development sites, which are gross supply - the land is theoretically available for gross gains only. To assess the requirement / demand for new development sites (gross demand), it is necessary to add to the net land requirement figure the land required to replace any existing space which is lost (i.e. not viable for occupation) Given these supply data quality issues, it was emphasised that extreme caution should be exercised when forming conclusions which relied on the limited available data, particularly on the supply-side 	<p><u>employment land across NI, even considering demand up to 2028 and even under the upper scenario.</u></p> <p>Cautionary caveats</p> <ul style="list-style-type: none"> All still apply today
Recommendations	
<p style="text-align: center;">Demand side</p> <ul style="list-style-type: none"> Consider more bottom-up scenario formulation at local council level Investigate the actual and desired proportion of office employment in town centres versus outside of town centres <p style="text-align: center;">Supply-side</p> <ul style="list-style-type: none"> Assess the quality and viability / market readiness of sites zoned for employment uses in Area Plans, and simultaneously assess the capacity of town centres to accommodate additional office and retail floorspace 	<p style="text-align: center;">Demand side</p> <ul style="list-style-type: none"> All demand recommendations are still applicable In updating the previous analysis from last summer in this report, DRD has implemented one of the previous recommendations Given the uncertainties still facing the global and local economies, it may again be advisable to revisit the demand-side forecasts in 12-18 months as the future shape of the economy becomes clearer <p style="text-align: center;">Supply-side</p> <ul style="list-style-type: none"> Still all applicable The importance of quality and 'nearness' to market of available employment land is perhaps even more important today as competition to attract a smaller pot of FDI will be higher than one year ago. Economies with the

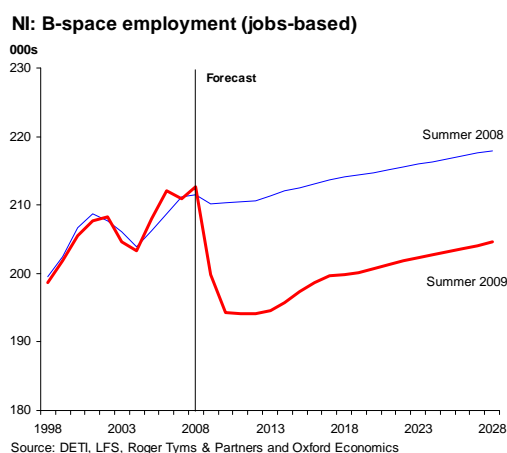
Key findings / conclusions one year ago (summer 2008 outlooks)	What still holds / what has changed (latest summer 2009 outlooks)
(which could be forecast separately using a similar approach to this report and estimates of consumer spending, including cross-border consumer spending which will be driven by ROI economic performance and exchange rate and inflation trends)	<p>most flexible and attractive supply-side offerings (land, skills, infrastructure etc) are also likely to be better positioned for growth in the recovery phase</p> <ul style="list-style-type: none"> DRD should not only seek to update the previous supply-side audit of employment land but also come up with criteria to assess employment sites – the criteria in the DCLG Employment Land Review Guidance would provide a useful starting point. The criteria are structured under 3 headings – market attractiveness, sustainable development and strategic planning

By way of summary, the charts and tables below summarise the key total, B-space and spatial employment forecasts for the new baseline position compared to one year ago. **These clearly highlight the weaker short-term outlook compared to the summer 2008 forecasts, but also similar rates of long-term employment growth post recovery phase for both total employment and total B-space employment.**

NI total employment trend and forecast (baseline)



NI B-space total employment trend and forecast (baseline)



Change in NI B-space baseline employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Office	33.9	40.4	22.8	6.5	26.5	19.9
Office (excluding town centre)	8.5	10.1	5.7	1.6	6.6	5.0
Industry	-4.2	-3.0	-7.2	-15.7	-7.8	-4.3
Warehousing	7.5	6.8	4.2	1.2	5.1	4.1
B-space total	11.8	14.0	2.7	-12.8	3.9	4.8
Non B-space	113.5	112.0	39.4	27.6	62.8	59.0
Total employment (000s)	125.3	126.0	42.1	14.8	66.7	63.7

Source: DETI, LFS, Roger Tynms & Partners and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Change in 11 district council baseline B-space employment forecasts 2008-2028 (000s)

	Office (excluding town centre)		Industry		Warehousing	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Belfast City Council	6.2	2.6	-2.4	-2.8	1.7	0.5
Derry City & Strabane Regional Council	1.0	0.8	-2.0	-1.9	0.4	0.2
Armagh City & Bann District Council	0.5	0.3	-2.6	-3.2	2.2	1.2
Lisburn City & Castlereagh District Council	1.0	0.7	-2.0	-2.0	0.5	1.0
Newry City, Mourne & Down District Council	0.5	0.5	-0.7	-0.8	0.9	0.4
Antrim & Newtownabbey District Council	1.1	0.5	-1.6	-1.8	1.4	0.9
North Down & Ards District Council	0.5	0.4	-1.3	-1.1	0.2	0.2
Antrim Coast & Glens District Council	0.4	0.3	-1.3	-1.3	0.4	0.3
Fermanagh & Omagh District Council	0.4	0.2	-0.7	-1.2	0.5	0.2
Mid & East Antrim District Council	0.5	0.2	-1.7	-2.3	0.5	0.2
Mid-Ulster District Council	0.3	0.1	1.0	-1.7	0.6	0.3
NI (000s)	12.4	6.6	-15.2	-20.0	9.3	5.3

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Note figures presented throughout the report in tabular form may not add exactly due to rounding.

In terms of final thoughts, the brief list of bullet points below highlights some issues (and policy responses) which may emerge during and post recession, which DRD may wish to consider and indeed may already be considering.

- **Green jobs** – little is known about what green employment sectors are (are they part of B-space?), exactly how the sector will evolve and spatially where green jobs may cluster if at all. It can however at minimum be expected that the sector will grow, the question being more whether NI can develop specialisation and create a critical mass of green employment (which may require a special type of employment land requirement)
- **Legacy of recession** – major job losses during the recession are likely to create large amounts of available new space (from businesses vacating land, companies merging etc), half occupied business parks and industrial estates and vacant sites. DRD should consider the most appropriate response by government to mitigate the negative externalities associated with this (buying land when it is cheap, converting to alternative use etc). With the public purse strings tight however, the scope for spending will be limited so some form of environmental taxing (based on a site's carbon footprint) may be necessary to avoid large swathes of land otherwise becoming unfit for development. (Historically businesses have opted for greenfield ahead of more expensive to develop brownfield sites and this might continue during and after recession)
- **End of Selective Financial Assistance (SFA) in 2013** – the end of SFA from InvestNI in 2013 has the potential to change attitudes towards space and land use and should be considered further in consultation with InvestNI
- **Rates on vacant commercial properties** – back in 2004 a decision was undertaken by the direct rule minister to oblige owners of unoccupied non-domestic (commercial) property in NI to pay rates under new legislation (although there were exemptions for industrial properties). The main objective of this reform of the rating system was to encourage better asset management and bring vacant property back into occupation and use in the non-domestic sector. It was also aimed at

bringing NI into line with the rest of the UK, where rates have been levied on vacant commercial property for many years. However for a number of reasons, including the onset of recession, the reform has not yet taken place. We believe that a recession provides a greater rather than lesser need for reform to try to encourage better asset management rather than run the risk of even greater amounts of property becoming vacant and lying unused.

Caveats

As in the original report, we believe it is important to flag up a number of important caveats. These need to be borne in mind when drawing conclusions from this report. We do not repeat all caveats here as the scope of this update, and subsequently the issues considered, are more limited than the original report. The main caveats to remember therefore are:

- **Quality and timeliness of employment data** - the quality and timeliness of employment data is still an issue, even with 2007 Census of Employment council employee data being incorporated into this report (2007 is still two years ago!).
- **Self-employment data** – bar the Census, sectoral self-employment data is not wholly available for NI or by district council as sample sizes from the LFS are too small to be reliable. A number of assumptions and calculations are therefore required not only to estimate total self-employment at council level (e.g. the ratio of employee jobs to self-employment) but also to estimate at the level of detail required for B-space aggregation (SIC 4-digit).
- **B-space definition** - the mapping framework used in the original and this study to translate SIC employment to broad B-space aggregates is not a perfect definition of B-space employment and land use. This is due to the limitations of official employment data and the varied way in which similar companies in the same sector may use space. For example some of the sub-sectors categorised as B-space may occupy other types of space. E.g. banks can occupy both office space and retail space; a post or courier company may occupy warehouses or offices and potentially retail premises may locate in or out of town centres. This is because employment is classified by SIC activities and not directly by land use category. Despite this it is considered that the mapping framework used represents a best estimate for translating SIC coded employment into planning use classes. Note also it is recognised that it would be useful to present additional land use detail – i.e. a breakdown of industry employment into light industry and general industry. However to do this may violate DETI disclosure criteria, i.e. if there is only one B1b business (i.e. call centre) in a local area.
- **Definition of industry** – in some NI forums, including Invest NI, the understanding of the term ‘industry’ encompasses some element of tradable services, which in this study are classified under ‘office’. The definition of industry in this report is not a strict ‘manufacturing industry’ definition as it includes elements of construction and some motor vehicles activities. Therefore the term industry used throughout this study, which follows a more generally accepted standard definition, should not be confused with other NI forum understandings of the term.
- **Excluding town centre office employment from B-space** - removing town centre office employment (financial and professional services in shopping areas), from official employment data, is challenging as this requires detailed 4-digit SIC employee data at town centre / shopping area geography level. It is difficult for DETI to provide this data due to disclosure constraints. However given the need to quantify B-space employment requirements outside of town centres (i.e. exclude office employment in town centres), an assumption is made on the town centre share of total office employment. In the absence of any better available information, **the arbitrary assumption used is that 75 per cent of office employment is in town centres** – this is based on two factors: (1) PPS 4 (2003 draft) aims to focus office development in town centres; and (2) the definition of office employment used in this report was originally based on high-density SIC activities appropriate for

town centre locations. This would then leave high technology and R&D-type office activities jobs as a residual locating outside town centres. Note this adjustment (75 per cent) is however only made for NI total office employment (and not individual councils) as we do not consider it appropriate to apply the same share across all councils with differing town centre sizes. This assumption would most certainly require further investigation, although this is beyond the scope of this project.

- **Net employment change** - employment forecasts relate to net change. Net change in employment (the stock of jobs) is the difference between jobs lost and jobs gained. The net change in the floorspace stock that these jobs will require is therefore based on net additional jobs and not gross jobs. If floorspace is lost, for example where previous sites are no longer fit for purpose, actual floorspace requirements will be higher than predicted by the net employment change approach. Available data on planned land supply shows only gross gains which make the market balance analysis more difficult and uncertain.
- **Scenario construction** - the scenario constructed for this study is purely the opinion of Oxford Economics and not an accepted governmental view of the way forward or linked to government PSA targets. [This however, in our view, does not make the upper scenario entirely inappropriate. Previous scenario analysis by Oxford Economics on PSA 1 (private sector productivity) shows that achieving this target is more a productivity than a job creation scenario. Given one of the roles of DRD is to ensure that there is a generous and continuous supply of land in appropriate locations, a more job creation orientated scenario, such as the upper scenario in this and the original report, provides a more conservative assessment of future employment land need. That is conservative in terms of supply adequacy rather than conservative demand forecasts] However at fine-grain geography, such as super councils, the possibility of 'one off' firms locating in an area and more than exceeding employment expansion, even in the upper scenario, is considerable, especially in areas outside Belfast.

Acknowledgements

Oxford Economics would like to thank again Sean Donnelley and his team from DETI for providing 4-digit employee jobs data from the 2007 Census of Employment for each of NI's existing 26 council areas. As before, this data is required to construct historical business land use employment aggregates at individual council and super council level.

1 Introduction

1.1 Background

Over the last six months the world economy has been moving rapidly into potentially the worst recession since the 1930s. The contagion from the global credit crunch has placed almost all economies in a precarious position, making the economic environment at a global, UK and NI level increasingly challenging.

Given the rapid deterioration in economic conditions, both internationally and locally, the outlook today (summer 2009) is not only significantly different from performance in the previous 'golden era' decade, but also weaker than outlooks provided at the time of Oxford Economics' previous future business land need research for the Department for Regional Development (DRD). [It is important to remember however that one year ago, the forecasts still predicted slower growth compared to the previous decade, though not by as much as is now predicted (see later)]

Indeed the original 'Business Land Need Study' report highlighted the need to revisit the employment outlooks, as (1) they were based on December 2005 employee data for councils (the latest available at the time); and (2) given the potential, as has turned out, for a change in wider economic conditions.

Now that the 2007 Census of Employment employee jobs data has become available from DETI at council level, it is a timely opportunity to update the forecasts based on new outturn data and the most up-to-date global, industry, national and regional outlooks. Given the long-term focus of the Regional Development Strategy (RDS) and planning in general, it is also timely to bring some clarity on how NI's long-term employment prospects have changed, if it all, to distinguish from the more widely discussed short-term effects of recession.

1.2 Scope of update report

The scope of this update report, as agreed with DRD, is to:

- Provide updated SIC industry and B-space employment forecasts for NI as a whole, and the new 11 super councils proposed under RPA – see Box 1.1 (previously forecasts were provided on a 26 district council basis). Updated outlooks are based on 2007 council Census of Employment actual employee data (i.e. new data published since the original report) and Oxford Economics' latest (summer 2009) outlooks for the economy (at regional and local level). In other words this project has involved a full update of SIC employment forecasts from Oxford Economics' NI Policy Simulation Model (NIPS) and Local Model of Administrative Districts (LOMAD), and translation to B-space employment categories (office, industry and warehouse).

Note SIC employment data is still based on the SIC 2003 classification. SIC 2007 employee data will be available soon (but not in time for this update). DRD should however consider reverting to SIC 2007-classified employment data in due course. Oxford Economics will be recasting all of its existing models to the SIC 2007 classification in the coming year.

- The second element of the update is to present the updated employment forecasts via this concise report brief, describing, comparing and explaining the differences with the original forecasts provided within the 'Business Land Need Study' in 2008.

Box 1.1: Eleven super council geographies

As agreed with DRD, the proposed new super council groupings are as follows:

1. Belfast City Council
2. Derry City & Strabane Regional Council
3. Armagh City & Bann District Council (currently Armagh, Craigavon and Banbridge)
4. Lisburn City and Castlereagh District Council
5. Newry City, Mourne and Down District Council
6. Antrim & Newtownabbey District Council
7. North Down & Ards District Council
8. Antrim Cost & Glens District Council (currently Limavady, Coleraine, Moyle and Ballymoney)
9. Fermanagh & Omagh District Council
10. Mid & East Antrim District Council (currently Ballymena, Larne and Carrickfergus)
11. Mid-Ulster District Council (Cookstown, Dungannon and Magherafelt)

Note employment trends and forecasts for the 11 super councils presented in this report are simply the aggregation of data across the existing 26 councils (using the classification above). We understand there will be / have been boundary changes for the new super councils (e.g. Poleglass now part of Belfast as opposed to Lisburn). However official employment data is not yet produced on this basis (nor is LOMAD yet) so amalgamation of existing council areas is the best available option at this stage.

- **What the scope does not include?** Compared to the original report, it is also important to be clear what we have not been asked to do here. This project has not involved: (a) translating the revised B-space employment forecasts into floorspace demand and land requirement (though this can be done relatively easily); (b) an updated supply-side audit of available employment land; (c) a market balance comparison of employment land demand and supply; or (d) an update of the policy context and policy recommendations (many of the latter still hold today anyway).

1.3 Report structure

The remainder of the report is structured as follows:

- **Chapter 2 – Change in economic backdrop:** Brief overview of the changes in global, national and local economic conditions, performance and outlooks. The main purpose of this chapter is to serve as a backdrop for the revised baseline employment forecasts presented in chapter 3,
- **Chapter 3 – Baseline employment forecasts:** Presentation, with brief commentary, of latest employment trends and baseline forecasts for the NI economy as a whole and the new 11 super councils. This covers total employment, SIC industries and the B-space aggregates (office, industry and warehousing).
- **Chapter 4 – Upper scenario employment forecasts:** As for chapter 3, presentation of upper scenario employment forecasts for the NI economy as a whole and the new 11 super councils. This chapter also recaps the targets and assumptions which underpin the upper scenario.

- Annex A: Recap of the NI planning use classes
- Annex B: Baseline forecasts for total B-space employment (in chart form) for the eleven super councils (with some additional forecast detail for the existing 26 councils)
- Annex C: Upper scenario forecasts for total B-space employment (in chart form) for the eleven super councils
- **Note reporting is kept deliberately brief as agreed with DRD at the outset of this update.** In addition to avoid clutter, this report does not present all possible combinations of employment forecasts which may be of interest to DRD. For example, individual SIC industry and B-space employment forecasts, annually, across all super councils, and for both the baseline and upper scenarios. Oxford Economics is happy to, upon request, provide any additional forecast detail required in spreadsheet form.

Box 1.2: Change in self-employment data and correction to previous forecasts

- **Change in self-employment data** – Oxford Economics has recently learnt that DETI, for purposes of monitoring PSA targets, use a different source for some elements of self-employment to what is published on their website (which Oxford Economics had previously been using). More details on this can be provided upon request. Given the NIPS model is used to forecast PSA 1 and other government / Economic Development Forum (EDF) targets, it is important that our models and underlying data sources are directly aligned with DETI. This has meant that there have been some changes to the historic series for NI B-space employment (stemming from the new self-employment source), although the differences are small and can be observed in charts presented later.
- **Correction to previous forecasts** – in undertaking this update, we identified a small number of relatively minor sectoral forecast errors from our original research in the outer years of the forecast period (2024-2028). We apologise for these errors. Rather than build in these errors as differences from the new baseline, we have correct the employment forecasts from one year ago.

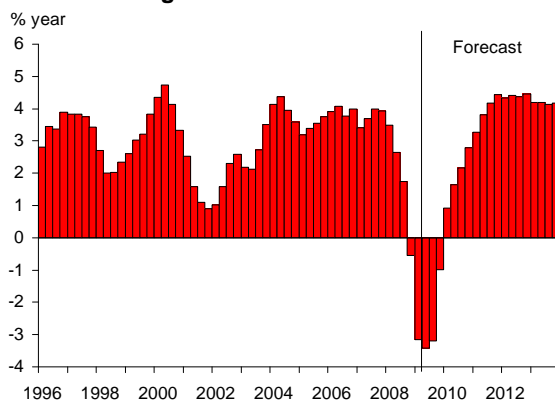
2 Change in economic backdrop

2.1 Global and national context

- The global economy has weakened considerably over the second half of 2008 and first half of 2009 as the excess of debt began to unwind and expectations (and realisation) of a deeper and potentially worldwide recession begin to spread across governments, consumers and businesses worldwide.
- **This global recession has had an unprecedented reach in terms of economies, sectors, occupations and people affected.** The latest impact of the recession, following on from crises in financial markets and downturns in housing markets, is a sharp reduction in global trade volumes which has brought manufacturing well and truly into the list of severely affected sectors.
- As shown in Fig 2.1, world GDP growth has fallen markedly from its recent level of close to 4 per cent and is expected to plunge into recession in 2009, the first time since World War II. The longer-term recovery is however strong and returns world growth to close to 4 per cent by 2012 (Fig 2.1).
- This recovery is nevertheless predicated on a level of business and consumer confidence returning, ultimately leading to an increase in demand. There are as such risks to be considered with this outlook. The first risk is the extent to which the economic ‘fundamentals’ of bank lending and borrowing have been damaged. There is unlikely to be significant appetite for a return to the same type of lending as was rife prior to this slowdown (though notably lending in the past has faced significant crisis – not least the Latin America debt crisis of the 1980s – and recovered). Secondly the longer-term implications of huge trade surpluses from China and corresponding deficits in developed countries, most notably the US, are difficult to accurately predict. A sharp recession with significant job loss in deficit economies may lead to much stronger public and political pressure not to revert to the patterns experienced in the lead up to the crash and potentially a more protectionist stance. Thirdly the massive fiscal stimulus packages implemented will have to be paid back by taxpayers in future, which will inevitably lead to tax rises that will cool demand during recovery.

Fig 2.1: World GDP growth (summer 2009)

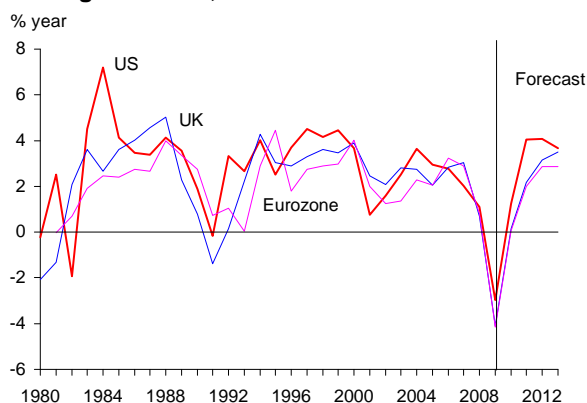
World: GDP growth



Source: Oxford Economics

Fig 2.2: US, Eurozone and UK growth (summer 2009)

GDP growth: US, Eurozone and UK



Source: Oxford Economics

- As Table 2.1 reveals, the UK outlook underpinning the NI forecasts in this report (summer 2009) is more pessimistic in the medium-term than outlooks from the previous summer, reflecting the speed of the deterioration in economic conditions. The change in ROI economic performance and outlooks, an increasingly important driver of the NI economy, is even more dramatic (Table 2.2). **However, the longer-term outlooks are less sensitive to the current downturn.**

Table 2.1: Change in UK GDP growth forecasts

	Summer 2008	Summer 2009
2008	2.0%	0.8%
2009	2.4%	-4.0%
2010	3.3%	0.3%
2011	3.5%	2.2%
2012	2.8%	3.2%

Source: ONS, Oxford Economics
Note: Annual average growth

Table 2.2: Change in ROI GDP growth forecasts

	Summer 2008	Summer 2009
2008	0.0%	-2.3%
2009	1.8%	-8.9%
2010	3.0%	-0.6%
2011	3.7%	3.1%
2012	3.4%	3.1%

Source: CSO, Oxford Economics
Note: Annual average growth

- This is not to say that uncertainties do not remain. **The economic slow-down is raising some critical questions over longer-term economic prospects and in doing so, is removing complacency that, it is fair to day, had been built up following a golden era for the global, UK and NI economies.** These questions include:
 - Is the financial and business service growth model still valid?
 - Could industrial production return to the UK as a source of job creation rather than job loss?
 - Will Sterling remain weak and what impact will this have on exporting sectors?
 - Will previous rates of growth ever be emulated?

All these questions exist as a challenging 'backdrop' against which this analysis needs to be considered.

2.2 Local context

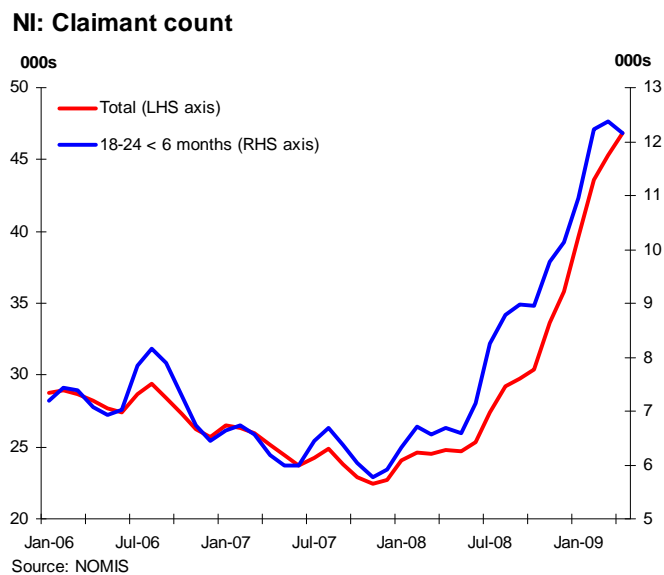
- The NI economy, much in the same way as the UK, ROI and several other leading economies, will not / is not escaping the current recession. This is despite its large public sector providing a very helpful buffer.
- The extreme overheating in the property market lead to a marked fall back for the economy and this has impacted through construction into retailing and elements of business services (real estate, legal services etc), the latter of which all depend upon house moves for business. Quarterly employee jobs data from DETI, though sometimes volatile, clearly confirms the downturn with net jobs losses across construction, retail and professional services (Table 2.3). As a result unemployment is rising sharply (Fig 2.3). The more recent effects of the slump in global trade are starting to show in the manufacturing employee jobs data, with large net job losses recorded in the second half of 2008 (Table 2.3).

Table 2.3: NI quarterly change in employee jobs

	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4
Manufacturing	270	1,080	-270	-100	-1,100	-1,660
Construction	580	450	-750	-880	-1,770	-1,700
Retail & distribution	220	5,180	-4,260	1,250	-820	2,360
Financial services	30	130	140	-120	-360	160
Business services	3,840	-560	-210	-480	-1,370	-630
Other personal services	220	-890	20	520	-140	-140
Total	2,470	7,290	-4,490	-900	-10,500	1,490

Source: DETI

Note: Not seasonally adjusted

Fig 2.3: NI claimant count


- What is clear is that the economic conditions, performance and the outlook for NI in early 2009 look entirely different to those in the decade prior, and like for the UK and ROI economies, the outlook is much weaker in the forthcoming period compared to last summer (Table 2.4).

Table 2.4: Change in NI GVA growth forecasts

	Summer 2008	Summer 2009
2008	1.8%	0.9%
2009	2.0%	-3.5%
2010	2.9%	0.7%
2011	2.9%	2.2%
2012	2.7%	2.5%

Source: Oxford Economics

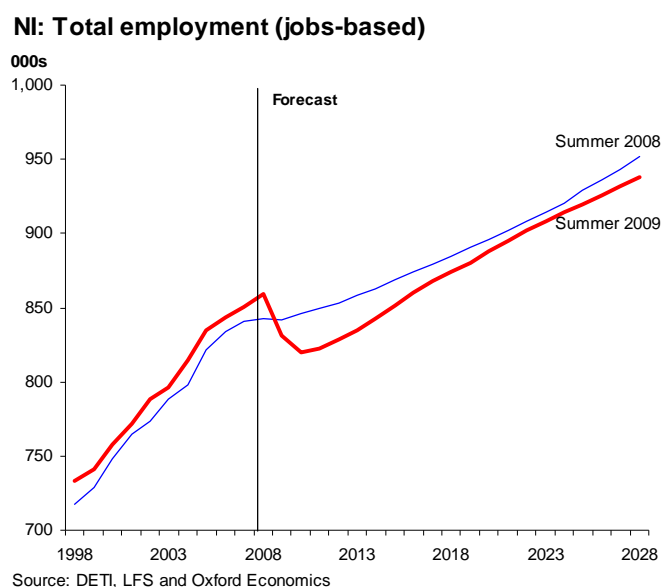
Note: Annual average growth

3 Baseline employment forecasts

3.1 NI total employment trends and forecasts

- Given the shift in economic conditions described above, the short-term employment outlook has changed markedly for the NI economy since last summer.
- Rather than a period of moderate growth in the current and coming year, almost 40,000 net jobs are forecast to be lost between 2008 and 2010 (Fig 3.1). As a result total employment is not expected to return to its 2008 peak until 2016.
- The longer-term total employment outlook, i.e. 2015-2028, is however for a similar net annual expansion of 6,000-7,000 as predicted one year ago. Note that growth of the past was twice this rate in absolute terms (approx 13,000 pa), emphasising how the recent decade genuinely was a 'golden era' and is not predicted to be repeated.

Fig 3.1: NI total employment forecast



3.2 NI SIC employment trends and forecasts

- As shown in Table 3.1 and the charts below, **the major difference in the latest NI total employment outlook can be explained by higher short-term job loss in manufacturing and declines across a majority of sectors.** The change in outlook for business services is particularly marked, although remember this includes labour recruitment (many temporary / agency workers will be the first to lose their jobs in the recession).
- Despite the shake out in textiles, NI's manufacturing sector is being hit hard in the recession from a combination of global (fall in world trade) and domestic factors (downturn in construction). While the weakness of sterling provides a boost, this is offset by rising import costs from the US and Eurozone and overall weak global demand.

- Interestingly the bursting of the housing bubble, which had been factored into Oxford Economics construction employment forecasts one year ago, has meant that the current scale of predicted net job loss is similar to before. Recovery in construction employment is still predicted post-recession as the sector is pro-cyclical and will start to grow again when the economy grows and demand for housing picks up

Table 3.1: Change in NI sectoral employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Agriculture, forestry & fishing	-8.0	-4.3	-6.6	-1.0	-5.1	-2.0
Mining & quarrying	0.3	0.9	0.0	-0.5	-0.3	-0.4
Manufacturing	-18.9	-17.5	-8.3	-15.6	-13.4	-9.5
Utilities	-0.8	-0.8	-0.7	0.0	-0.5	-0.1
Construction	24.4	23.5	-2.8	-2.0	9.6	8.6
Retail & distribution	26.1	27.3	-2.0	1.8	0.0	8.4
Hotel & restaurants	8.9	11.3	4.6	2.3	12.2	7.2
Transport & communications	9.0	7.7	4.3	0.6	6.7	3.6
Financial services	5.5	4.0	2.4	-0.3	4.7	2.4
Business services	39.4	45.2	32.1	14.6	35.4	28.7
Public administration	0.3	-0.1	-2.6	-3.2	-3.1	-2.1
Land forces	-5.9	-7.3	0.2	-0.1	0.3	0.0
Education	11.8	8.9	7.6	3.7	7.9	3.4
Health & social work	26.7	26.8	12.0	12.2	10.8	11.7
Other personal services	6.6	11.5	1.8	1.3	1.6	3.0
Government training schemes	-	-11.2	-	0.9	-	0.9
Total employment (000s)	125.3	126.0	42.1	14.8	66.7	63.7

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment. Cells shaded in purple indicate a decline in employment of more than 5,000. Cells shaded blue indicate an increase in employment of over 10,000

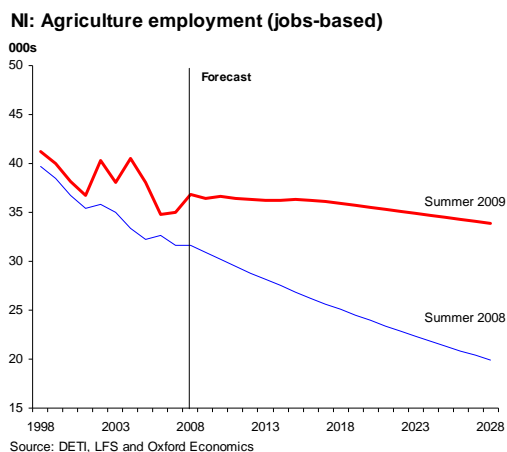
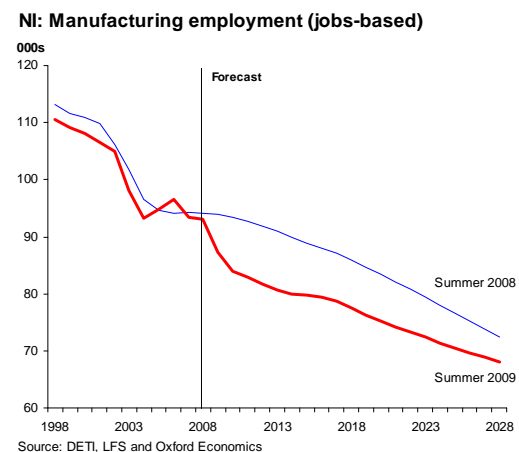
Fig 3.2: Agriculture employment trends and forecasts

Fig 3.3: Manufacturing employment trends and forecasts


Fig 3.4: Manufacturing excluding textiles employment trends and forecasts

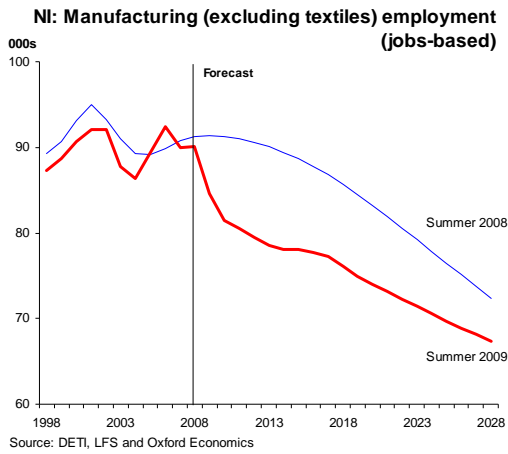


Fig 3.5: Construction employment trends and forecasts

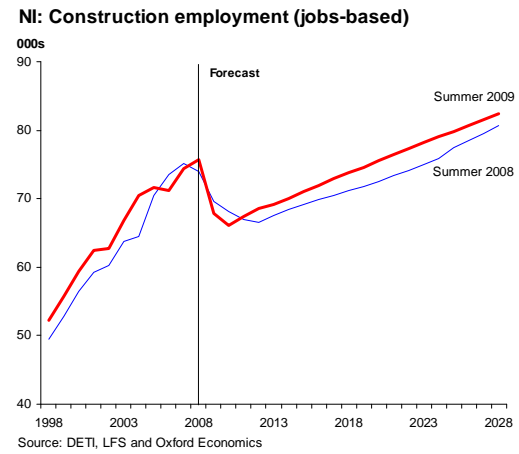


Fig 3.6: Retail & distribution employment trends and forecasts

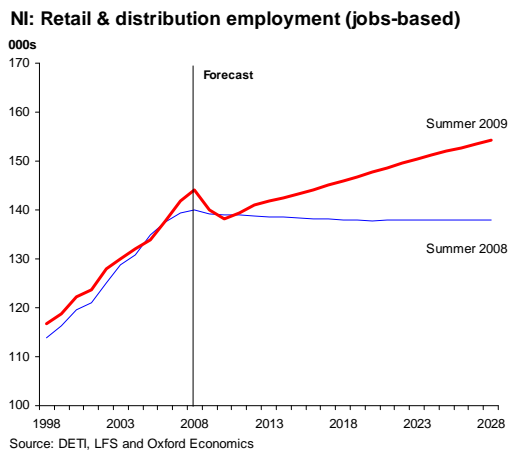


Fig 3.7: Hotels & restaurants employment trends and forecasts



Fig 3.8: Transport & communication employment trends and forecasts

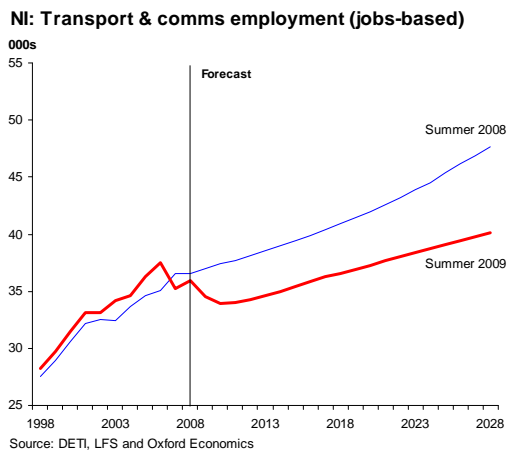


Fig 3.9: Financial services employment trends and forecasts

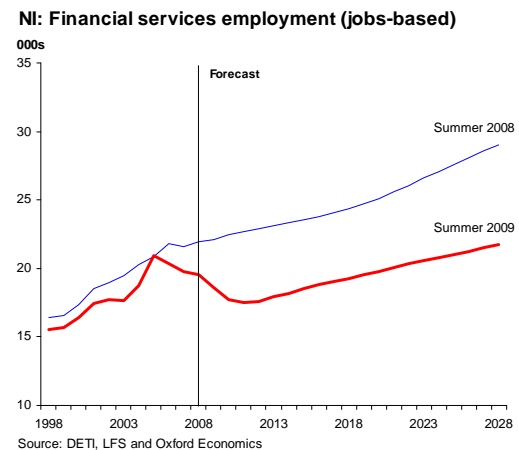
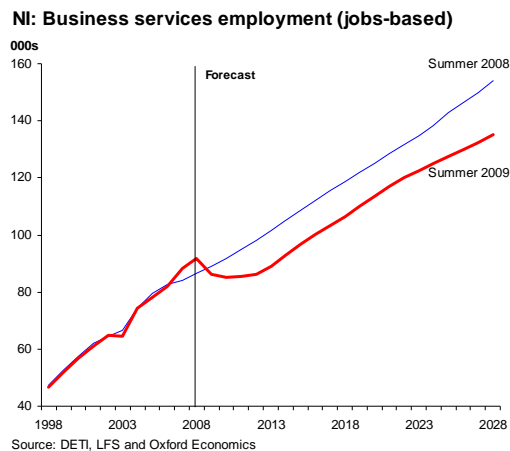


Fig 3.10: Business services employment trends and forecasts

Fig 3.11: Other personal services employment trends and forecasts


3.3 NI B-space employment trends and forecasts

- Applying the same SIC-land use mapping framework as before, the revised sectoral employment forecasts have been translated into the broad B-space employment categories of office, industry and warehousing. (The purpose of including Table 3.2 below is simply to show the minor changes in estimated B-space employment for historical years using the alternate source of self-employment data described earlier to align with PSA monitoring)

Table 3.2: NI B-space employment estimates (000s)

	1998		2008	
	Summer 08	Summer 09	Summer 08	Summer 09
Total employment				
Office	87.2	87.3	121.0	127.7
Office (excluding town centre)	21.8	21.8	30.3	31.9
Industry	137.6	136.2	133.4	133.2
Warehousing	40.3	40.7	47.9	47.5
B-space total	199.7	198.7	211.5	212.7
Non B-space	517.9	534.4	626.3	646.5
Total	717.6	733.1	842.9	859.1
% total employment				
Office	12%	12%	14%	15%
Office (excluding town centre)	3%	3%	4%	4%
industry	19%	19%	16%	16%
Warehousing	6%	6%	6%	6%
B-space total	28%	27%	25%	25%
Non B-space	72%	73%	74%	75%
% total B-space				
Office (excluding town centre)	11%	11%	14%	15%
Industry	69%	69%	63%	63%
Warehousing	20%	20%	23%	22%

Source: DETI, LFS, Roger Tyms & Partners and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

- As a result of the revised sectoral outlooks presented above (and more detailed underlying 4-digit sector forecasts not presented), B-space net employment growth over the period 2008-2018 is now much lower than before (Table 3.3). **Overall there is forecast to be 13,000 fewer B-space jobs in the new baseline by 2028 compared to one year ago (Fig 3.15). In fact B-space sectors are hit so hard by the recession that the total B-space employment peak in 2006-2008 is not even reached again by 2028 (Table 3.4 and Fig 3.15).**

Table 3.3: Change in NI B-space employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Office	33.9	40.4	22.8	6.5	26.5	19.9
Office (excluding town centre)	8.5	10.1	5.7	1.6	6.6	5.0
Industry	-4.2	-3.0	-7.2	-15.7	-7.8	-4.3
Warehousing	7.5	6.8	4.2	1.2	5.1	4.1
B-space total	11.8	14.0	2.7	-12.8	3.9	4.8
Non B-space	113.5	112.0	39.4	27.6	62.8	59.0
Total employment (000s)	125.3	126.0	42.1	14.8	66.7	63.7

Source: DETI, LFS, Roger Tyms & Partners and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Table 3.4: NI B-space employment forecast levels (000s)

	1998	2008	2018	2028
Total employment				
Office	87.3	127.7	134.2	154.1
Office (excluding town centre)	21.8	31.9	33.5	38.5
Industry	136.2	133.2	117.5	113.2
Warehousing	40.7	47.5	48.8	52.8
B-space total	198.7	212.7	199.8	204.6
Non B-space	534.4	646.5	674.1	733.1
Total	733.1	859.1	873.9	937.7
% total employment				
Office	12%	15%	15%	16%
Office (excluding town centre)	3%	4%	4%	4%
industry	19%	16%	13%	12%
Warehousing	6%	6%	6%	6%
B-space total	27%	25%	23%	22%
Non B-space	73%	75%	77%	78%
% total B-space				
Office (excluding town centre)	11%	15%	17%	19%
Industry	69%	63%	59%	55%
Warehousing	20%	22%	24%	26%

Source: DETI, LFS, Roger Tyms & Partners and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Fig 3.12: Office employment trends and forecasts

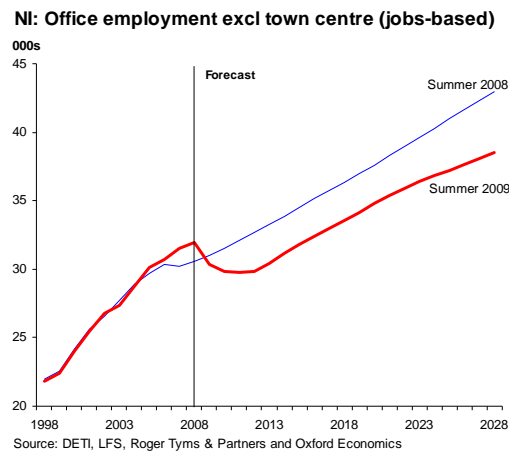


Fig 3.13: Warehousing employment trends and forecasts

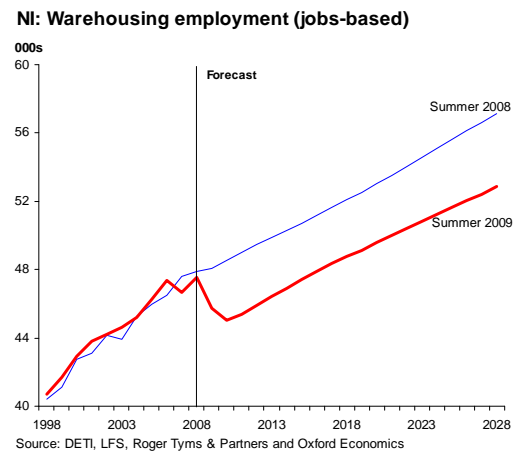


Fig 3.14: Industry employment trends and forecasts

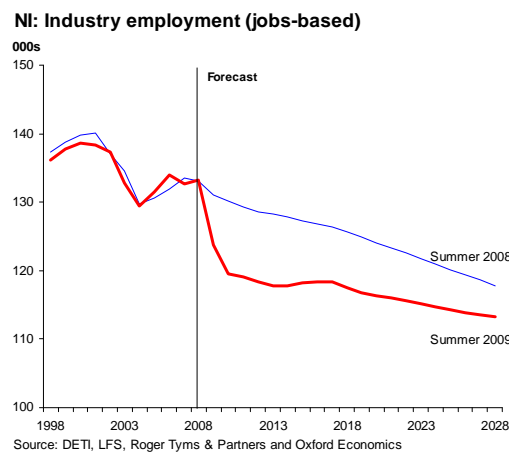
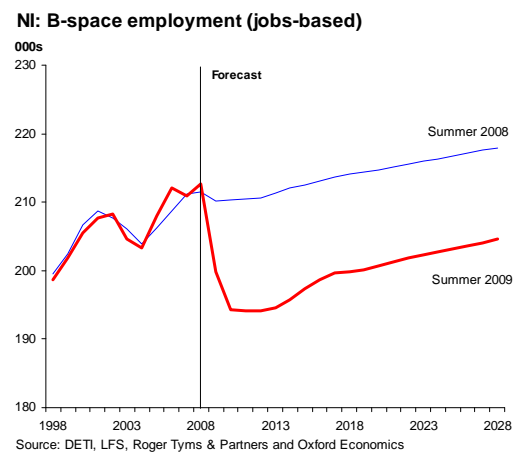


Fig 3.15: B-space total employment trends and forecasts



3.4 Eleven council total employment trends and forecasts

- As explained at the outset, one of the purposes of this update was to incorporate, at district council level, sectoral Census of Employment data for 2007. Table 3.5 below presents a comparison of the actual trends in jobs between 2005 (the previous latest data point) compared to what we had forecast last summer. Generally speaking there were few significant divergences (which highlight a reasonable degree of forecasting accuracy) although there were some exceptions. Armagh, Belfast and Dungannon performed stronger than expected and Antrim and Newtownabbey weaker. This is to be expected at local level as the closure or location of a major firm can make a major difference in overall employment terms.

Table 3.5: District change in total employee jobs – original forecasts versus outturn Census of Employment data (2005-2007)

	2005-2007		Difference
	OE forecast (summer 08)	Outturn data	
Antrim	1.6	0.2	-1.3
Ards	0.5	0.2	-0.4
Armagh	0.6	1.7	1.1
Ballymena	1.0	0.5	-0.5
Ballymoney	0.3	0.3	0.0
Banbridge	0.6	1.0	0.4
Belfast	3.0	4.5	1.5
Carrickfergus	0.3	0.4	0.1
Castlereagh	0.3	0.4	0.0
Coleraine	0.4	0.1	-0.4
Cookstown	0.8	1.2	0.5
Craigavon	1.6	0.6	-1.0
Derry	0.9	1.6	0.8
Down	0.6	0.9	0.3
Dungannon	1.0	2.4	1.3
Fermanagh	0.8	1.2	0.4
Larne	0.2	0.4	0.2
Limavady	0.3	0.4	0.1
Lisburn	2.0	1.5	-0.6
Magherafelt	0.9	0.7	-0.2
Moyle	0.1	0.1	0.0
Newry & Mourne	2.2	2.6	0.4
Newtownabbey	1.2	0.1	-1.2
North Down	0.5	0.1	-0.5
Omagh	0.7	0.5	-0.1
Strabane	0.2	-0.1	-0.3
NI employee jobs (000s)	22.9	23.4	0.6

Source: DETI and Oxford Economics

Note: Employee jobs are full and part-time employee jobs. Cells shaded in purple indicate a difference in employment of more than -1,000. Cells shaded blue indicate a difference in employment of over +1,000

- **Looking ahead, NI cities are / will be hit hard in the recession given their concentration of professional services and retail and this is reflected in our forecasts** – this is consistent with city research Oxford Economics has undertaken and published in GB for the Centre for Cities. Although it is worth noting that retail in some locations is currently being boosted by unprecedented cross-border shopper flows, despite the severity of the ROI recession. This is particularly true for border regions but also the likes of Banbridge, Lisburn and Belfast with connectivity strengths and strong retail offerings.
- Belfast's total net employment growth forecast for the next decade is now 15,000 lower compared to one year ago though it is still predicted to be the regional driver (Table 3.6). **Over the period 2018-2028 (and indeed a few years before) city economies are however expected to come to the fore again with almost half of all NI's net new jobs expected to be created in 4 of NI's 5 city councils (Belfast, Derry, Lisburn and Newry).**
- While cities will suffer in the recession, **no area is predicted to be spared**. All councils are forecast to experience net job loss in 2009 and 2010 although losses in 2010 are not expected to be as high. As a result almost all councils (presented here as super councils) have weaker outlooks for the next decade compared to this time last year.

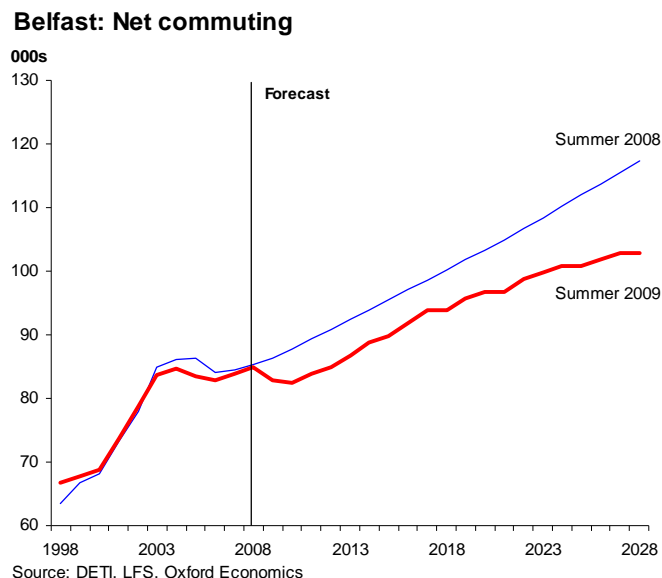
Table 3.6: Change in 11 district council total employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Belfast City Council	25.7	26.0	18.3	3.4	26.2	18.3
Derry City & Strabane Regional Council	5.3	6.3	2.7	1.3	5.1	5.2
Armagh City & Bann District Council	14.3	15.2	3.8	2.1	5.5	6.1
Lisburn City & Castlereagh District Council	12.2	10.4	2.6	2.9	3.6	7.2
New ry City, Mourne & Dow n District Council	13.1	14.8	3.3	2.9	5.6	6.1
Antrim & New tow nabbey District Council	10.9	7.2	4.7	2.0	6.3	5.8
North Dow n & Ards District Council	4.8	4.1	0.5	0.8	3.2	3.9
Antrim Coast & Glens District Council	6.4	6.3	0.4	0.2	2.6	3.3
Fermanagh & Omagh District Council	8.5	9.1	1.9	0.2	3.5	2.7
Mid & East Antrim District Council	8.2	8.2	1.2	-0.2	2.5	3.1
Mid-Ulster District Council	15.8	18.3	2.6	-0.7	2.4	2.0
NI (000s)	125.3	126.0	42.1	14.8	66.7	63.7

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

- A key result presented in the original report, which is of particular interest to DRD, is the projection for net commuting into Belfast. Previously the forecast was for a net increase of 30,000+ over the period 2008-2030 (Fig 3.16). The latest forecast also shows a large net rise in net commuting into Belfast in the long-term although not by the same magnitude as before. This is due to the impact of recession (net job loss in the short-term means fewer people overall will travel to work in Belfast, including both residents and commuters) and some evidence from the LADB / LFS that an increasing proportion of Belfast's jobs are being taken by Belfast residents as opposed to commuters, Given the complexity of factors determining commuting, we have prepared and shared a separate note with DRD on the matter.

Fig 3.16: Belfast net commuting trend and forecast


3.5 Eleven council B-space employment trends and forecasts

- Table 3.7 summarises total B-space employment forecasts for the super councils, which again are derived from the more detailed SIC sectoral employment forecasts and reflect the weaker revised short-term economic outlooks (as per the original report, local B-space employment forecasts are based on SIC 4-digit employment projections aggregated to B-space categories using the same SIC-B-space mapping classification as for NI as a whole). Annex B also provides useful time-series charts illustrating the trend and difference in B-space employment forecasts compared to last summer for each super council.

Table 3.7: Change in 11 district council B-space employment forecasts 2008-2028 (000s)

	Office (excluding town centre)		Industry		Warehousing	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Belfast City Council	6.2	2.6	-2.4	-2.8	1.7	0.5
Derry City & Strabane Regional Council	1.0	0.8	-2.0	-1.9	0.4	0.2
Armagh City & Bann District Council	0.5	0.3	-2.6	-3.2	2.2	1.2
Lisburn City & Castlereagh District Council	1.0	0.7	-2.0	-2.0	0.5	1.0
Newry City, Mourne & Down District Council	0.5	0.5	-0.7	-0.8	0.9	0.4
Antrim & Newtownabbey District Council	1.1	0.5	-1.6	-1.8	1.4	0.9
North Down & Ards District Council	0.5	0.4	-1.3	-1.1	0.2	0.2
Antrim Coast & Glens District Council	0.4	0.3	-1.3	-1.3	0.4	0.3
Fermanagh & Omagh District Council	0.4	0.2	-0.7	-1.2	0.5	0.2
Mid & East Antrim District Council	0.5	0.2	-1.7	-2.3	0.5	0.2
Mid-Ulster District Council	0.3	0.1	1.0	-1.7	0.6	0.3
NI (000s)	12.4	6.6	-15.2	-20.0	9.3	5.3

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

4 Upper scenario employment forecasts

4.1 Targets and assumptions

- As in the original study, the choice of upper scenario here is one in which NI achieves parity with the UK by 2030 in terms of three key economic indicators – employment rate, GVA per head and GVA per worker (productivity).
- As explained in the original report, **these targets are more challenging than the PSA1 productivity target which aims to halve the private sector productivity gap with the UK average excluding the Greater South East (London, South East and Eastern) by 2015.** Oxford Economics has recently run a PSA1 aspirational scenario for future skill needs work for DEL. The PSA1 aspirational scenario in this work (which is also being updated) was shown to be much less about job creation and more about productivity enhancement, which incorporates faster employment growth as only one element of the achievement of the goal.
- **As the PSA3 employment target is un-quantified (on account of the unknown level of migration), and the productivity target could be achieved with few extra jobs (as shown by our work for DEL), the more aspirational upper scenario used in this project is deemed more appropriate, especially given the need to be conservative (on the upward side) with potential future employment land needs.**
- As before, the extra ‘direct’ jobs in the upper scenario here have been selected in export potential sectors. This is consistent with DETI’s choice of priority sectors (financial services, ICT, life sciences and hi-tech manufacturing) and the general ethos of government policy (MATRIX etc), and in fact is not materially different in ethos from the PSA1 scenario run for DEL (it is the scale of extra jobs which differs). As additional jobs cannot be generated in secondary activities (such as construction or retailing), without extra spending (through consumer, business or government spending), the secondary jobs are generated as ‘multiplier’ jobs (sometimes known as ‘indirect’ and ‘induced’ jobs).
- The following direct jobs by sector have been entered as the export catalysts between now and 2028. The indirect / induced jobs, produced by Oxford Economics’ NI Policy Simulation (NIPS) model (NI government’s accepted forecast model), are also presented. For comparison we include the level of direct and indirect / induced jobs from the original report.

Table 4.1: Direct and indirect / induced extra jobs in upper scenario by 2028 (000s)

	Direct jobs		Indirect jobs		Total	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Agriculture, forestry & fishing	0.0	0.0	0.0	0.0	0.0	0.0
Mining & quarrying	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing	9.1	9.1	0.6	0.4	9.8	9.6
Utilities	0.0	0.0	0.0	0.0	0.0	0.0
Construction	0.0	0.0	7.9	7.8	7.9	7.8
Retail & distribution	0.0	0.0	6.5	7.0	6.5	7.0
Hotel & restaurants	9.1	9.1	6.6	4.9	15.7	14.0
Transport & communications	4.6	4.6	3.8	3.2	8.4	7.7
Financial services	4.6	4.6	3.7	2.3	8.3	6.9
Business services	13.7	13.7	17.5	15.5	31.2	29.2
Public administration	0.0	0.0	0.4	0.4	0.4	0.4
Land forces	-	-	-	-	-	-
Education	0.0	0.0	0.7	0.6	0.7	0.6
Health & social work	0.0	0.0	1.1	1.1	1.1	1.1
Other personal services	4.6	4.6	1.3	2.1	5.9	6.6
Government training schemes	-	-	-	-	-	-
Total employment (000s)	45.7	45.7	50.3	45.2	96.0	90.9

Source: Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment. Manufacturing jobs are split between chemicals, electronics and transport equipment

As the direct jobs column indicates, the scenario is based around:

- An increase in professional services exporting employment;
 - An increase in tourist-related employment; and
 - An increase in hi-tech manufacturing employment
- The model, as before, still produces a multiplier of approximately 1-1.1, which is slightly low if compared to the employment multipliers published in input-output (I-O) tables for Scotland or the UK (DETI are sharing the full preliminary NI I-O tables to compare the derived employment multipliers from this source, but this has not been available on time to analyse and use). The low multiplier is partly due to the nature of the NIPS model, which does not have a full I-O framework, but more so due to the fact that a considerable element of the multiplier indirect jobs will leak out through supply chain purchases to the UK and beyond (in addition the assumed migration effects, which in turn generate indirect jobs, are relatively conservative).
 - Again as before, the direct jobs attracted are assumed to be at a higher productivity than the sector average (partly as empirical evidence suggests that new FDI firms have higher productivity and partly as this is a stated policy aim). The productivity uplift factors are slightly higher than before due to changes in NI and UK GVA outturns and forecasts (note though that productivity differences have little or no direct impact on business land need). A further assumed productivity impact of a faster growing economy, which has also been built in to the scenario again, is raising productivity across the wider economy. This might be considered to be an outcome of an increasingly sophisticated economy (a 'rising tide raises all boats'). A good example of this might be that a hairdresser (non-export sector) receives a much better wage in London than in Belfast on average (for providing the same service). Slightly higher wider economy productivity uplift factors are assumed.

Table 4.2: Productivity uplift factors of direct jobs and wider economy jobs in upper scenario

	Direct jobs		Rest economy	
	Summer 08	Summer 09	Summer 08	Summer 09
Agriculture, forestry & fishing	-	-	1.05	1.075
Mining & quarrying	-	-	-	-
Manufacturing	1.5 / 1.6	2.0	-	-
Utilities	-	-	1.05	1.075
Construction	-	-	1.10	1.10
Retail & distribution	-	-	1.10	1.1
Hotel & restaurants	1.4	1.6	1.10	1.125
Transport & communications	1.5	1.6	1.05	1.075
Financial services	1.8	2.0	1.05	1.10
Business services	2.0	2.0	1.10	1.125
Public administration	-	-	-	-
Education	-	-	-	-
Health & social work	-	-	-	-
Other personal services	1.4	1.6	1.10	1.125

Source: Oxford Economics

- The extra direct jobs in this upper scenario will, almost certainly, attract additional migrants (which would have implications for other areas of planning such as housing and transport). The level of these migrant flows is difficult to gauge as Worker Registration Scheme data alone is not sufficient to guide what proportion of new jobs across sectors have been taken by Eastern European migrants. The migrant proportions (and the proportion of those that are international, i.e. not from GB) are assumed to be the same as before. (Oxford Economics is currently undertaking work for DEL on the economic, skills and labour market impact of migration – in future analysis from this research could be used to better predict migrant flows for scenario work)

4.2 NI wider economy outcomes

- The outcomes of the upper scenario at NI level are presented in Figs 4.1-4.6. As the charts reveals, convergence with the three key metrics would be reached, or exceeded by 2028, based on the above assumptions and modelled impacts. This would represent a very favourable outcome for the NI economy, as evidenced by the forecast for PSA1 which is well exceeded (Fig 4.6) and the uplift in economic growth rates (Fig 4.2), though still a long way from rates of growth experienced by the ROI economy during its ‘Celtic Tiger’ years.

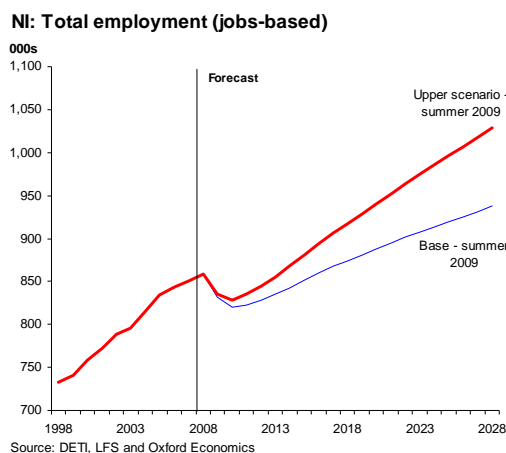
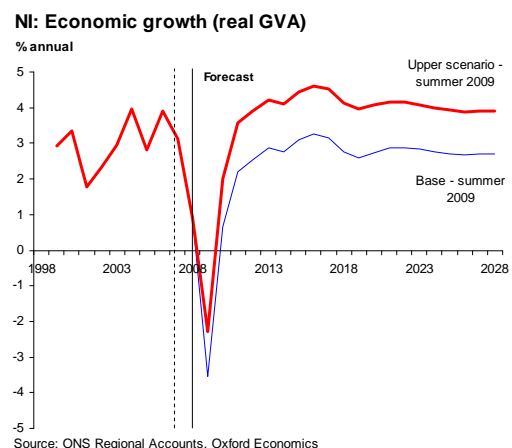
Fig 4.1: NI total employment forecast

Fig 4.2: NI economic growth


Fig 4.3: NI relative employment rate

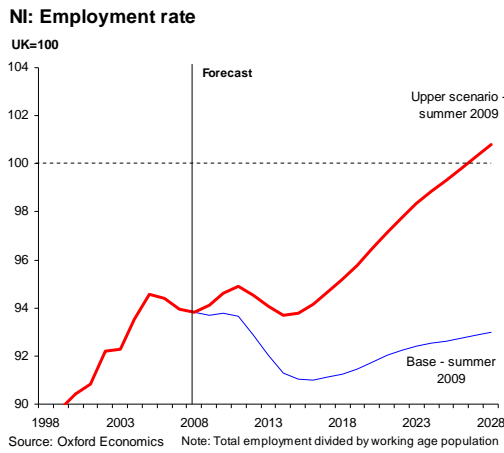


Fig 4.4: NI relative GVA per head

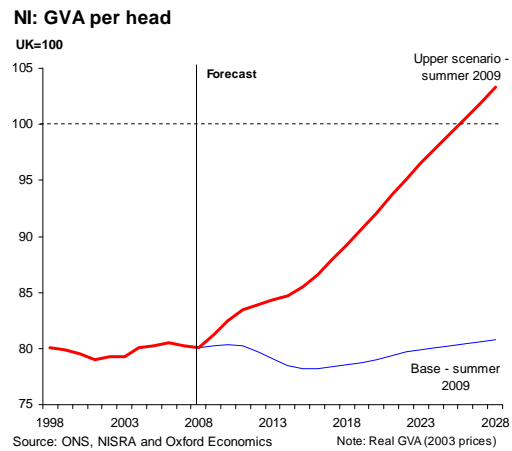


Fig 4.5: NI relative productivity

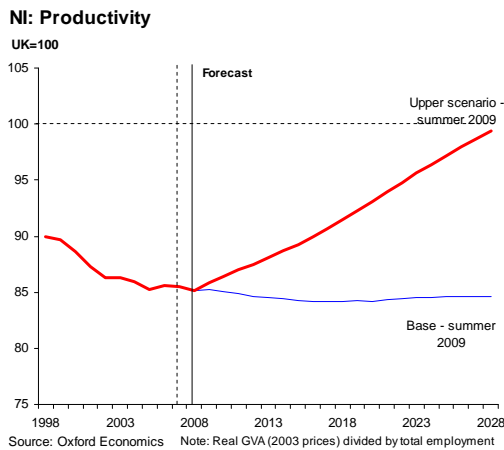
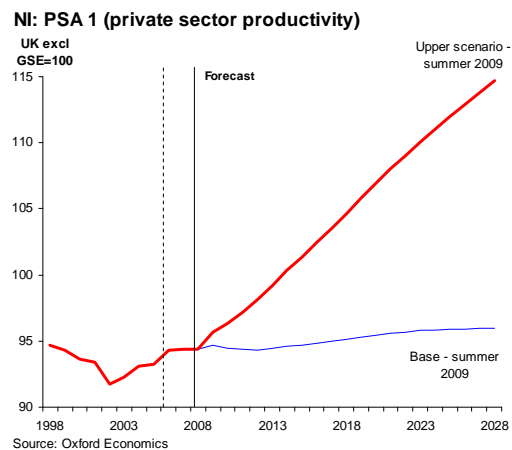


Fig 4.6: NI PSA 1



4.3 NI SIC employment forecasts

- There is little to comment on here apart from to say that an almost identical number of extra direct and multiplier jobs created across the same sectoral distribution compared to the upper scenario work last year (Table 4.3), which creates the same scale of uplift above the baseline (although the baseline is now weaker in current and coming years).

Table 4.3: Difference in NI sectoral employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Base	Upper scenario	Base	Upper scenario	Base	Upper scenario
Agriculture, forestry & fishing	-4.3	-4.3	-1.0	-1.0	-2.0	-2.0
Mining & quarrying	0.9	0.9	-0.5	-0.5	-0.4	-0.4
Manufacturing	-17.5	-17.5	-15.6	-10.8	-9.5	-4.7
Utilities	-0.8	-0.8	0.0	0.0	-0.1	-0.1
Construction	23.5	23.5	-2.0	1.6	8.6	12.9
Retail & distribution	27.3	27.3	1.8	5.1	8.4	12.1
Hotel & restaurants	11.3	11.3	2.3	9.1	7.2	14.4
Transport & communications	7.7	7.7	0.6	4.4	3.6	7.5
Financial services	4.0	4.0	-0.3	3.1	2.4	6.0
Business services	45.2	45.2	14.6	27.9	28.7	44.6
Public administration	-0.1	-0.1	-3.2	-3.0	-2.1	-1.9
Land forces	-7.3	-7.3	-0.1	-0.1	0.0	0.0
Education	8.9	8.9	3.7	4.0	3.4	3.7
Health & social work	26.8	26.8	12.2	12.7	11.7	12.3
Other personal services	11.5	11.5	1.3	4.6	3.0	6.3
Government training schemes	-11.2	-11.2	0.9	0.9	0.9	0.9
Total employment (000s)	126.0	126.0	14.8	57.9	63.7	111.5

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment. Cells shaded in purple indicate a decline in employment of more than 5,000. Cells shaded blue indicate an increase in employment of over 10,000

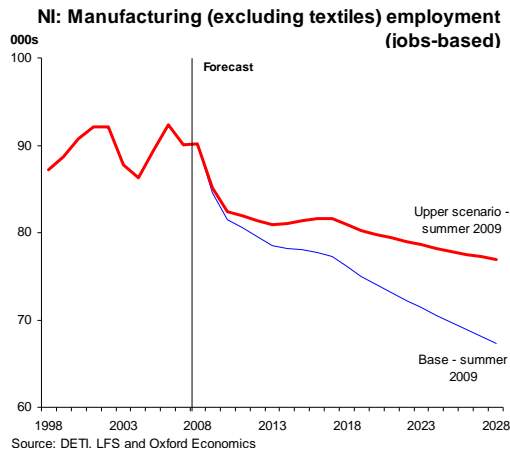
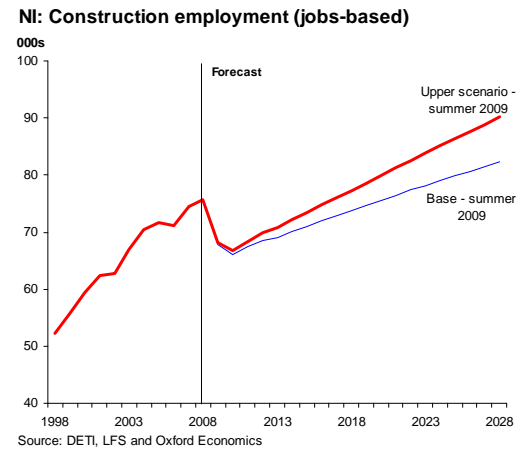
Fig 4.7: Manufacturing excluding textiles employment trends and forecasts

Fig 4.8: Construction employment trends and forecasts


Fig 4.9: Retail & distribution employment trends and forecasts

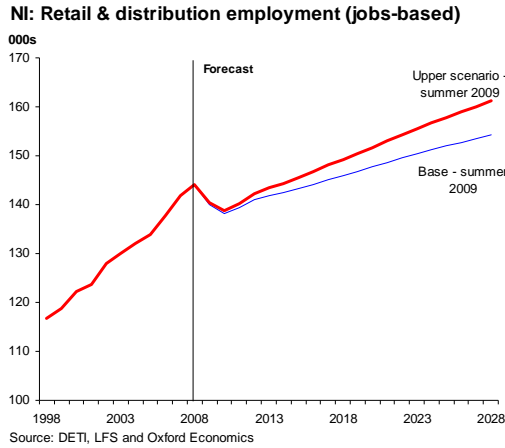


Fig 4.10: Hotels & restaurants employment trends and forecasts

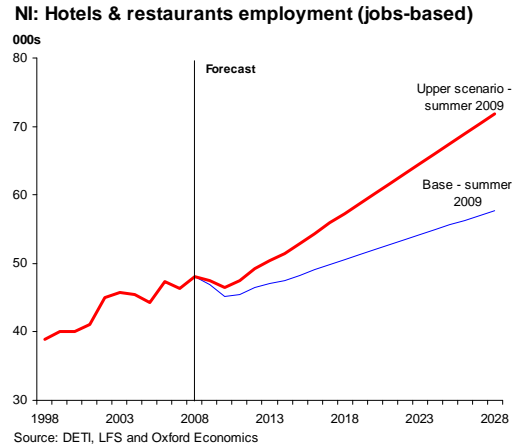


Fig 4.11: Transport & communication employment trends and forecasts

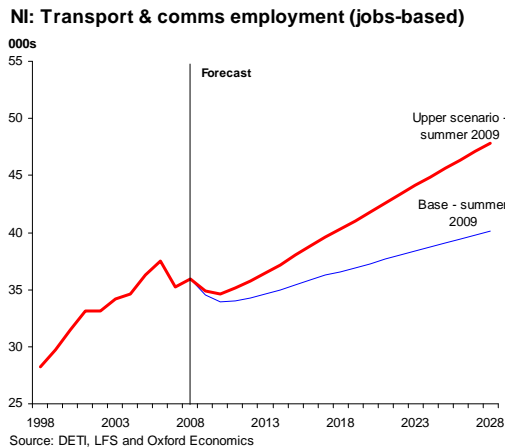


Fig 4.12: Financial services employment trends and forecasts

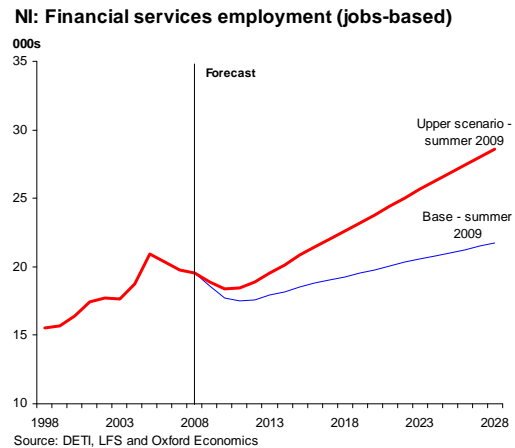


Fig 4.13: Business services employment trends and forecasts

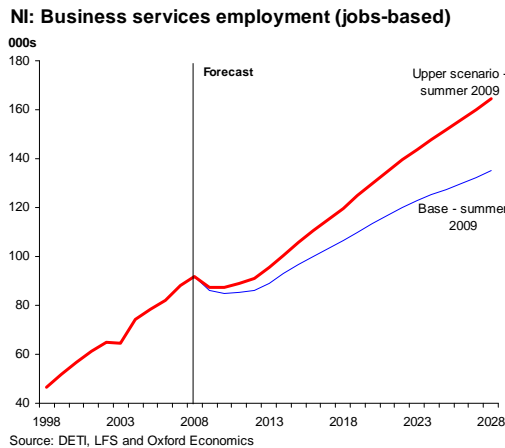
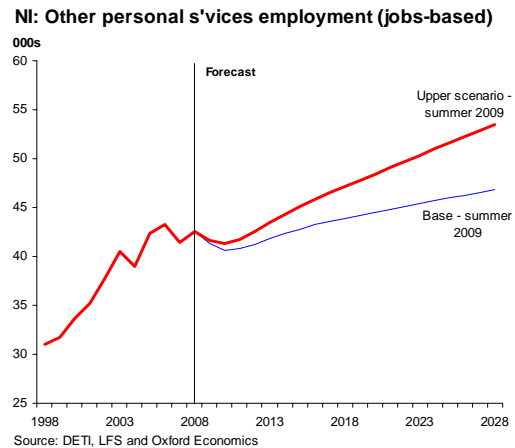


Fig 4.14: Other personal services employment trends and forecasts



4.4 NI B-space employment forecasts

- The uplift in sectoral employment outlooks, through either direct or indirect & induced effects, results in a **much stronger projection for B-space employment** (and consequently B-space employment land). Again B-space employment outlooks are derived from detailed SIC forecasts and the SIC-land use mapping framework.
- Whereas in the new baseline the total B-space employment peak in 2006-2008 is not even reached again by 2028, in the upper scenario the effects of the recession are much more short-lived with B-space employment levels back at their recent peak as soon as 2019 and continuing to grow strongly thereafter.

Table 4.4: Change in NI B-space employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Base	Upper scenario	Base	Upper scenario	Base	Upper scenario
Office	40.4	40.4	6.5	20.9	19.9	34.9
Office (excluding town centre)	10.1	10.1	1.6	5.2	5.0	8.7
Industry	-3.0	-3.0	-15.7	-8.9	-4.3	2.8
Warehousing	6.8	6.8	1.2	3.4	4.1	6.4
B-space total	14.0	14.0	-12.8	-0.3	4.8	17.9
Non B-space	112.0	112.0	27.6	58.2	59.0	93.7
Total employment (000s)	126.0	126.0	14.8	57.9	63.7	111.5

Source: DETI, LFS, Roger Tyms & Partners and Oxford Economics

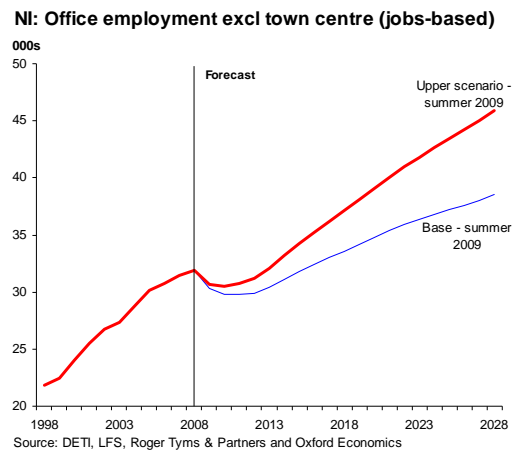
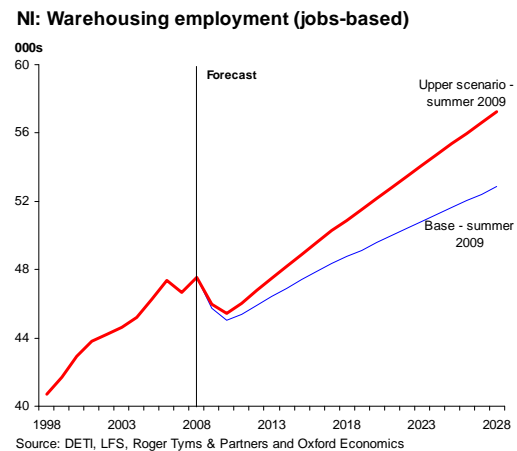
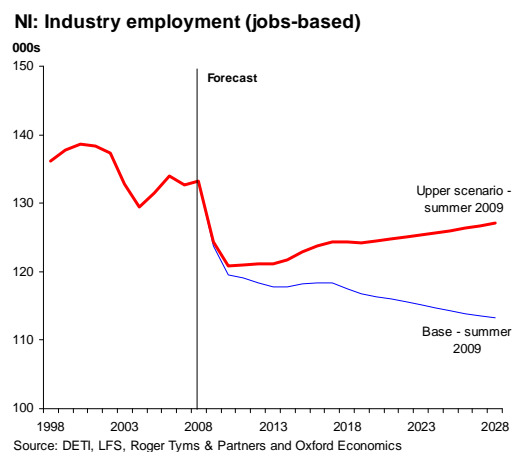
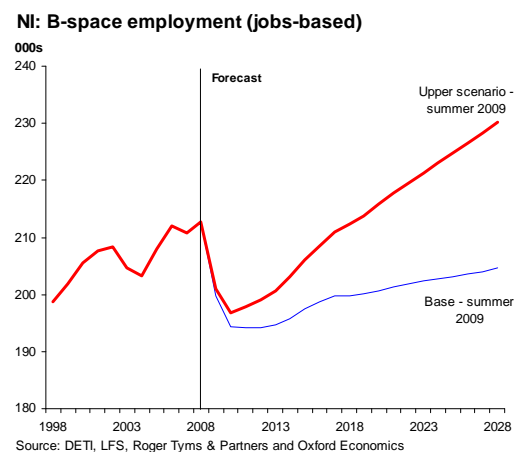
Note: Employment is full and part-time employee jobs plus self-employment

Table 4.5: NI B-space employment forecast levels (000s)

	1998	2008	2018	2028
Total employment				
Office	87.3	127.7	148.6	183.5
Office (excluding town centre)	21.8	31.9	37.2	45.9
Industry	136.2	133.2	124.3	127.1
Warehousing	40.7	47.5	50.9	57.3
B-space total	198.7	212.7	212.4	230.2
Non B-space	534.4	646.5	704.7	798.3
Total	733.1	859.1	917.0	1,028.6
% total employment				
Office	12%	15%	16%	18%
Office (excluding town centre)	3%	4%	4%	4%
industry	19%	16%	14%	12%
Warehousing	6%	6%	6%	6%
B-space total	27%	25%	23%	22%
Non B-space	73%	75%	77%	78%
% total B-space				
Office (excluding town centre)	11%	15%	17%	20%
Industry	69%	63%	59%	55%
Warehousing	20%	22%	24%	25%

Source: DETI, LFS, Roger Tyms & Partners and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Fig 4.15: Office employment trends and forecasts

Fig 4.16: Warehousing employment trends and forecasts

Fig 4.17: Industry employment trends and forecasts

Fig 4.18: B-space total employment trends and forecasts


4.5 Eleven council total and B-space employment forecasts

- The location of extra jobs in the upper scenario is again dictated by past local trends and thus indirectly by local endowments of skills, land and transport infrastructure. This means, for example, areas with a limited export base do not receive a considerable boost to employment (and thus additional land need).
- Tables 4.6 and 4.7 below present upper scenario forecasts for the eleven super councils for both total employment and total B-space employment (additional charts are provided in Annex C).
- The main city councils benefit most (Belfast and to a lesser degree Derry, Lisburn and Newry) attracting the majority of the extra professional service office jobs. Though industrial areas in mid-Ulster and Armagh & Bann (which includes the large industrial estates of Craigavon) also attract a significant portion of the extra manufacturing jobs (or overall lose fewer industry jobs in the upper scenario). This is a similar message from before, though as we have previously said, outcomes for some local areas, especially those with a limited export base, may not entirely match their own aspirations.

Table 4.6: Change in 11 district council total employment performance and forecasts (000s)

	1998-2008		2008-2018		2018-2028	
	Base	Upper scenario	Base	Upper scenario	Base	Upper scenario
Belfast City Council	26.0	26.0	3.4	16.8	18.3	33.2
Derry City & Strabane Regional Council	6.3	6.3	1.3	4.1	5.2	8.4
Armagh City & Bann District Council	15.2	15.2	2.1	6.0	6.1	10.3
Lisburn City & Castlereagh District Council	10.4	10.4	2.9	6.4	7.2	11.2
New ry City, Mourne & Dow n District Council	14.8	14.8	2.9	6.0	6.1	9.8
Antrim & New tow nabbey District Council	7.2	7.2	2.0	5.2	5.8	9.4
North Dow n & Ards District Council	4.1	4.1	0.8	3.4	3.9	6.8
Antrim Coast & Glens District Council	6.3	6.3	0.2	2.7	3.3	6.0
Fermanagh & Omagh District Council	9.1	9.1	0.2	2.3	2.7	5.0
Mid & East Antrim District Council	8.2	8.2	-0.2	3.0	3.1	6.5
Mid-Ulster District Council	18.3	18.3	-0.7	2.1	2.0	5.0
NI (000s)	126.0	126.0	14.8	57.9	63.7	111.5

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Table 4.7: Change in 11 district council B-space employment forecasts 2008-2028 (000s)

	Office (excluding town centre)		Industry		Warehousing	
	Base	Upper scenario	Base	Upper scenario	Base	Upper scenario
Belfast City Council	2.6	6.5	-2.8	-0.9	0.5	1.1
Derry City & Strabane Regional Council	0.8	1.4	-1.9	-1.1	0.2	0.4
Armagh City & Bann District Council	0.3	0.8	-3.2	-1.5	1.2	2.1
Lisburn City & Castlereagh District Council	0.7	1.2	-2.0	-0.8	1.0	1.4
New ry City, Mourne & Dow n District Council	0.5	0.8	-0.8	0.5	0.4	0.8
Antrim & New tow nabbey District Council	0.5	0.8	-1.8	-0.7	0.9	1.5
North Dow n & Ards District Council	0.4	0.8	-1.1	-0.5	0.2	0.4
Antrim Coast & Glens District Council	0.3	0.6	-1.3	-0.4	0.3	0.5
Fermanagh & Omagh District Council	0.2	0.5	-1.2	-0.3	0.2	0.4
Mid & East Antrim District Council	0.2	0.4	-2.3	-0.9	0.2	0.6
Mid-Ulster District Council	0.1	0.4	-1.7	0.4	0.3	0.6
NI (000s)	6.6	14.0	-20.0	-6.1	5.3	9.7

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Annex A: Planning (Use Classes) Order (NI) 2004 schedule

PART A: SHOPPING AND FINANCIAL & PROFESSIONAL SERVICES

Class A1: Shops

Use for all or any of the following purposes:

- (a) for the retail sale of goods other than hot food;
- (b) as a post office;
- (c) for the sale of tickets or as a travel agency;
- (d) for hairdressing;
- (e) for the display of goods for retail sale;
- (f) for the hiring out of domestic or personal goods or articles; or
- (g) for the reception of goods including clothes or fabrics to be washed, cleaned or repaired either on or off the premises where the sale, display or service is to visiting members of the public

Class A2: Financial, professional and other services

Use for the provision of services which it is appropriate to provide in a shopping area, where the services are provided principally to visiting members of the public including:

- (a) financial services; or
- (b) professional services

PART B: INDUSTRIAL AND BUSINESS USES

Class B1: Business

Use:

- (a) as an office other than a use within Class A2 (*financial, professional and other services*);
- (b) as a call centre; or
- (c) for research and development which can be carried out without detriment to amenity by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust or grit

Class B2: Light Industrial

Use for any industrial process which can be carried out without detriment to amenity by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust or grit.

Class B3: General Industrial

Use for the carrying on of any industrial process other than one falling within Class B2

Class B4: Storage or distribution

Use for storage or as a distribution centre

PART C: RESIDENTIAL USES

Class C1: Dwelling houses

Use as a dwelling house (whether or not as sole or main residence):

- (a) by a single person or by people living together as a family; or
- (b) by not more than 6 residents living together as a single household where care is provided for residents

Class C2: Guest houses

Use as a boarding or guest house or as a hostel where, in each case, no significant element of care is provided

Class C3: Residential institutions

Use:

- (a) for the provision of residential accommodation and care to people in need of care (other than a use within *Class C1 (Dwelling houses)*);
- (b) as a hospital or nursing home; or
- (c) as a residential school, college or training centre

PART D: COMMUNITY, RECREATION AND CULTURE

Class D1: Community and Cultural Uses

Any use (not including a residential use):

- (a) for the provision of any medical or health services except the use of premises attached to the residence of the consultant or practitioner;
- (b) as a crèche, day nursery, after school facility or day centre;
- (c) as a community centre;
- (d) for the provision of education;
- (e) for the display of works of art (otherwise than for sale or hire);
- (f) as a museum;
- (g) as a public library or reading room; or
- (h) as a public hall or exhibition hall

Class D2: Assembly and leisure

Use as a:

- (a) bingo hall;
- (b) cinema;
- (c) concert hall;
- (d) dance hall;
- (e) theatre

Annex B: Eleven council baseline B-space employment forecasts

Fig B.1: Belfast City B-space employment trends and forecasts

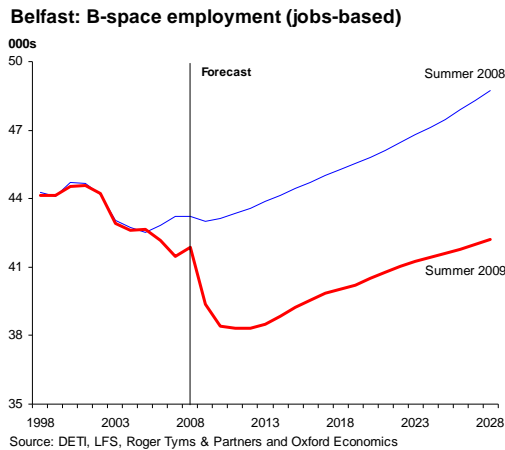


Fig B.2: Derry City & Strabane B-space employment trends and forecasts

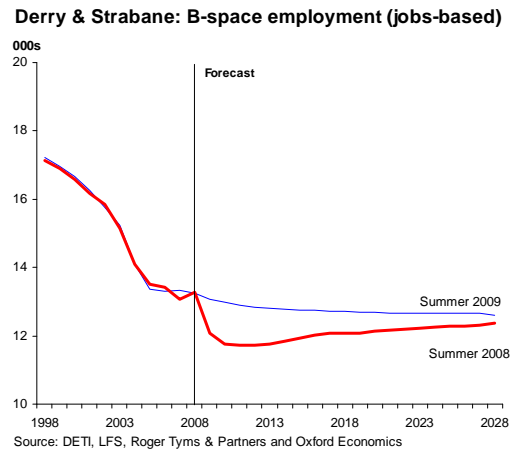


Fig B.3: Armagh City & Bann B-space employment trends and forecasts

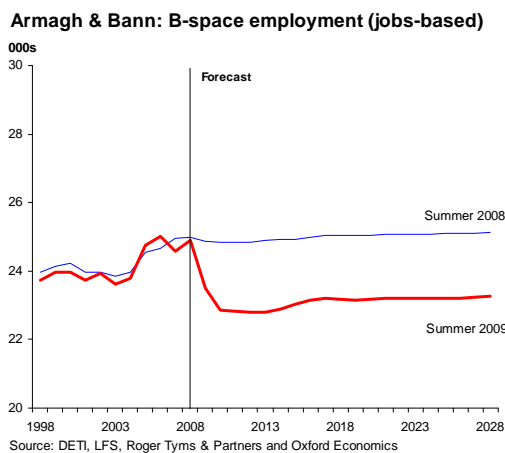


Fig B.4: Lisburn City & Castlereagh B-space employment trends and forecasts

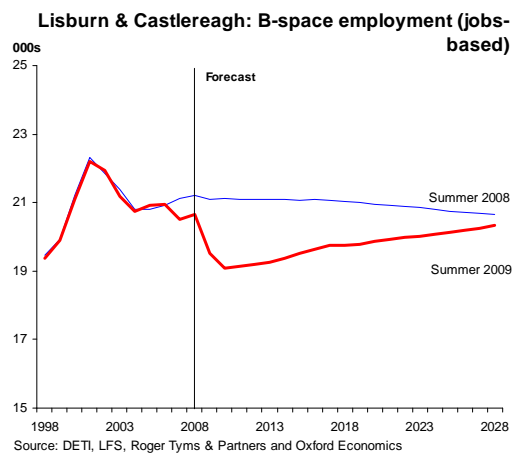


Fig B.5: Newry City, Mourne & Down B-space employment trends and forecasts

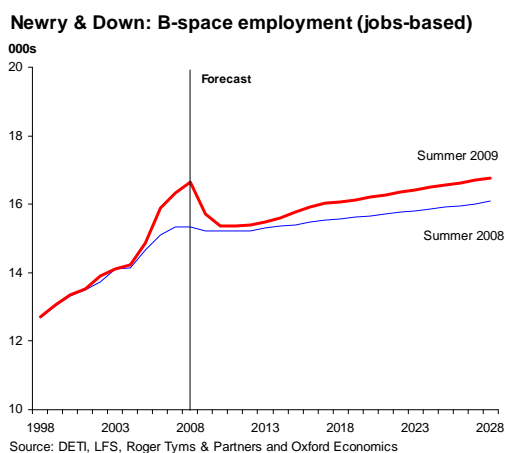


Fig B.6: Antrim & Newtownabbey B-space employment trends and forecasts

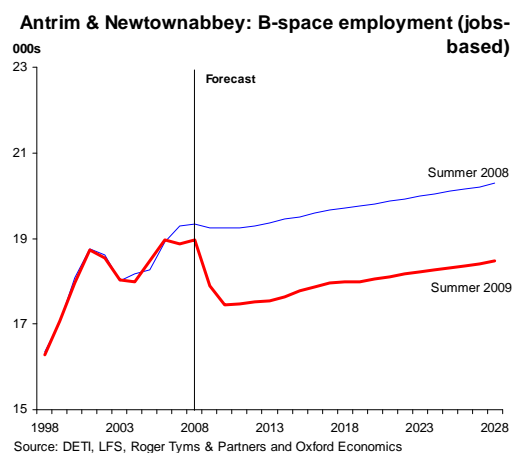


Fig B.7: Ards & North Down B-space employment trends and forecasts

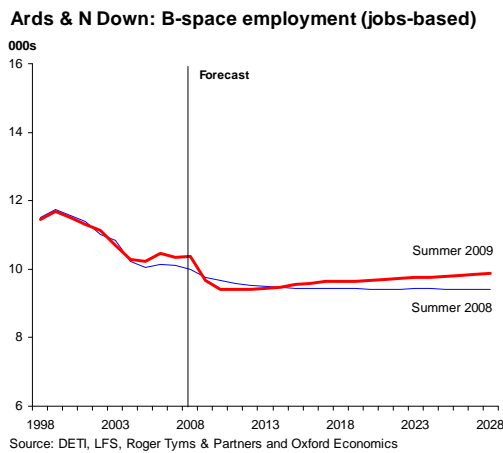


Fig B.8: Antrim Coast & Glens B-space employment trends and forecasts

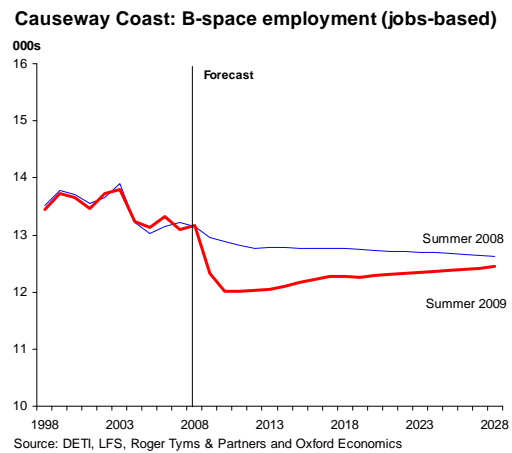


Fig B.9: Fermanagh & Omagh B-space employment trends and forecasts

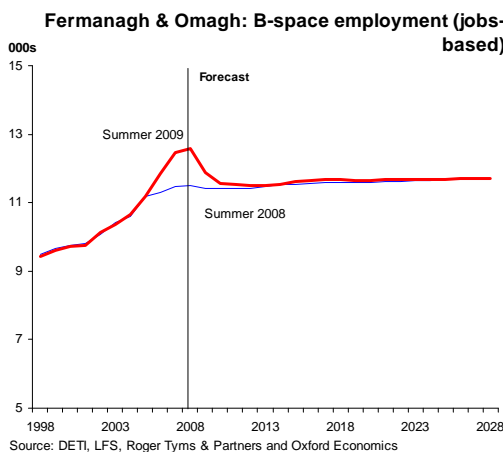


Fig B.10: Mid & East Antrim B-space employment trends and forecasts

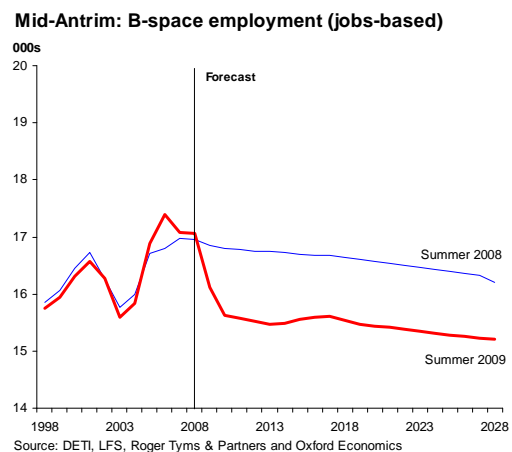


Fig B.11: Mid-Ulster B-space employment trends and forecasts

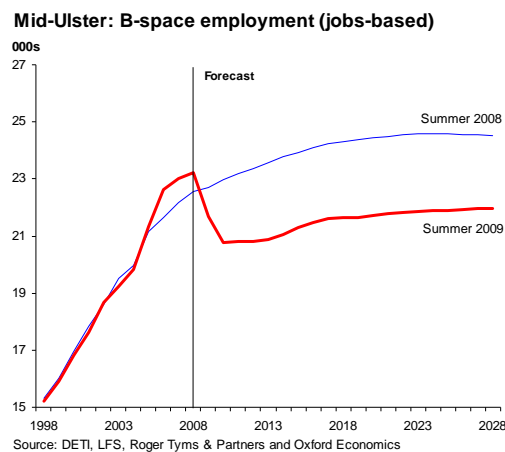


Table B.1: Change in 26 district council B-space employment forecasts 2008-2028 (000s)

	Office (excluding town centre)		Industry		Warehousing	
	Summer 08	Summer 09	Summer 08	Summer 09	Summer 08	Summer 09
Antrim	0.5	0.3	-0.4	-0.6	0.5	0.5
Ards	0.2	0.1	-0.7	-0.6	0.1	0.1
Armagh	0.1	0.1	-0.3	-0.5	0.7	0.3
Ballymena	0.4	0.1	-1.0	-1.5	0.4	0.1
Ballymoney	0.2	0.1	-0.2	-0.1	0.2	0.2
Banbridge	0.1	0.1	-0.4	-0.3	0.2	0.2
Belfast	6.2	2.6	-2.4	-2.8	1.7	0.5
Carrickfergus	0.1	0.1	-0.3	-0.4	0.1	0.1
Castlereagh	0.3	0.3	-0.6	-0.6	0.3	0.3
Coleraine	0.1	0.1	-0.7	-0.7	0.1	0.0
Cookstown	0.1	0.0	0.7	-0.2	0.3	0.0
Craigavon	0.3	0.2	-1.9	-2.3	1.3	0.7
Derry	0.9	0.7	-1.4	-1.7	0.3	0.1
Down	0.1	0.1	-0.3	-0.3	0.0	0.0
Dungannon	0.1	0.1	0.0	-1.0	0.3	0.3
Fermanagh	0.2	0.1	-0.5	-0.9	0.2	0.1
Larne	0.0	0.0	-0.4	-0.4	0.0	0.0
Limavady	0.0	0.0	-0.3	-0.4	0.0	0.0
Lisburn	0.7	0.5	-1.4	-1.5	0.2	0.7
Magherafelt	0.1	0.0	0.3	-0.5	0.1	0.0
Moyle	0.0	0.0	-0.1	0.0	0.0	0.0
Newry & Mourne	0.5	0.4	-0.4	-0.5	0.8	0.4
Newtownabbey	0.6	0.2	-1.1	-1.2	0.9	0.4
North Down	0.3	0.3	-0.6	-0.5	0.1	0.1
Omagh	0.2	0.1	-0.2	-0.4	0.3	0.1
Strabane	0.1	0.1	-0.6	-0.1	0.1	0.0
NI (000s)	12.4	6.6	-15.2	-20.0	9.3	5.3

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment

Annex C: Eleven council upper scenario B-space employment forecasts

Fig C.1: Belfast City B-space employment trends and forecasts

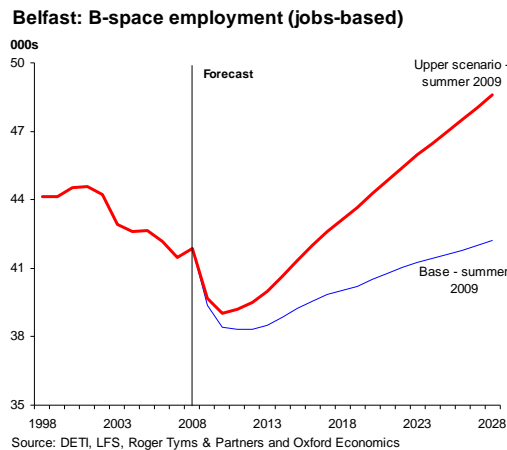


Fig C.2: Derry City & Strabane B-space employment trends and forecasts

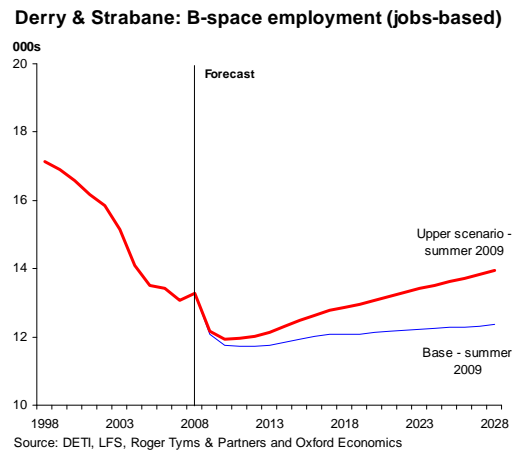


Fig C.3: Armagh City & Bann B-space employment trends and forecasts

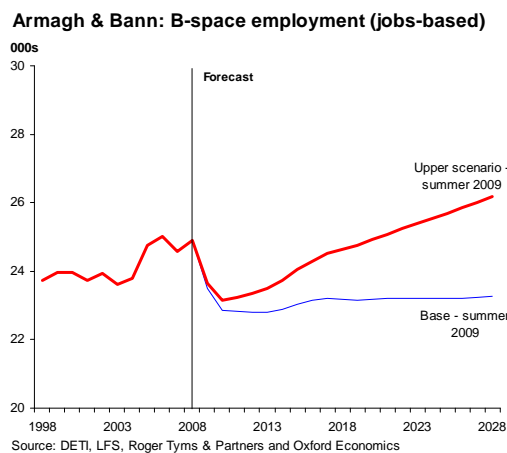


Fig C.4: Lisburn City & Castlereagh B-space employment trends and forecasts

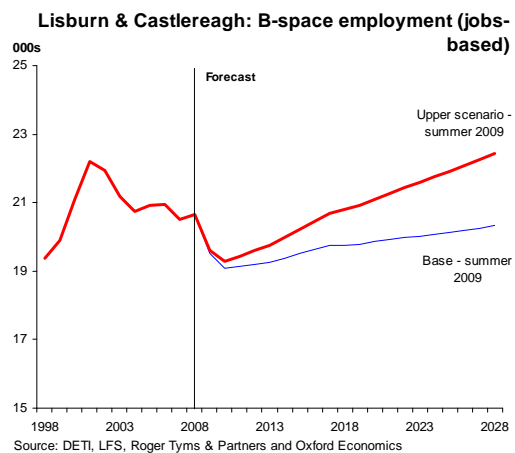


Fig C.5: Newry City, Mourne & Down B-space employment trends and forecasts

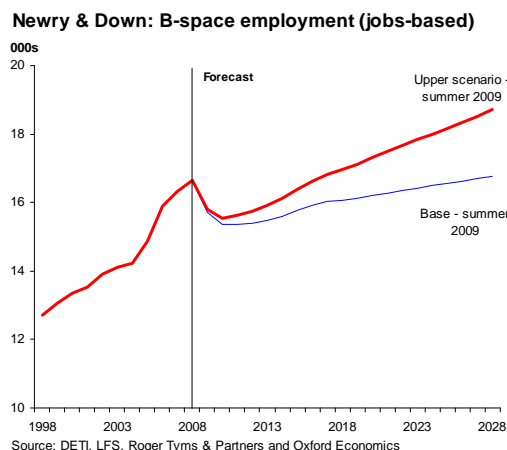


Fig C.6: Antrim & Newtownabbey B-space employment trends and forecasts

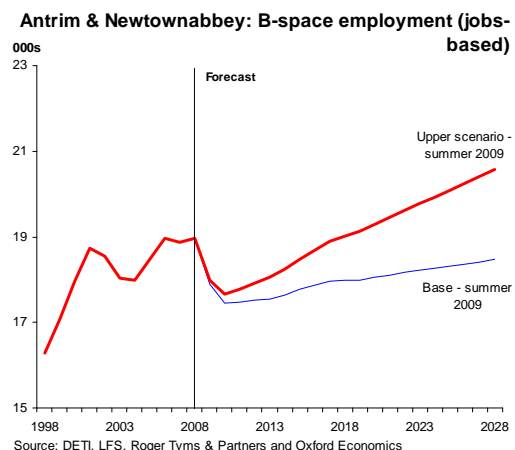


Fig C.7: Ards & North Down B-space employment trends and forecasts

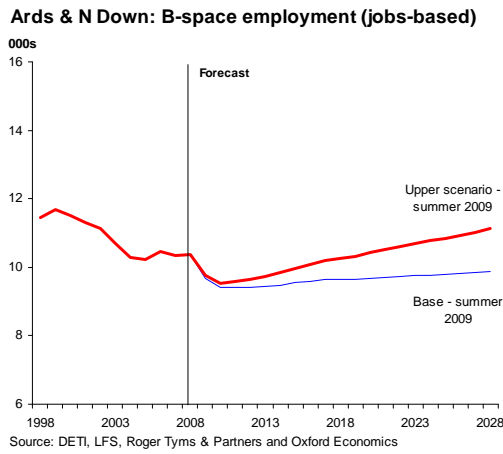


Fig C.8: Antrim Coast & Glens B-space employment trends and forecasts

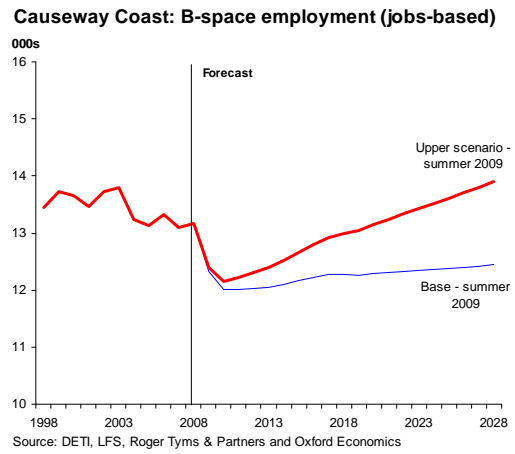


Fig C.9: Fermanagh & Omagh B-space employment trends and forecasts

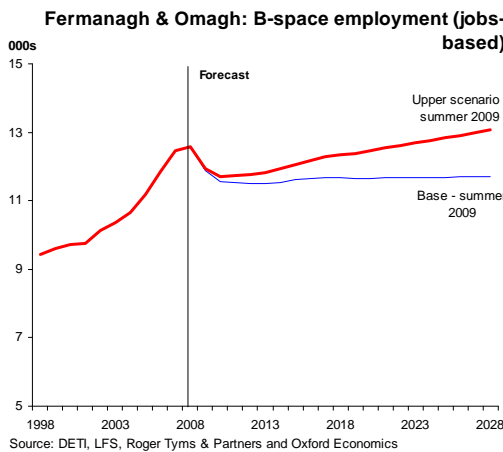


Fig C.10: Mid and East Antrim B-space employment trends and forecasts

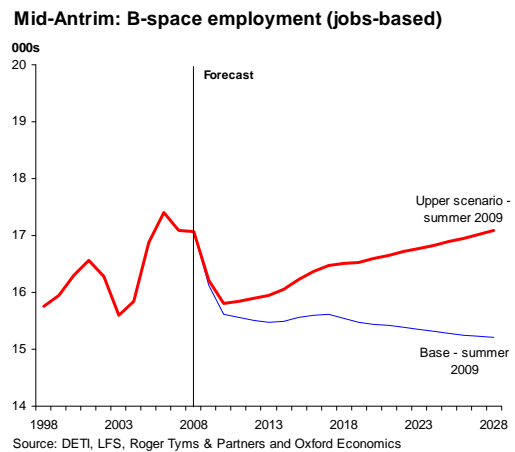


Fig C.11: Mid-Ulster B-space employment trends and forecasts

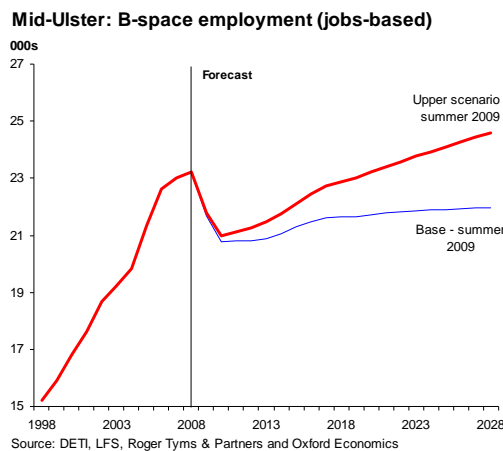


Table C.1: Change in 26 district council B-space employment forecasts 2008-2028 (000s)

	Office (excluding town centre)		Industry		Warehousing	
	Base	Upper scenario	Base	Upper scenario	Base	Upper scenario
Antrim	0.3	0.4	-0.6	-0.1	0.5	0.5
Ards	0.1	0.2	-0.6	-0.2	0.1	0.2
Armagh	0.1	0.2	-0.5	-0.2	0.3	0.6
Ballymena	0.1	0.2	-1.5	-0.7	0.1	0.3
Ballymoney	0.1	0.2	-0.1	0.1	0.2	0.3
Banbridge	0.1	0.2	-0.3	-0.1	0.2	0.3
Belfast	2.6	6.5	-2.8	-0.9	0.5	1.1
Carrickfergus	0.1	0.1	-0.4	-0.2	0.1	0.1
Castlereagh	0.3	0.4	-0.6	-0.2	0.3	0.5
Coleraine	0.1	0.2	-0.7	-0.3	0.0	0.1
Cookstown	0.0	0.1	-0.2	0.3	0.0	0.1
Craigavon	0.2	0.4	-2.3	-1.3	0.7	1.1
Derry	0.7	1.3	-1.7	-1.1	0.1	0.3
Down	0.1	0.2	-0.3	-0.1	0.0	0.1
Dungannon	0.1	0.2	-1.0	0.0	0.3	0.4
Fermanagh	0.1	0.2	-0.9	-0.3	0.1	0.2
Larne	0.0	0.0	-0.4	-0.1	0.0	0.1
Limavady	0.0	0.1	-0.4	-0.2	0.0	0.1
Lisburn	0.5	0.8	-1.5	-0.6	0.7	0.9
Magherafelt	0.0	0.1	-0.5	0.2	0.0	0.1
Moyle	0.0	0.1	0.0	0.0	0.0	0.0
Newry & Mourne	0.4	0.6	-0.5	0.5	0.4	0.7
Newtownabbey	0.2	0.4	-1.2	-0.6	0.4	1.1
North Down	0.3	0.6	-0.5	-0.2	0.1	0.2
Omagh	0.1	0.2	-0.4	0.0	0.1	0.2
Strabane	0.1	0.1	-0.1	0.1	0.0	0.1
NI (000s)	6.6	14.0	-20.0	-6.1	5.3	9.7

Source: DETI, LFS and Oxford Economics

Note: Employment is full and part-time employee jobs plus self-employment