

Statistical Press Release Northern Ireland Composite Economic Index:



July 2017

9.30am - Thursday 20th July 2017

The NI Composite Economic Index was published today by the Northern Ireland Statistics & Research Agency. The key findings are that:

Economic output increased by 0.3% over the quarter

- The NICEI results indicate that NI economic activity increased by 0.3% from Quarter 4 (October – December) 2016 to Quarter 1 (January – March) 2017.
- The increase in the NICEI over the quarter (0.3%) was driven by an increase in the Services sector (a contribution of 0.2 percentage points (pps)). Output in the Construction sector fell over the quarter making a contribution of -0.1 pps to the index. The Production sector and the Public sector jobs index have remained relatively static with minor negative contributions of less than 0.0 pps.

NI annual growth rate similar to the UK but below the ROI

- Although the measures are not produced on a fully equivalent basis, comparisons with the UK show that annual average growth in UK GDP¹ for the four quarters to Quarter 1 2017 was 1.9% compared to the previous four quarters. The NI growth rate was also 1.9% over the same period.
- The growth rate for the ROI for the four quarters to Quarter 1 2017 was 6.0% compared to the previous four quarters.

Increase in the annualised rate of growth to Q1 2017

- When the trend in the index is considered over the last three years there is some evidence that the rate of growth has increased. Annualised average growth over the last four quarters to Quarter 1 2017 compared to the previous four quarters was 1.9%. This was higher than the annual growth over the previous two year period (to Quarter 1 2016), which was 1.2%.

Strong Private sector growth over the year

- The Private sector grew by 3.4% over the year and 0.4% over the latest quarter (Quarter 4 2016 to Quarter 1 2017). The Public sector job index decreased by 0.9% over the year and by 0.1% over the quarter.
- The Private sector also reported average growth of 3.0% for the four quarters to Quarter 1 2017 compared to previous four quarters. However, the Public sector (employee jobs) index reported a fall of 1.8% over the same period.

Comments

- Growth in the NI economy was slightly ahead of the UK over the quarter and the year, but with similar growth rates over the last 2 years (1.9%). This was an improvement on the NI growth rate in 2015/16 (1.2%). The Private sector continues to perform positively with growth of 3.4% over the year and 0.4% over the quarter.

¹ [ONS Quarterly National Accounts](#), Quarter 1 (January to March) 2017 (Figures calculated using the chained volume index of GDP at market prices)

- The most recent results from the Labour Force Survey (LFS) (published 12th July 2017) indicated that the unemployment rate remains relatively low and unchanged from the previous quarter at 5.3% for the period March – May 2017.
- Considered over a longer time frame the most recent LFS figures continue to reflect a gradual decline in the unemployment rate and a gradual increase in the employment rate from 2013/14. Following a previously noted downward trend from 2013/14, the economic inactivity rate has increased over the last three quarters.
- There is also evidence of continued jobs growth over the year (1.3%), although, there has been a small decrease over the quarter (0.1%) (Quarterly Employment Survey of businesses, published June 2017).
- Despite this positive performance the NICEI is currently 5.0% below the maximum value recorded in Quarter 4 2006. In Quarter 1 2017, UK GDP was estimated to have been 8.7% higher than its pre-economic downturn peak of Quarter 1 2008. The latest NICEI results continue to show that the UK has had a shorter downturn with a faster recovery than in NI.

Notes to editors:

1. The Northern Ireland Composite Economic Index (NICEI) is an experimental quarterly measure of the performance of the Northern Ireland (NI) economy based on available official statistics.
2. The NICEI output measures relate to the first quarter (January-March) of 2017. These estimates are based on surveys of businesses and estimates of change are subject to sampling error. Figures for a quarter may be revised if more complete information subsequently becomes available.
3. This is the third quarter of Northern Ireland (NI) economic output results following the EU referendum on 23rd June 2016. The post-referendum picture is still emerging and will continue to do so over the coming quarters and years. It is not possible to separate out the specific impact of the referendum in this quarter.
4. For media enquiries, please contact DfE Press Office on 028 9052 9604. Outside office hours, please contact the Duty Press Officer via pager number 07623 974 383 and your call will be returned.
5. This report will be of interest to Ministers, policy makers, public bodies, the business community, banks, economic commentators, academics and the general public with an interest in the local economy.
6. The detailed statistical bulletin is available at: [Northern Ireland Composite Economic Index](#)
7. Further information and tables from each of the data sources are available on the [NISRA – Economic and Labour Market Statistics Website](#).
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9. Feedback is welcomed and should be addressed to:

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