

NORTHERN IRELAND ECONOMIC STATISTICS – JUNE 2015

Introduction

This submission contains an overview of the quality and type of Northern Ireland economic statistics produced by NISRA as requested by the Enterprise Trade & Investment Committee. The information is provided in advance of NISRA officials' attendance at the Committee on 9th June 2015.

Summary / Background

NISRA published a range of official statistics reports (monthly, quarterly or annual) including 18 on business outputs, 25 bulletins on the labour market and 21 tourism related publications in the year 2014/15. The information is based on a range of business, household and tourist surveys conducted by NISRA throughout the year. They form part of the wider UK suite of economic surveys administered by the Office for National Statistics (ONS) and typically contribute the NI element to UK level results. A summary of NISRA economic and business surveys is provided in **Annex A**.

In addition, NISRA had set as an Agency target in 2013/14 and 2014/15 to assess the feasibility of developing and then producing Input-Output Tables for Northern Ireland. Input-Output Tables are key elements of the system of economic accounts used to measure the performance of an economy to international standards. This is a complex undertaking involving the use of key household, business survey and administrative datasets to produce indicators such as Gross Domestic Product on an income, expenditure and output basis. This is an ongoing project, started in 2012, that aims to produce the capacity and expertise within NISRA that will enable a full set of Economic Accounts to be produced for NI, similar to that in Scotland. A range of expert users of economic statistics have been involved in their development to ensure the resultant statistics meet user needs in line with the UK Code of Practice for Official Statistics.

Economic Statistics - Outputs

1. Business Statistics

NISRA produces a range of statistical outputs that measure the performance of the NI economy. Short-term indicators of performance are available from the Indices of Services, Production and Construction. The Northern Ireland Composite Economic Index utilises the results of the short-term series to produce a quarterly measure of economic activity for Northern Ireland. The Composite Index currently relies on the Output based definition of GDP and public sector jobs. However, NISRA is currently investigating the potential to include income and expenditure based elements of GDP, following discussions with Scottish counterparts. Other regular survey based measures include estimates of the value of annual Research and Development activity, biennial innovation activity and occasional ad-hoc surveys e.g. relating to businesses' Access to Finance. It should be noted that for a number of the main official statistics business surveys (Annual business inquiry (ABI) and the Business Register Employment Survey (BRES)) NISRA produces results on a more timely basis than is available for other UK countries and regions (by 6 months for the ABI and by 3 months for BRES).

2. Labour Market & other economic statistics

NISRA labour market information is available monthly from the Labour Force Survey and the Jobseekers Claimant Count releases as well as annually in the form of earnings from the Annual Survey of Hours and Earnings. In addition, details of employee jobs are available on a quarterly and annual basis. The annual measures provide employment by geographical area (e.g. District Council) within Northern Ireland as well as by detailed industry sector, on an equivalent basis to measures in Great Britain. Information on House Prices is available on a quarterly basis and there are a series of quarterly and annual reports on the performance of the Tourism Sector. Public sector finances information is available annually through the Net Fiscal Balance report, which is produced by economists in DFP. This report details the fiscal position in Northern Ireland for each financial year, estimated as aggregate public expenditure less aggregate public revenue.

3. Exports statistics

NISRA has also recently published a methodology paper and provisional results providing a much more comprehensive measure of Northern Ireland exports, as recommended by the Barnett Review of Economic Policy. This new methodology provides estimates of the value of both goods and services sold to customers outside Northern Ireland and is fully integrated with

NISRA's main business survey. This goes beyond what is currently available in other countries and regions of the UK.

4. User Need / Code of Practice / Burden on Business

NISRA engages widely with internal and external users as well as government economists to ensure user needs are met in line with the National Statistics Code of Practice. The statistical series produced by NISRA are also subject to independent assessment by the UK Statistics Authority. All NISRA economic outputs reviewed by the Authority received the National Statistics re-accreditation which confirms that the statistics produced are fit for purpose.

The production of economic statistics brings with it a commensurate burden on the businesses that provide the information. NISRA consults an independent Statistics Advisory Committee as it is required to do by statute, to ensure the compliance burden on businesses is commensurate with the benefits obtained.

Economic Accounts Project

NISRA undertook a feasibility project in 2013 to assess the possibility of producing a system of Economic Accounts for Northern Ireland. This was to enable NISRA to develop its measurement of the NI economy, making the best use of available data sources and taking into account the compliance costs to businesses. This includes building on the existing ONS sources and developing the key business surveys where appropriate. The NISRA commissioned feasibility study was published on the 27th March 2014 and NISRA subsequently published its [response to users' comments](#) in October 2014, with users last updated in March 2015. The project has been informed throughout by user needs including those of Departmental economists in DETI, academics such as those in the Ulster University Centre for Economic Policy and the needs expressed in the NICVA report on the "A Commentary on Economic Data in Northern Ireland" also published on the 27th March 2014.

This project has continued with the aim of developing the capacity and expertise within NISRA to produce key elements of a system of Economic Accounts for Northern Ireland. This includes boosting the NI sample element in the (ONS) UK Purchases Inquiry (to take place in 2016) to allow the production of robust NI data to provide estimates of Intermediate Consumption for NI. In addition, it is planned to boost the Living Costs and Food Survey to provide more accurate Household Expenditure data. Both these initiatives were recommended in the feasibility study.

The most recent development of the Economic Accounts project has seen the development by NISRA of experimental Supply Use Tables (SUTs) for 2012. The results of this exercise will be presented to key users on the 10th June with a publication due for release later in the summer. The next steps for the project will see SUTs developed for 2013 by March 2016 and an exercise to produce prototype Input Output Tables for Northern Ireland later in the year based on the 2012 SUTs. This will involve further engagement with Office for National Statistics (ONS) colleagues as well as those in the Scottish Executive.

Comparison with other UK Regions

Northern Ireland has statutory legislation which ensures that it has control over the statistics collected and produced in the region. NISRA, acting on behalf of DFP under the Statistics of Trade and Employment (NI) Order 1988 contributes the NI element of key UK business surveys that help inform UK national and regional accounts, but also publishes survey estimates which provide more detail on local business performance (e.g. the Annual Business Inquiry, Research and Development, Community innovation Survey, the Annual Survey of Hours and Earnings). One of the important aspects of the separate NI legislation is the ability to amend sample sizes and frequency of surveys as well as the ability to introduce new surveys which will aid the measurement of the local economy. The annual Business Inquiry for Northern Ireland has had its sample size significantly increased to meet user needs for more detailed information at lower levels of geography.

Other UK regions and countries do not have separate legislative authority to collect statistical data from businesses as statistical outputs are legislated by GB statutes as implemented by the ONS. The ONS provides regional data for the GB regions (as NISRA does for Northern Ireland) for such releases as the Annual Business Survey, Research and Development, Innovation, the Labour Force Survey and the Business Register and Employment Survey etc. In addition, Wales and the English regions do not have Indexes of Services, Production and Construction, Exports and Imports data which Northern Ireland and Scotland do. Scotland produces a full system of Economic Accounts (including quarterly GDP) similar to that produced at the UK level by ONS. This is the aim of the current Economic Accounts project for NISRA which is to develop key elements of system of Economic Accounts for Northern Ireland, similar to that available for Scotland to equivalent standards.

Conclusion

NISRA already produce key components required to measure the performance of the NI economy in both the short-term and on an annual basis. It does so with a series of official statistics surveys produced to a high standard of quality as independently approved by the UK Statistics Authority. For example, the NICEI provides a short-term measure of output for the whole NI economy prior to the annual measures of the economy being made available (such as from NISRA's ABI and ONS's Regional Accounts). NISRA also produces a comprehensive suite of labour market statistics to equivalent quality standards to those available for other regions and countries of the UK.

The development of Supply-Use Tables for NI will provide for the first time a comprehensive assessment of the inter-relationships between the different elements of the Northern Ireland Economy to international standards to help meet user needs. Against the undoubted benefits of ever more comprehensive and detailed economic statistics there is a responsibility on NISRA to ensure the burden on business is kept to the minimum necessary.

James Gillan (Dr.)

June 2015

Northern Ireland Statistics and Research Agency

Annex A: Summary of range of official Economic Statistics produced in Northern Ireland (Labour Market)

Name of Statistic	Publishing Frequency	Level of Industry detail and Other breakdowns	Use this for	Notes on Use	Availability in the UK Regions
Northern Ireland Census of Employment	Biennial	5 Digit SIC(07) at NI level by Gender and working pattern, Broader breakdowns by Local Government District, Assembly Area and Electoral Ward.	Full count of employee jobs in all industries except agriculture. Accurate breakdown of industries and location of jobs	Results in this publication are disaggregated into the Standard Industrial Classification (SIC07) and are available according to sex, full or part-time working and industrial activity subject to confidentiality constraints.	ONS produce information for the UK regions from the Business Register and Employment Survey. However, this is a sample survey unlike the census in NI which can produce data at a much more detailed level.
Northern Ireland Business Register and Employment Survey (BRES)	Biennial	Headline Industry by Gender and Working Pattern, figures also provided by Local Government District.	Provides estimates for the number of employee jobs in all industries except agriculture	Approximately 8000 units sampled with estimated accuracy 2% at Local Government District. Available according to sex, full or part-time working and headline industrial activity subject to confidentiality constraints.	ONS produce information for the UK regions from the Business Register and Employment Survey
Northern Ireland Quarterly Employment Survey (QES)	Quarterly	2 Digit SIC(07) at NI level by Gender, Working Pattern, Public & Private sector.	Providing a short term measure of changes in NI employee jobs.	NI Employees Jobs estimates feed into the wider UK workforce Jobs figures. Sample comprised of c.5,500 businesses with an estimated accuracy of +/- 1% of total employee jobs and +/- 5% at industry sector level.	The ONS produces similar results for GB regions.
Northern Ireland Labour Force Survey (LFS)	Monthly, Quarterly, Annual	Economic status by age and gender	Headline estimates of Employment, Unemployment and Economic Inactivity.	The Labour Force Survey (LFS) is a quarterly household survey carried out by interviewing people about their personal circumstances and work. It provides a rich and vital source of information about the labour force using internationally agreed concepts and definitions. Headline data are seasonally adjusted accompanied with non-seasonally adjusted data.	ONS produce this for the regions of the UK. However, NI has greater access of the data than any other UK region.
Claimant Count	Monthly	Claimant Count data are disseminated by Age; Duration; Geography and Occupation.	The Claimant Count records the number of people claiming unemployment- related benefits.	Seasonally adjusted data is available Northern Ireland level. There is overlap between the claimant count and LFS unemployment although the latter figures are generally higher.	Similar data is available for the UK regions.
Redundancies	Monthly	The Northern Ireland Redundancy data by Northern Ireland sub- region and job sector are available.	For companies that are legally required to notify DETI of impending redundancies of 20 or more employees.		Information is not available for the UK regions.
Northern Ireland Annual Survey of Hours and Earnings (ASHE)	Annual	Data disseminated by Age, Public and Private sector, Occupation, Industry and Geography	Provides information on hourly, weekly and annual earnings, as well as hours worked, by gender and work patterns.	NI estimates feed into the UK Annual Survey of Hours and Earnings. The sample used comprises approximately 1% of all employees in NI who were covered by PAYE schemes.	ONS produce similar information for the regions of the UK.

Annex A: Summary of selected range of official Economic Statistics produced in Northern Ireland (Business)

Name of Statistic	Publishing Frequency	Level of Industry detail and Other breakdowns	Use this for	Notes on Use	Availability in the UK Regions
Northern Ireland Annual Business Inquiry (ABI)	Annual	Industry section and Manufacturing 2 Digit SIC(07) at NI level for predominantly private sector businesses.	Understanding the levels of turnover and GVA contributions to the NI economy from different sectors at a point in time.	Largest survey of NI businesses. Collects both financial and employment information from businesses and other establishments and covers about two thirds of the economy	The ONS produces results from the ABS for all GB regions.
Northern Ireland Composite Economic Index (NICEI)	Quarterly	NI level and sector level breakdown for Service, Production and Construction sectors. Public and private sector breakdown available.	Provides an appropriate short term indicator for the performance of the NI economy in advance of more complete figures from other sources such as annual Regional Accounts information for NI from the Office for National Statistics (ONS).	This is an experimental release measuring total activity in the economy combining both deflated Private sector output and Public sector employee jobs on a seasonally adjusted basis. It is not possible to provide a comprehensive measure of quarterly Gross Domestic Product for NI due to the lack of suitable data sources. Comparisons with UK GDP measures are therefore approximate.	Scotland has its own quarterly GDP and Wales has a short-term index for the economy. The English regions do not have a short-term indicator.
Northern Ireland Index of Services (IOS)	Quarterly	The index is published on a SIC07 basis for five broad industrial groupings. All figures are seasonally adjusted. Results are published as an Index with the base year =100.	Designed to provide a general measure of changes in the output of the private sector service industries in Northern Ireland. Use this as an indicator of short-term changes in the output of the service sector	Quarterly survey of NI businesses. Collects financial information from the private sector economy	Not available at a Regional level for the UK regions. Scotland uses the Scottish sample from the UK data for their quarterly GDP.
NI Index of Production (IOP)	Quarterly	Overall manufacturing index published and for each of the productions sectors B, C, D, and E. Also published for manufacturing subsectors within C e.g. CA. Production index also available for the three market sectors of Consumer goods, Intermediate goods and Investment goods. Available as a time series from 2002 onwards	Show how overall production and production within sectors has changed over time and to make comparisons with published UK indices. The index provides an indicator of short-term changes in the output of the productions sector	Sample survey of over 600 businesses in the NI production sector. IOP index used as input to the developing Composite index for NI. Outside NISRA the IOP index is regularly used in Economic Commentary published by the Ulster Bank.	Not available at a Regional level for the UK regions. Scotland uses the Scottish sample from the UK data for their quarterly GDP.
NI Quarterly Construction Enquiry	Quarterly	Detailed construction output statistics	Show how overall construction and construction within sectors has changed over time and to make comparisons with published UK indices. The index provides an indicator of short-term changes in the output of the constructions sector	QCE index used as input to the developing Composite index for NI. Outside NISRA the QCE index is regularly used in Economic Commentary published by the Ulster Bank.	Not available at a Regional level for the UK regions. Scotland uses the Scottish sample from the UK data for their quarterly GDP.

Name of Statistic	Publishing Frequency	Level of Industry detail and Other breakdowns	Use this for	Notes on Use	Availability in the UK Regions
Northern Ireland Research & Development survey (R&D)	Annual	The survey covers the business sector, higher education and other government financed activities. Provides information on R&D expenditure, industrial sectors, employment sizebands, ownership, funding etc as confidentiality constraints permit.	Finding information on the level of Research & Development (R&D) activity in Northern Ireland.	Annual survey of NI businesses. Variations may occur in NI R&D data from year to year due to the influence of one or two large-scale projects.	ONS produce similar information for the regions of the UK.
Manufacturing, Sales and Exports Survey)	Annual	NI level by business size and by 2 digit SIC(07).	The Manufacturing Sales and Exports Survey (MSES) provides information on the value of sales and exports generated by businesses classified within the manufacturing industry in Northern Ireland.	Both current and constant prices are presented. Constant prices allow figures to be presented so that the effects of inflation are removed and changes can be reported in real terms (by using a deflator).	Scotland has similar information but Wales and the English regions do not.
Exporting NI Services Study (ENISS)	Annual	Tradable services by NI businesses with 10+ employees within Construction, Manufacturing and 'High Export Potential' sic groupings	Estimates the value to the Northern Ireland economy of exporting services. The study is based on information collected via the International Trade in Services Survey which collects information on overseas transactions of consultants and companies offering business services. Supplemented by the ABI and the MSES	Various initiatives are in place to monitor sectors, through surveys such as the NI Annual Business Inquiry and the Manufacturing Sales and Export Survey. If evidence of substantial trade activity is found in other sectors, the ITIS sample will be boosted further.	Scotland has similar information but Wales and the English regions do not.
UK Innovation Survey: Northern Ireland Results	Biennial	NI level by business size and by 2 digit SIC2007	Provides a wide range of information related to innovation activity among enterprises, and includes information on the extent of innovation activity, the impact of innovation on businesses and the barriers to innovation.	NI estimates feed into the UK Innovation Survey, which in turn forms part of the wider European Community Innovation Survey.	ONS produce similar information for the regions of the UK.
Inter-Departmental Business Register (IDBR)	Admin. Data Source - Annual Publication Monthly extracts available for ad-hoc analysis	Number of business published at NI level by 4 digit SIC2007, and at District Council level by Broad Industrial Group (17 Groups). Number of businesses by turnover sizeband, employment sizeband (micro, small, medium and large businesses), public/private sector, legal status and country of ownership. Births, deaths and survival of businesses.	Information on the number and characteristics of businesses in Northern Ireland; Information on foreign-owned (non-UK) businesses in Northern Ireland.	This source provides information on the number of businesses with a given characteristic. For estimates of the number of employees in a particular industry or geographical area the Census of Employment or BRES should be used. For estimates of the turnover for a particular industry or geographical area the ABI should be used.	ONS produce information from the IDBR for the GB regions.

Annex A: Summary of range of official Economic Statistics produced in Northern Ireland (Tourism)

Name of Statistic	Publishing Frequency	Level of Industry detail and Other breakdowns	Use this for	Notes on Use	Availability in the UK Regions
Overnight Trips/Nights and Expenditure in Northern Ireland	Quarterly, Annual	Overnight trips in Northern Ireland by Reason for Visit and Country of Residence Annual Data by Local Government District	This bulletin provides an overall assessment on the number of overnight trips to NI, the associated number of nights and expenditure.	The statistics are derived from a number of sources, not all of which are the direct responsibility of NISRA. For example, some GB and overseas visitors to NI leave through RoI airports and ports, and NISRA receives information on such visitors from CSO/Failte Ireland.	Some tourism data is available for the UK regions.
Northern Ireland Occupancy - Hotels, Guesthouses, B&B, Guest Accommodation	Monthly, Quarterly, Annual	Northern Ireland, price bands, size bands Data by Local Government District also published	To gain an understanding on how the serviced accommodation in Northern Ireland is performing. Can give an early indication on the performance of tourism	The Hotel occupancy is gathered from a census of main commercial accommodation. Although this gives indication of the performance of tourism, it should be noted other accommodation is available (e.g.hostels/campsites/friends&family etc)	Some tourism data is available for the UK regions.
Northern Ireland self-catering survey	Annual	Northern Ireland, price bands, size bands, geographical breakdown Data by Local Government District also published	Provides estimates on the performance of the self-catering industry in Northern Ireland	The self-catering survey is carried out to all self-catering establishments in Northern Ireland.	Some tourism data is available for the UK regions.
Northern Ireland Visitor Attraction Survey	Annual	Northern Ireland Data by Local Government District also published	This report provides an overview on the number of visits to various attractions across the whole of Northern Ireland	The list of visitor attractions in Northern Ireland is gathered from the 'discover Northern Ireland' website and Local Councils.	Some tourism data is available for the UK regions.