

(Annual Business Inquiry)
NI Non-Financial Business Economy 2022
Provisional Reporting Unit Results

Date: 24th January 2024

Geographical Area: Northern Ireland

Theme: Business and Energy

Frequency: Annual

Key Points

- In 2022, the income generated by non-financial businesses in Northern Ireland (NI), less the cost of goods and services used to create this income, was estimated to be £33.3 billion. This amount represents the approximate Gross Value Added (aGVA) at basic prices of the NI non-financial business economy, excluding farming and financial services.
- aGVA 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.

Change between 2021-22

- The NI non-financial business economy¹, as measured by the Northern Ireland Annual Business Inquiry (NIABI), recorded an increase of £2.7 billion (8.8%) in aGVA from 2021 to 2022.
- The key driver of aGVA growth was the Construction sector (Section F) which increased by £976 million (28.0%). The NI Services Industries sector (industry Sections H-S) increased by £971 million (8.2%) between 2021 and 2022. The majority of aGVA growth in this sector is attributable to the Administrative and Support services section (Section N) which increased by £532 million (28.8%).
- Professional, Scientific and Technical services within the non-financial services sector (Section M) recorded aGVA growth of £352 million (13.6%). The Distribution sector (Section G) also increased by £355 million (4.8%).
- The Production sector (Sections B-E) showed an increase in aGVA of £378 million (4.9%) from £7.8 billion to £8.2 billion.
- Turnover (i.e. the value of total sales and work done) in the NI non-financial business economy as a whole increased by £6.5 billion (8.2%) over the year to £85.2 billion and purchases of goods, materials, energy, water and services increased by £3.6 billion (7.1%) to £54.0 billion.

¹ Details of the industries covered by the NIABI are provided in section (iv) of the background notes.

NATIONAL STATISTICS STATUS

National Statistics status mean that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.



These statistics were accredited as National Statistics in 2012 following a full [assessment](#) against the [Code of Practice](#).

Since the assessment by the UK Statistics Authority, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Provided information on the use of the ABI and comparability with other similar statistics.
- Enhanced quality by providing information to users on quality assurance, methodology and explanations of statistical terms.
- Redesigned the Annual Business Inquiry report, improving explanatory material including charts, tables and data visualisations.

Our statistical practice is regulated by the Office for Statistics Regulation (OSR).

OSR sets the standards of trustworthiness, quality and value in the [Code of Practice for Statistics](#) that all producers of official statistics should adhere to.

You are welcome to contact us directly with any comments about how we meet these standards. Alternatively, you can contact OSR by emailing regulation@statistics.gov.uk or via the OSR website.

Note - Accredited official statistics are called National Statistics in the Statistics and Registration Service Act 2007. Click [here](#) for more information.

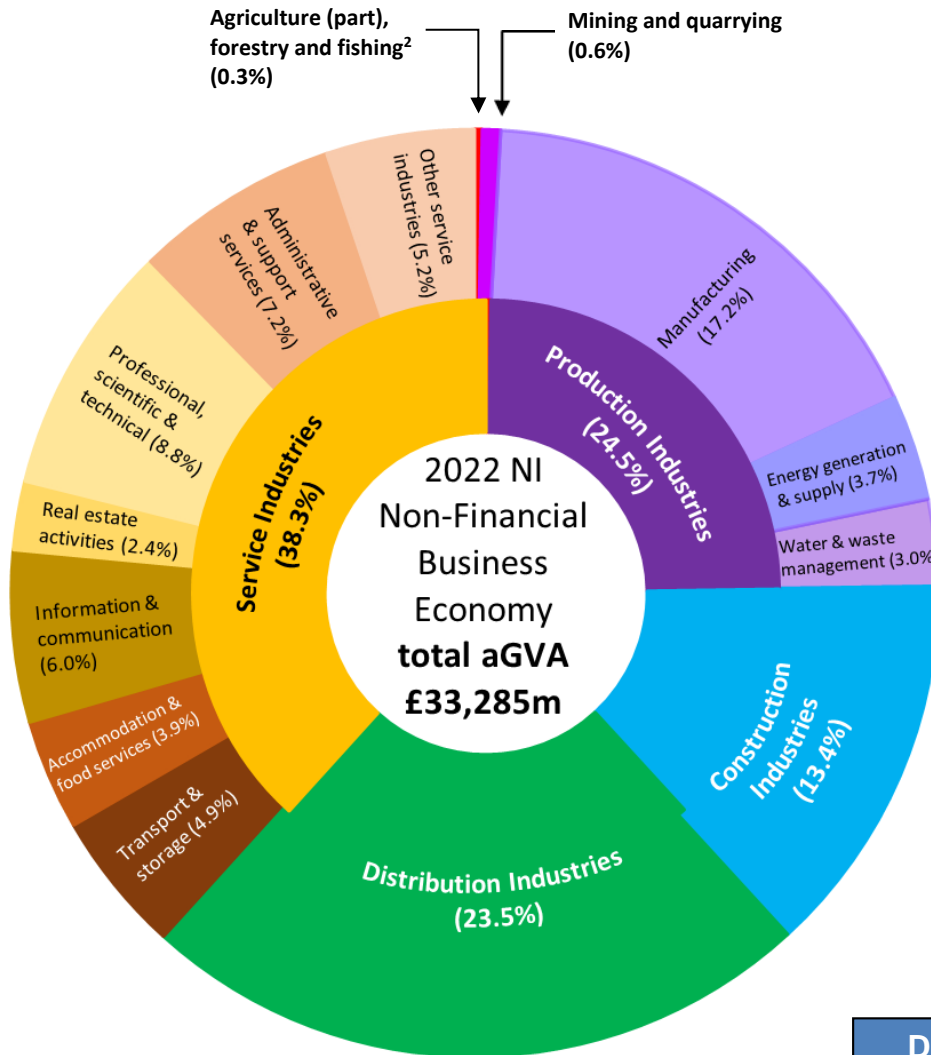
Employment (taken from [Business Register and Employment Survey \(BRES\), 2022](#))

The public/private sector jobs profile in Northern Ireland remains unchanged from 2021 with just over a quarter (27%) of jobs in the public sector. The number of private sector jobs in Northern Ireland was just over 587,000 in September 2022. This was an increase of 1.5% over the year. The majority of private sector jobs are occupied by males (55%). Male full-time jobs accounted for 43% of all jobs in the private sector and 39% of all employee jobs in Northern Ireland in 2022.

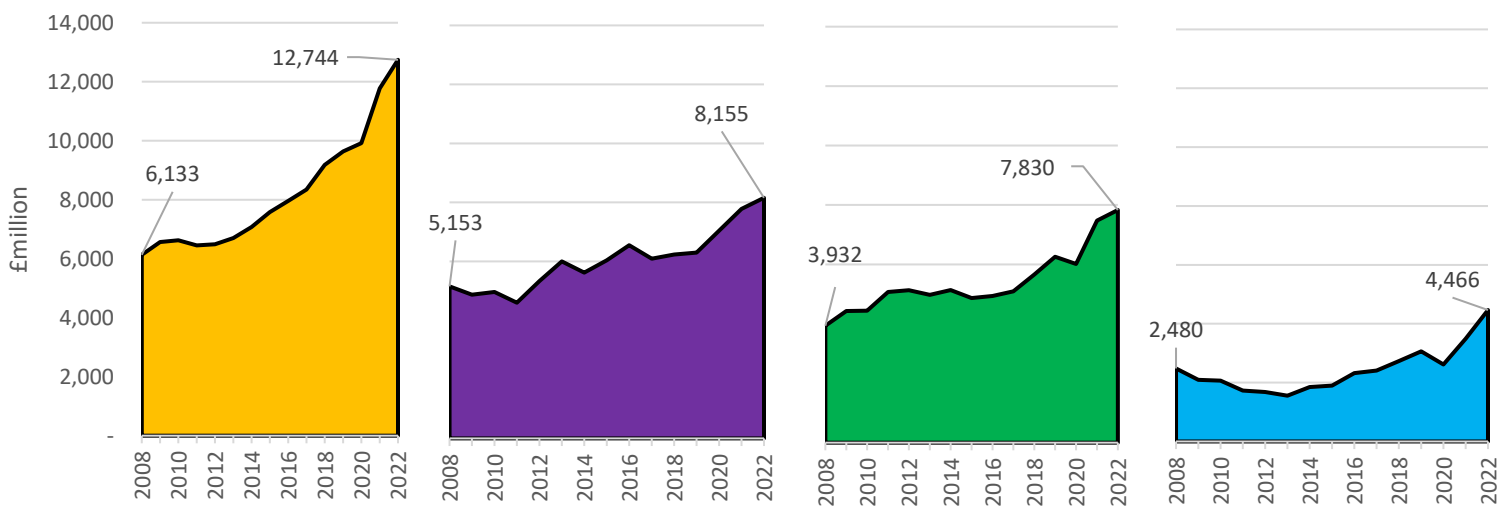
Please note that BRES excludes the following: agriculture (but includes animal husbandry service activities and hunting; trapping and game propagation); the self-employed; HM Armed Forces; private domestic servants; homeworkers and trainees with a contract of employment (non-employed status).

Detailed tables including employment by industry and District Council area can be found on the [BRES webpage](#).

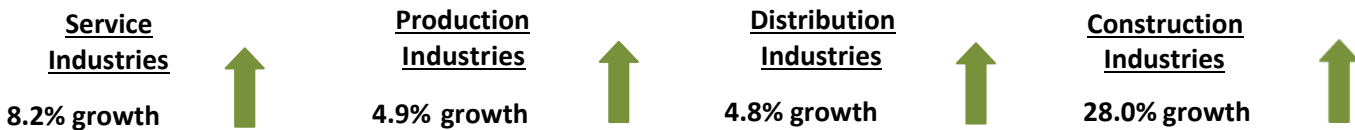
Figure 1: aGVA 2022 and trends by Broad Industry 2008-2022 for NI Non-Financial Business Economy (NFBE)



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Growth by sector 2021-2022



² Agriculture (part) covers only hunting, forestry, fishing and the support activities to agriculture and excludes crop and animal production.

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1 Introduction and Context

This release contains 2022 provisional and 2021 revised reporting unit³ 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 non-financial business economy. It is a survey of businesses covering the Production, Construction, Distribution and Service industries plus an element of Agriculture and covers roughly two thirds of the total NI economy. Public sector bodies are excluded from the survey. Further information on survey coverage is contained in the background notes.

The ABI 2021 showed a larger than usual increase in aGVA, turnover and purchases when viewed year-on-year. This is largely due to the significant drop off in these same metrics in the ABI 2020 results because of the impact of the pandemic. The ABI 2022 showed a return to the normal level of increase that would have been seen historically across aGVA, turnover and purchases year-on-year.

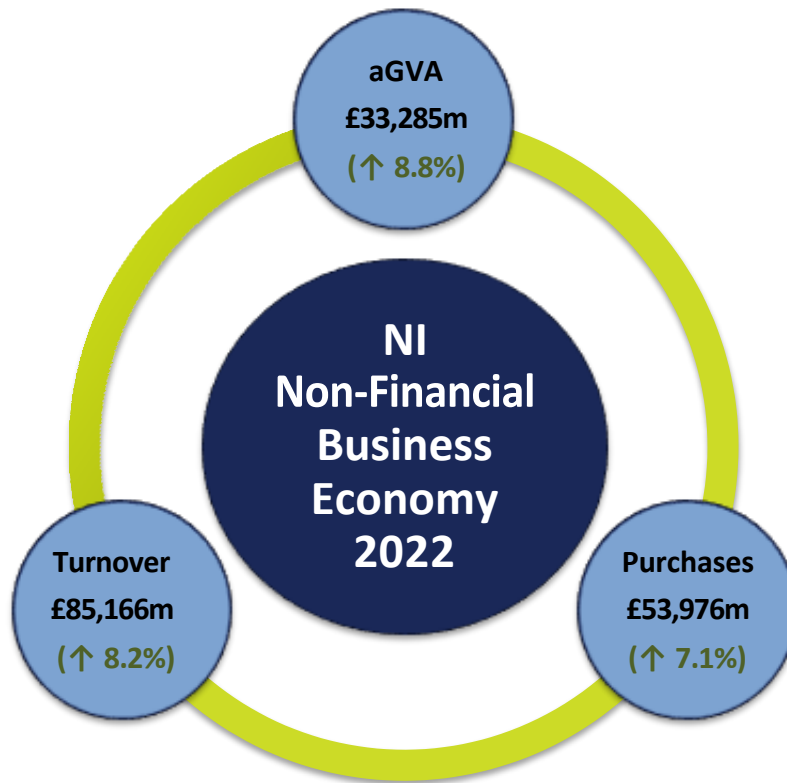
NISRA recently consulted on proposed changes to statistical outputs, this output was part of that consultation. The consultation, which ended on 15th October, sought views from users and stakeholders to help NISRA to address the financial constraints imposed by the budget settlement for 2023-24, whilst minimising the impact on users and stakeholders. The full report on the outcome of the consultation, including users' responses, actions planned and mitigations, can be found at <https://www.nisra.gov.uk/publications/outputs-consultation>. The statistical bulletin for the 2022 reference year was delayed until January 2024 and was also reduced in content from 28 pages to 13 pages. However, high-level ABI results for turnover and purchases of Northern Ireland businesses were published in December 2023 alongside the Northern Ireland Economic Trade Statistics.

³ See section (vi) of background notes for definitions and further information.

2 Summary and Commentary

The diagrams below show how aGVA is calculated and provides a high-level overview of the top line results with more detailed information presented in the subsequent sections.

Figure 2: aGVA, Purchases and Turnover 2022 (NI NFBE)



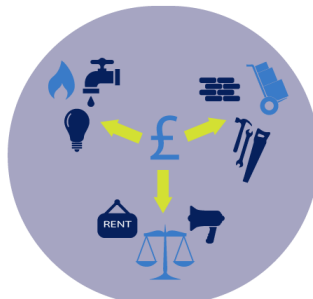
Income



Income includes turnover, insurance claims, work in progress, changes in stock and subsidies

minus

Expenditure



Expenditure includes purchases of goods, materials, energy, water and services and total taxes and levies paid

equals

aGVA



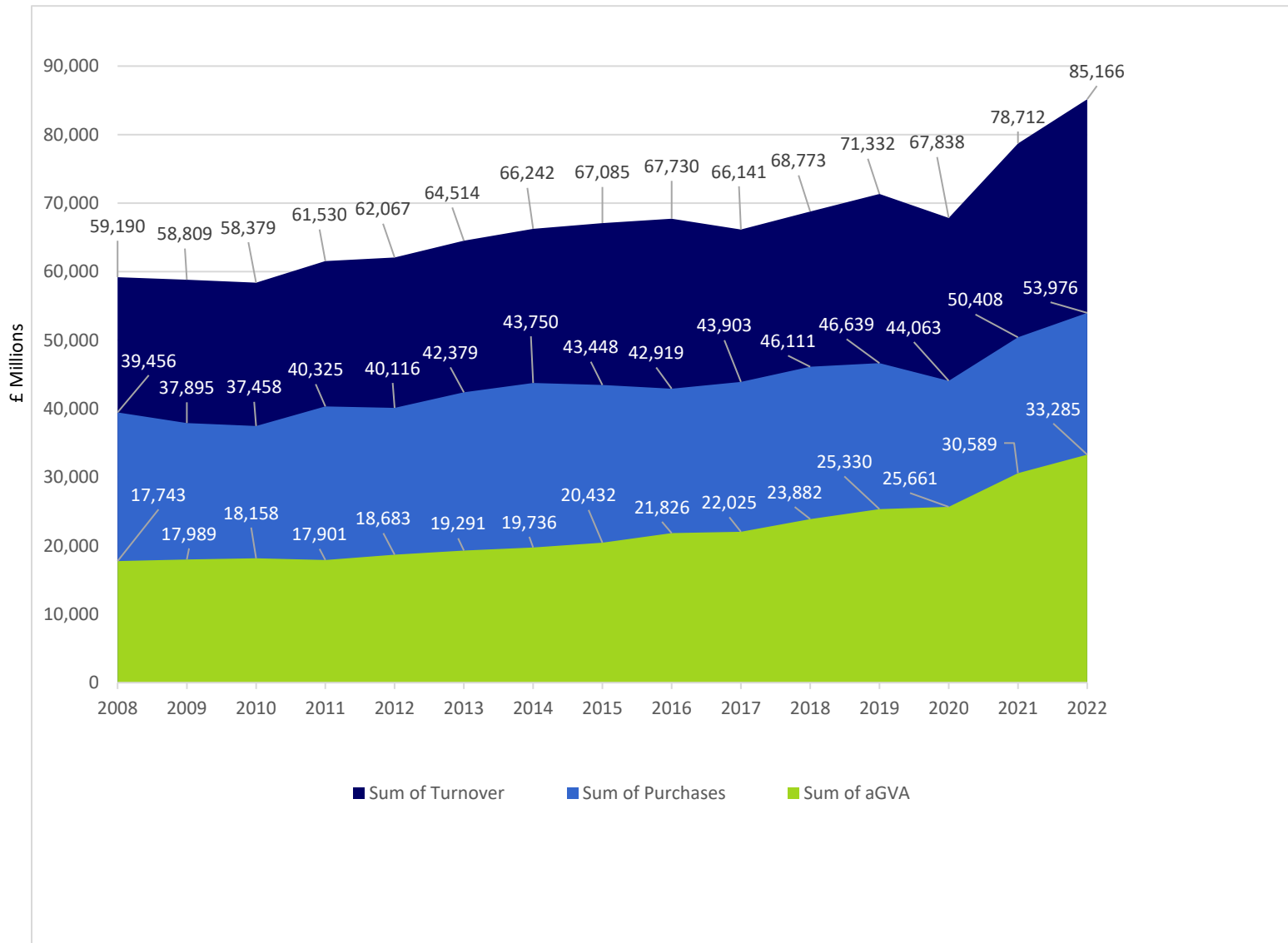
aGVA is a measure of the income generated by businesses less their expenditure

Turnover, purchases and approximate Gross Value Added (aGVA)

The provisional results of the 2022 NIABI show that turnover in the NI non-financial business economy increased by 8.2% to £85.2 billion in 2022. The value of purchases of goods, materials, energy, water and services increased by 7.1%, from £50.4 billion in 2021 to £54.0 billion 2022.

The provisional results of the 2022 NIABI and revised results from the 2021 NIABI show that the turnover generated by businesses in Northern Ireland (NI), less the cost of goods and services used to create this income, was estimated to be £33.3 billion in 2022. This is an increase of 8.8% (£2.7 billion) from 2021 and represents the aGVA of the NI non-financial business economy (see section iv in background notes for full details of industry coverage).

Figure 3: Trends in Turnover, Purchases and aGVA (£'million), 2008 – 2022 (NI NFBE)

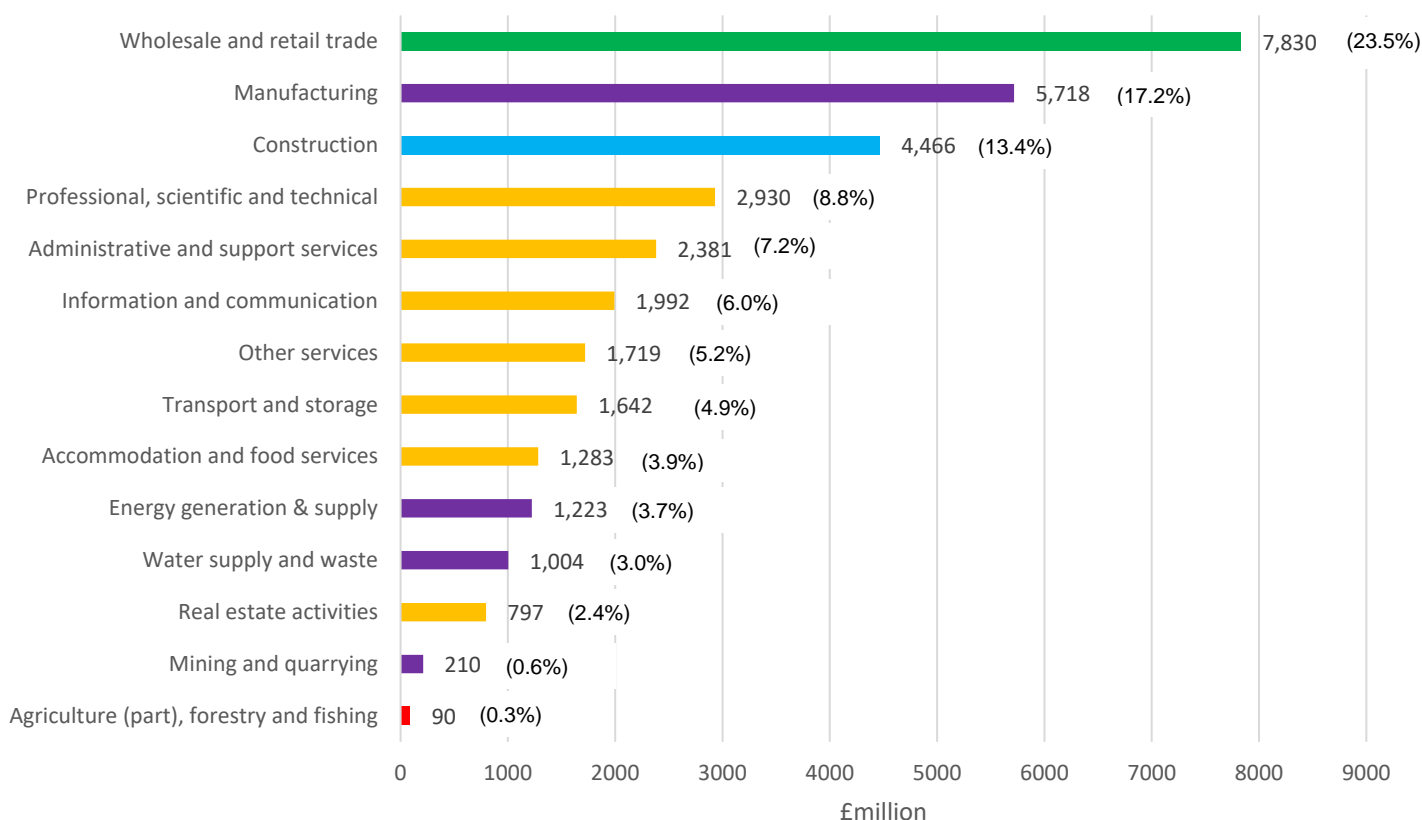


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aGVA by Industrial Section

Looking at industrial section rather than broad industrial sector, Figure 4 below shows the aGVA for each Industrial Section in 2022, the numbers in brackets represent the share of total aGVA. This should be considered in conjunction with Figure 5, which shows how the aGVA for each Industrial Section has changed between 2021 and 2022.

Figure 4: aGVA by Industrial Section (£'million), 2022 (NI NFBE)



Note – Percentages on graph indicate proportion of total aGVA accounted for by each section.



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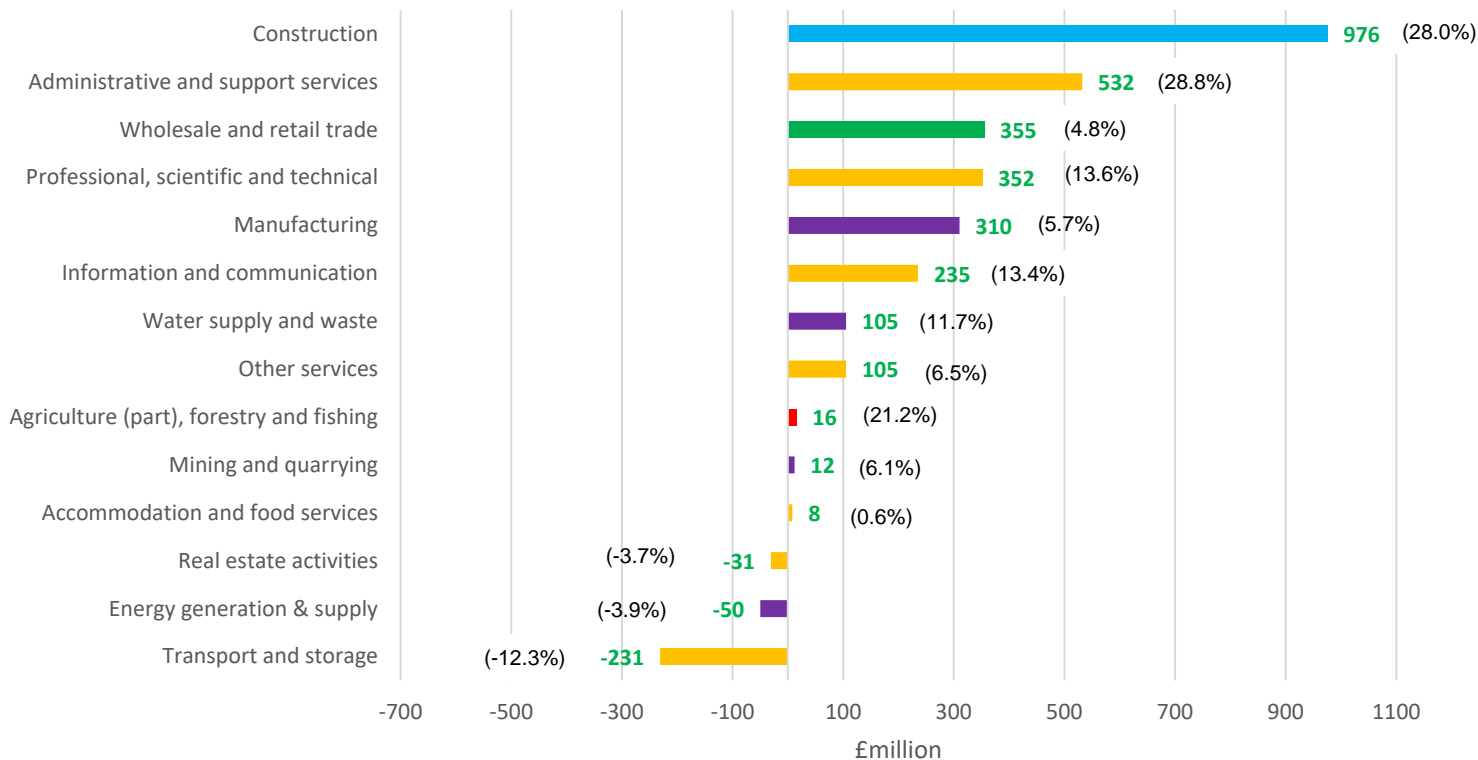
It can be seen from Figure 4 that in terms of 2022 aGVA, Wholesale and retail trade is notably the largest industrial section, accounting for 23.5% (£7.8 billion) of total aGVA in the NI non-financial business economy. Figure 5 shows that this section was ranked third among those sections that experienced growth between 2021 and 2022 (£355 million; 4.8%).

Manufacturing, the second largest industrial section, accounted for 17.2% (£5.7 billion) of total aGVA and was ranked fifth among those sections that experienced growth between 2021 and 2022 (£310 million; 5.7%).

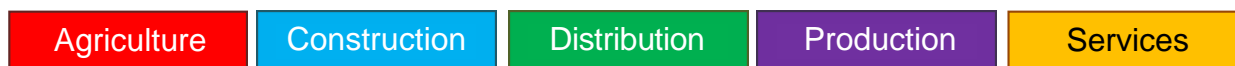
Construction was the third largest industrial section, accounting for 13.4% (£4.5 billion) of total aGVA. As illustrated in Figure 5, construction experienced an increase in aGVA of 28.0% (£976 million) between 2021 and 2022.

Administrative and Support services (Section N) showed large aGVA growth between 2021 and 2022, increasing by £532 million (28.8%). Professional, Scientific and Technical services (Section M) also exhibited strong aGVA growth between 2021 and 2022, increasing by £352 million (13.6%).

Figure 5: Change in aGVA by industrial section (£'million), 2021 – 2022 (NI NFBE)⁴



Note – Percentages on graph indicate the percentage increase/decrease in aGVA for each section.



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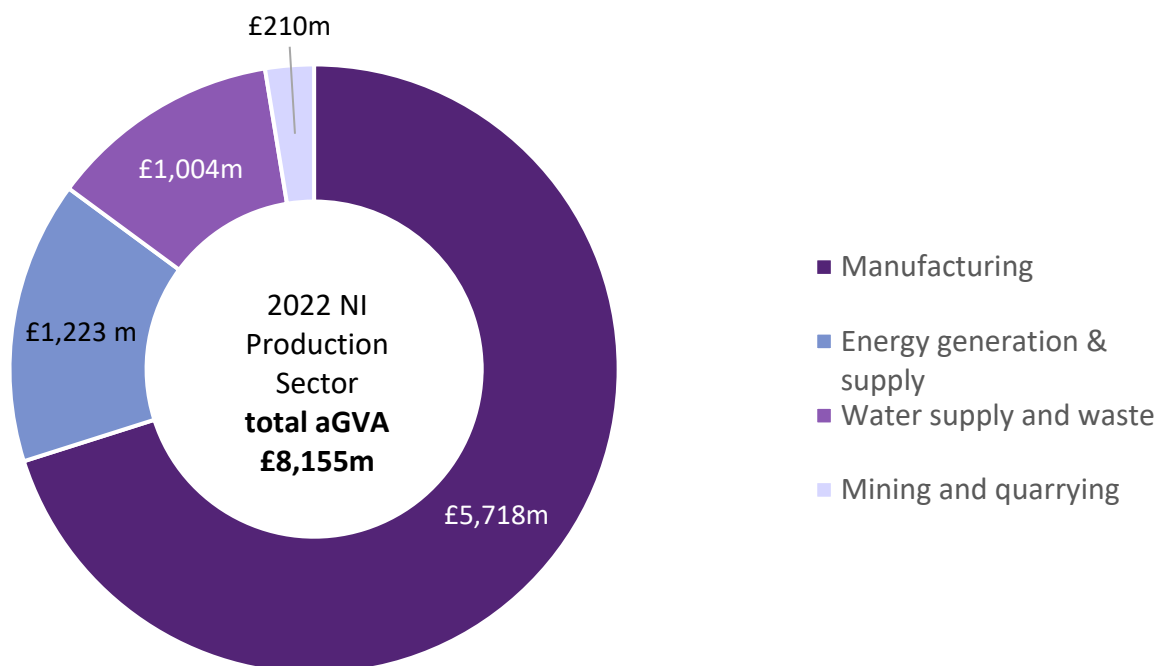
⁴ Note that Other services relates to Sections P-S

Production Industries (Sections B-E)⁵

Sections B through E have been grouped to reflect the structure of the Northern Ireland production industries. These include: Mining and quarrying (Section B); Manufacturing (Section C); Electricity, steam and air conditioning supply (Section D); Water supply, sewerage, waste management and remediation activities (Section E).

The Production sector, which accounts for 24.5% of aGVA in the NI non-financial business economy (see Figure 1), recorded an increase of £378 million (4.9%) between 2021 and 2022. Turnover (i.e. the value of total sales and work done) in the sector showed an increase of £3.7 billion (18.6%) over the same period in question, while purchases also increased by £3.5 billion (25.9%).

Figure 6: NI Production Sector: aGVA by Industrial Section, 2022



Between 2021 and 2022:

- Mining and quarrying (Section B) showed an increase in aGVA of £12 million (6.1%);
- At £310 million, Manufacturing (Section C) saw with the overall largest growth in aGVA (5.7%);
- Energy Generation and Supply (Section D), decreased by £50 million (-3.9%);
- Water supply and waste (Section E) experienced an increase in aGVA (£105 million; 11.7%).

⁵ Sections are based on SIC 2007 classifications - see part (iv) of background notes for further information

Manufacturing

Manufacturing (Section C) is the largest component industry in the Production sector, and accounts for 17.2% (£5.7 billion) of total aGVA in the non-financial business economy. Between 2021 and 2022, aGVA in the Manufacturing section showed an increase of £310 million (5.7%).

Construction Industries (Section F)

The Construction industries cover the entire Northern Ireland construction sector, include construction of buildings, civil engineering, and specialised construction activities (e.g. demolition and site preparation, electrical, plumbing and other construction installation activities, etc).

Up until 2019, Construction (Section F) aGVA had grown for the previous six consecutive years increasing from £1.8 billion in 2014 to £3.1 billion in 2019. In 2020 however there was a drop in aGVA to £2.6 billion which was followed in 2021 by a sharp rise of £0.9 billion bringing the aGVA to £3.5 billion. In 2022 aGVA rose again by £1.0 billion to £4.5 billion.

Between 2021 and 2022:

- Turnover decreased by 2.9% (£278 million) to £9.3 billion;
- Purchases decreased by 20.0% from £6.1 billion to £4.9 billion; and
- aGVA increased by 28.0% from £3.5 billion to £4.5 billion.

Distribution Industries (Section G)

The distribution industries consist of companies engaged in wholesale and retail trade and cover the entire Northern Ireland wholesale and retail sector.

Wholesale and retail trade (Section G) showed an increase in aGVA, growing by £355 million (4.8%) from 2021 (£7.5 billion) to 2022 (£7.8 billion). Within this was a relatively small decrease in turnover of £160 million (-0.5%) and a decrease in purchases of £378 million (-1.6%).

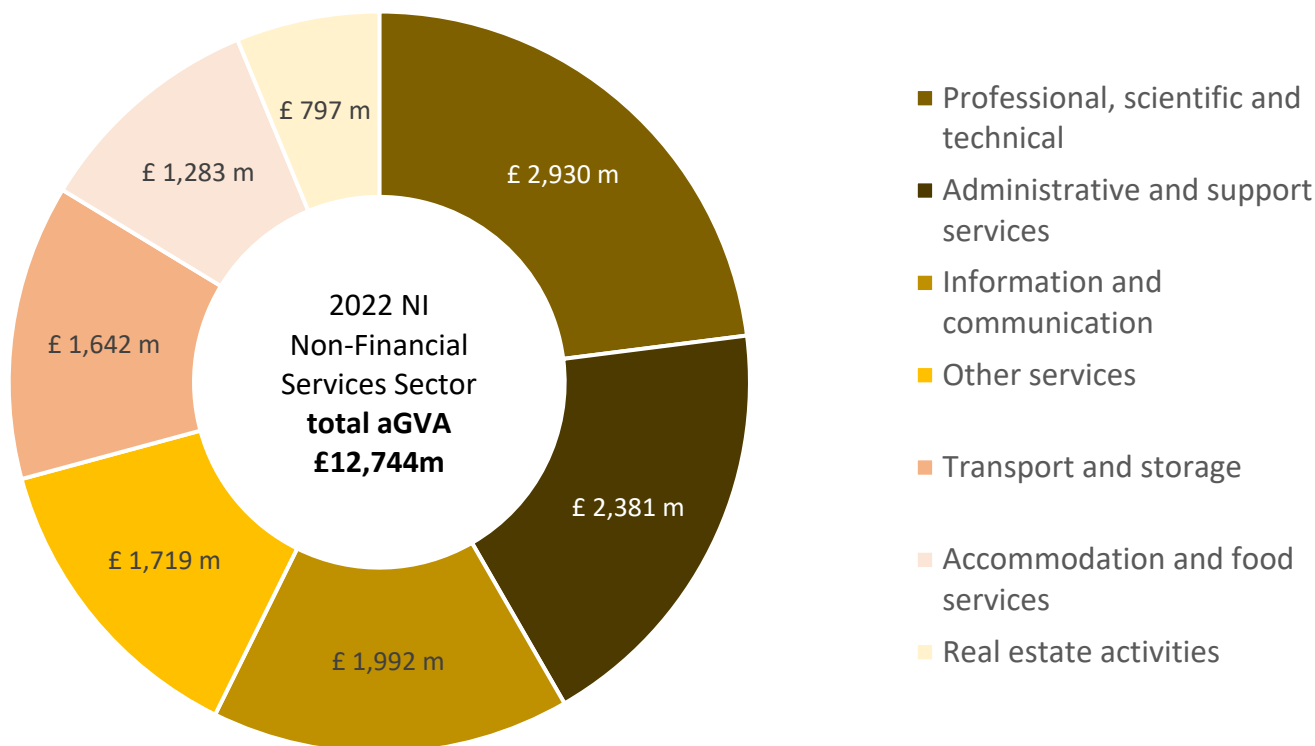
Services Industries (Section H–S) – Non-Financial

The non-financial services sector is composed of Transport and storage (Section H); Accommodation and food service activities (Section I); Information and communication (Section J); Real estate activities (Section L); Professional scientific and technical activities (Section M); Administrative and support service activities (Section N); and other service activities that are grouped to avoid disclosure of returns (Sections P-S). Note: Section K, Financial and insurance activities, are excluded.

The Services sector represents almost two-fifths (38.3%), £12.7 billion, of aGVA in the NI non-financial business economy and, as such, even small movements in the services sector can have a pronounced effect on overall trends. For example, between 2021 and 2022 aGVA in the Services sector increased by 8.2% (£971 million) to £12.7 billion.

The £971 million growth in the Services sector equates to 36.0% of the total aGVA growth in the NI non-financial business economy (£2.7 billion).

Figure 7: NI Non-financial Services Industries aGVA, 2022



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Turnover in the services industries increased by 17.3% (£3.1 billion) in 2022 to £21.3 billion. Purchases of goods and services recorded an increase of 23.8% (£1.7 billion) to £9.0 billion.

Within the services sector, Professional, scientific and technical activities (Section M) and Administrative and Support services (Section N) are the largest component industries, respectively accounting for 23.0% (£2.9 billion) and 18.7% (£2.4 billion) of the total aGVA in the sector.

The largest contributor to the increase in the services industries' aGVA was Administrative and Support services (Section N), which grew by £532 million (28.8%) from £1.8 billion in 2021 to £2.4 billion in 2022. Another major contributor to growth was the Professional, Scientific and Technical services (Section M) increasing by £352 million (13.6%) over the same period.

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