

# **Economic Data Inquiry**

## **Northern Ireland Statistics and Research Agency**

### **Background**

The Northern Ireland Statistics and Research Agency (NISRA) is an Agency of the Department of Finance. The Agency also incorporates the General Register Office for Northern Ireland. NISRA is the principal source of official statistics and social research on Northern Ireland.

NISRA through the Department of Finance (NI) is statutorily responsible for the production of economic and labour market statistics on Northern Ireland. NISRA publishes around 50 economic and labour market publications annually (17 based on the Labour Force Survey and 33 based on local business surveys).

### **Household Surveys**

NISRA conducts the local element of the Labour Force and Living Costs & Food Surveys – household surveys. NISRA has its own household survey unit who undertake this work but they work closely with the Office for National Statistics (ONS).

Specifically on the Labour Force Survey, the local survey contains around 3,000 household interviews quarterly. NISRA collects, cleans and sends the data to ONS. ONS merge this with the GB Labour Force Survey and undertake further statistical data processing. ONS provide the Northern Ireland results to NISRA to enable the production of local publications.

### **Business Surveys**

NISRA run twelve key surveys of local businesses in Northern Ireland (see annex for details). The business surveys are statutory and are collected under the arrangements contained in the Statistics of Trade and Employment (NI) Order 1988 ([Link](#)). Alongside this the Office for National Statistics (ONS) conduct the small Northern Ireland element of a number of UK-level surveys under the same statutory order. The statutory business survey legislation ONS uses in Great Britain - the Statistics of Trade Act (1947) - does not include Northern Ireland. Some 115,000 business forms are issued annually by NISRA for 12 surveys. As noted above a further 15,000 forms are issued by ONS on behalf of the Department of Finance (35 surveys).

In NISRA an integrated business survey system (IBSS) is in place with outsourcing of printing, posting and data capture (including electronic data collection). There is a budget of approximately £1.8 million for the collection and production of results of the NI business surveys. A Statistics Advisory Committee<sup>1</sup> (SAC) provides oversight of the statutory details for all surveys of

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<sup>1</sup> The role of the Statistics Advisory Committee is to advise NI Departments on all matters relating to the collection and disclosure of statistical information from businesses under the Statistics of Trade and Employment (NI) Order 1988; and to advise on issues such as quality assurance, National Statistics, Codes of Practice and such matters as may be referred to it by departments.

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local businesses (NISRA and ONS). The surveys have a compliance cost to businesses of approximately £1million per year.

The statutory arrangements in NI enables the business population used for survey purposes to include all businesses operating in Northern Ireland (including UK-wide businesses operating in NI). This allows NISRA to collect financial information from all businesses selected in a survey regarding their Northern Ireland only operations.

### **UK-wide Business Register**

In partnership with ONS, NISRA maintains the NI element of the UK-wide Inter Departmental Business Register (IDBR). Monthly, quarterly and annual register data is provided to NISRA by ONS to allow the updating and maintenance and for survey selections. ONS also provides reports on the quality of the local business register. There is a Service Level Agreement in place between NISRA and ONS for this element of the work.

### **Short-term Economic Output Statistics / Economic Accounts**

Historically NISRA have run quarterly surveys of local business (services, construction, production) and this is combined into a quarterly composite measure of economic activity. Whilst not a full measure of GDP it is viewed locally in that way. To bridge the gap in the last three years NISRA have developed a balanced annual estimate of Northern Ireland Gross Domestic Product (GDP). In addition NISRA developed a set of Input-Output Tables (IOTs) and multipliers which are used for a wide range of macroeconomic modelling and economic impact purposes.

To ensure the economic accounts statistics are robust NISRA has boosted the local sample in a number of surveys. NISRA is extensively engaged with an expert user group to take the development of this work forward and this work has become increasingly important in terms of trade analysis for assessing any impact of EU exit.

### **ONS-NISRA Governance**

Current arrangements for NISRA's engagement with ONS regarding the Economic Statistics Analysis and Strategy are primarily through the Devolved Economic Statistics Coordination (DESC) group. This group also provides a platform for more frequent strategic engagement to complement the existing arrangements (inter alia Regional Accounts meetings, cross-government user groups and theme group meetings). The DESC provides regular updates to the Inter Administration Committee (IAC) – an Executive Group chaired by the UK National Statistician and attended by the Chief Statisticians in the Devolved Administrations. This forms the basis for ensuring effective co-operation on statistical work within the UK in support of each administrations' policy and business objectives.

There are a variety of further different operational NISRA and ONS engagement regarding data collection and statistical production. Some have a detailed service level agreement and others have less formal long-standing working arrangements. Work is ongoing to develop an overarching SLA with ONS that would be centrally managed and ensure consistency in approach.

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## **Collaborative Working with Scottish Government**

NISRA works collaboratively with both the Scottish and Welsh Governments in the development of NI economic statistics. As mentioned above the Devolved Administrations attend regular meetings with ONS and other relevant departments such as the DESC and the Regional Accounts Government User Group (RAGUG) etc.

In addition, NISRA regularly visit statistical counterparts in Scotland (and vice versa) to learn from best practice and exchange ideas. Representatives from NISRA attend the Scottish Economic Statistics Consultation Group and the Scottish Input-Output Expert User Group, while Sandy Stewart (Head of National Accounts, Scottish Government) is a member of the NI Economic Accounts Project Board. This relationship is now well established and has been of significant benefit in the development of the economic accounts project.

## **Future Developments/Challenges**

NISRA are continuing to roll out electronic data collection as the preferred option for business survey collection. This work is ongoing and the IBSS allows for this as well as paper forms. This flexibility of approach was highlighted in a recent ad-hoc survey for trade information being designed, set up and run over a two-month period to inform EU Exit trade analysis.

In line with ONS, the nature of how NISRA undertakes business surveys will develop significantly over the next 2-3 years with the availability of administrative data, under the Digital Economy Act 2017. The move to utilise administrative data will involve significant engagement with the ONS in terms of the quality assurance of the information and the nature of the redesign of existing business surveys to incorporate the new data.

EU Exit and the NI Programme for Government (PfG) form two of the largest policy needs for statistical analysis and support. In this context having a detailed understanding and control of specific business data collection is invaluable.

Specifically the local Programme for Government requires the input of analysts to provide information against key indicators and outcomes. By having direct access to NI specific labour market and economic data has enabled statisticians to be involved in the identification and development of the indicators. This has also enabled further work to be undertaken to develop new outputs for measuring the success of the key outcomes.

## **Summary**

NISRA is responsible for the collection and production of the key household and business surveys for Northern Ireland. This requires significant engagement with ONS regarding methods, publications and data transfer arrangements. By having ready access to NI specific data enables analysis to be undertaken for numerous policy purposes. In addition, the availability of a local survey system has helped NISRA when engaging with colleagues in the

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Republic of Ireland either through Intertrade Ireland or directly with the Central Statistics Office.

The business and household surveys that are taken forward by NISRA in many instances replicate the surveys that the ONS take forward for GB. However, NISRA is able to amend the NI surveys to include additional questions and variables to ensure that they are relevant for local needs. For example, NISRA asks a number of additional questions on the Annual Business Inquiry/Survey to produce additional information on trade for NI.

The inclusion of more administrative data will change the way surveys are run and this will require further engagement with ONS to ensure consistency of approaches to the quality assurance of the data and the redesign of business surveys.

**Northern Ireland Statistics and Research Agency (NISRA)  
October 2017**

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**Annex A – Northern Ireland Key Economic and Labour Market Business Surveys**

<b>Name of Survey /Survey Output</b>	<b>Publishing Frequency</b>	<b>Level of Industry detail and Other breakdowns</b>	<b>Use this for</b>	<b>Notes on Use</b>
<b>Northern Ireland Annual Business Inquiry (ABI)</b>	Annual	Industry section and Manufacturing 2 Digit SIC 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.
<b>Northern Ireland Quarterly Employment Survey (QES)</b>	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 approximately 5,500 businesses with an estimated accuracy of +/- 1% of total employee jobs and +/- 5% at Industry sector level.
<b>Northern Ireland Census of Employment</b>	Biennial	5 Digit SIC(07) at NI level by Gender and working pattern, Broader breakdowns by DCA, PCA and Wards	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 and are available according to sex, full or part-time working and industrial activity subject to confidentiality constraints.
<b>Northern Ireland Business Register and Employment Survey (BRES)</b>	Biennial	Headline Industry by Gender and Working Pattern, figures also provided by DCA	Provides estimates for the number of employee jobs in all industries except agriculture	Approximately 8000 units sampled with estimated accuracy 2% at DCA. Available according to sex, full or part-time working and headline industrial activity subject to confidentiality constraints.
<b>Northern Ireland Index of Services (IOS)</b>	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.	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 approximately 3,400 NI businesses. Collects financial information for the private sector economy.

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Name of Survey /Survey Output	Publishing Frequency	Level of Industry detail and Other breakdowns	Use this for	Notes on Use
<b>Northern Ireland Index of Construction (IOC)</b>	Quarterly	The index is published on a SIC07 basis for the construction sector including amalgamated sub sectors of Housing, Infrastructure and Other Work. All figures are seasonally adjusted and produced in chained volume terms. Results are published as an Index.	Designed to provide a general measure of changes in the output of the construction industries in Northern Ireland. Use this as an indicator of short-term changes in the output of the construction sector.	Sample survey of over 700 businesses in the NI construction sector. The construction index is used in the production of the whole economy Northern Ireland Composite Economic Index. Outside NISRA the construction index is regularly used in Economic Commentary published by the Ulster Bank. The results from the index are also used in the production of the UK National Accounts.
<b>Northern Ireland Research &amp; Development survey (R&amp;D)</b>	Annual	Surveys 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.
<b>Manufacturing, Sales and Exports Survey (MSES - collected through the Annual Business Inquiry)</b>	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).
<b>NI Index of Production (IOP)</b>	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 production 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.

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Name of Survey /Survey Output	Publishing Frequency	Level of Industry detail and Other breakdowns	Use this for	Notes on Use
<b>Northern Ireland Annual Survey of Hours and Earnings (ASHE)</b>	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.
<b>UK Innovation Survey: Northern Ireland Results</b>	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 Union Innovation Survey.
<b>Inter-Departmental Business Register (IDBR)</b>	Administrative 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.
<b>Northern Ireland Composite Economic Index (NICEI)</b>	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 measures 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.