

| | | |
|------------------|---|--|
| | <p>It was noted that a number of the sectors have a negative contribution to GVA; however this was over a small time period.</p> <p>Noting the decline in the cost of energy Mr Kelly emphasised the importance of separating manufacturing statistics from other production sectors. Dr Gillan addressed this and explained that recovery in the manufacturing sector began in 2012 but that the profile of recovery is different within the manufacturing sector (sectoral differences are provided in the ELMS presentation). Performance in the manufacturing sector is currently 13% lower than the UK as a whole.</p> <p>Dr Gillan also indicated ELMS' intention to move from productivity analysis based on regional accounts to one based on ABI outputs.</p> <p>Compliance</p> <p>Dr Gillan provided an overview of the compliance burden to business, noting the impact of the 2015 Census of Employment.</p> <p>The Department of Finance and the Department for the Economy were responsible for the bulk of the burden from statistical surveys and 79% of the burden was a statutory compliance cost. This figure includes NI components of UK national surveys.</p> <p>ELMS have or intend to introduce a number of initiatives to reduce the burden on businesses including:</p> <ul style="list-style-type: none"> • Increasing sampling efficiency • Future use of the Digital Economy bill to obtain access to administrative data and particularly HMRC data • Amalgamating existing surveys, for example MSES/ABI, QBS. • The rollout of electronic data capture across all ELMS surveys by March 2017 <p>Dr Gillan cautioned that despite the probable future availability of HMRC data, surveys would continue to be required due to HMRC's lack of timeliness and the unavailability of NI to GB sales as well as other key variables.</p> <p>Mr McDonagh thanked Dr Gillan and opened the discussion to the floor.</p> | |
| <p>3.</p> | <p>Open Discussion</p> <p>Mr Compton asked Dr Gillan if he had any thoughts regarding the "productivity puzzle" highlighted in the presentation.</p> <p>Dr Gillan commented that a rise in underemployment may play a role. Employment surveys currently define part time working as below 30 hours, however in reality many employees are working considerably fewer than 30 hours per week. The Labour Force Survey (LFS) asks respondents to self define their employment status and indicates an increase at the lower end of working hours. Business surveys have recorded no overall shift in the relationship between part time and full time employees.</p> | |

| | | |
|------------------|---|---|
| | <p>It was noted that companies are seeking and offering more flexible working patterns and that businesses are increasingly moving towards part time working hours, but that this still doesn't account entirely for the gap in productivity between NI and the UK.</p> <p>Looking at the structure of the NI economy, productivity in the manufacturing and retail sectors were broadly comparable to the UK figure, while services lagged behind.</p> <p>Mr Kelly commented that there was now a greater prevalence of contract work in the manufacturing sector. This in turn drives down costs but doesn't show growth in full time employees. This is a consequence of the adoption of more cautious business strategies following the economic crash.</p> <p>This should register on the self employment figures. An increase which has been seen in the UK, but not NI.</p> <p>It was further highlighted that these data do not currently support NI sub regional productivity analysis.</p> <p>Mr Kelly emphasised the importance of greater dissemination and timeliness of data and highlighted the value placed in the Programme for Government (PfG) for greater economic monitoring.</p> <p>Mr Kelly confirmed that in his experience businesses were not concerned about the burden of statistical forms, but that more visibility of data would be of value. There was some confusion around the differences between the various statistical forms.</p> <p>Mrs Carey commented that it would be useful to provide businesses with more information on how their data are used, and that this might act as an inducement to form submission.</p> <p>Mr Compton commented that too often employment is used as a proxy for economic growth and that this should be balanced against wealth creation. It was also noted that complications in the allocation of revenue, particularly in business services firms, may result in regional revenue accruing to London offices in the returns to statistical forms. This should in theory be picked up in sales to GB.</p> <p>The documents provided prior to the meeting can be shared outside the committee.</p> <p>Mr McDonagh thanked Mr Kelly for attending and expressed his intention to meet with business representatives next year.</p> | |
| <p>4.</p> | <p>Minutes and Matters Arising</p> <p>The minutes from the previous meeting were approved.</p> <p>Agenda items still to be completed from the last meeting include:</p> <ul style="list-style-type: none"> • Future work plan to be circulated among SAC members • Dr Gillan to arrange ELMS user group meeting • Date for February meeting to be established • Dr Marshall to provide summary paper on working tax credits | <p>Secretary to circulate future work plan</p> <p>Dr Gillan to arrange ELMS user group meeting</p> <p>Secretary to arrange February meeting time and date</p> <p>Dr Marshall to</p> |

| | | |
|----|---|--|
| | | provide summary paper on working tax credits |
| 5. | <p>Chair's Business</p> <p>Mr McDonagh spoke briefly about attending the September ONS Economic Forum, noting the value of additional ONS analysis of NI economic performance. This was the first time the Economic Forum has been held in NI; however it is anticipated it will return next year.</p> <p>The slides from the Economic Forum have been circulated.</p> <p>Mr McDonagh has conducted the mid-term reviews of committee members.</p> | |
| 6. | <p>Introduction to Siobhan Carey (NISRA Chief Executive)</p> <p>Mrs Carey introduced herself to the committee and provided an overview of her career background.</p> <p>Key issues and priorities for NISRA were identified as:</p> <ul style="list-style-type: none"> • The PfG and the opportunity this affords to put statistical data at the heart of decision making • The challenges around sourcing data and developing methodologies to deliver the PfG monitors • The impact of Brexit on statistics • The Digital Economy Bill <p>Mr Compton enquired what the priority for data provision was post EU referendum and what role Mrs Carey saw the committee playing.</p> <p>Mrs Carey explained that statisticians are involved in developing the action plan, but it is still early days for developing indicators. There is a good level of engagement on the topic within the departments.</p> <p>Additional work is being carried out in Whitehall aimed at modelling potential post referendum scenarios. These data should have a regional lens to which NISRA could contribute. However, this is not yet developed. The role of the committee is to feed into the bigger picture, particularly in regards to the PfG.</p> | |

| | | |
|------------------|--|---|
| | <p>Dr Gillan and Ms Lyness are to meet with the Head of the Civil Service to discuss the preparation of relevant data.</p> <p>Mr McDonagh thanked Mrs Carey for attending the meeting.</p> | |
| <p>7.</p> | <p>Consultations</p> <p>Independent Review of UK Economic Statistics</p> <p>Dr Gillan provided a summary of NISRA’s response to the Bean Review noting this helped to ensure the needs of devolved administrations were addressed in the final report. This is particularly relevant to use of administrative datasets to which devolved administrations may not have legal access.</p> <p>The key outputs of the Bean Review include the development of a new centre for excellence in economic measurement, which has recently put out a tender for academics and experts. It is important to ensure they are aware of NI economic expertise.</p> <p>Mr McDonagh commented on the importance of data scientists and the prevalence of jobs in this area and asked if this presented an issue for NISRA.</p> <p>This is an emerging area and NISRA is running an accelerator program aimed at skilling up people within NISRA. Ideally analysts would have knowledge in three key areas:</p> <ul style="list-style-type: none"> • Statistics • Data analytics • Topic knowledge <p>Mr Jones noted this is important from the university perspective and that they are focussing on developing data analytics skills. Mr Bond commented that data scientists often don’t have a sound basis in quantitative analysis and that these skills must be complimented with other areas of expertise.</p> <p>Dr Marshall noted that NISRA has made progress in the use of data analytics using detailed administrative data in a number of areas (e.g. use of HMRC stamp duty data in NI House price index).</p> | |
| <p>8.</p> | <p>Update on Economic and Labour Market Statistics Statutory matters</p> <p>Ms Lyness updated the committee on the Survey of Environmental Protection Expenditure, noting that this survey had been released as a statutory survey under the Statistics of Trade and Employment (Northern Ireland) Order 1988. Previously this was a voluntary survey conducted by DEFRA with a UK sample of approximately 1,200 and a response rate of approximately 20%. ONS have taken control of this survey and boosted the sample to approximately 3,000 businesses. Of these roughly 90 businesses are in NI.</p> <p>Mr McDonagh commented that under the Order the ONS are required to consult with the committee prior to the release of any new statutory surveys. Consequently the committee should write to the ONS to remind them of the requirement to send all</p> | <p>Committee to write a letter to the ONS to remind them of</p> |

| | | |
|-------------------|--|---|
| | <p>surveys to the SAC for approval.</p> <p><u>Decision: Following discussion around ONS requirements, the committee determined the NI sample of the Survey of Environmental Protection Expenditure is eligible to be issued under Article 5 of the Statistics of Trade and Employment (Northern Ireland) Order 1988</u></p> <p>Mr Compton asked if Brexit has any implications for the Statistics of Trade and Employment (Northern Ireland) Order 1988. Mrs Carey confirmed we should assume there will be no quick changes.</p> | <p>their requirements under the 1988 Order</p> |
| <p>9.</p> | <p>Update on Economic and Labour Market Statistics Non-Statutory matters</p> <p>Ms Lyness updated the committee on the progress of the Annual Purchases Survey, noting the ONS intend to utilise these data by the end of February. The Broad Economy Sales and Exports analysis is ongoing at a country level.</p> <p>Ms Lyness provided an update on the progress of the ONS SERVCOM survey. SERVCOM is similar to the UK Manufacturers' Sales by Product (PRODCOM) and should help to compensate for current lack of services statistics. It is currently scheduled for release in 2018. Dr Gillan noted that it may be possible to request a sample boost for NI.</p> <p>It is currently anticipated that ONS will release a consultation document for SERVCOM. In the event ONS release a written consultation, the committee should prepare a response.</p> <p>The EDC rollout is proceeding on schedule and is to be completed by March 2017.</p> <p>Economic Accounts multipliers are to be released by the end of 2016.</p> | <p>Secretary to circulate SERVCOM consultation documents when available</p> <p>Dr Gillan to lead response to SERVCOM consultation</p> |
| <p>10.</p> | <p>Update on Northern Ireland Multiple Deprivation Measure (NIMDM) 2017</p> <p>Mr Brian Green updated the committee on the progress to date of the NIMDM 2017. NISRA intends to release a written consultation regarding the indicators which will run for 10 weeks between 14 November and 22 January. In addition, they intend to run open planning events which will be open to members of the public.</p> <p>The NIMDM is on schedule for publication in mid 2017.</p> <p>In an attempt to help public understanding of the outputs and to ensure they are used correctly, NISRA is building in time at the end of the process for explaining and communicating the output.</p> <p>Mrs McNicholl welcomed this research and noted the importance of examining the links between big economic drivers and individuals. Crucial to identifying the underpinnings of poverty.</p> <p>NISRA is attempting to ensure these data are as detailed as possible to identify low level areas of deprivation within non deprived areas.</p> <p>Mr Green explained that a case could be made for preparing more regular updates to the NIMDM in future and that NISRA are keen to sit down with other regions to discuss the possibility of linking data.</p> | <p>Secretary to circulate NIMDM consultation documents when released</p> |

| | | |
|-------------------|--|---|
| <p>11.</p> | <p>Official Statistics Update</p> <p>Dr Marshall provided a summary of official statistics issues, commenting on the UK Statistics Authority reviews of Official statistics and noting that the assessment process has become significantly more rigorous. He noted that Translink and the Education Authority should be named as producers of official statistics subject to the passing of an Official Statistics Order in 2017/18.</p> | |
| <p>12.</p> | <p>Programme for Government</p> <p>Mrs Carey provided an update on the current status of NISRA work relating to the programme for government, noting that Dr Power is preparing a paper on the data development stage for consideration.</p> <p>Mrs McNicholl asked if NISRA aims to align these data with local level data sets, commenting that there was an opportunity for co-design.</p> <p>Dr Morris commented on the current data coverage issues and inquired if NISRA has a feel for the weak spots in the NI data.</p> <p>A spreadsheet detailing the data to be developed was provided along with the SAC papers.</p> <p>Mr Compton commented on NISRA resourcing issues and noted that the committee should be asking officials if they have adequate resources to meet the data preparation demands from the PfG. Mrs Carey confirmed that the document currently in preparation would address the issue of resourcing. It was determined that NISRA should provide a paper on resourcing for the February SAC meeting.</p> <p>In addition it was felt the committee should write to the minister highlighting the issue of NISRA resourcing and to ask for greater clarity.</p> | <p>NISRA senior team to provide paper on resourcing for February meeting</p> <p>Mr McDonagh to prepare a letter to the minister highlighting NISRA resourcing issues, particularly in light of PfG work</p> |
| <p>13.</p> | <p>Implications of Brexit for statistics in Northern Ireland</p> <p>Due to time constraints Mr McDonagh asked if the discussion on the implications of Brexit could be added to the agenda for the February SAC meeting.</p> <p>It was noted that measuring the implications of Brexit to the NI economy was a substantial endeavour and the committee should bear in mind that regional statistics bodies such as NISRA are unable to produce a comparable level of detail to the ONS or CSO.</p> <p>It was also noted that ELMS have not recently held a user group meeting. It was determined that a working group within the committee should be set up to identify user needs, particularly in light of Brexit. Mr Compton and Mrs McNicholl have agreed to lead with this group.</p> | <p>Secretary to add Brexit discussion to February SAC agenda</p> <p>Mr Compton and Mrs McNicholl to lead SAC working group</p> |

| | | |
|-------------------|--|---|
| <p>14.</p> | <p>AOB / Dates and agenda for February and June 2017 meetings.</p> <p>Secretary to establish date of next meeting and circulate to members.</p> <p>Secretary to send poll to members to establish available dates for June meeting.</p> <p>Gayle Kennedy of the Department of Justice to be invited to the next February meeting.</p> <p>Secretary to add an item covering the role of SAC.</p> | <p>Secretary to establish date of next meeting and circulate to members</p> <p>Gayle Kennedy of the Department of Justice to be invited to the next February meeting</p> <p>Secretary to add an item covering the role of SAC</p> |
|-------------------|--|---|

Robin Griffith Secretary October 2016