

REVISION OF EMPLOYEE JOBS ESTIMATES TO STANDARD INDUSTRIAL CLASSIFICATION 2007 (SIC 2007)

17th June 2009

Dear Quarterly Employment Survey User,

Users may be aware that the Office for National Statistics in conjunction with various stakeholders has implemented major revisions to the UK Standard Industrial Classification of Economic Activities (SIC). As a result the SIC 2003 categorisation of business activities has been replaced and updated by the new SIC 2007 activity codes. These changes will eventually be rolled out to all individual UK business surveys and is in line with the major revision to the European Union's industrial classification system, NACE.

The UK is required by European legislation to revise the SIC in parallel with NACE so that both systems remain identical down to and including the 4 digit class level. These revisions are motivated by the need to adapt the classifications to changes in the world economy. The revised classifications reflect the growing importance of service activities in the economy over the last fifteen years, mainly due to the developments in information and communication technologies (ICT). More information on the extent of the revisions and correspondence between SIC 2007 and the existing SIC 2003 can be accessed via the following link.

<http://www.ons.gov.uk/about-statistics/classifications/future-developments/operation-2007/index.html>

In line with this process, Eurostat (The European statistical authority) require UK employee jobs estimates on the new SIC07 basis for the reference period Quarter 1 2009 onwards. As a result, the sampling selection methodology for the Northern Ireland Quarterly Employment Survey (QES) was revised to allow for publication of SIC 2007 based estimates from June 2009 onwards. This means that the employee jobs publication on 18th March 2009 (i.e. reference period Quarter 4 2008) was the last on the SIC 2003 basis.

The QES publication in June 2009 is a SIC 2007 sample based series covering all reference periods between Quarter 4 2007 and Quarter 1 2009. However, in order to provide data users with a full consistent historical record on the new SIC 2007 classification, Statistics Research Branch in line with the Office for National Statistics have converted estimates prior to Quarter 4 2007 using a conversion matrix methodology.

Users should be aware that the SIC 2003 to SIC 2007 conversion exercise has resulted in revisions to estimates at the broadest industry levels. Table 1 below provides a summary of the extent of the revisions at the broad industry level for the reference period September 2007.

Table 1- SIC03 and SIC07 estimates of Employee Jobs at Sept 2007

	SIC 2003	SIC 2007	Revision
Manufacturing	87,650	84,280	-3,370 (-3.8%)
Construction	44,330	45,320	+990 (+2.2%)
Services	573,000	571,390	-1,610 (-0.2%)
Other	17,080	21,070	+3,990 (+23.4%)
Total Employee Jobs	722,060	722,060	N/A

If you require any further information about the change in Industrial Classification or the methodology used please do not hesitate to contact us.

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