

Northern Ireland Productivity Dashboard 2025













































Authors: **Ruth Donaldson, David Jordan, Seán McDonald** and **John Turner**, Queen's University Belfast
Produced on behalf of the Northern Ireland Productivity Forum. View last year's [NI Dashboard](#).








87.6%

NI's productivity relative to UK average

8th

of the UK's twelve regions for productivity performance

Category	Driver of productivity	Relative to UK average	Change over time	
			Short-term	Long-term
Business performance & characteristics	Exports as % of GDP			
	R&D per job			
	Innovation active businesses*			
	% of SMEs where finance is a major obstacle			
	Business births as % of all active enterprises			
	• Management practices score			
Skills & training	% of population with tertiary education (RQF 4+)			
	% of population with no or low skills (below RQF 1)			
	% of employers providing training in past 12 months			
	% of vacancies which are skill shortage vacancies			
	• Life-long learning over the last 3 years			
Policy & institutions	% of SMEs where political uncertainty & government policy is a major obstacle			
	% of SMEs where legislation & regulation is a major obstacle			
Health & wellbeing	Economic inactivity rate			
	% of economic inactivity due to long-term ill health			
	% of population aged 16-64			
Investment, infrastructure & connectivity	FDI per job			
	Gross fixed capital formation per job*			
	Access to Gigabit-capable internet services			
	• Public electric vehicle charging devices			

Key		Better than UK average		Improvement over time		Data unavailable
		Equal to UK average, or Lower than UK average but above median		No change over time	•	No new data since 2024 Dashboard
		Worse than UK average		Worsening over time	•	New for 2025

Has Northern Ireland's productivity growth stalled?

During the Covid-19 pandemic Northern Ireland (NI) saw its largest improvement in productivity, moving up from last to 7th place amongst the UK's twelve regions. But in last year's dashboard it fell back to 10th. Has NI's progress stalled, or is its productivity still improving?

Productivity measures the total value of output produced in the economy for a given amount of work. Higher productivity means more competitive businesses, higher wages, and more money available to invest in public services.

The most recent data shows that NI's productivity was 12.4% below the UK average in 2023. This is an improvement from our [2024 dashboard](#), with the gap narrowing from 13.2%, and NI improving from 10th to 8th place (Figure 1). While NI remains below its 2021 high of 7th place, it suggests the productivity gains of the pandemic have not been lost.

Despite this relative improvement, NI's level of productivity is unchanged, remaining at £40 in both 2022 and 2023 (Figure 2). This means NI's productivity growth has stalled since the pandemic, with productivity no higher than in 2021. NI's improved ranking therefore reflects other regions falling behind, alongside ONS data revisions lowering their recent performance.

NI's productivity continues to lag behind the Republic of Ireland (ROI), where productivity is approximately 9% higher than the UK, and 25% higher than NI (Figure 1).

To understand why NI's productivity growth has stalled, our dashboard measures NI's productivity potential by examining how it performs across key drivers of long-run productivity growth. This year our total number of drivers increases from 18 to 20, as we introduce three new measures – management practices, lifelong learning, and EV charging points – based on our recent report, [NI Productivity 2040](#); and we remove 5G mobile coverage.

NI continues to possess weaknesses across a number of key areas: 13 of the 20 drivers are red and below the UK average; 3 are orange and equal to the UK average or above the median; and only 4 are green and above the UK average. Adjusting for the new drivers, this is a modest improvement relative to last year's dashboard, with two more drivers reaching either green or orange.

This year also sees NI's best short- and long-term driver performance since our first dashboard in 2022: 11 of the drivers have improved in the short term, and 11 in the long term. These improvements are needed if NI's economy is to see future productivity growth.

More still needs to be done to address where long-run deficiencies remain. 8 drivers have continued to lag the UK average since our first dashboard: innovation active businesses, business births, no or low skills, employers

Figure 1: Value of output per hour worked in 2023 (UK=100)

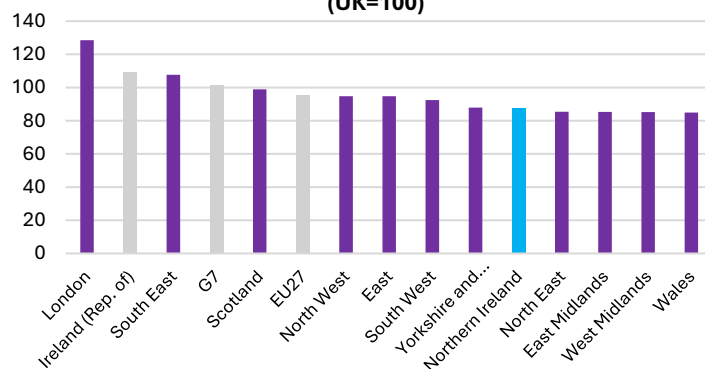
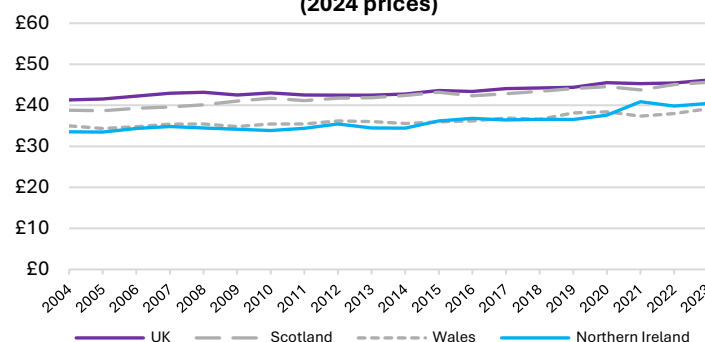


Figure 2: Value of output per hour worked (2024 prices)



Sources: UK regional comparison uses GVA (ONS, 2025); G7 & EU27 comparison uses GDP (OECD, 2025); Rep. of Ireland comparison uses modified GNI (CSO, 2025); GNI for UK (ONS, 2025), & hours worked from OECD (2025); international comparisons in USD, current PPPs, current prices.

providing training, political uncertainty, economic inactivity, long-term ill health, and FDI per job.

Shortcomings remain in the ability to measure key drivers of NI's productivity. For example, NI possesses an infrastructure gap – across water & sewerage, housing, and energy – yet we lack the data needed to benchmark performance.

Government policy has a central role to play in strengthening NI's productivity potential and closing its productivity gap. It is welcome that raising productivity is a key priority for the Department for the Economy, and that the NI Executive has included it as an objective in the [Programme for Government \(PfG\) 2024-2027](#), returning for the first time since the 2008-2011 PfG.

However, the current PfG sets no target for closing the productivity gap. This means improving productivity is in danger of once again becoming an aspiration rather than a central objective to guide policy.

NI's productivity gap is linked to underperformance across several areas, with no single policy solution. Improving NI's productivity therefore requires joined-up policy interventions. Our [NI Productivity 2040](#) report provides a roadmap, demonstrating the need for all government departments and partners to work together.

Further discussion of NI's performance across each productivity driver, and details on how the dashboard is constructed, is provided in the Annex.

Northern Ireland Productivity Dashboard 2025

ANNEX

Background

This year marks the fourth edition of the Northern Ireland Productivity Dashboard. The dashboard measures how NI performs across key drivers of productivity, relative to the UK average and other regions, and over time. It highlights the barriers to productivity growth, their severity, and whether progress is being made to address them.

On the dashboard, NI's performance for each driver is compared against the UK average, and whether it is better (green), worse (red), or equal to this value/worse but above the UK median (orange). Performance across the short term (1-year) and long term (approx. 5-years) is also displayed, to show whether there has been an improvement (green), worsening (red), or no change (orange) over time.

This year's dashboard sees further development of our range of productivity drivers, informed by our recent report, '[NI Productivity 2040: Addressing Northern Ireland's productivity gap for greater prosperity](#)'. Three new productivity drivers have been added to the dashboard: Management practices score, Life-long learning over the last 3 years, and Public electric vehicle charging devices; while the measure of 5G mobile coverage has been removed, as we focus on access to gigabit-capable internet services as our measure of internet connectivity.

The sections below provide a description of each productivity driver, using the most recently available data.

Business performance & characteristics

Exports as % of GDP

Increasing the export intensity of local firms is important, as [there is a strong, positive link between exporting, innovation, and productivity](#). Using the most recent ONS data for 2023, Northern Ireland's foreign exports as a percentage of GDP was 30.1%, placing it 4th out of the UK's twelve regions, behind London (41.2%), Wales (34.1%) and Scotland (32.9%). This was below the UK average of 31.9%, but above the median. Northern Ireland's export intensity decreased over both the short term since 2022 (31.2%) and the long term since 2018 (39.5%). Previous editions of the dashboard used NISRA data to measure NI's export performance over time, but the most recent ONS publication now provides sufficient coverage to be used as a consistent source. It should be noted that NISRA data shows Northern Ireland with both a short- and long-term improvement, but at a much lower level of export intensity.

Source: [ONS \(2025\) Subnational trade time series](#); [ONS \(2025\) Regional gross domestic product](#)

R&D per job

Historically, expenditure on R&D has been low in Northern Ireland compared to other UK regions. When R&D expenditure is measured per job relative to the total workforce, Northern Ireland spent £1,053 per job in 2023 (2024 prices), placing it 7th out of the UK's twelve regions, and below the UK average of £1,505 (R&D estimates were revised by ONS since last year's dashboard to cover all twelve regions). In the short run, R&D per job increased from £1,007 in 2022, and from only £984 in 2018. The UK average is skewed by the East of England (£3,295), which spends three times more than NI, and almost double the next best of London (£1,890).

Source: [ONS \(2025\) Business enterprise research and development, UK](#)

Innovation active businesses

Being innovation active measures businesses' approach to continual improvement, which is an important driver of productivity growth. This measure of innovation includes introducing a new or improved product or service; engaging in innovation projects; improving organisational structures, practices, and strategy; and/or generating or acquiring knowledge or equipment linked to innovation activities. The UK Innovation Survey is conducted every two years, and no new data has been published since our 2024 dashboard. During the period 2020-2022, 32.1% of businesses with 10 or more employees in Northern Ireland were innovation active. This was lower than the UK average of 36.3%, placing Northern Ireland 11th amongst the UK's twelve regions, ahead of only Wales (30.9%). In the short term, there was a worsening in the level for Northern Ireland compared to 2018-2020, when 38.4% were innovation active. In the long term, the level was unchanged relative to 2016-2018, although Northern Ireland has moved slightly closer to the UK average, reflecting a wider fall in innovation active businesses across the UK.

Sources: [Department for Business & Trade \(2023\) United Kingdom innovation survey 2023: report](#)

% of SMEs where finance is a major obstacle

Access to finance can place a constraint on firm growth, [creating a barrier to improving productivity](#). In 2024, 8% of SMEs in Northern Ireland rated access to external finance as a major obstacle to running their business over the

next 12 months, equal to the UK average (8%), and placing it 6th equal with four other regions (North/North East, North West, East Midlands, and Wales). This is a short-term improvement since 2023 (11%), and a long-term improvement since 2019 (12%). It is also the first time Northern Ireland has been equal to the UK average since 2017. However, Northern Ireland's result is still double its previous lowest rate of 4% in 2018.

Source: [BVA BDRC \(2025\) SME Finance Monitor 2024 Annual Regional Report](#)

Business births as % of all active enterprises

The rate of new enterprises being created is an indicator of the level of entrepreneurial activity in the economy. Northern Ireland saw a business birth rate of 9.7% in 2024. This is lower than the UK average of 11.2%, placing Northern Ireland 11th out of the UK's twelve regions, ahead of only the South West (9.6%). Northern Ireland experienced a short-term improvement from 8.3% in 2023, and saw its performance effectively unchanged from 9.8% in 2019. Northern Ireland has remained in either 11th or 12th place since our first dashboard, emphasising that more needs to be done to support entrepreneurship and increase business dynamism.

Source: [ONS \(2025\) Business demography, UK](#)

★ Management practices score

This is a new productivity driver included in the dashboard for the first time. A firm's management practices are a key driver of its productivity. Evidence from [Northern Ireland's first large-scale survey of management practices](#) indicated that management practices matter: better managed firms performed better, were more likely to be exporters, and were more innovative. In 2023, Northern Ireland was included in the ONS's *Management and Expectations Survey* for the first time. Its results show that firms in Northern Ireland scored 0.52 out of 1.0, which was lower than the UK average of 0.55, where a score of 1.0 represents best practice. This placed Northern Ireland in last place of the UK's twelve regions, alongside Scotland.

Source: [ONS \(2024\) Management practice scores and distributions by firm characteristics, UK](#)

Skills & training

% of population with tertiary education (RQF 4+)

Northern Ireland has persistently struggled with a lower proportion of its working age population educated to tertiary level. In 2024, 42.2% of those aged 16-64 were educated to RQF 4+. While this lagged the UK figure of 47.1%, Northern Ireland saw an improvement in its ranking, moving up to 9th place – ahead of the East Midlands (41.7%), the North East (39.4%), and Yorkshire and The Humber (39.3%) – compared to 11th place in our 2024 dashboard. This reflected a short-term improvement, with Northern Ireland increasing from 39.7% in 2023, although this change was within the survey's confidence interval. There has been a clear improvement over the long term, increasing from 36.2% (NVQ 4+) in 2019 (the recording of qualifications saw RQFs replacing NVQs from 2022 onwards).

Source: [Nomis \(2025\) Annual Population Survey](#)

% of population with no or low skills (below RQF 1)

Northern Ireland has persistently had the highest rate of individuals with no qualifications or only entry level skills, below RQF 1. In 2024, this was 10.7% of those aged 16-64, significantly higher than the UK average of 6.9%. This was the highest proportion of any UK region, placing Northern Ireland in last place, with the North East immediately ahead at 10.0%. There was a short-term improvement from 12.3% in 2023, although this change was within the survey's confidence interval. Improvements have been made over the long term, as this proportion was previously 13.6% in 2019 (using the previous NVQ framework). Continued improvements are important, as a failure to further close the attainment gap will severely hamper attempts to improve productivity.

Source: [Nomis \(2025\) Annual Population Survey](#)

% of employers providing training in past 12 months

The training and development of employee skills is crucial for a firm's productivity and competitiveness. In 2024, only 56.2% of employers in Northern Ireland provided training within the last 12 months, below the UK average of 59.1%. Northern Ireland was placed 11th out of the UK's twelve regions, only ahead of the West Midlands (55.4%). Northern Ireland's performance has worsened over time, down from 58.1% in 2022, and 58.5% in 2019. These figures suggest more needs to be done to ensure employees receive ongoing training to develop their skills in the workplace, which is crucial for raising productivity and maximising employees' potential.

Source: [DfE\(UK\) \(2024\) Employer Skills Survey](#)

% of vacancies which are skill shortage vacancies

Skills shortage vacancies reflect employers struggling to fill vacancies due to applicants not possessing the right skills. In 2024, the proportion of vacancies which were skill shortage vacancies was 25% for Northern Ireland, below

the UK average of 27%. This placed Northern Ireland joint 4th overall, equal to the North East, and behind only the West Midlands, East of England, and London. Northern Ireland's short-term situation notably improved, falling from 35% in the previous 2022 survey. However, over the long term, skills shortage vacancies in Northern Ireland increased, from 22% in 2019.

Source: [DfE\(UK\) \(2024\) Employer Skills Survey](#)

★ Lifelong learning

This is a new productivity driver included in the dashboard for the first time. Lifelong learning is training and development occurring both in and out of the workplace, and has been [identified as a key aspect of supporting the skills development of Northern Ireland's workforce](#). In 2024, 55% of adults in Northern Ireland participated in learning in the last three years, placing Northern Ireland in joint second place with the North East, behind only London (66%), and above the UK average (52%). Northern Ireland saw a short-term improvement from 46% in 2023, and a long-term improvement from 22% in 2019.

Source: [Learning and Work Institute \(2024\) Adult Participation in Learning Survey 2024](#)

Policy & institutions

% of SMEs where political uncertainty & government policy is a major obstacle

In 2024, 34% of SMEs in Northern Ireland rated political uncertainty and future government policy as a major obstacle to running their business as they would wish in the next 12 months. This was higher than the UK average of 26%, and placed Northern Ireland last out of the UK's twelve regions, immediately behind Wales (31%). Despite the return of the NI Executive in 2024, this is a worsening over the short-term compared to 2023 (29%), and over the long term compared to 2019 (32%).

Source: [BVA BDRC \(2025\) SME Finance Monitor 2024 Annual Regional Report](#)

% of SMEs where legislation & regulation is a major obstacle

Just under a quarter (22%) of SMEs in Northern Ireland rated legislation and regulation as a major obstacle in 2024 to running their business as they would wish in the next 12 months. This was lower than the UK average of 23%, the first time this has happened since 2018. This placed Northern Ireland third equal of the UK's regions, alongside the North West and the South East, albeit behind the East Midlands (17%) and London (21%). The view of Northern Ireland's SMEs has improved in both the short term since 2023 (29%), and in the long term since 2019 (29%).

Source: [BVA BDRC \(2025\) SME Finance Monitor 2024 Annual Regional Report](#)

Health & wellbeing

Economic inactivity rate

High rates of economic inactivity remain a persistent feature of Northern Ireland's economy. This means labour is not allocated efficiently within the economy, creating a barrier to productivity growth. For those in the working age population (aged 16-64), 26.5% were economically inactive in Northern Ireland for May-July 2025, compared to only 21.1% for the UK. This was the second worst performance of any UK region, with the North East being the worst at 27.9%. Northern Ireland's inactivity rate worsened over the short term, increasing from 25.9% in May-July 2024 (this figure was revised since the publication of our 2024 dashboard); but it has improved over the long term, decreasing from 27.9% in May-July 2020.

Source: [Nomis \(2025\) Labour Force Survey](#)

% of economic inactivity due to long-term ill health

Long-term ill health accounted for 36.1% of economic inactivity in Northern Ireland in 2024. This is significantly higher than the UK rate of 28.6%, with Northern Ireland consistently the worst performing UK region. While its performance has improved over the short term, decreasing from 37.8% in 2023, this was within the survey's confidence interval. There has been a worsening over the long term, increasing from 33.1% in 2019. The increase in inactivity due to sickness and disability is not solely the result of the Covid-19 pandemic: [a report by Pivotal](#) found there has been a sustained increase since 2013, linked to a lack of resources for a number of public services, including health. The performance of Northern Ireland's health sector lags behind other parts of the UK. In the year October 2022 to September 2023, the total number of patients on a waiting list for medical treatment was 530,728 in Northern Ireland, equivalent to 27,636 per 100,000 people, higher than Wales (23,834 per 100,000), and more than double the proportion in Scotland (12,002 per 100,000) and England (12,989 per 100,000). It should be noted that these figures do not reflect patients being on multiple waiting lists, and variations in measurement across different jurisdictions, which makes it more difficult to directly compare waiting list figures.

Source: [Nomis \(2025\) Labour Force Survey](#); [DoH NI \(2025\)](#); [NHS England \(2025\)](#); [Public Health Scotland \(2025\)](#); [StatsWales \(2025\)](#)

% of population aged 16-64

Those aged 16-64 currently account for 61.9% of Northern Ireland's population, just below the UK average of 62.8%. This national figure is skewed by the large working age population in London (69.0%). Northern Ireland therefore performs relatively well compared to other UK regions, being placed 6th. Over the short term, Northern Ireland saw no meaningful change in its working-age population since 2023 (62.0%), but over the long term it has fallen slightly from 62.7% in 2019. An ageing population means productivity growth will become an increasingly important source of future economic growth, particularly to fund the increases in demand on public services and finances coming from this ageing population, alongside the potential for shortages of labour with specific skills that could develop.

Source: [Nomis \(2025\) ONS Population Estimates](#)

Investment, infrastructure & connectivity

FDI per job

In 2023, £23,916 of foreign direct investment (FDI) per job in the total workforce was recorded in Northern Ireland. This figure is calculated as the total inward FDI position divided by the total number of jobs in the regional economy, in 2024 prices. This is substantially lower than the UK figure of £65,609 per job, although this average includes FDI which is not allocated to a region, and is also skewed by London, which is one of only two above average regions. Northern Ireland had the second lowest level of total inward FDI per job amongst the UK's twelve regions. The North East was immediately ahead of Northern Ireland, with £24,496 per job, while the South West was in last place, with £22,859 per job. There was a short-term decrease for Northern Ireland relative to 2022 (£24,820), and it has been on a downward trend since 2021. However, FDI levels in Northern Ireland have risen in real terms over the long term since 2018 (£16,134).

Source: [ONS \(2025\) Foreign direct investment involving UK companies by UK country and region: inward](#)

Gross fixed capital formation per job

There has been no new data for gross fixed capital formation (GFCF) published since our 2024 dashboard. GFCF is a measure of the total amount of investment into tangible and intangible assets, such as buildings, structures, roads, transport equipment, machinery, ICT equipment, and intellectual property products. In 2022, Northern Ireland saw GFCF per job in the total workforce of £4,725 (2024 prices). This was substantially below the UK figure of £8,561. This placed Northern Ireland last amongst the UK's twelve regions. Over the short term, Northern Ireland saw a real-terms worsening, down from £4,858 in 2021, but a long-term improvement from £4,303 in 2017.

Source: [ONS \(2023\) Experimental regional gross fixed capital formation \(GFCF\) estimates by asset type: 1997 to 2022](#)

Access to Gigabit-capable internet services

Connectivity is an important driver of productivity, as it provides businesses and individuals with the ability to enter and compete in new markets, and facilitates their access to networks relating to sharing of knowledge and innovation. In January 2025, 94% of premises (residential and commercial) in Northern Ireland had access to Gigabit-capable services. This is an improvement over the short term compared to January 2024 (92%), and over the long term compared to January 2021 (68%). It is higher than the UK's average of 84% and is the highest proportion of the UK's four nations: England is next highest (85%), followed by Scotland (78%), and Wales (76%). Coverage is poorer for commercial premises, with only 78% in Northern Ireland having access to Gigabit-capable services in January 2025, but this is higher than England (70%), Scotland (58%), and Wales (52%).

Source: [Ofcom \(2025\) Connected Nations update: Spring 2025](#)

🚗 Public electric vehicle charging devices

Public infrastructure is important for productivity growth, as it provides the environment within which businesses and individuals operate, and can facilitate the attraction of new investment and talent. Northern Ireland has been identified as [possessing an infrastructure gap](#), including for [water and sewerage, housing, and energy](#). However, there is a lack of data available to make comparisons with other UK regions in these areas. We therefore use a measure of the infrastructure gap which reflects Northern Ireland's investment in areas of new technology: Northern Ireland is the worst performing UK region for the availability of public electric vehicle charging devices, with only 36 per 100,000 people in July 2025, compared to the UK average of 121, and less than half the next lowest region of Yorkshire and The Humber with 75. Northern Ireland has seen a short-term improvement since 2024 (32), and a long-term improvement since 2020 (17), but other regions have also continued to improve, leaving Northern Ireland firmly in last place.

Source: [DfT\(UK\)\(2025\) Electric vehicle public charging infrastructure statistics: July 2025](#)