

Reporting Unit results from the Northern Ireland Annual Business Inquiry 2013

10 December 2014

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National Statistics

The United Kingdom Statistics Authority has designated these statistics as National statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

<http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/confirmation-of-designation-letters/letter-of-confirmation-as-national-statistics---assessment-report-227--2-.pdf>

Northern Ireland Statistics and Research Agency

From 1st April 2011, responsibility for the production of official statistics on the economy and labour market became the responsibility of Department of Finance and Personnel (DFP). Those powers previously exercised by the Department of Enterprise, Trade and Investment (DETI) under the Statistics of Trade and Employment (Northern Ireland) Order 1988 are now exercised by DFP from this date, as a result of the Departments (Transfer of Functions) (No.2) Order (Northern Ireland) 2011. While DFP exercise the powers of the 1988 Order, in practice the operational responsibility for statistics production will reside with the Northern Ireland Statistics and Research Agency (NISRA), an Agency of DFP.

1: Context

This release contains 2013 provisional reporting unit¹ results and 2012 revised results from the Northern Ireland Annual Business Inquiry (NIABI). The NIABI is a key resource for measuring the size, performance and structure of the Northern Ireland business economy. It is an annual survey of businesses covering the production, construction, distribution and service industries. This covers roughly two thirds of the total NI economy. Further information on survey coverage is contained in the background notes section.

The published estimates include the total value of sales and work completed by businesses (turnover), the value of the purchase of goods, materials and services, approximate Gross Value Added² at basic prices and employment. These estimates are further disaggregated at industry level, providing users with an insight into the size and evolution of the overall business economy from 2008 to 2013 as well as a measure of the contribution made by different industry sectors. The financial estimates are collected and presented as monetary values.

The NIABI originally existed as a subcomponent of the UK Annual Business Inquiry and while the central structure and periodicity of the NIABI are still driven by the legal requirement to provide data for the UK ABS, the NIABI has operated as a stand-alone Northern Ireland survey conducted by the Northern Ireland Statistics and Research Agency (NISRA) since 2002.

The business economy is constantly changing, as businesses merge, are taken over, or change the main focus of their activity. These changes can result in the industry classification of a business changing over time. In industries where movements are common, or where large businesses are involved, these changes can themselves cause large changes in the NIABI estimates. This should be taken into consideration when changes over time are being considered.

When interpreting NIABI results, users are advised to refer to the quality indicators provided alongside the estimates in the tables. These indicate that some results have quite large margins of statistical error associated with them. Users should exercise caution when interpreting the annual changes associated with such results. Users should also be aware that methodological improvements governing the treatment of business closures were introduced for the 2011 report. These improvements have been implemented for the 2010 and later data. Consequently, although 2008 and 2009 figures are included in this report, users should exercise caution when making comparisons.

Following user feedback and consultation with the Statistics Advisory Committee and the DFP official statistics user group, the NIABI sample size was boosted from approximately 5,000 in 2010 to 9,000 in the 2011 survey reference year. The sample was boosted again in 2012 and 2013, and contains approximately 10,500 businesses in the 2013 survey year. This has resulted in improvements to the precision of the estimates, as indicated by the accompanying quality indicators for 2013. This improvement should also be borne in mind when interpreting the annual change.

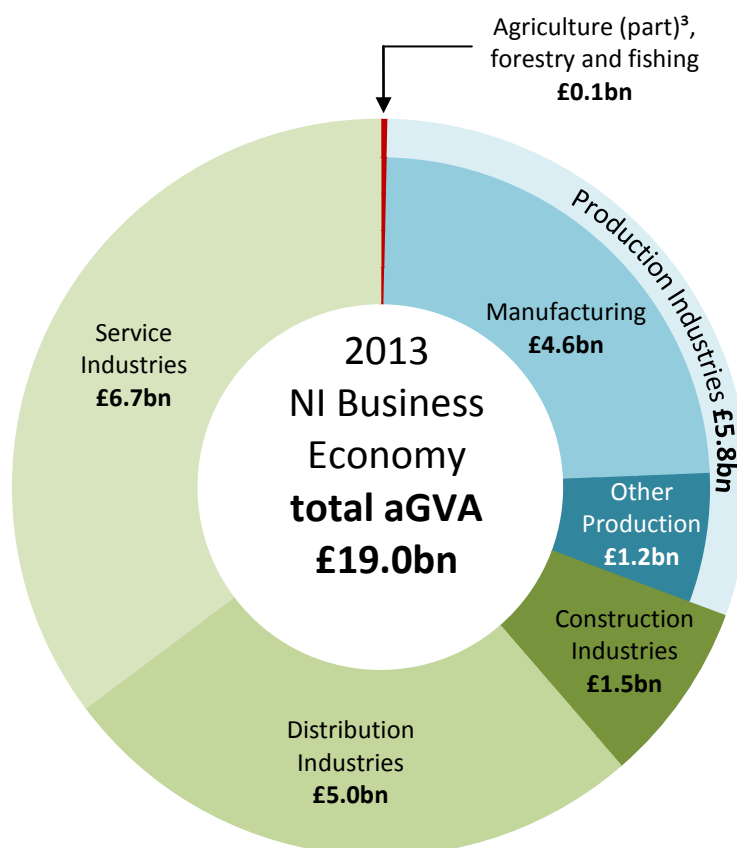
¹ An enterprise reporting unit reports for all the local units within the enterprise (for example, the reporting unit for a large supermarket chain will respond with aggregate figures incorporating all its Northern Ireland shops). A local unit is an individual site (factory, shop, office, etc.) at which an enterprise conducts its business. For example, a supermarket chain may have shops in Newtownards, Bangor, Limavady, etc, these are local units.

² *Approximate Gross Value Added at Basic prices* represents the income generated by businesses, out of which is paid wages and salaries, the cost of capital investment and financial charges before arriving at a figure for profit. For greater detail please see (vi) Definitions, in the background notes of this publication.

2: Main messages

- The Northern Ireland non-financial business economy, as measured by the Northern Ireland Annual Business Inquiry (NIABI), recorded an increase of 1.6% in approximate Gross Value Added (aGVA), growing by £293 million from £18,683 million in 2012 to £18,976 million in 2013.
- Turnover increased from £62,067 million in 2012 to £63,953 million in 2013, a growth rate of 3.0% over the year.
- Purchases of goods, materials, energy, water and services in the NI non-financial business economy grew by 4.7%, from £40,116 million in 2012 to £41,997 million in 2013.
- Employment in the NI non-financial business economy grew by an estimated 0.6% to 522,614 in 2013.
- At an industry level aGVA growth was driven by the Production and Services sectors, which increased by £424 million and £196 million respectively. aGVA in the Construction sector declined by £166 million to £1,514 million.

Figure 1: NI Business Economy - aGVA by Industry



³ Excludes farming

3: Summary and Commentary

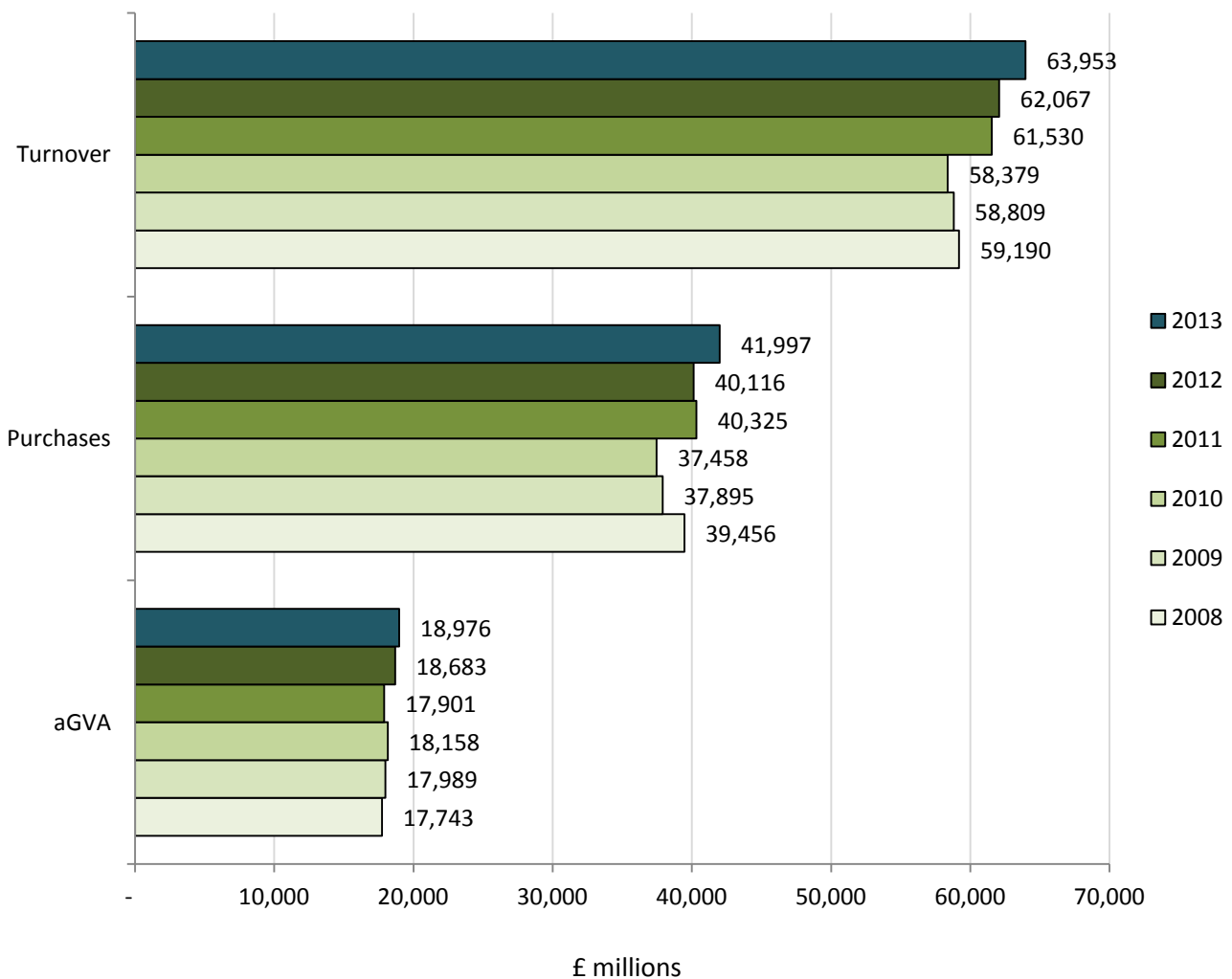
Overall Results

The provisional results of the 2013 NIABI and revised results from the 2012 NIABI show that income generated by businesses in Northern Ireland, less the cost of goods and services used to create this income was estimated to be £18,976 million in 2013, compared to £18,683 in 2012. This amount represents the aGVA of the Northern Ireland non-financial business economy.

Total turnover in the NI non-financial business economy has grown by 3.0%, from £62,067 million to £63,953 million. Turnover in the NI non-financial business economy is 8.0% above the level recorded in 2008 at the start of the financial downturn.

The cost of purchases of goods, services and energy grew by 4.7%, increasing from £40,116 million in 2012 to £41,997 million in 2013.

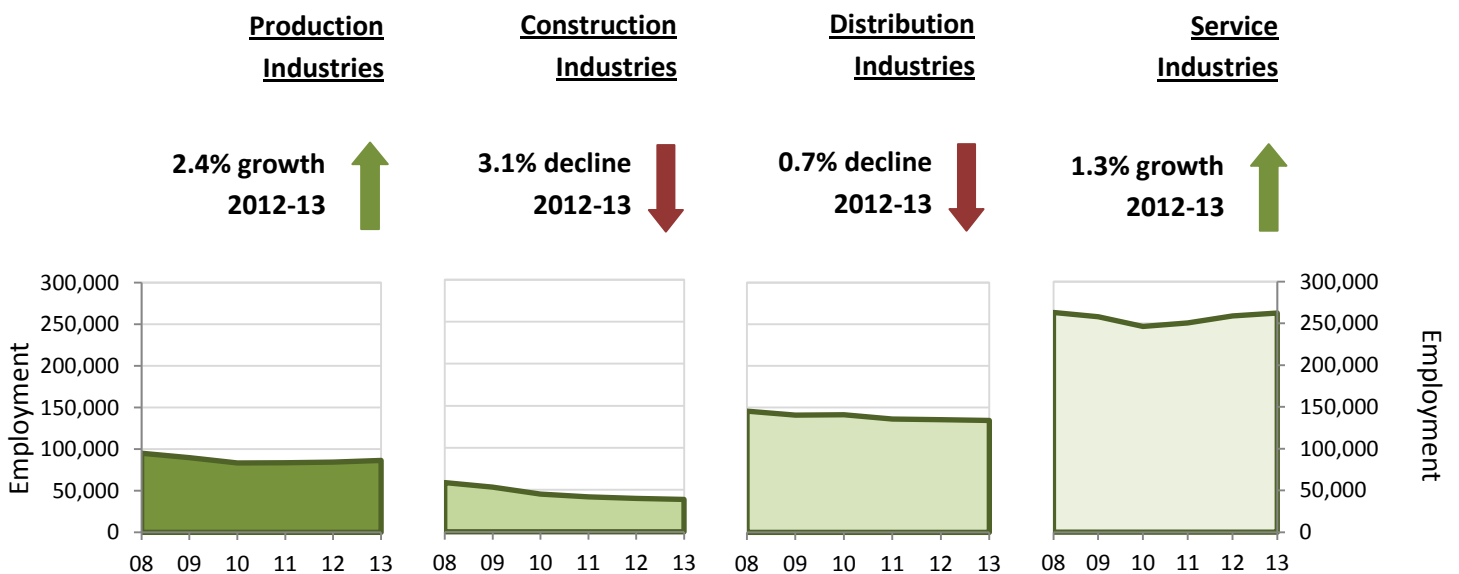
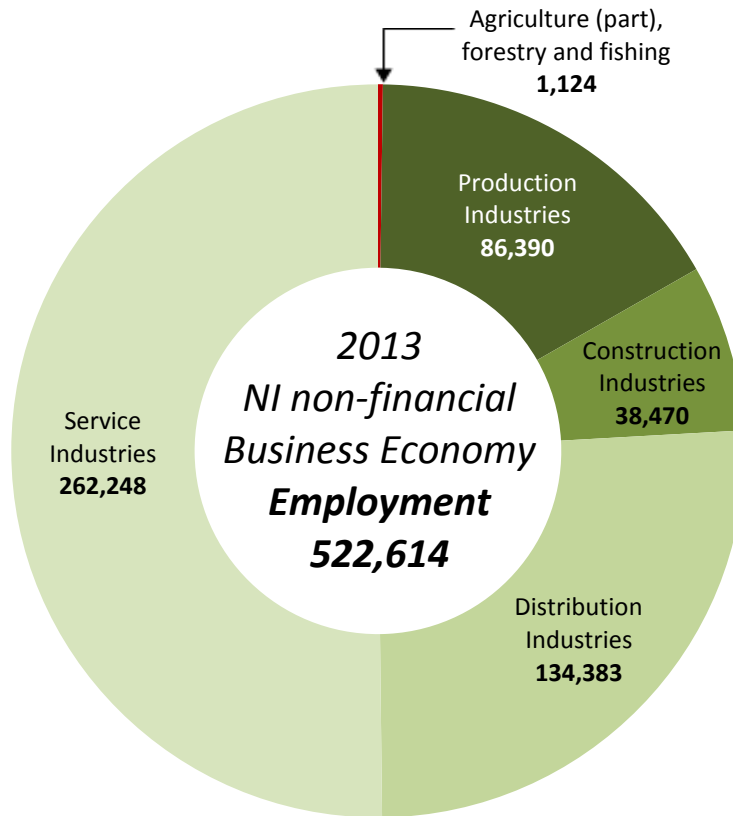
Figure 2: Trends in NI Business Economy: Income and Expenditure 2008 – 2013



Employment in the NI non-financial business economy 2013

Employment in the NI non-financial business economy increased by 0.6% year on year; rising from 519,419 in 2012 to 522,614 in 2013. In line with aGVA, employment increases were driven by growth in the services and production industries, which grew by 3,479 (1.3%) and 2,007 (2.4%) respectively.

Figure 3: Trends in NI Business Economy: Employment 2013

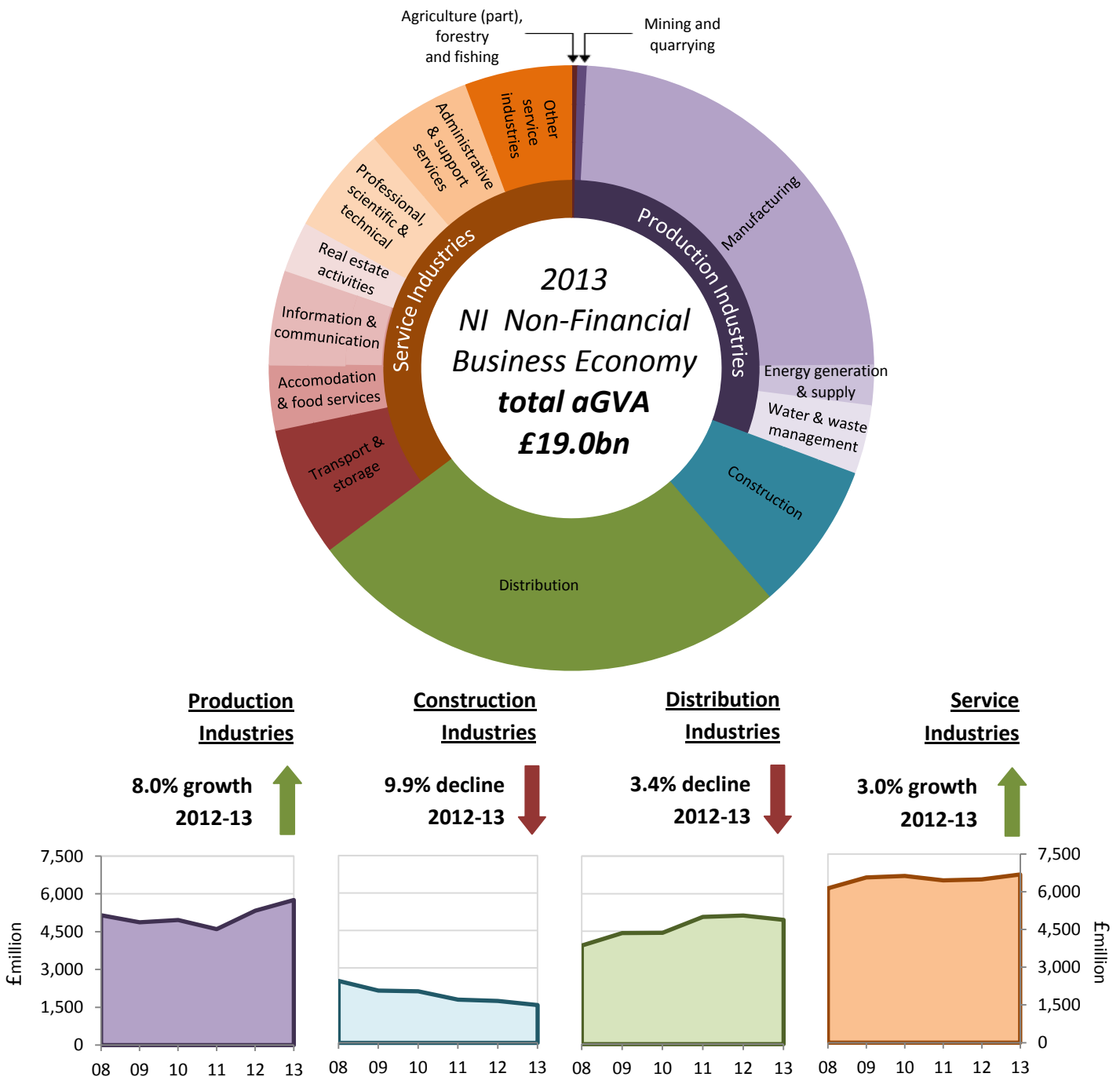


NI non-financial business economy: aGVA by section

The primary contributor to the 2013 growth in the NI non-financial business economy's aGVA was manufacturing, which increased by £461 million (11.3%) to £4,555 million in 2013. Other major contributors include transport and storage (+£90 million), professional, scientific and technical activities (+£65 million) and administrative and support services (+£53 million).

aGVA in the Construction and Distribution sectors declined by 9.9% and 3.4% respectively. Within the Distribution sector, Retail sales fell by 5.9%, suggesting a fall in consumer spending over the period.

Figure 4: NI Business Economy: aGVA by Section 2013

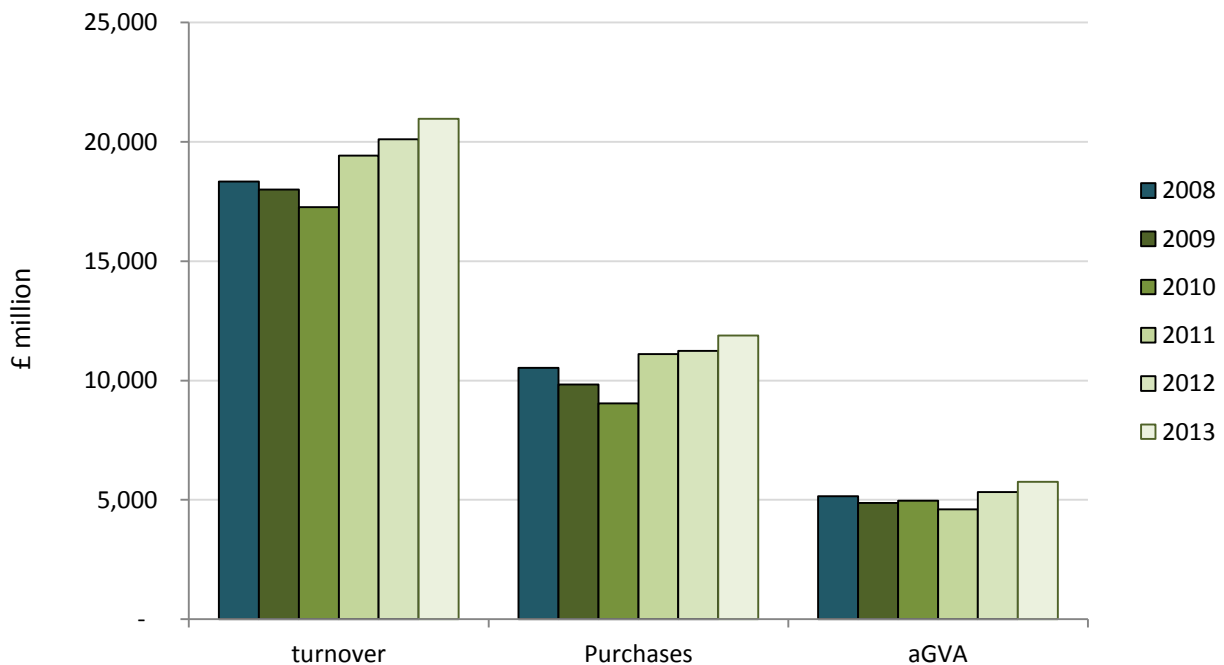


Production Industries (Sections B-E)

Sections B through E have been grouped to reflect the structure of the Northern Ireland Production Industries, these include: Mining and Quarrying; Manufacturing; Electricity, Steam and Air Conditioning Supply and Water Supply; Sewerage, Waste Management and Remediation Activities.

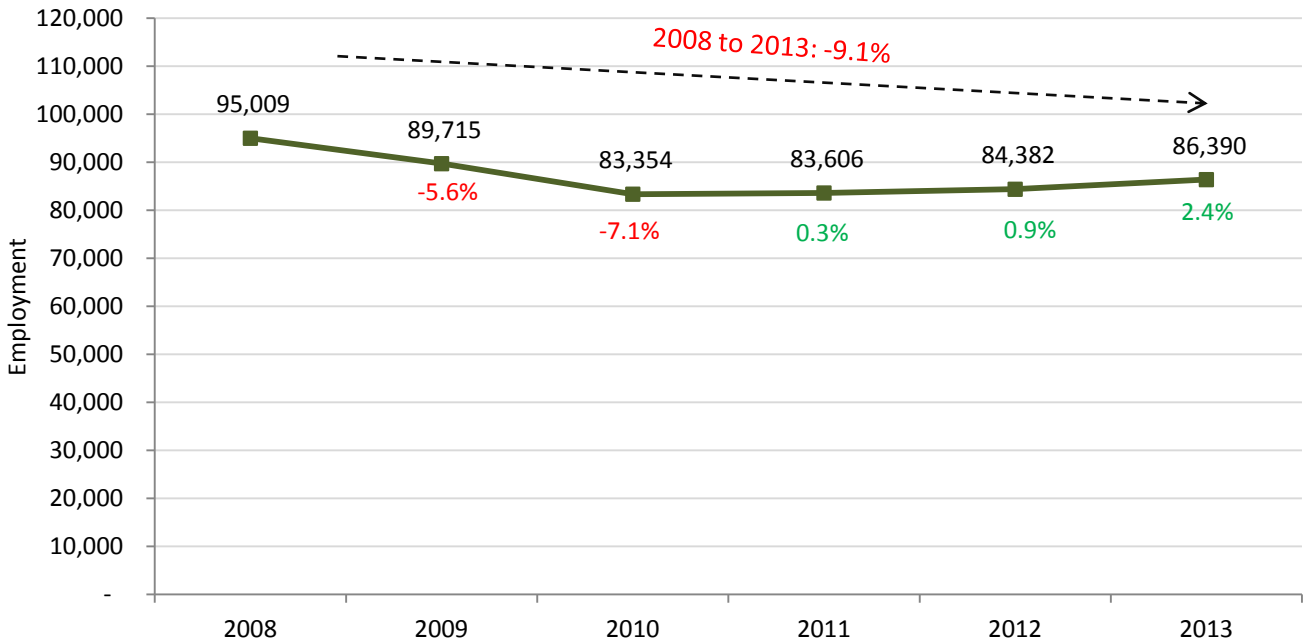
Approximate Gross Value Added in the production sector has grown by 8.0% between 2012 and 2013, increasing from £5,333 million to £5,757 million. This is the second consecutive year of aGVA growth. Turnover in the production sector grew by 4.3%, from £20,114 million in 2012 to £20,970 million in 2013.

Figure 5: Trends in the Production Sector: Income and Expenditure 2008 – 2013



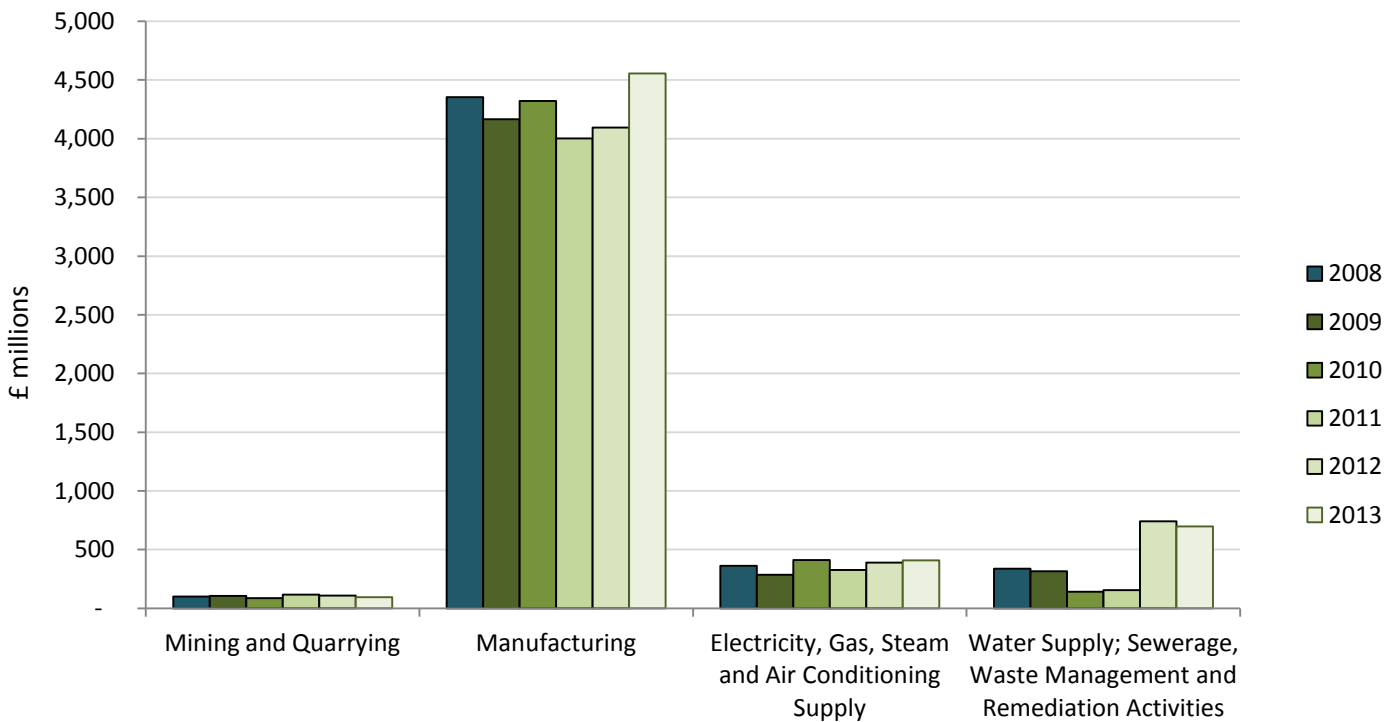
Employment in the production sector increased by 2.4% over the year, this reflects a growth of 2,007 persons, from 84,382 in 2012 to 86,390 in 2013. Growth between 2010 and 2013 has been modest relative to the decline recorded during the period 2008 to 2010; consequently employment remains 9.1% below the level recorded in 2008 at the start of the financial downturn.

Figure 6: Trends in the Production Sector: Employment 2008 – 2013



Movements in the production sector are driven primarily by the performance of the manufacturing section. The Manufacturing section’s aGVA grew by 11.3% in 2012 to £4,555 million and accounted for 79.1% of the production sector’s aGVA.

Figure 7: Trends in the Production Sector: aGVA by Section 2008 – 2013

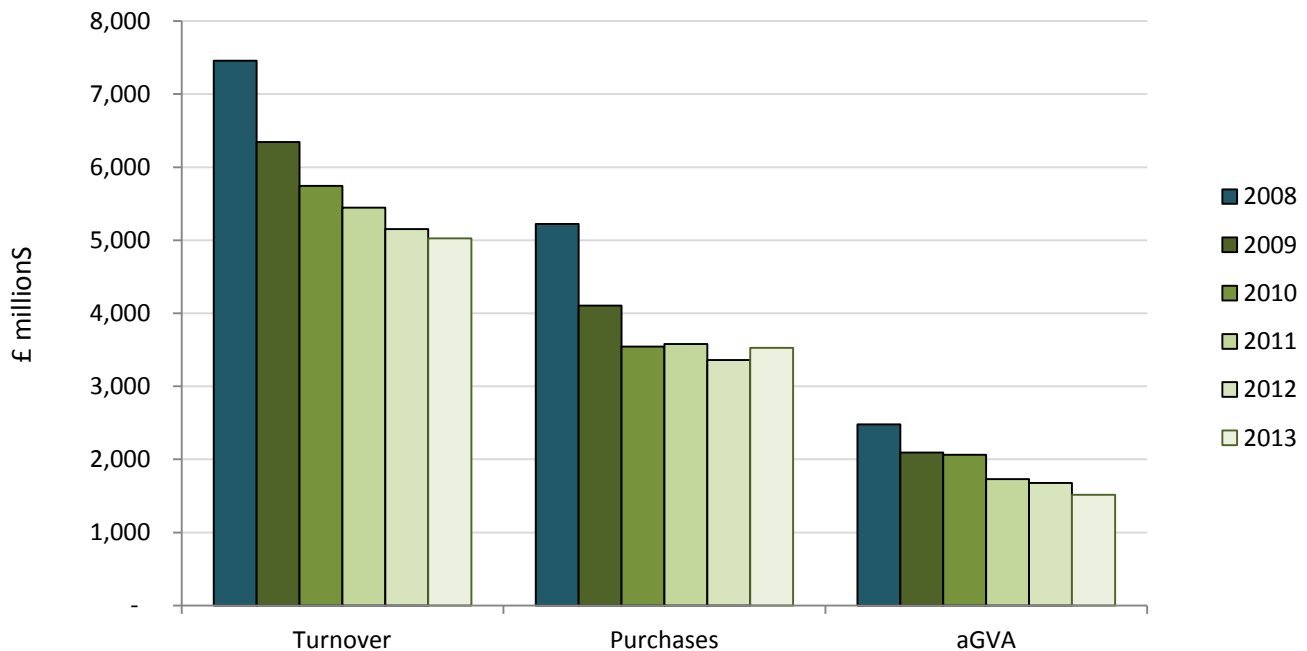


Construction Industries (Section F)

The Construction Industries cover the entire Northern Ireland construction sector and include: Construction of Buildings, Civil Engineering and Specialised Construction Activities (e.g. Demolition and site preparation, Electrical, plumbing and other construction installation activities, etc).

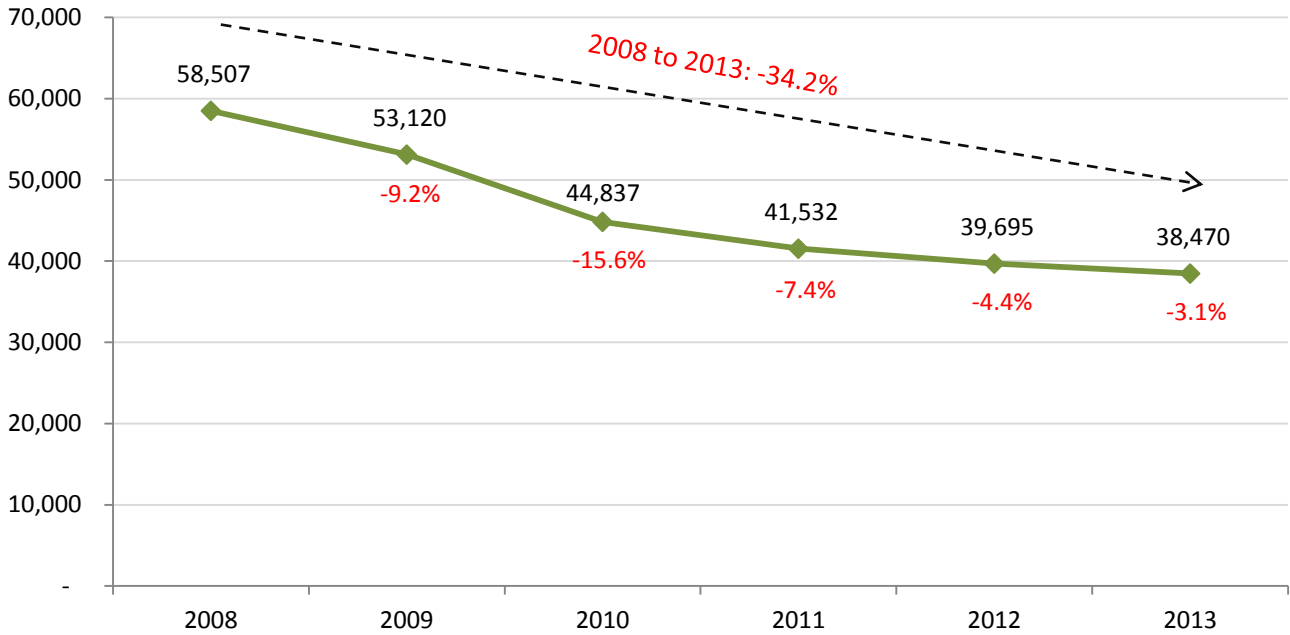
Both turnover and aGVA in the Construction sector have declined between 2012 and 2013. Turnover has fallen by 2.5% to £5,026 million. Purchases in the construction sector increased by 5.0% to £3,526 million; this combination of falling turnover and rising purchases has led to a 2012 to 2013 aGVA drop of 9.9%. The construction sector has experienced declines across all financial variables over the period 2008 to 2013. aGVA in the construction sector is 39.0% below the level recorded in 2008 at the start of the financial downturn.

Figure 8: Trends in the Construction Sector: Income and Expenditure 2008 – 2013



Employment in the Construction sector has also consistently declined over the past 5 years, dropping by 3.1% in 2013. The 2013 estimates are 34.2% below the employment levels recorded in 2008. While employment in the construction sector continued to decline in 2013, the estimates appear to show a slowing in the pace of the sector's contraction, with 3.1% or 1,225 persons representing the smallest drop in the five years since 2008.

Figure 9: Trends in the Construction Sector: Employment 2008 – 2013

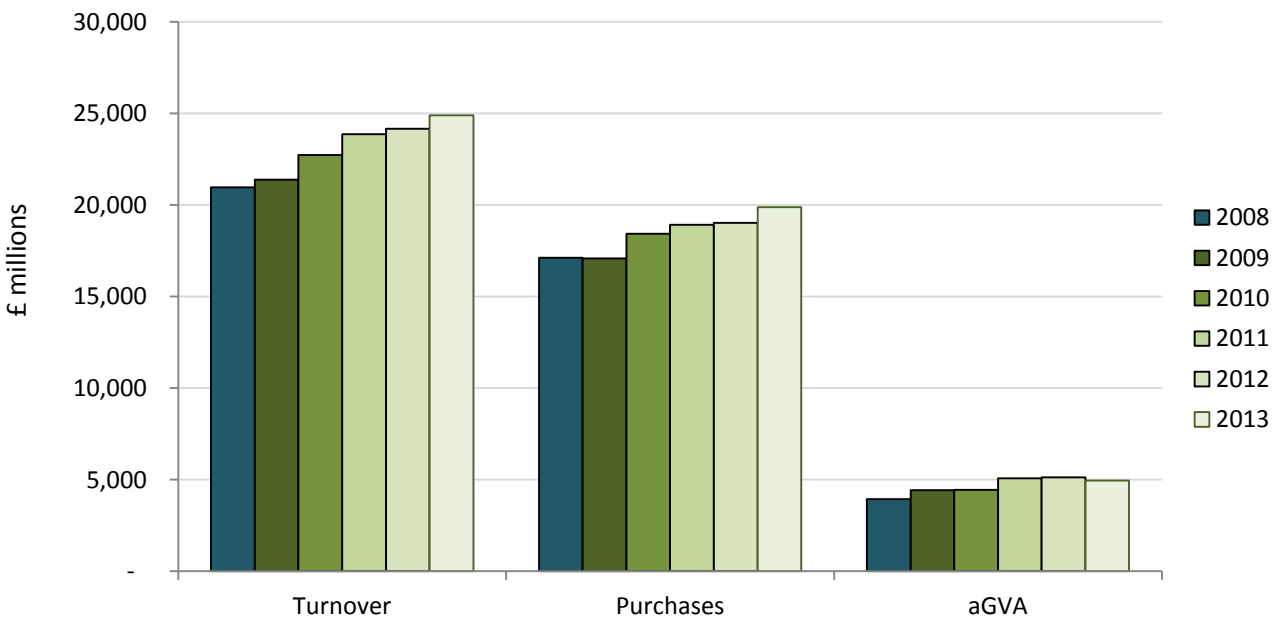


Distribution Industries (Section G)

The Distribution Industries consist of companies engaged in wholesale, retail and motor trade and cover the entire Northern Ireland wholesale and retail sector.

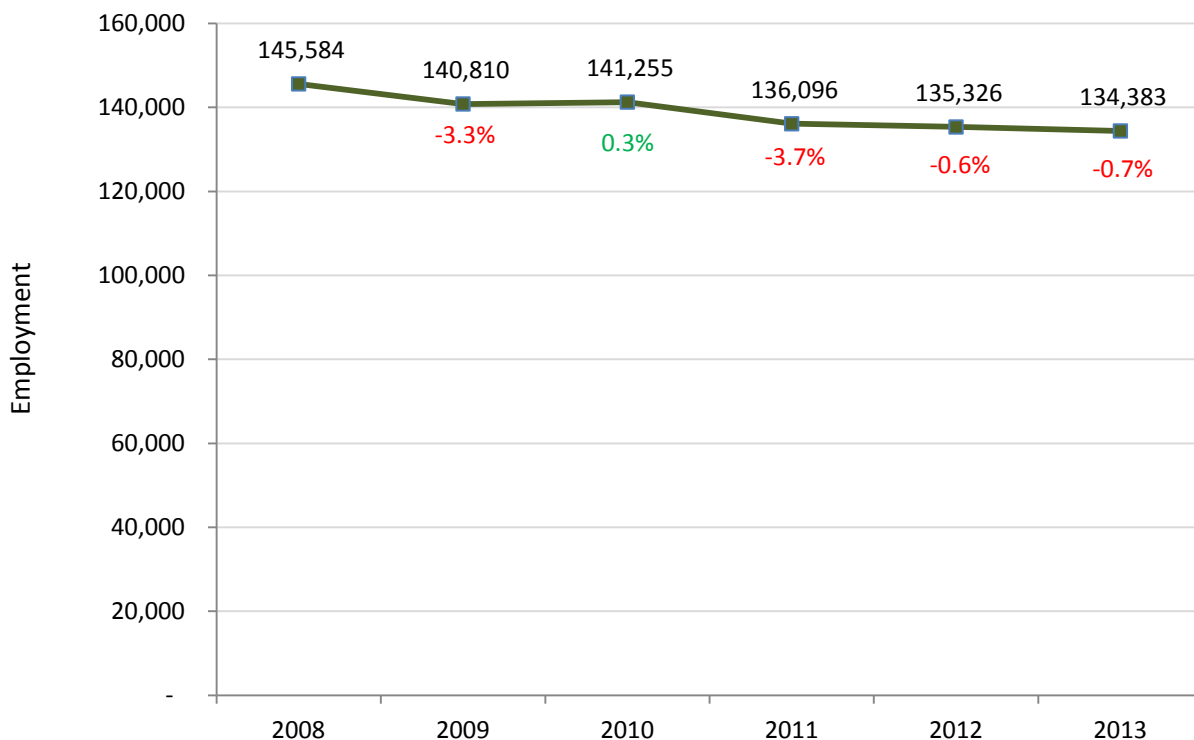
Despite consistently rising turnover, aGVA in the distribution sector has declined by 3.4% between 2012 and 2013, dropping from £5,128 million to £4,955 million.

Figure 10: Trends in the Distribution Sector: Income and Expenditure 2008 – 2013



Between 2012 and 2013, employment in the distribution sector declined by 0.7%. The distribution sector’s employment currently stands 7.7% below the level recorded in 2008 at the start of the financial downturn. This is despite an 18.7% rise in turnover and 26.0% rise in aGVA over the same time period.

Figure 11: Trends in the Distribution Sector: Employment 2008-2013



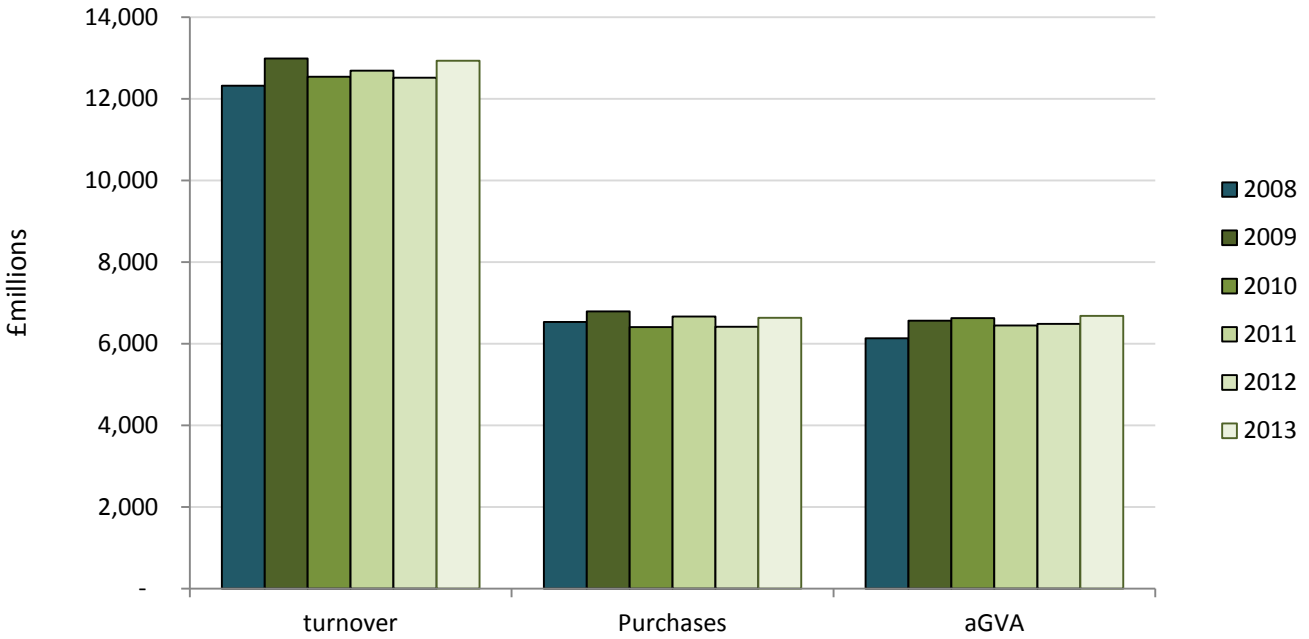
Service Industries (Section H – S)

The Services Industry is composed of Transport and storage; Accommodation and food service activities; Information and communication; Real estate activities; Professional scientific and technical activities; Administrative and support service activities; and Others (n.b. Others are sections that are grouped to avoid disclosure of returns).

Turnover and purchases in the services sector have both increased between 2012 and 2013, growing by 3.3% and 3.4% respectively. aGVA in the services sector has increased by 3.0%, from £6,489 million in 2012 to £6,685 million in 2013.

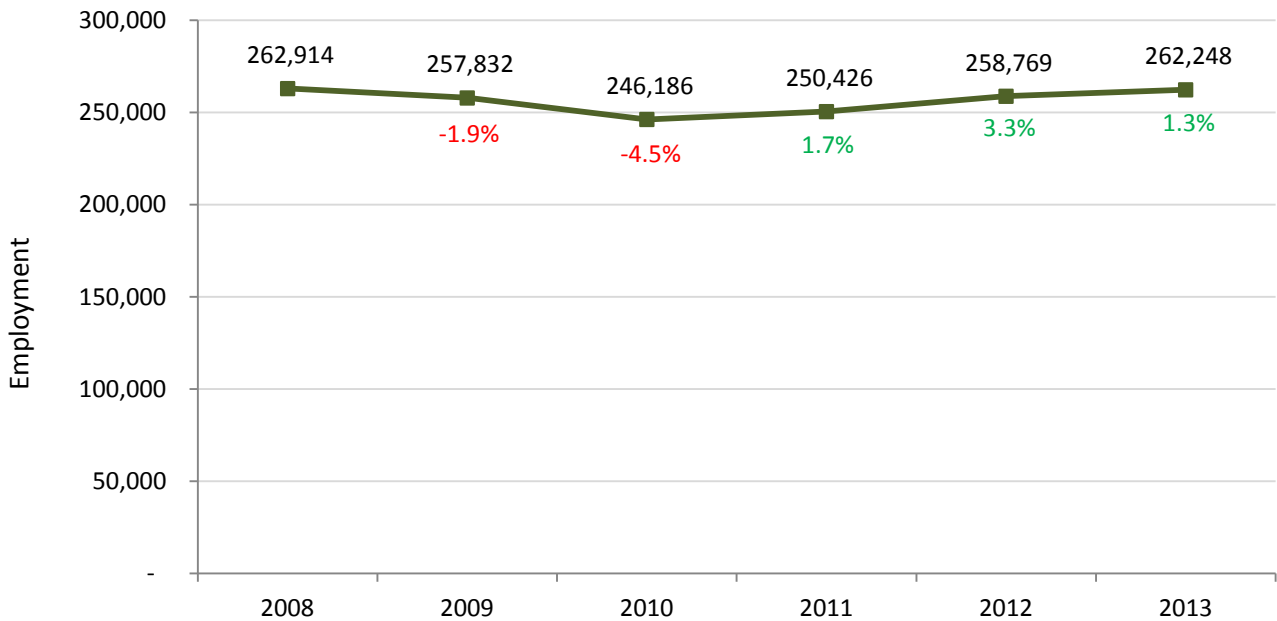
The service industries have shown resilience to the effects of the financial downturn, recording positive aGVA growth in 4 out of 5 years since 2008. The service industries’ 2013 aGVA figure is 9.0% higher than the value recorded in 2008.

Figure 12: Trends in the Service Industries: Income and Expenditure 2008-2013



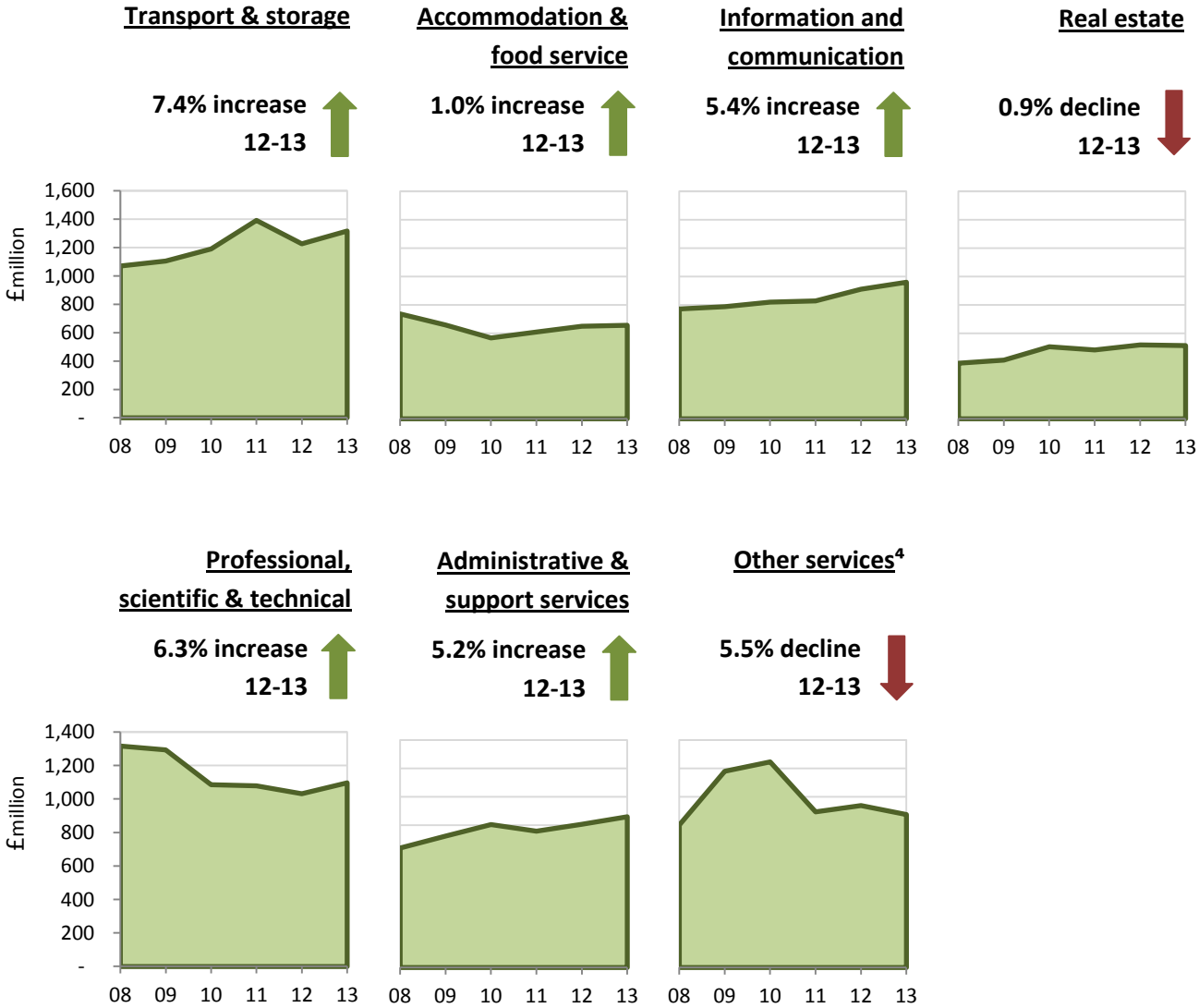
Employment in the service industries grew by 1.3% to 262,248 in 2013. This is the third consecutive year of employment growth in the services sector and restores employment to a level comparable to that recorded in 2008 at the start of the financial downturn. The primary industry behind employment growth in the services sector was the information and communication section, which grew by 12.4% or 2,150 persons between 2012 and 2013.

Figure 13: Trends in the Service Industries: Employment 2008-2013



The largest contributor to the increase in the service industries' aGVA was the transportation and communication section, which grew by 7.4% or £90 million. Other major contributors include professional, scientific and technical (+£65 million), administrative and support services (+£53 million) and information and communication (+£49 million).

Figure 14: Trends in the Service Industries: aGVA by sector 2008-2013



⁴ Others includes: Education (excluding Public Education); Human health and social work activities (Excluding public health and social work); Arts, entertainment and recreation and Other service activities. The Insurance & Reinsurance industries were included for the 2009 and 2010 results; following a decision by the ONS these have been excluded from the 2011 results onwards.

4: Results by Industry

	CV ≤ 5%
	5% < CV ≤ 10%
	10% < CV ≤ 20%
	CV > 20%

Table 1: NIABI results by industry, 2012 and 2013

	Standard Industrial Classification	Description	Turnover (£million)	Approximate Gross Value Added (aGVA) (£million)	Purchases (£million)	Employment
2012	A – S	Agriculture, fishing, production, construction, distribution and services	62,067	18,683	40,116	519,419
2013			63,953	18,976	41,997	522,614
%change			3.0%	1.6%	4.7%	0.6%
2012	A (part)	Agriculture, forestry and fishing	112	54	59	1,247
2013			132	66	66	1,124
%change			17.7%	22.7%	11.2%	-9.9%
2012	B – E	Production Industries	20,114	5,333	11,249	84,382
2013			20,970	5,757	11,884	86,390
%change			4.3%	8.0%	5.7%	2.4%
2012	B	Mining and quarrying	380	109	266	2,150
2013			352	95	251	1,883
%change			-7.3%	-12.6%	-5.7%	-12.4%
2012	C	Manufacturing	16,833	4,094	8,865	76,382
2013			17,552	4,555	9,356	78,545
%change			4.3%	11.3%	5.5%	2.8%
2012	D	Electricity, gas, steam and air conditioning supply	2,073	390	1,707	1,302
2013			2,284	409	1,891	1,647
%change			10.2%	5.0%	10.8%	26.5%
2012	E	Water supply, sewerage, waste management and remediation activities	829	740	411	4,547
2013			781	698	385	4,315
%change			-5.7%	-5.7%	-6.1%	-5.1%
2012	F	Construction	5,154	1,679	3,359	39,695
2013			5,026	1,514	3,526	38,470
%change			-2.5%	-9.9%	5.0%	-3.1%

Table 1 (continued): NIABI results by industry, 2012 and 2013

	Standard Industrial Classification	Description	Turnover (£million)	Approximate Gross Value Added (aGVA) (£million)	Purchases (£million)	Employment
2012	G – S	Distribution and service industries	36,686	11,617	25,450	394,095
2013			37,825	11,640	26,521	396,631
%change			3.1%	0.2%	4.2%	0.6%
2012	G	Wholesale and retail trade; repair of motor vehicles and motor cycles	24,168	5,128	19,032	135,326
2013			24,894	4,955	19,883	134,383
%change			3.0%	-3.4%	4.5%	-0.7%
2012	H - S	Other service Industries	12,518	6,489	6,417	258,769
2013			12,931	6,685	6,638	262,248
%change			3.3%	3.0%	3.4%	1.3%
2012	H	Transport and storage	2,739	1,226	1,665	25,205
2013			2,867	1,317	1,696	25,742
%change			4.7%	7.4%	1.9%	2.1%
2012	I	Accommodation and food service activities	1,315	651	664	43,459
2013			1,377	658	746	44,347
%change			4.7%	1.0%	12.3%	2.0%
2012	J	Information and communication	1,503	912	627	17,331
2013			1,614	961	697	19,481
%change			7.4%	5.4%	11.2%	12.4%
2012	L	Real estate activities	893	520	374	8,731
2013			901	515	389	9,362
%change			1.0%	-0.9%	4.1%	7.2%
2012	M	Professional, scientific and technical activities	1,699	1,032	700	27,210
2013			1,743	1,097	650	26,626
%change			2.6%	6.3%	-7.1%	-2.1%

Table 1 (continued): NIABI results by industry, 2012 and 2013

	Standard Industrial Classification	Description	Turnover (£million)	Approximate Gross Value Added (aGVA) (£million)	Purchases (£million)	Employment
2012	N	Administrative and support service activities	1,726	1,008	719	48,658
2013			1,727	1,061	706	49,088
%change			0.0%	5.2%	-1.8%	0.9%
2012	P - S	Others	2,643	1,140	1,670	88,174
2013			2,701	1,077	1,753	87,602
%change			2.2%	-5.5%	5.0%	-0.6%

Coefficient of Variation

The coefficient of variation (cv) measures the variability of the values in the table above by expressing the standard error as a percentage of the parameter estimate. Unlike confidence intervals, which measure variability by providing the range of values between which the mean value for a predetermined percentage of all possible samples would fall, the coefficient of variation expresses variability as an easily comparable percentage. As the coefficient of variation is not measured in any specific unit, it facilitates comparison between surveys measuring different underlying variables. A larger coefficient of variation implies a larger variability.

$$\text{Coefficient of Variation} = \frac{\text{Standard Error}}{|\text{Parameter Estimate}|}$$

Standard Error: In statistics, sample estimates such as means and medians deviate from the actual population mean and median; and this deviation is the standard error. Standard error is a statistical term that measures the accuracy with which a sample represents a population and is essentially an indicator of the reliability of the estimate.

Parameter Estimate: The parameter estimate refers to the individual value for each of the variables in the table above. For example the 2013 parameter estimate for turnover in Section A is £132 million.

5: Background Notes

(i) About the Northern Ireland Annual Business Inquiry

The Northern Ireland Annual Business Inquiry (NIABI) collects both financial and employment information from businesses and other establishments and covers about two thirds of the economy. This includes the Production, Construction, Distribution and Service industries in Northern Ireland but excludes public sector activity for the most part. The Coverage of the survey is detailed at section (iv) below.

The 2013 NIABI sampled approximately 10,500 businesses in Northern Ireland from a population of approximately 49,000 businesses in the sample frame: the Inter-Departmental Business Register (IDBR). The IDBR consists of companies, partnerships, sole proprietors, public authorities, central government departments, local authorities and non-profit making bodies in the UK. The NIABI is reliant on the IDBR receiving accurate and timely updates and providing a true reflection of the Northern Ireland business population. Businesses not registered for either Pay As You Earn or VAT are excluded from the frame. Additional information about the IDBR and the characteristics of the businesses covered by the IDBR is available at the link:

<http://www.detini.gov.uk/stats-inter-dept-bus-register>

(ii) Survey reference period

For survey reference period 2013, businesses were asked to make returns for the calendar year 2013. Where this was not possible, returns for business years ending between 6 April 2013 and 5 April 2014 were accepted. Similar procedures operated in previous years. Returns covering fewer than twelve months were accepted for businesses which had started or ceased trading during the year. Estimates were made for those firms providing returns for more than six months while firms providing less than six months were treated as closures in the results process.

(iii) NIABI sample

Following user feedback and consultation with the Statistics Advisory Committee and the DFP official statistics user group, the NIABI sample size was boosted from approximately 5,000 in the 2010 survey reference year to approximately 9,000 in 2011. The sample was further boosted to approximately 11,000 in 2012 and contained approximately 10,500 businesses in 2013.

To maximise survey precision, the Neyman allocation approach to sampling was utilised. Neyman allocation is a sample allocation method that may be used with stratified samples. The purpose of the method is to maximize survey precision, given a fixed sample size. The survey universe was stratified by 2 digit SIC code and employee size band, and all businesses with 50+ employees, or 20+ employees and more than one local unit, were fully enumerated. The current NIABI sample design includes all Manufacturing businesses with 6 or more employees. Businesses falling below the threshold of complete enumeration are selected on a stratified random basis. In addition, certain companies of special interest to policymakers and government agencies (for example, certain Invest NI clients) are added to the sample.

(iv) Standard Industrial Classification and the coverage of the NIABI

NIABI results are classified according to the Standard Industrial Classification of Economic Activities (SIC) system. The UK is required by European legislation to have a system of classification consistent with the European Union's Industrial classification system. A review of the system was completed in 2007 and implemented in 2008. UK SIC 2007 is divided into 21 sections, each denoted by a single letter from A to U. Below this, further levels of detail are provided at division (denoted by 2 digits), groups (three digits), classes (four digits) and subclasses (five digits).

The SIC 2007 sections covered by the NIABI are as follows:

- A. Agriculture (support activities), forestry and fishing
- B. Mining and quarrying
- C. Manufacturing
- D. Electricity, gas, steam and air conditioning supply
- E. Water supply, sewerage, waste management and remediation activities
- F. Construction
- G. Wholesale and retail trade; repair of motor vehicles and motor cycles
(Distribution industries)
- H. Transport and storage
- I. Accommodation and food service activities
- J. Information and communication
- L. Real estate activities
- M. Professional, scientific and technical activities
- N. Administrative and support service activities
- P. Education (excludes local authority and central government bodies)
- Q. Human health and social work activities (excludes local authority and central government, and medical and dental practice activities (group 86.2))
- R. Arts, entertainment and recreation
- S. Other service activities

Production Industries are comprised of sections B – E

Service Industries are comprised of sections H, I, J, L, M, N, P, Q, R and S

Following a 2013 decision by the Office for National Statistics to discontinue the publication of figures covering Insurance & Re-insurance industries due to ongoing volatility of the estimates, this NIABI publication also excludes estimates for this series. The other main areas that are *excluded* are Public Administration and Defence (section O) while Agriculture, Forestry and Fishing (section A) excludes farming (groups 01.1, 01.2, 01.3, 01.4 and 01.5). Local authority and central Government bodies in Education (section P) and Human Health and Social Work Activities (section Q) have also been excluded from this publication, as has 86.2 (Medical and Dental Practice Activities) within section Q.

(v) Data collection, validation and calculation of NIABI results

Approximately 10,500 forms were issued from Economic and Labour Market Statistics Branch, DFP, in March 2014 and the returned forms were subjected to a range of validation and congruency checks. The 2013 response rate at the time of publication is 71.1%.

Data validation was carried out on the returned forms ensuring internal consistency within the form, checking data fell within expected limits or by contacting the company for clarification where appropriate. For non-returns above a selected employment threshold, data were imputed using a methodology which takes account of previous returned data and the performance of other similar businesses. This information is then grossed up to the reporting unit population, to ensure that results are representative of the sampled population.

Please note that the information presented throughout this bulletin is based on reporting unit information, and is therefore not directly comparable with earlier NIABI bulletins which are based on local unit information. Reporting and local unit definitions can be found at: http://www.detini.gov.uk/stats_bus_register_3.doc

Also, to better meet user needs, and in consultation with ONS Methodology Consultancy Service, DFP produced these results using Statistics Canada's Generalized Estimation System. This allows DFP to produce estimates, with an associated measure of their quality. For more detail of the estimation methodology please consult: http://www.detini.gov.uk/review_of_the_abi_-_quality_improvement_fund_project.pdf

Users are advised to take into account the quality indicators associated with the estimates when considering the significance of annual changes. These indicate that some results have quite large margins of statistical error associated with them. Users should exercise caution when interpreting the annual changes associated with such results.

Ongoing development of the methodology will be informed by user feedback, both in terms of the usefulness and reliability of the estimates and their comparability with other sources. Any comments should be sent to Brian.Spence@dfpni.gov.uk

(vi) Definitions

Approximate Gross Value Added at Basic prices represents the income generated by businesses, out of which is paid wages and salaries, the cost of capital investment and financial charges before arriving at a figure for profit. It includes taxes on production (e.g. business rates), net of subsidies but excludes subsidies and taxes on products (e.g. VAT and excise duty). This is an output-based measure of aGVA. All published aGVA is given at basic prices. Please find below calculation applied to derive aGVA.

The calculations used in the NIABI are:

- aGVA AT BASIC PRICES: aGVA at factor cost + business rates + vehicle excise duty + Climate Change Levy
- aGVA AT MARKET PRICES: Total turnover + insurance claims + change in stocks + own account capital expenditure – total purchases
- aGVA AT FACTOR COST: aGVA at market prices + subsidies – total taxes + customs & excise drawback

(Please note that aGVA at basic prices is the only published aGVA from the NIABI.)

Turnover is defined as total sales and work done. This is calculated by adding to the value of sales of goods produced, goods purchased and resold without further processing, work done and industrial and non-industrial services rendered.

Purchases represent the value of all goods, materials and services purchased during the year.

(vii) NIABI “Approximate Gross Value Added” and “Regional Gross Value Added”

The financial information from the Regional NIABI provides a measure of approximate GVA, which is ultimately used to contribute to the picture of the whole economy to be built up for National Accounts purposes at the United Kingdom level. When regional economic accounts are subsequently derived, the resulting measure of Regional Gross Value Added (GVA) is a much broader based measure relating to the whole economy in a region, taking into account information from a series of economic and labour market surveys. The results of the NIABI only comprise one element of the regional economic account figures, and a number of adjustments are made in line with National Accounts methodologies before estimates of Regional GVA are produced. ONS’ most recent Regional GVA estimates for Northern Ireland at industry level prior to the release of this bulletin relate to 2012 and were released on 07 July 2014. The NIABI provides more detailed industry information than is possible in Regional Accounts measures.

<http://www.ons.gov.uk/ons/rel/regional-accounts/regional-gross-value-added--income-approach-/december-2013/stb-regional-gva-2012.html>

(viii) Comparability with statistics from other sources

The NIABI is conducted by the Northern Ireland Statistics & Research Agency and while the survey process is similar to that for Great Britain, it is not identical. ONS receive data from NISRA in August and February of each survey year. These data are processed with the Great Britain data to produce UK-wide estimates as well as producing regional estimates. NISRA separately process the Northern Ireland data to produce their own regional estimates. These differ from the ONS estimates for a number of reasons:

- Calculation of the weights used to estimate figures for the total population:
 - Calculation of the design or a-weights: The ONS National System computes the design weights for all UK data using the sample design of the GB sample. The NI sample design is quite different from that used by the ONS. The design weights calculated by the ONS system for NI units can therefore differ from those calculated by the NI system.
 - Calculation of the g-weights: The ONS National System computes two sets of g-weights: one based on IDBR turnover and another based on IDBR employment. The latter is used for employment costs, whereas the former is used for all the other variables. The Regional System computes g-weights based on local unit employment. In the new NI methodology there is no distinction between national and regional weights: estimates at all levels are based on the same weights, with the g-weights computed with respect to local unit register employment but using a different calibration method to that used in the ONS regional system.
- Regional apportionment: ONS collects all ABS data at reporting unit (RU) level; the regional system apportions RU returns between local units using factors obtained from models. The NIABI collects employment data at local unit level data; data of other variables are collected at RU level and then apportioned between the local units. When NI data are processed in the ONS system, new apportioned local unit values, based on the ONS methodology, are obtained and used to produce estimates.

- The NIABI does not collect data for all the variables in the GB questionnaire; in the ONS system, values are derived for the missing variables using a model, and these values contribute towards the estimation of some derived variables.

(ix) Comparability with other NISRA ELMSB publications

The NIABI provides estimates of employment to enable per head calculations to be made. Preferred estimates of the changes in employment and employee jobs are provided by the Labour Force Survey (LFS) and Quarterly Employment Survey (QES). As dedicated employment surveys, the LFS and QES provide more frequent and accurate measures of the change in employment. By utilising internationally recognised definitions the LFS provides employment figures consistent with international standards. The LFS and QES can be found on the DETI website at http://www.detini.gov.uk/index/what-we-do/deti-stats-index/labour_market_statistics/labour_force_survey.htm and <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-qes.htm> respectively.

Within the relevant sectors the turnover figures provided by the NIABI are the most up to date available from ELMSB statistical publications, and ultimately contribute to updating the Inter-Departmental Business Register (IDBR). However for a more comprehensive measure of turnover within the NI economy users are recommended to refer to the IDBR. The IDBR contains information on all businesses in the UK which are VAT registered or operate a PAYE scheme; consequently the IDBR provides a more complete picture of the Northern Ireland business population. The IDBR can be accessed through the DETI website at <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-inter-dept-bus-register.htm>

(x) Other sources of information

ONS has responsibility for the production of the recently published UK national estimates for 2013, as well as regional 2013 estimates (scheduled for release on 11 June 2015). The latest UK national estimates for 2013 can be found at http://www.ons.gov.uk/ons/dcp171778_384804.pdf while ONS' regional estimates for 2012 are available at <http://www.ons.gov.uk/ons/rel/abs/annual-business-survey/2012-regional-results/stb-abs-regional-2012.html>

The latest Department of Enterprise, Trade and Investment (DETI) Economic Commentary (February 2014) provides an overview of the state of the Northern Ireland economy, setting it in a global context. This can be found at <http://www.detini.gov.uk/february-2014-deti-economic-commentary.pdf?rev=0>

The most up-to-date official statistics on the economy and labour market are available on the Economic Overview page of the DETI website at

<http://www.detini.gov.uk/deti-stats-index/deti-stats-index-2.htm>

Information relating to financial activity in the Northern Ireland Manufacturing industry is available from the Manufacturing Sales and Exports Survey (MSES), which provides estimates of the sales and exports generated by all businesses within the manufacturing industry in Northern Ireland. These statistics can be accessed at <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-manufacturing-sales-exports.htm>

The following link provides information relating to the integration of the MSES and NIABI in survey reference period 2011. It should be noted however that the latest MSES publication was produced on the same methodology as previous years, which differs to the methodology used by the NIABI. Table 1 provides some detail about the size of the difference yielded. Work is ongoing to provide more consistent measures of common variables.

http://www.detini.gov.uk/notice_to_users_-_integration_of_the_annual_business_inquiry_and_the_manufacturing_sales_and_exports_survey.pdf

Further information on the output of Manufacturing, along with Electricity, Gas, Water and Mining & Quarrying industries is available from the Northern Ireland Index of Production (<http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-index-of-production.htm>) while the Northern Ireland Index of Services (http://www.detini.gov.uk/index/what-we-do/deti-stats-index/economic_output_statistics/index-of-services.htm) provides a general measure of changes in the output of the private sector service industries in Northern Ireland.

The Construction Output Statistics published in the Northern Ireland Construction Bulletin are intended to provide a general measure of quarterly changes in the volume and value of construction output in Northern Ireland. These statistics can be accessed at <http://www.csu.nisra.gov.uk/survey.asp11.htm>

The Composite Economic Index provides a weighted measure of output by broad industry sector and employee jobs in the public sector to provide an overall measure of change in Northern Ireland economic activity <http://www.detini.gov.uk/deti-stats-index/stats-surveys/ni-composite-economic-index-nicei.htm>

(xi) Uses of the NIABI

- The central structure and periodicity of the NIABI is driven by the legal requirements to provide data for the UK Annual Business Inquiry, UK National Accounts and European Structural Business Statistics (SBS)
- Additionally the NIABI is used by the Government as a means of monitoring the progress of economic policy and to help set and measure economic targets.
- Outside government the data is used by a variety of different private sector and academic analysts to assist with industrial and investment decisions.

For a more comprehensive explanation of customers' use of the NIABI please follow the link below:

http://www.detini.gov.uk/summary_of_usage_of_the_northern_ireland_annual_business_inquiry.pdf

(xii) User feedback

Development of the NIABI is designed to meet the needs of data users as identified during statistical user group meetings. Recent enhancements to the survey including an increase in the sample size for the 2012 reporting period have been driven by feedback received through these consultations. Minutes of the meetings are available using the link below:

<http://www.detini.gov.uk/deti-stats-index/stats-national-statistics/user-consultation-and-information.htm>

(xiii) Quality reporting

A summary quality report for the NIABI can be found at

<http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-annual-business-inquiry.htm>

This report describes in detail the quality of the statistics presented in this publication (in terms of relevance, accuracy, timeliness and punctuality, accessibility and clarity, coherence and comparability, trade-offs between output quality components, assessment of user needs and perceptions, performance, cost and respondent burden and confidentiality, transparency and security).

(xiv) Status of figures in current bulletin

It is normal practice to revise the data from the previous year based on ongoing data validation and clarification of responses from individual businesses. This bulletin contains detailed provisional results for the NIABI industries (2013). These 2013 provisional figures will be subject to revision to take account of additional information. The NIABI revisions policy can be accessed at http://www.detini.gov.uk/niabi_revisions_policy.pdf

In line with this and with the NIABI revisions policy, provisional NIABI estimates for 2012 have been revised throughout this publication. The table below provides details of revisions to 2012 data.

Table 2: Size of revisions to previously published 2012 data

	Provisional 2012 (£)	Revised 2012 (£)	% change
Turnover	61,945	62,067	0.2%
Purchases	39,844	40,116	0.7%
aGVA	18,399	18,683	1.5%
Employment	517,027	519,419	0.5%

Turnover, purchases and aGVA values are reported in £ million unless otherwise specified.

NIABI reporting unit results are published in December, while local unit results are published the following summer. The Economic and Labour Market Statistics Branch statistics publication schedule is available at http://www.detini.gov.uk/index/what-we-do/deti-stats-index/stats_publications_2014_onwards.htm

The list of people given pre-release access to this publication is available at

http://www.detini.gov.uk/elmsb_pre-release_publication_access_list_nov-14.pdf?rev=0

(xv) Disclosure

The NIABI is conducted under the Statistics of Trade and Employment (Northern Ireland) Order 1988 and great care is taken to avoid disclosing information about individual

enterprises (in line with the stipulations in Article 7 of the Order). Figures which would be likely to disclose particulars relating to an enterprise are not published (i.e. they are suppressed) unless prior written consent for their publication has been obtained directly from the business. The Northern Ireland Statistics & Research Agency Economic & Labour Market Statistics confidentiality statement can be accessed at the following link: http://www.detini.gov.uk/data_confidentiality_statement_principle_5_of_the_code_of_practice_for_official_statistics_-2.pdf

(xvi) Next publication

The next NIABI publication will be the 2013 Local Unit publication due for release in summer 2015.

For further information

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