

A review of the multi-dimensional drivers of place-based economic inactivity in Northern Ireland

Bulletins – evidence assessment and policy insights

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Please note:

References for any citations provided here can be found in the main reports.

Background

Northern Ireland (NI) has the highest rate of economic inactivity in the United Kingdom, and the gap with the national average has increased in recent years (Barr et al., 2019; Magill et al., 2024). Moreover, while official International Labour Organization (ILO) statistics suggest that NI has the lowest unemployment rate of the twelve UK regions, recent measures show a real unemployment rate (including “hidden unemployment”) of 8.2%, which is approximately three times the ILO unemployment rate (2.7%) (Magill et al., 2024). NI faces specific challenges as compared to the wider UK. For instance, alongside historically higher rates of economic inactivity linked to ill health and sickness, it has also experienced a 25% increase from 2012/2013 to 2021/2022, as compared to increases of 5.3% in Scotland, 8.8% in Wales and 8.8% in England (Devlin et al., 2023). Post-pandemic, the percentage of the working-age population economically inactive due to sickness and disability in NI reached 11.2% in 2023 – compared to 6.5% in the UK as a whole (Magill et al., 2024).

Local labour market disadvantages are critical in understanding the dynamics blurring the lines between unemployment and economic inactivity (MacKay, 1999; Baumberg, 2014). It is crucial, then, to explore the way in which “place”, local histories and specific local drivers may shape persistent disadvantages and thus economic inactivity patterns and trends that characterise NI (Lloyd, 2022). This series of reviews aims to provide a clear assessment of the current evidence-base around multidimensional place-related determinants of economic inactivity, including the identification of current knowledge gaps. A focus on local drivers can inform policy responses to reduce economic inactivity for different types of people and places. This is especially the case in the UK, where the devolved nations enjoy different degrees of control and have specific policy levers, and so research casting light on the potential (and limitations) of place-based approaches can guide policy development.

The reviews cover the following topic areas:

1. Community and identity
2. Health and social care
3. Social capital
4. Geography and infrastructure
5. Industrial structure
6. Gender and age

Each review is structured to first provide a descriptive snapshot of current patterns, trends and prevalences in NI related to the mechanisms covered. An assessment of the evidence around each mechanism is then conducted, considering¹:

- **Certainty** – Does the analysis identify a significant effect of the mechanism under scrutiny on economic inactivity? Is there a causal relationship and a clear consensus in the literature?
- **Strength** – How big is this effect and how direct is its influence?

¹ In summarising the evidence based on these three categories, the authors draw on a similar framework to that used in HM Government (2014). However, the interpretation and focus of each category has been adapted to match the aims of the reviews, which focus on economic inactivity; the focus of the analysis in HM Government (2014) was on factors causing child poverty.

- **Coverage** – How many are affected? A certain and strongly influential mechanism may only affect a small or specific group.

The reviews prioritise evidence on the NI context when available, because of its distinct history, patterns and trends characterising economic inactivity, but they also include studies on the UK, Ireland and other EU and OECD countries if these can usefully illuminate NI-specific trends and dynamics and suggest potential causal pathways. Finally, the reviews conclude by reflecting on the implications of the insights emerging from the evidence assessment – for instance, around the implications for policy and transferability to the NI context.

1. Community and identity

Evidence assessment

	Culture of worklessness (family)	Culture of worklessness (community)	Religious identity
Certainty	Low Very little evidence from NI. Studies on intergenerational worklessness within families are largely focused on workless spells rather than economic inactivity. The evidence does not support a primary role played by cultural transmission, stressing instead that risks of worklessness are shaped by a combination of structural factors, particularly local labour market conditions. The evidence also dismisses the idea of workless families disconnected from mainstream societal values.	Low Very little evidence from NI. While there are patterns of geographic concentration of inactivity, establishing causation is difficult and cultural explanations are just one of the possible causal pathways. There is little evidence of a wholesale disconnection from mainstream societal values in disadvantaged communities, while the international evidence identifies an effect of social attitudes on the persistence of disadvantage linked to aspiration traps.	Low/Medium There is a body of evidence specifically focused on NI, albeit there are fewer recent studies. There is good evidence of labour market differentials, with support for the idea of discrimination having played an historical role. The evidence does not suggest that religion itself is a driver of differences in economic behaviour and inactivity beyond its association with other characteristics (e.g. fertility). The role of other sectarian barriers to access employment is not clear.
Strength	Low It is hard to assess the strength of the mechanism, since its effect is difficult to ascertain.	Low/Medium It is hard to assess the strength of the mechanism, since its effect is difficult to ascertain. There is some evidence of a contributory, complementary role possibly played by aspiration traps.	Low/Medium It is hard to ascertain the specific strength of the mechanism, with overall trends suggesting it has played a greater role in the past.
Coverage	Low The phenomenon of “generations of people who never worked” is rare.	Low High levels of concentration of inactivity and deprivation do exist. The extent to which the mechanism gives origin to the phenomenon of ‘benefit streets’, popular in the public discourse, is largely overblown.	High While associations with sectarian identities may be less salient than in the past, the mechanism would affect a significant portion of the population.

Policy implications and lessons for NI

Despite the sparse evidence documented in the above assessment, cultural explanations have been dominant in the UK public policy discourse (Lehtonen, 2018). Under this view, cultural norms shape behaviour and entrench worklessness, which in turn contributes to poverty. This has important policy implications as generous social policies are seen as triggering moral hazards and extend worklessness, welfare dependency and disincentivize against poverty-reducing behaviours like work. Congruently, the UK has increased

conditionality, with welfare reforms in the past decade introducing more stringent entitlement criteria and punitive sanctions. This direction of travel for social security policy is not likely to change with reforms to disability benefits adopting a similar approach. However, there is a large international literature that contradicts claims that generous social policies incentivize poverty-increasing behaviour (Ravallion 2016; Biegert 2017; Brady et al. 2017; Gregg and Macmillan, 2020; Parolin et al., 2025). Increased welfare conditionality has also been linked to adverse effects, reinforcing the shame and stigma that further entrenches disadvantage, while benefit sanctions also have a negative impact on child outcomes, including poorer child well-being and educational outcomes (Baumberg, 2016; Watts and Fitzpatrick, 2018). Approaches that entrench hardship are likely to be counterproductive in addressing the intergenerational transmission of disadvantage, as income has been shown to have a causal impact on children's outcomes (Cooper and Stewart, 2021), while also contributing negatively to parental mental and physical health (Frazer et al., 2021).

Compared to other UK nations, NI has been able to have greater control over social security. The NI Department for Communities administers a number of Welfare Supplementary Payment mitigation schemes. These are designed to alleviate the impact of social security benefit changes in relation to the Benefit Cap, the Social Sector Size Criteria (commonly referred to as the "bedroom tax"), the Time-limiting of Contributory Employment and Support Allowance, the Transition to Personal Independence Payment, the Loss of Carer Payments, the Loss of Disability-Related Premiums (Department for Communities, 2024a). These schemes have been extended until March 2028 (Department for Communities, 2024b). Extra support is also provided through the Universal Credit Contingency Fund. In light of the evidence reviewed here, fears that more generous provisions may entrench inactivity are not warranted. In fact, by mitigating hardship, this approach can protect people from the scarring effect of poverty which can bear on employment prospects.

Based on current trends in relation to Catholic/Protestant disparities, the approach adopted by NI to mitigate unemployment differentials in the past couple of decades has been effective – even if gaps remain in fully understanding what aspects have driven recent improvements.

What this review has highlighted is the important geographical dimension of disadvantage in relation to inactivity, as intergenerational worklessness appears to be linked to local labour market characteristics. Moreover employment differentials have long, and persistently, been geographically concentrated. This would point to a role for area-based initiatives tackling high levels of inactivity, unemployment and targeting 'social mobility cold spots' (areas of low social mobility). This is further explored in other reviews, but based on the present assessment, approaches boosting local labour markets could contribute to break the intergenerational and localised persistence of high levels of inactivity. The evidence around the role of aspirations traps point at these as a possible psychological barrier that can hinder the effectiveness of interventions removing material barriers (Ghosal, 2021). At the same time, policies focused on raising aspirations need to be combined with those improving opportunities as these psychological factors play a complementary role.

2. Health and Social Care

Evidence assessment

	Worsening population health	Health and social care services	The role of the benefit system
Certainty	High The evidence strongly suggests that the health of the UK population in general, and in NI in particular, is worsening and that this is a driving factor in rising health-related benefit claims. Health and local labour market factors combine to explain high levels of inactivity, while there is good evidence of the historical legacy of conflict in NI – especially bearing on mental health – with a number of mechanisms possibly driving its intergenerational transmission.	High/Medium Evidence of a direct impact of pressures on healthcare services as driving rising inactivity is mixed. There is good evidence that timely access to quality care bears on health outcomes, and that barriers to accessing quality services contribute to entrenching health disparities. There is strong evidence of increasing healthcare delivery challenges in relation to both primary and specialist care. The evidence of the impact of care on employment outcomes is strong, but research specific to explaining economic inactivity in NI is needed. There is good evidence of the role of social care services in improving health and employment outcomes.	Medium Increased conditionality in other parts of social security can create incentives to claim health-related benefits, although there is limited evidence that factors such as the generosity of health-related benefits are driving inactivity. NI-focused studies are lacking.
			High At the same time, there is strong evidence of the negative impacts on health and limited impact on employment of restricting access to incapacity benefits or increasing conditionality and sanctioning. There is also strong evidence of the negative impact of welfare cuts and sanctioning on health, especially mental health.
Strength	Strong There is good evidence that worsening population health is the key driver of the increase in caseload for health-related benefits. There is also an especially strong incidence of some conditions (e.g. mental health) and on some groups – e.g. younger adults, older (50–64) adults – with increasing disparities for those experiencing higher levels of disadvantage.	Medium While difficulties in accessing NHS services may have played a role in the worsening physical and mental health of the working-age population, the exact impact on inactivity is disputed and more NI-focused studies are needed. The role of social care challenges in relation to inactivity is likely to have a significant effect on unpaid carers, especially younger carers, but requires more NI-focused investigation.	Low Assessment of the strength of replacement effects in NI is lacking. UK and international evidence indicate that changes to disability benefits (e.g. eligibility criteria) have limited/no significant effect on employment prospects.
			Strong/Medium The evidence suggests a significant, contributory effect mediated by the effect of welfare reform on poverty and in line with the social determinants of health literature. The specific effect is hard to isolate and NI-focused studies are lacking.

Coverage	High Not only is there evidence of a large portion of the population increasingly experiencing health problems, there is also evidence of increasing health inequalities and suggestion of intergenerational impacts.	High There is strong evidence of increasing and widely experienced challenges in accessing timely, quality health care and growing dissatisfaction with services. Social care challenges are both widely spread and likely to increase.	High Social security reform affects a significant portion of the population, with evidence that the regressive impact of cuts is greater for certain groups and concentrated in certain areas.
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Policy implications and lessons for NI

In light of the key role played by ill health and disability in relation to NI's economic inactivity, the review underscores the pivotal role played by drivers such as the worsening population health in driving rising inactivity rates and entrenching health inequalities. There is a rich body of research pointing to NI-specific phenomena, especially around mental health, and linked to the region's history. A number of mechanisms can also explain the long-term persistence and intergenerational transmission of these health problems, affecting employment prospects also for generations that have not experienced direct violence.

On the other hand, there is little evidence supporting the idea that the generosity of health-related benefits is driving inactivity, and, in fact, much stronger evidence that increased conditionality and sanctioning, combined with limited adequacy of social security benefits, can contribute to health problems and increase risks of inactivity. In this sense, policy has a role to play in relation to health trends.

Finally, there is good evidence of increasing challenges in accessing health care, with increasing levels of dissatisfaction with services and greater health care insecurity. The exact impact of this in relation to inactivity is at present harder to quantify. At the same time, social care challenges are linked to increasing pressures on informal carers, with strong evidence of negative impacts on health and employment outcomes, which especially for younger carers can be long lasting.

These findings have a number of policy implications:

- Firstly, addressing high levels of inactivity due to ill health and disability remains a priority for NI, and the evidence reviewed here suggests that, in order to support people into work, there is a stronger case for focusing on enhancing social security and public services to improve population health over approaches restricting access to health-related benefits.
- Addressing the social determinants that are shaping current health trends requires upstream interventions – e.g. related to education, housing and economic development, for instance by creating high-quality, better paid and accessible jobs (something further explored in review 5 in this series). Approaches to reduce the disability employment gap through improving flexible education, training and employment opportunities can also benefit carers, and reduce the costs of social security.
- There is a strong case for continuing, and indeed expanding, mitigation measures: cuts to social security policy bear not just on the capacity of the system to ameliorate hardship and protect people from poverty, but also on health outcomes, especially mental health, contributing to mechanisms entrenching health and economic disparities.

- Ameliorating poverty should also be a priority in light of research on family stress and its impact on parents and children. In NI, policies tackling family stress should also be tailored to its specific setting and its history of conflict. The provision of support for the psychological well-being and mental health of parents – including community social support – can mitigate risks of enduring mental health disorders across generations.
- The review identified increasing insecurity around healthcare (in terms of both access and quality, and both in primary and specialist settings). Improving service delivery, by improving the capacity of the system, supporting workforce recruitment and retention in deprived areas, and making primary care more responsive and flexible, can ameliorate these insecurities. The recent Three-Year Strategic Plan and Reset Plan promise action in these directions but also need long-term political commitment.
- Epigenetics research suggests that changing environmental stimuli has intergenerational physiological consequences. This can, for instance, reverse ill health effects associated with trauma and stress. Preventive interventions can attempt to avert potential later-life consequences, focusing on changes improving family and neighbourhood environments – for example, through better housing or through programmes attempting to improve physical safety or ameliorate the harms of conflict (such as the Executive Programme on Paramilitarism and Organised Crime (EPPOC)) but also strong anti-discrimination protections that shape people's experience in accessing the labour market.

3. Social capital and social infrastructure

Evidence assessment

	Social networks and informal support	Childcare	Education and skills
Certainty	High/Medium There is evidence that social networks play a role in ameliorating risks of inactivity. Support networks provide help that can remove labour supply constraints and provide access to jobs. Access to different social networks shape employment opportunities, with better outcomes for the most advantaged, and fewer, often low-quality, opportunities for the most disadvantaged. When leading to informal work, social networks may contribute to 'hidden unemployment'.	High/Medium The evidence underscores affordability challenges and limited availability of childcare services in NI. International evidence suggests an intergenerational trade-off between mothers and grandmothers regarding reductions in labour supply but evidence of these dynamics in NI is lacking.	High There is strong evidence that low educational attainment is an important driver of inactivity. In the face of a labour market that is shaped by skills-based technological advancements, those with limited skills face greater barriers in accessing employment. Especially in areas where low-skilled jobs are at risk of displacement, those with low skills are more likely to become inactive.
Strength	Medium The evidence points to a positive role of social networks in protecting from the immediate risks of unemployment, but for those at risk of poverty and in disadvantaged communities, it may lead to insecure, low-quality work. The precise role in relation to informal work is hard to establish and measure. In fact, social networks play a lesser role for those who are not employed long-term and further from the labour market.	Medium Despite relatively poor childcare provision, rates of inactivity due to caring responsibilities have reduced in NI – likely due to high levels of reliance on informal childcare and reduced working hours in the face of childcare barriers (rather than outright employment exit). Caring responsibilities remain a key driver of inactivity for women with children under 16 and especially for those with younger children under 5.	Strong /Medium Education and skills play a pivotal role in shaping risks of inactivity. At the same time, as shown by research around young people who are NEETs, education and skills challenges combine with health-related factors to produce the most stubborn barriers to reducing inactivity.

Coverage	High The evidence points to social networks being the first point of support for most people, and so they play a relevant role in relation to financial and material support with finances, employment, food and care. Some people may be at higher risk of not being able to access informal support: for instance, poverty or intense caring responsibilities can increase the risk of social isolation. This has the potential of further entrenching disadvantage, including economic inactivity.	Medium While childcare challenges are widespread in NI, their role in relation to inactivity has reduced but remains significant for some groups of women, especially those in low-income families.	High NI has the highest level of people with no qualifications in the UK. At the same time, NI has made significant progress in reducing NEET rates among young people, while older age groups have consistently lower levels of qualifications increasing risks of inactivity in older age.
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Policy implications and lessons for NI

The review has underscored strong empirical support for all three aspects explored here – social networks, childcare and education and skills – having an important bearing on economic inactivity levels in NI. The review stressed their interconnections. For instance, informal childcare is often provided by family and friends, forming part of bonding social capital. While reliance on informal networks compensates for poor formal childcare provision, it can entrench inequalities because disadvantaged families have fewer bridging ties and less access to high-quality childcare options. At the same time, it is bridging social capital (connections beyond close kin/community) that is linked to better job opportunities and economic advancement, but is weaker in segregated or disadvantaged NI communities. Education institutions serve a dual role: building human capital (skills) and creating bridging networks that expand employment opportunities. Overall, these three factors interact to create layered disadvantages: low skills limit employment prospects and childcare costs may outweigh the benefits of working. When these are balanced by relying on informal networks this can further limit bridging capital which also bears on employment options and contributes to risks of inactivity. Conversely, improvements in one area unlock improvements in others – e.g. affordable childcare can unlock participation in education/training and expand networks, reducing inactivity.

While rates of people inactive due to caring responsibilities have reduced, childcare provision remains poor in NI – both in terms of availability and affordability – compared to other OECD and UK countries. This suggests high levels of reliance on informal childcare and reduced working hours in the face of childcare barriers (rather than outright employment exit). The need to improve affordability and expand “appropriate, accessible, flexible and affordable childcare” provision is widely recognised (Equality Commission for NI, 2024). The review supports the pressing need for:

- Expanding subsidised childcare and investing in informal services, especially in disadvantaged areas. This requires paying attention to how barriers to access pertain not only to delivery (e.g. upfront payments presenting barriers for low-income families even in the face of child support through benefits) but also to the interaction between different trade-offs (e.g. limited employment prospects, place-based disadvantages, interaction with other caring responsibilities).
- Consider care dynamics in an intergenerational perspective, as policies related to children do not just bear on parents but on grandparents, especially in NI where there are high levels of informal childcare and older people have on average lower levels of skills. Intergenerational trade-offs suggest that closer attention should be paid to how policies in relation to childcare intersect with policies on retirement age and flexible work for older workers.

Skills challenges are especially relevant to NI, given it has the highest proportion of adults with no qualifications in the UK, especially among older age groups. The review underscored that skills mismatches persist, and vocational pathways are weak compared to other countries. The latest NI Skills Strategy and Skills Action Plan (DfE, 2022, 2025) emphasised a partnership-based approach to tackle NI's skills challenges, but critiques remain in terms of its shortcomings in developing a coherent approach both to funding and stakeholder coordination and achieving the Strategy's goals (NIAO, 2025; Northern Ireland Assembly, 2025b).

- Place-based approaches can combine skills investment, childcare expansion and infrastructure improvements in high-inactivity areas. Support for social infrastructure (childcare, transport, digital access) can reduce isolation and enable participation in networks beyond immediate kinship ties. Local partnerships (councils, employers, education providers) can tailor interventions to community needs. At the same time, interventions at the local level should be part of a coherent central strategy around skills, both in terms of governance, evaluation and funding. The emphasis on integrated approaches to childcare, skills and social infrastructure can deliver improvement not just in relation to economic inactivity, but in terms of addressing poverty and social disadvantage (Equality Coalition, 2024).
- Adult learning, whose improvement is among the targets of the recent NI Skills Strategy, should be a key focus given the profile of the people at higher risk of inactivity. While there have been improvements in relation to NEETs, re-skilling programmes should be designed and delivered with awareness around likely Matthew effects. Those most likely to benefit from these are the least likely to participate and both demand-side barriers should be addressed, for instance ensuring both flexible and high-quality programmes.

4. Geography and infrastructure

Evidence assessment

	Transport and digital infrastructure	Spatial disadvantage and concentrated deprivation
Certainty	Medium While there is good evidence of the infrastructure challenges in NI and some evidence of the causal impact of infrastructure, its impact – including distributional effects – is not always easy to isolate amidst other place-based factors.	Medium Several studies identify negative effects of area-based deprivation on a number of outcomes, including employment. However, it can be difficult to isolate the effect of place from individual characteristics and many existing studies are likely to show correlations between individual outcomes and neighbourhood characteristics.
Strength	Medium Adequate infrastructure is important to support local economies and people's employment prospects in a region. At the same time, infrastructure development does not benefit all people equally and can boost local development only where other social conditions are in place – such as adequate human capital and local skills levels.	Strong The relative importance of neighbourhood effects varies by context, but their effects are found to be stronger in the UK, including NI, compared to other EU countries. These effects can affect several outcomes simultaneously and can be especially significant when exposure to deprived areas is persistent or occurs at critical life junctures such as early childhood or adolescence.
Coverage	High/Medium Transport and digital infrastructure affect a large portion of people, but do not guarantee full inclusion.	High A significant portion of the NI population lives in areas considered the most deprived in the UK, with evidence of great persistence and hence incidence on multiple generations.

Policy implications and lessons for NI

Tackling stark geographical imbalances is a key priority in NI: the review showed that these are persistent, with local government districts that have higher overall levels of economic inactivity also recording the highest variation between district electoral areas within the council area.

The review has underscored a history of infrastructure underinvestment in NI, explaining its lagging behind other UK regions in terms of connectivity. This is especially the case in western parts of NI. At the same time, the review underscored that investment in 'hard' infrastructure can have a limited role in boosting regional employment growth, and necessarily needs to be coupled with interventions investing in 'people in places' so that communities can fully reap the benefits of investment.

Infrastructure is also not a silver bullet because of the different distributional benefits it can produce – those who are already in an advantaged position in terms of education, income and

employment prospects are more likely to take advantage of extra services provided. Projects aimed at improving connectivity to major cities can also overlook barriers to mobility, especially among disadvantaged groups. At the same time, regeneration projects can have unintended consequences.

Overall, the review points to how mobility should not be assumed: people face several barriers that may prevent them from moving or taking advantage of improved connectivity opportunities. Especially for low-income households, ties to communities and networks can be highly localised and provide essential support in relation to care, finances and employment.

Mobility barriers also matter in relation to the association between area disadvantage and inactivity. The association between area disadvantage and inactivity points to the need for a strategy that focuses on improving social deprivation and employment opportunities not just at a regional level, but the more local level too.

At the same time, this means appraising the distributional impacts of trends shaping overall employment in NI, as very localised approaches are unlikely to produce systemic change. Localised, regeneration interventions can have a positive but limited role in improving inactivity in deprived areas – with evidence that shows they are more likely to improve the local physical environment than significantly affect employment or educational outcomes.

5. Industrial structure

Evidence assessment

	Industrial and sectoral challenges	Armed and paramilitary activities
Certainty	High/Medium Industrial mix effects on employment and inactivity are well-established and there is evidence of a long-term effect of industrial decline in certain areas. NI has historically been characterised by low sectoral diversification, and concentration of employment in low-growth sectors or in sectors that have higher rates of outflows from employment due to health or early retirement. Industry mix intersects with population-based factors to explain inactivity – e.g. related to local health, human capital and skills levels. Sectoral and occupational challenges are also identified as contributors to the disability employment gap.	Low/Medium There are analytical challenges in appraising the impact on economic inactivity of paramilitary and armed groups' activities. The impact of these groups in distorting local economies and deterring wider investment in certain areas is not easy to quantify. The literature also seldom focuses on employment or inactivity. Descriptive findings find that paramilitarism is an important concern, especially in certain areas, and qualitative evidence points to profound consequences for those affected.
Strength	Strong/Medium There is evidence of a significant effect of industry and sectoral challenges affecting inactivity in NI and these being a driving factor especially in certain areas. At the same time their established historical significance is diminishing. Some sectors, such as manufacturing, have held and even grew in NI more than in other UK regions, while in some parts of NI the effect of an unfavourable industrial composition has been balanced by positive regional effects – e.g. related to populations skills, health or infrastructure. In some high-inactivity areas such as Belfast there is evidence of a relatively favourable industrial mix and a greater role of regional drivers.	Strong A persistent correlation with area disadvantage suggests a cycle whereby an historical legacy of conflict and area deprivation have led to the conditions for armed groups to become embedded in local communities, further entrenching risks of deprivation and constraining the local economy. At the same time, there is good evidence of a strong effect of these activities on stress levels and mental health challenges for people in the affected areas, especially when in conjunction with adverse childhood experiences that have been linked to increased risks of experiencing a range of negative outcomes - from educational to health to substance use.
Coverage	High/Medium Industrial and sectoral challenges are especially relevant in some areas and bear more heavily on the opportunities of some people, particularly those with health issues, caring challenges and low qualifications.	Low The impact of paramilitary activities is highly localised, and especially likely to affect a small but highly vulnerable group of people, especially young people, either as targets of paramilitary style attacks or as recruits.

Policy implications and lessons for NI

A long-standing productivity problem has been widely recognised in policy debates in NI (DfE, 2017). Analysis examining the conditions to address the productivity challenge points to the need for a joined-up, cross-departmental approach as well as a long-term commitment (Donaldson et al., 2025). Collaborations have been promoted in the recent skills strategy

(2024–2027) (DfE 2025a), between the Department for the Economy and the Department for Communities by linking current skills plans with the Disability and Work Strategy, the Anti-Poverty Strategy, and Labour Market Partnerships. Other collaborations, for instance between Innovate UK, DfE and Invest NI developed a Collaborative Innovation Plan aimed at increasing the number of innovative businesses as a way for contributing to higher levels of employment (DfE, 2025b). Inactivity, skills and local development are also central to vertical collaborations between local and central government, for instance through region or city deals. In 2020, the OECD noted the need for NI to address skills imbalances, improve workplace practices and focus on life-long skill development. A similar point emerges from the review: industry and demand-side factors intersect and supply factors must be understood in conjunction with the specific characteristics of places and their people: e.g. relative to skills and education level, health, as well as infrastructure.

Based on the findings of the review, these coordinated efforts to support NI's growth and productivity should also consider that: A pivotal factor that can enable people to enter work or remain in work (e.g. after a health setback) is flexibility and control over key parts of their job. Improving workplace practices and processes and job quality across occupations and across sectors is key to address the needs of workers with health issues or caring concerns.

As sectors that have been traditionally central to the NI economy, such as manufacturing, show signs of improved productivity and growth, they can positively contribute to tackling inactivity, but barriers for workers to enter or remain in these sectors should be further explored and addressed – for instance, in relation to health barriers.

Some sectors which are especially relevant in NI – e.g. public administration – are low growth and associated with early employment exits. High rates of employment in these sectors are especially relevant in some high-inactivity areas and the factors that could help retaining workers should be better understood.

As the older population in NI is more likely to be affected by health issues and has generally lower qualifications, there is a strong case for investment in life-long learning and in ensuring that older workers can navigate a changing industrial landscape and take advantage of emerging opportunities (also see Review 3 in this series).

In relation to armed and paramilitary activities, the report has underscored their localised roots and link to social disadvantage. Tackling local deprivation, strengthening local labour markets and addressing the financial insecurity of those in affected communities can reduce risks of exploitation by these groups. This means also understanding how factors explored in other reviews – such as the costs associated with childcare and the structure of social security – can contribute to financial insecurity and increase risks of vulnerability.

Exposure to these groups' activities increases risks of mental health issues, stress and trauma. Localised support and programmes attempting to improve physical safety or ameliorate the harms of conflict (such as the Executive Programme on Paramilitarism and Organised Crime (EPPOC)) can mitigate or prevent negative long-term consequences.

6. Gender and age

Evidence assessment

	Older age gendered dynamics
Certainty	Medium/high Evidence is largely descriptive, but consistently points to a higher risk of inactivity among older working-age people, with longer-term trends in NI that mirror those in the UK, including in relation to gender – e.g. inactivity is rising among men and declining for women, including for older age groups. These trends also show a link between inactivity and ill health, with caring responsibilities being more relevant for women. Pandemic trends have been different in NI compared to the UK, with a clearer role played by health challenges compared to early retirement.
Strength	Medium Inactivity and employment participation in older age is shaped by an interplay of personal factors (e.g. health, qualifications and socio-economic status), work-related factors (e.g. occupational differences and sectoral characteristics) and broader environmental factors (e.g. both local and general labour market dynamics).
Coverage	High Inactivity risks are generally higher in older age, but are also greater for certain groups of both men and women (e.g. those with lower qualifications). There are significant geographical variations as well as differences across socio-economic groups in terms of the reasons for employment exit (e.g. early retirement being more likely among those who are socio-economically advantaged and health being the dominant reason among the most disadvantaged).

Policy implications and lessons for NI

There is an active debate around employment support for older-aged workers in NI. In 2011, the Commissioner for Older People for Northern Ireland was established with statutory duties to safeguard and promote the interests of older people. Their recently published (COPNI, 2024) report offers recommendations to tackle ageism at multiple levels: institutional ageism (including in public perception, media representation), interpersonal ageism (including in employment practices) and self-directed ageism (internalised by older people). The report notes legislative gaps in NI, with more limited legal protection offered against age-based discrimination than any other jurisdiction in the UK or Ireland. While the Programme for Government for 2011–2015 recognised the need for age discrimination legislation in the provision of goods, facilities and services, the commitment to enact this legislation was still short of being delivered upon. NI also developed an Active Aging Strategy (Department for Communities, 2020). The most recent Programme for Government (Northern Ireland Executive, 2025) recognises demographic trends and the pressures brought by an aging population, but does not have a specific age-gender employment strategy, while it includes a focus on ‘good jobs’ to promote work-life balance and deliver programmes to address barriers to employment at the local level.

The review highlighted how different employment outcomes and higher risks of inactivity are based on personal factors, and how they interact with work-related factors and contextual factors linked to the wider economy, but also to local context, particularly to the local economy and local deprivation levels. A strategy to reduce inactivity among older people would thus:

- Focus on health as the primary driver for inactivity in older age in NI. On the one hand, this means health promotion through prevention – e.g. promoting healthy aging, healthy lifestyles, improving work environment – as well as early detection and treatment of chronic diseases. At the same time, any strategy to tackle ill health should recognise the social determinants that are shaping current health trends and patterns. A key policy implication is recognising the need to tackle the spatial variation in local population health, especially linked to poverty and deprivation. Upstream interventions can ameliorate the local environment – e.g. in relation to education, housing, economic development as well as service delivery.
- Work-related interventions should aim to make the labour market more inclusive and prevent the flow of older people to economic inactivity. These include: the promotion of health and safety measures and work adaptations, but also a focus on good quality jobs across sectors, as well as progression opportunities that can improve job satisfaction, pay, and improve the chances of older workers accessing flexible roles in the later stages of their career.
- Across sectors, opportunities to work flexibly and have control should be improved, especially in older age and including in non-managerial or professional occupations. These can provide the needed work-life balance to cope with caring responsibilities and health issues, and improve retention of older workers.
- The review underscored current knowledge gaps in how gender-age-employment intersect in NI. Most publications are providing descriptive information and more research is needed on how local drivers impact older people across gender lines.
- Recognising gender differences in older age relates, on the one hand, to connecting health and workplace interventions with local development and sectoral strategy. On the other hand, this also means integrating an age focus in approaches tackling gender disparities. For instance, the review underscored the bearing of caring responsibilities on older women's risks of inactivity. While childcare has been central to policy debate in NI, the role of older women in the provision of informal care for grandchildren (especially as sandwich carers) is often overlooked and should be further explored to understand the needs of this group.