

**MEETING OF THE STATISTICS ADVISORY COMMITTEE**  
**2<sup>nd</sup> April 2015**  
**PricewaterhouseCoopers, Waterfront Plaza**

**In attendance**

Mr Philip McDonagh  
 Mr Derek Bond  
 Mr John Compton  
 Mrs Esther Ervin  
 Mrs Sharon McNicholl  
 Dr Chris Morris  
 Dr Kieran Payne  
 Mr Richard Ramsey  
 Dr Bernie Stuart

Mr Stephen Kelly (Items 1-3)                      Manufacturing NI  
 Ms Ann McGregor (Items 1-3)                  Chamber of Commerce  
 Mr Wilfred Mitchell (Items 1-3)              Federation of Small Businesses

Dr Norman Caven                                      NISRA  
 Mrs Cathryn Blair                                    NISRA  
 Dr James Gillan                                      NISRA  
 Dr David Marshall                                  NISRA  
 Dr Tracy Power                                        NISRA

Mrs Marie Webb                                      NISRA, Secretary  
 Mrs Eilish Murtagh                                 NISRA, Secretariat

Item No.	Subject	Action
1.	<p><b>Welcome and apologies</b></p> <p>The Chair welcomed everyone to the meeting and in particular Mr Kelly, Ms McGregor, and Mr Mitchell who were attending from Manufacturing NI, the Chamber of Commerce and Federation of Small Business respectively. Mr McDonagh thanked Mr Compton for hosting the event. No conflicts of interest were declared.</p> <p>Apologies were received from Professor David Jones.</p> <p>Mr McDonagh outlined the statutory responsibilities of the Statistics Advisory Committee as defined in the Statistics of Trade and Employment (NI) Order 1988.</p>	
2a.	<p><b>Overview of NI Official Economic and Labour Market Statistics</b></p> <p>Dr Gillan gave a brief overview of the key Economic and Labour Market Statistics produced by ELMSB most of which are based on</p>	

	<p>statutory business surveys carried out under the Statistics of Trade and Employment (NI) Order 1988. These include the Quarterly Employment Survey, Annual Survey of Hours and Earnings and Annual Business Survey. To illustrate how some of the information collected is used in the development of statistical outputs, Dr Gillan referred to (a) the development of the NI Composite Economic Index which provides a robust measure of NI's economic performance and (b) the development of the new broad economy exports estimates.</p>	
<p><b>2b.</b></p>	<p><b>Costs of compliance for business (SAC 05/2015)</b></p> <p>Dr Power outlined the rationale for collecting information on costs to business and local authorities of completing statistical surveys on behalf of NI Government Departments, noting that the Code of Practice for Official Statistics requires annual reporting on the estimated costs of responding to such surveys. The Code also recognises that the cost burden on data suppliers should not be excessive. In turn, the Statistics Advisory Committee has a role in ensuring that the burden is not excessive through advising 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.</p> <p>Dr Power explained that the compliance costs are collated by a network of Survey Control Liaison Officers managed by NISRA centrally. To date, published reports have provided information on surveys to businesses and local authorities, but this is shortly to be expanded to include surveys to households and individuals.</p> <p>Dr Power highlighted some of the key findings from the latest published report (SAC 05/2015), noting that overall compliance costs in 2013/14 were just over £1.3 million, with most of this being attributed to statutory surveys. Dr Power also noted the variation in compliance costs across government departments and the fact that new information on mode of data collection was published for the first time in the March 2015 report.</p> <p>At Mr Mc Donagh's request, Dr Power explained the method used to calculate compliance costs.</p>	
<p><b>3.</b></p>	<p><b>Open Discussion</b></p> <p>Mr McDonagh invited comments on the information presented.</p> <p>In response to a question from Ms McGregor, Dr Gillan noted that in relation to exports, NI can be benchmarked with Scotland. Mr Kelly flagged up the fact that, given the relatively small number of large exporters in NI, the exports figures could be unduly influenced by a single company.</p> <p>Ms McGregor pointed out that in terms of the burden on business small companies may find form filling disproportionately onerous</p>	

<p>compared to larger companies and that as a result many SMEs may not make a return on exports.</p> <p>Mr Mitchell noted that feedback from SMEs suggests that they consider the burden of completing forms to be excessive and increasing, without any apparent improvement being made as a result. Mr Mitchell also pointed to apparent inconsistencies in the figures for the numbers of staff employed in SMEs. After further discussion Dr Gillan suggested that in order to obtain better employment estimates for SMEs they could be considered separately within the sampling frame. However in doing so, this would result in an increase in burden imposed.</p> <p>Discussion turned to the on-going government review of red tape. Ms McGregor noted that the main issues raised in the report related not to statistics, but to health and safety and employment law. Mr Kelly pointed out that form filling fatigue reaches beyond Official Statistics and that the survey control compliance costs are relatively small. He also noted that there is a lack of understanding of how information provided by companies in their statistical returns feeds into the policy process and any action eventually taken as a result. It may therefore be helpful if those providing the returns understood how their information is used e.g. to shape policy.</p> <p>Dr Caven highlighted NISRA's responsibility to ensure that the statistics produced are as accurate as possible. Conscious of the need to minimise the burden placed on business, measures have been introduced to help reduce the burden on business including for example, survey holidays, submitting e mail returns etc.</p> <p>Following discussion on the availability of local level economic data Dr Marshall noted that such data when available can be accessed through NINIS. Dr Power invited anyone requiring NINIS training to contact Mrs Webb who will make the necessary arrangements.</p> <p>Dr Gillan indicated that complete and comprehensive returns from companies ensure that robust and reliable estimates are produced.</p> <p>Mr Ramsey noted the need for improved and easier access to data which in turn would make policy development much easier. Better sales and marketing of statistics eg through Twitter would make clear how information provided is ultimately being used by Government and others. Mr Bond noted that the recently published Open Data Strategy for NI will bring changes in data availability.</p> <p>Dr Stuart noted that while the current PfG is output driven the next PfG is likely to be outcomes based which will overcome the silo based issues noted as being problematic.</p> <p>In conclusion the business representatives indicated that although there were some issues with the burden on business, they also appreciated the need for collection of data from businesses and found the NISRA statistics useful and informative when representing the views of their members. All agreed that the</p>	<p>Action: Those who require NINIS training to contact Mrs Webb.</p> <p>Action: Mrs Webb to arrange meeting in 2016.</p>
---	--

	<p>discussions had been helpful and Mr Mitchell suggested a 2 way agenda would be useful for any future meetings, with specific questions and issues being identified in advance.</p> <p>Mr McDonagh agreed, suggested a further meeting after a year and thanked all for their participation.</p> <p><i>Business Representatives left the meeting.</i></p>	
<p><b>4.</b></p>	<p><b>Minutes and Matters arising from January Meeting</b></p> <p>The Committee agreed the minutes of the previous meeting (12<sup>th</sup> January 2014). All matters arising were complete as noted in SAC 01/2015.</p> <p>Dr Caven updated the Committee on the reappointment of Mr McDonagh, Mrs Ervin and Professor Jones and thanked them for agreeing to serve a further five year term as Chair and members respectively.</p>	
<p><b>5.</b></p>	<p><b>Update on Economic and Labour Market Statistics (SAC 06(a)/2015)</b></p> <p>Dr Gillan briefed the Committee on two statutory surveys ie (a) the NI element of the UK Purchases Inquiry and (b) the Northern Ireland Annual Business Inquiry (NIABI), and drew member's attention to the remaining non-statutory issues in SAC 06(a)/2015.</p> <p><u>NI element of the UK Purchases Inquiry.</u></p> <p>Dr Gillan noted that ONS has confirmed that it is willing to include a boost to the Northern Ireland element of the UK Purchases Inquiry and sought the Committee's views on 2 options for the way forward (dependent on funding which is not likely to be confirmed until later this year) i.e. option 1-sample size of either 3000 businesses or option 2 -sample size of 750 businesses. Option 1 would enable NISRA for the first time to model the NI supply chain using local data in its Supply Use Tables (SUTs) and produce more robust NI multipliers to inform economic decision making.</p> <p>The sample size in Option 2 would be insufficient for NI purposes and would mean NISRA would continue to use UK Purchasing patterns.</p> <p>Final details of compliance costs are not available as the UK questionnaires are still being developed but very approximate estimates indicate a compliance cost in the region of £90k for the NI boosted sample.</p> <p>After discussion the committee agreed to support a boost to the Northern Ireland element of the UK Purchases Inquiry.</p> <p><u>NI Annual Business Inquiry (NIABI)</u></p>	

	<p>Dr Gillan drew the Committee's attention to some recent small changes to the Annual Business Inquiry construction sector questions which were made to facilitate comparison with the NI Quarterly Construction Enquiry.</p> <p><u>Other Issues</u></p> <p>In response to a comment from Mr Ramsey that it may be useful to include full-time /part-time employee jobs in the labour market statistics, Dr Gillan agreed to look at this in the future but did note that in QES part-time employment was defined as less than 30 hours.</p> <p>With regard to the postponement of the publication of Quarter 3 of the IOS, which also resulted in a delay to Q3 of the Composite Index, Dr Gillan advised members that both series were now scheduled for publication on the 17<sup>th</sup> April. The publications will include reasons for the suspension and will quantify the revisions.</p>	
6.	<p><b>Official Statistics Update</b></p> <p>Dr Power updated the Committee on Official Statistics Issues. Since the last meeting, several statistical series have had their National Statistics designation confirmed as detailed in SAC 07/2015. It was noted that there is one further on-going assessment on Demographic Statistics and a decision is also awaited on the PSNI's assessment of Police Recorded Crime Statistics.</p> <p>An assessment of Diagnostic Waiting Time Statistics which was scheduled to begin in February 2015 has been deferred until late 2016 to allow essential work to be completed and ensure that the output is compliant with the recent guidance issued by the UK Statistics Authority on quality assurance of administrative data.</p> <p>Members were also asked to note 3 breaches of the Code of Practice which were reported to the UK Statistics Authority - full details are published on the Authority's website.</p>	
7.	<p><b>AOB/Date of next meeting</b></p> <ul style="list-style-type: none"> <li>• Peter May the current NICS policy champion to be invited to the next meeting to talk to the Committee about evidence based policy making.</li> <li>• Secretary to contact members to confirm date of next meeting- 3<sup>rd</sup>, 10<sup>th</sup> or 11<sup>th</sup> June in the afternoon</li> <li>• Mr McDonagh welcomed Cathryn Blair to her first meeting of SAC.</li> </ul>	<p>Action: Dr Caven</p> <p>Action: Mrs Webb</p>