Users' Views on the Development of Supply-Use Tables for Northern Ireland

October 2014

Northern Ireland Statistics & Research agency

Contents

Executive Summary

Introduction

1. NISRA invited users of economic statistics from across 40 different organisations for their views on the value of developing Supply-Use Tables (SUTs) for Northern Ireland (NI) following the publication of a report on the feasibility of such a project. These views and NISRA's response are summarised below.

Results

2. All Respondents (n=16) considered it useful for NISRA to develop a set of SUTs and associated measures for NI (similar to those available for Scotland). The main reasons given were (i) to inform economic impact studies (ii) to understand the structure and characteristics of the local economy and (iii) to obtain a measure of NI GDP.

   "*Supply use tables for NI would be a vital resource in carrying out evaluations and also estimating the economic impact of policy interventions"*

   "All components of aggregate demand would be relevant for a macro model, as would the multipliers – but this depends on a sensible matrix of sectoral / product purchases"

   a. *NISRA will produce a set of experimental Supply-Use Tables for 2012, utilising existing source, by March 2015.*

   b. *Beyond this, NISRA will seek to develop NI Input-Output Tables, similar to those available for Scotland, subject to further user consultation and resource constraints.*

3. Official statistics estimates of income and output based Gross Value Added (GVA) are currently produced by the Office for National Statistics for countries and regions of the UK. Seventy two percent of respondents felt that it was either important or very important that NISRA SUT totals were consistent with such estimates.

   a. NISRA will continue to constrain SUT GVA estimates to those produced by the ONS

4. The feasibility report also helped identify several areas where data is lacking for NI, including businesses' purchasing patterns, which are important in calculating multiplier effects. Users were divided on the use of existing UK data – 43% thought that UK purchasing patterns were appropriate, whereas 43% thought that they weren't, even in the absence of a local NI Purchases inquiry.

"Using a quotient approach for part of table construction is probably inevitable at this stage but this needs to be replaced gradually with real figure based approach as NI economic structure for many sectors are different from the rest of UK".

5. Purchases Inquiries are expensive to conduct and respondents' views were sought on how many sectors of the NI economy any such survey should cover. Forty seven percent thought all sectors should be covered, and 33% thought a wide range of sectors should be surveyed.

   "Only after a few years of collection will we have an idea of similarities with, and differences to, GB purchase patterns, after which the relevance of full NI 'sectors' (industries?) could be reviewed and rationalised."

   a. NISRA will investigate options for conducting a survey of NI business purchasing patterns, subject to resource constraints. Options will include participating in the UK Inquiry currently scheduled for 2016 (survey reference year 2015).

6. Respondents were also asked for their views on the use of a three year average to estimate the importance of local consumer expenditure, given the small sample sizes associated with NISRA's Living Costs and Food Survey. Seventy one percent thought this a reasonable approach, though there were mixed views.

   "I recognise cost is an issue and some short cuts will be necessary. This seems reasonable at the moment."

   "The sample size is too small for any meaningful analysis and a three year average masks year on year changes."

   a. NISRA will continue to use the three year moving average for the current SUTs, but will investigate an enhanced sample size for survey reference year 2015, subject to resource constraints;

7. Most respondents (79%) felt the development of SUT tables should be accorded the highest priority after publishing the existing main official economic and labour market data series. There was also useful feedback on planned priorities - over three fifths felt that additional priorities needed addressed. These included;

   "Publication of exports results from the ABI is essential."
   "A lot of information is gathered through business surveys that are not published. Ultimately, users should have access to interactive data tables such as available on NOMIS."
   "Develop a full framework of economic data similar to that of Scotland. Address the lack of credible public finance data. Produce credible data on underemployment............"

   And more generally ....

"The scoping study was extremely positive. We are happy with the methodology outlined and sympathise with data availability issues."

"This seems like a very important resource which will allow us to bring Northern Ireland immediately into comparison with a vast range of other studies on income inequality, sectoral employment, compensation, productivity, and changes in the sectoral composition of profits."

a. NISRA will publish experimental, broad economy export results from the ABI in November 2014;
b. More sub regional NI economic statistics will be published on NINIS and work is ongoing on the new NISRA web-site;
c. Public finance data is produced by other parts of DFP, not NISRA.

NISRA would like to thank all those who responded to the Supply Use Tables consultation. Further views can be provided to chris.ganley@dfpni.gov.uk

1 Introduction

1.1 Background

Since 2012 Northern Ireland Statistics and Research Agency (NISRA) has been working with the Office for National Statistics (ONS) to assess the feasibility of developing a set of Supply-Use tables (SUTs) for Northern Ireland. To this end a scoping study report assessing the feasibility was published in March 2014 which can be found at our Economy Statistics webpage.

1.2 Seeking Users' Views

Following publication of the scoping study report and in line with the Code of Practice for Official Statistics, NISRA sought feedback from users to help inform the future development of the project. The questionnaire and supporting documentation can also be found at the above link. This document presents a summary of the responses received from our users.

1.3 Recipients

Users' views were sought from 76 individuals across 40 different organisations (in May 2014), plus three independent economic consultants. Where relevant, users were requested to provide one co-ordinated response from their organisation. In addition, all recipients were asked to forward the document on to any other individuals/organisations that they felt were relevant or had an interest in the subject area.

The recipients were chosen as they were either members of Economic and Labour Market Statistics Branch (ELMSB) user groups, had previously requested data that could only be derived from a set of SUTs, or are undertaking research into the performance of NI economy.

The organisations that received the document are highlighted in the table below.

Organisations invited to provide feedback	
1. Agri-Food and Biosciences Institute (AFBI)	22. Intertrade Ireland
2. Aston Business School	23. Invest NI
3. Bank of England	24. NI Centre for Economic Policy, UUJ
4. Bank of Ireland	25. NI Chamber of Commerce
5. CARDI	26. NICVA
6. Cardiff Business School	27. NILGA
7. Central Procurement Directorate, DFP	28. OFMDFM
8. Central Survey Unit, DFP	29. ONS
9. Cogentsi (private sector consultancy)	30. Oxford Economics (private sector consultancy)
10. Construction Employers Federation	31. PMCA Economic Consulting (private sector consultancy)
11. Central Statistics Office	32. PWC (private sector consultancy)
12. Danske Bank	33. QUB
13. DARD	34. Statistics Advisory Committee

Organisations invited to provide feedback	
14. DEL	35. Scottish Government
15. DETI, ASU	36. SOLACE
16. DSD	37. Statistics Co-ordinating Group
17. Economic and Social Research Institute	38. Strategic Policy Division, DFP
18. Economic Consultants (x3)	39. Ulster Bank
19. ESRI	40. University of Ulster
20. Fraser of Allander Institute, University of Strathclyde	41. Warwick Business School
21. Institue of Directors	

16 responses were received from the following organisations.

Organisations which provided feedback	
1. AFBI	2. Invest NI
3. CSO	4. OFMDFM
5. DARD	6. ONS
7. DE	8. Oxford Economics
9. DEL	10. PWC
11. DETI ASU	12. QUB
13. Economic Consultant (x1)	14. UUJ / Northern Ireland Centre for Economic Policy
15. InterTrade Ireland	16. Sinn Fein[1]

The following sections present a summary of the response from those organisations which provided feedback.

[1] NICVA forwarded the document to all organisations who were invited to attend a roundtable discussion they hosted on the availability of economic data in NI which was held in the Lyric Theatre in March 2014.

2 User Feedback

This section provides a summary of the responses received from users relating to the development of a set of SUTs for NI. It is noted that whilst 16 responses were received some respondents did not answer all of the questions.

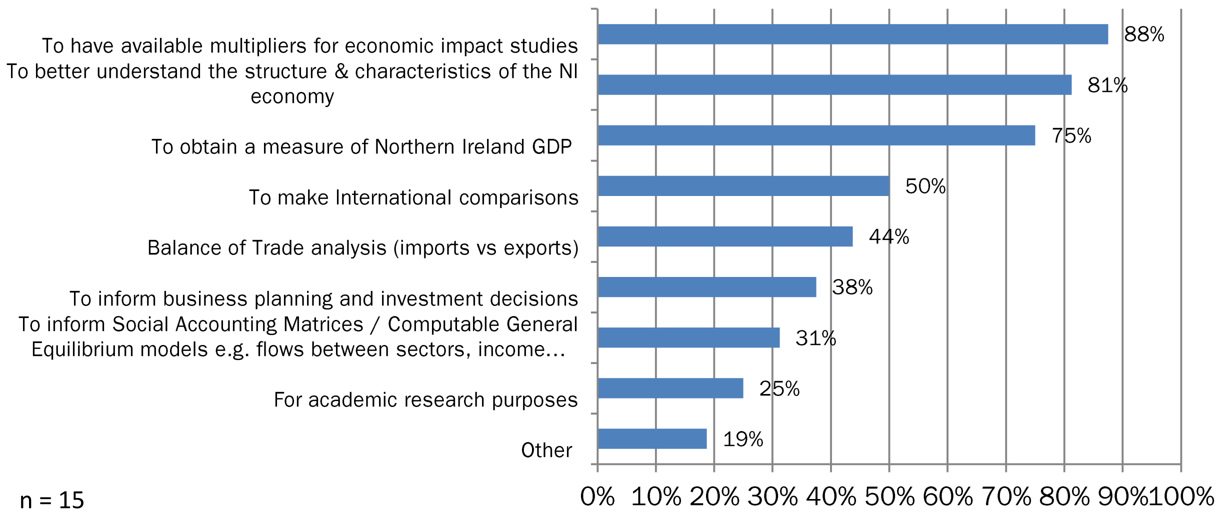
2.1 Development of SUTs for NI is worthwhile

All (100%, n=16) respondents agreed that it is worthwhile for NISRA to develop a set of SUTs and associated measures (similar to those available for Scotland) for Northern Ireland.

The purposes for which respondents would use such tables are highlighted below. To have available multipliers for economic impact studies, based on local Input-Output Tables was the most common purpose with 88% (n=15) of respondents agreeing on this.

Having a better understanding of the structure and characteristics of the NI economy, including sectoral accounts was the second most common (81%), followed by obtaining a measure of GDP for NI (75%).

Chart 1: Potential uses of SUTs



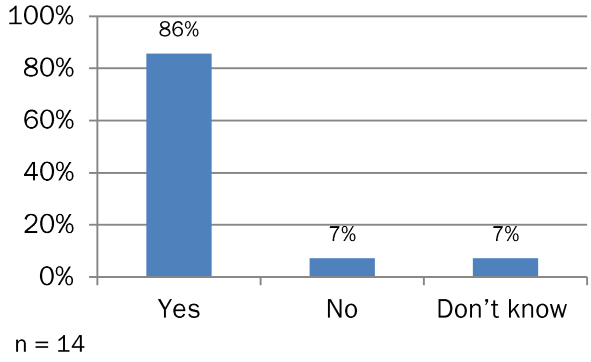
Other reasons identified include:

- SUTs are necessary to calculate nominal compensation by sector, productivity (per capita GVA) within sectors, household consumption trends, and capital-labour split in national income; and
- To better illustrate the impact of local economic initiatives on measures of economic growth.

2.2 Respondents would benefit from data available from SUTs

Almost nine-tenths (86%, n=14) of respondents stated that they are currently working on, or planning, projects that would benefit from data available from Supply Use Tables.

Chart 2: Respondents currently working on, or planning, any projects that would benefit from data available from Supply Use Tables



Comments from respondents include:

“The tables will be useful for analysing sectoral linkages in the local economy and provide advice for strategic investment. It will also lay down a foundation for specific policy evaluation.”

“DARD is funding the development of a CGE model covering NI agriculture. Work is being carried out by Dr Ziping Wu – AFBI. This work would benefit from the data produced from SUTs. DARD would also find the information on GDP, export, imports and multipliers useful for a range of comparative work. The SUT would be very useful to DARD if the food chain was specifically identified in the SUT i.e. food and catering expenditure and on supply side: agriculture, fishing, Food and drink manufacturing as well as food and drink wholesaling and retailing.”

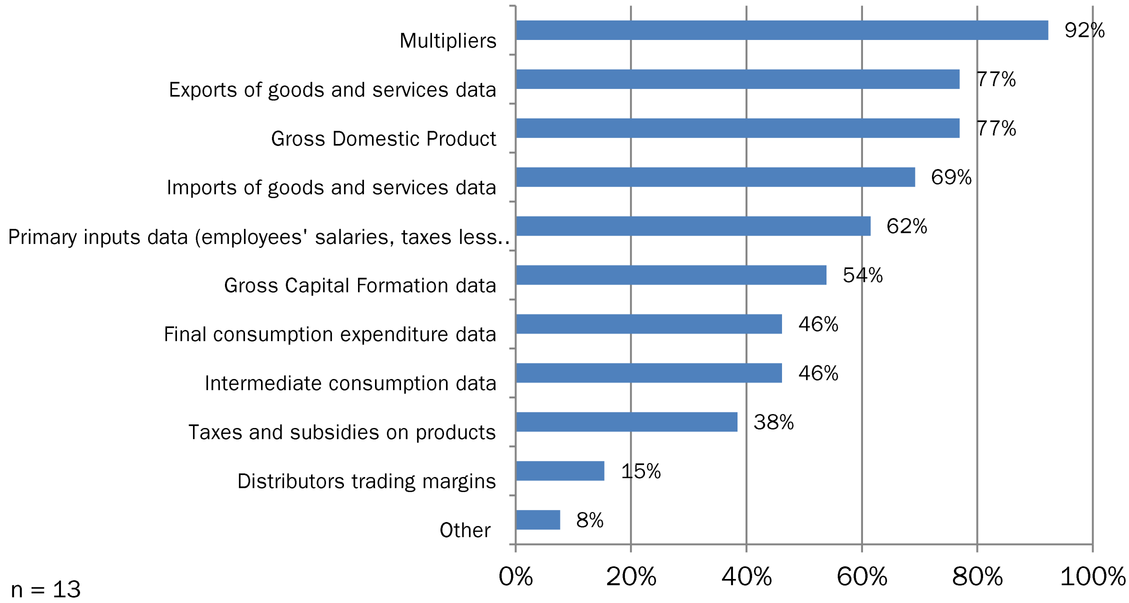
“Supply use tables for NI would be a vital resource in carrying out evaluations and also estimating the economic impact of policy interventions. NI economists regularly use Scottish input-out tables to estimate multipliers for local interventions but NI tables would allow the use of multipliers that are more relevant. The NI Centre for Economic Policy (NICEP) are currently carrying out work for DETI and DFP assessing the economic impact of changing Air Passenger Duty in NI and are having to use Scottish multipliers to estimate indirect and induced impacts.”

“Data from Supply Use Tables would assist in the estimation of multiplier impacts from policy initiatives, such as those arising from Corporation Tax and the impact of Foreign Direct Investment.”

“Building a macro model of the NI economy useful for policy simulation. I/O tables would be an integral part (though it would not take the form of a CGE model, an approach I believe to be flawed and largely unworkable). Many impact studies underway or planned would also be able to use the I/O tables.”

The majority of respondents (92%, n=13) agreed that the data they would consider to be of most value to their work from the SUTs would be multipliers. This was followed by exports data (77%) and GDP (77%).

Chart 3: What data would you consider to be of most value to your work from the Supply-Use tables?



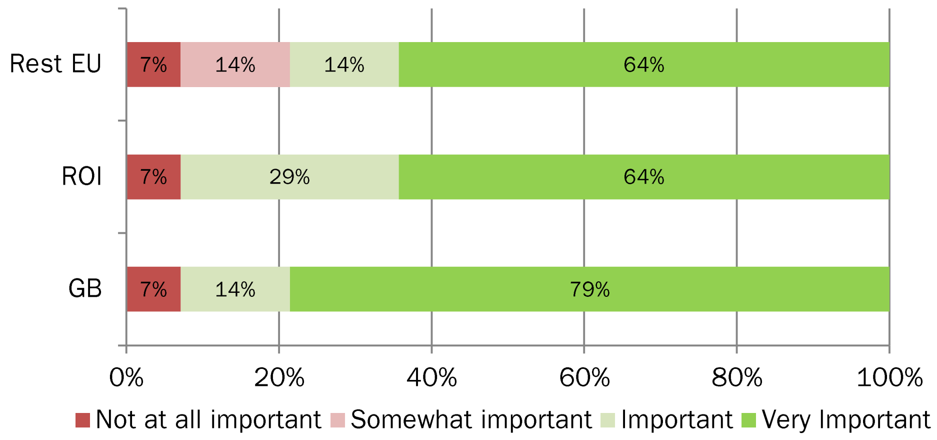
Comments include:

"Multipliers may be useful to inform about the impact of Education expenditure relative to other expenditure." *"The information provided by any future supply-use tables would need to be robust. Data gaps should be closed and existing information should be strengthened to ensure that the level of estimation is reduced. However, recognise work in this arena is ongoing."* *"Ideally, a duplicate of either Scotland or UK tables in terms of coverage. However, we understand this will be incredibly difficult considering data availability / disclosure issues."* *"Would also be useful to know mix of indirect taxes in total tax take – this is an important step when estimating the labour/consumer vs capital burden in total taxation."* *"Information relating to public finances requires improvement. Current estimates are in many cases based on surveys with response rates too low."* *"All components of aggregate demand would be relevant for a macro model, as would the multipliers – but this depends on a sensible matrix of sectoral / product purchases."*

2.3 Geographical disaggregation of trade data

The majority of respondents (93%, n=14) agreed that it was important that trade data can be disaggregated into GB, ROI and the rest of the EU geographical areas.

Chart 4: Is it important that trade data can be disaggregated into the following geographical splits?

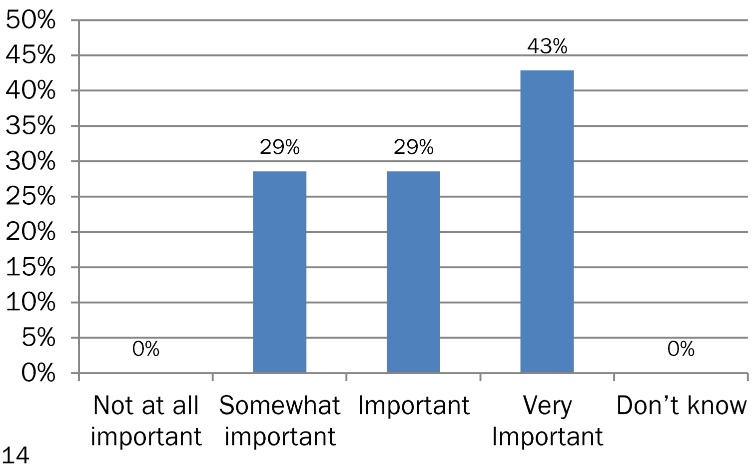


n = 14

2.4 Consistency of SUTs with ONS Regional Accounts measures of Gross Value Added

All respondents (100%, n=14) agreed that it was important (to some extent) for the NI SUT totals to be consistent with the ONS Regional Accounts measures of Gross Value Added. Over two-fifths (43%, n=14) stated that it was "very important", with the remainder agreeing it was either "important" (29%) or "somewhat important"(29%).

Chart 5: How important is it for the NI Supply Use Tables totals to be consistent with the Office for National Statistics Regional Accounts measures of Gross Value Added for Northern Ireland?



n = 14

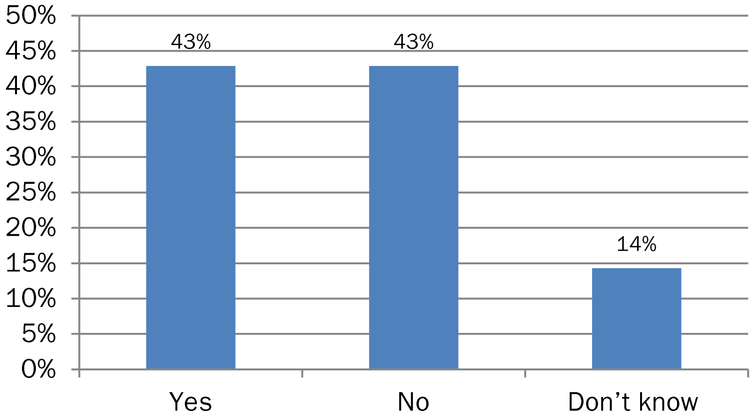
2.5 Data Sources

Respondents were asked their views on a number of data sources used to draft the pilot set of SUTs.

2.5.1 Purchases Inquiry

Over two-fifths (43%, n=14) of respondents felt that in the absence of a purchases inquiry for NI it was appropriate to base NI SUTs on the structure of purchases of UK business from the UK National Accounts. However, the same proportion (43%) felt that this was not satisfactory with the remainder (14%) stating that they did not know.

Chart 6: The draft Supply-Use tables for NI are based on the structure of purchases of UK businesses (e.g. from the Blue book), pending the potential collection of data for NI. Do you think that this is a satisfactory basis for taking forward the further development of this work?



n = 14

Comments include:

"Using quotient approach for part of table construction is probably inevitable at this stage but this needs to be replaced gradually with real figure based approach as NI economic structure for many sectors are different from the rest of UK."

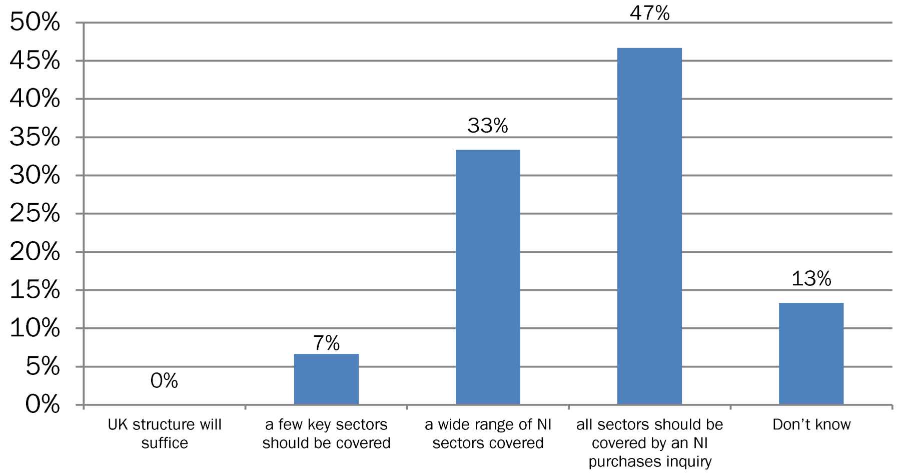
"NI agriculture and food sectors are very different from rest of UK. NI data is needed for meaningful results."

"Purchasing patterns in Northern Ireland in general may not be expected to differ that significantly to those in GB."

"Clearly there are differences in purchasing patterns, so for example certain industries may purchase coal or natural gas but they are not going to get this from Northern Ireland (or steel or a range of financial and insurance products). A future purchasing survey is required to complete the dataset but in the interim some adjusting of UK purchasing data to account for the structure of the NI economy would be required to make the system sensible for use. Typically use of location quotients or other methods to gauge the concentration of particular industries is an effective way of adjusting patterns to meet the local conditions. It may be the case that this already inherent in the current approach, I have not studied the methodological papers in complete detail at this point. Obviously at a regional level purchasing patterns are likely to shift more rapidly given price changes etc. so the long term updating of purchasing data will be difficult to do effectively. However the implications for policy, given what multipliers in particular will be used for necessitates sensible cross sector purchasing data."

Respondents were then asked that is a local purchases inquiry was feasible, how many sectors such an inquiry should cover. Almost half (47%, n=15) felt that all sectors should be included in such an inquiry, with one-third (33%) stating that it should cover a "wide-range of NI sectors". One respondent (7%) felt that only a few key sectors should be covered, and 13% did not know.

Chart 7: If a local Purchases Inquiry was feasible, how many sectors of the NI economy do you think it necessary such an Inquiry should cover?



n = 15

Comments include:

"Given large costs of data collection, a gradual strategy needs to be worked out. It can start from manufacturing sector and then to include key / important sectors / sectors appearing to be significantly different from the UK average in economic structure and technology. It is also important to work together with other government organisations / departments in sharing data."

"Would like to see a wide range of sectors covered (particularly, agriculture, food and drink manufacturing, food and drinks wholesale and retail). Recognise cost is an issue, but just don't believe adopting UK structure for NI is sufficient (as likely to give misleading results)."

"We wonder if this could be possible through the Annual Business Inquiry."

"...at least in the short-term. Only after a few years of collection will we have an idea of similarities with, and differences to, GB purchase patterns, after which the relevance of full NI 'sectors' (industries?) could be reviewed and rationalised."

"If feasible, it would really add value in terms of UK/NI comparisons – something which would not be as insightful if UK shares were used."

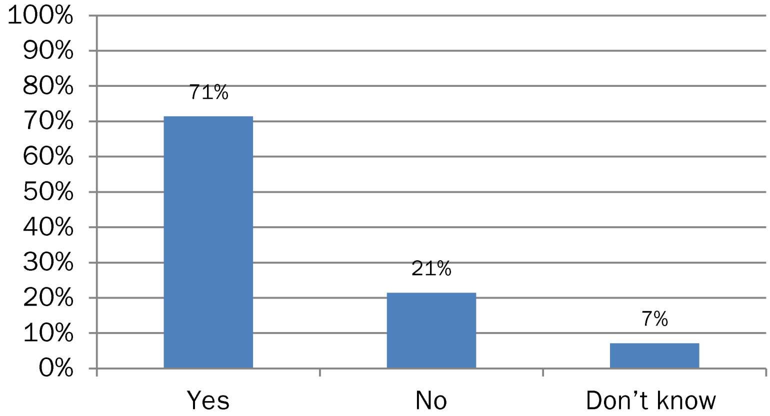
"This is crucial if multipliers are to have any merit, though the possibility of shifting patterns of purchasing make any point in time survey fraught with potential danger. Care must be taken to understand the role particular firms have in the overall aggregates to ensure the figures are both robust and offer the potential for future update at a manageable cost."

2.5.2 Living Costs and Food Survey

The Living Costs and Food (LCF) survey was used as input to the pilot SUTs. However, due to the small sample size for the LCF survey the approach was taken to use a 3-year average of LCF data (centred on the year for which the SUTs were compiled) in creating the pilot SUTs for NI. Respondents were asked if this approach of using a 3-year average for the LCF was satisfactory.

The majority of respondents (71%, n=14) agreed that the approach taken was satisfactory, one-fifth (21%) felt that it was not and the remainder did not know.

Chart 8: Due to the small sample size for the Living Cost and Food (LFC) survey, the approach has been taken to use a 3-year average of LCF data (centred on the year for which the SUTs are compiled) in creating the pilot SUTs for NI. Is this approach of using a 3-year average for the LCF satisfactory?



n = 14

Comments include:

"The approach used is reasonable. Household survey should in my view to be significantly strengthened in NI. This should be a fundamental part of statistical service. Samples in the survey should be increased and many other surveys related to the households should be consolidated with this survey."

"I recognise cost is an issue and some short cuts will be necessary. This seems reasonable at the moment."

"It is reasonable to assume that this removes volatility due to small sample size."

"In the absence of boosting the sample size this seems a viable alternative."

"The LCF survey will be increasingly important in relation to Cost of Living estimates – a three year average may not address the need for representative, up to date information on this topic."

"The sample size is too small for any meaningful analysis and a three year average masks year on year changes. As a result estimations for the LCF tell us very little about the local economy. 3 year estimates have been based on an aggregate return from just over 600 households collected over 3 years. Given the variations in the local economy in the last 3 years this is not appropriate."

"Yes entirely sensible as major trends do not change significantly year on year. Careful examination of the data can identify any particular emerging trends or smooth data anomalies to make the overall proportions more plausible. As long as this rigour is applied to the process it is completely sensible in my view."

2.5.3 *Other sources*

Respondents were then asked if there were any other data sources they consider should be given priority in developing SUTs for NI based on the ONS scoping study report.

Over half (54%, n=13) agreed that there are other data sources that should be given priority in the future development of the SUTs. Whilst 8% felt there were not and the remainder (38%) did not know.

Comments include:

“As our work is concerned, DARD statistics.”

“Trying to consider this from a N.I. perspective, could be difficult getting good quality Balance of Payments type data to adjust trade data (not just for imports and exports of goods and particularly services, but for the important secondary (off-diagonal) production in the Supply table (particularly the service codes).”

“International trade in services – the current survey on exporting services is not comprehensive enough. Although we understand this is being covered by the use of ABI for exports although results have yet to be released on this.”

“PRODCOM covers the UK but isn’t stratified by region and doesn’t have an NI boost. The strength of recent data for NI collected within the UK sample would need to be assessed. UK currently uses ITIS to split services output by industry into products in the absence of a ‘SERVCOM’ This will need some thought for NI output splits by industry and product.”

“An expansion of the ABI to cover Agriculture (replacing the DARD survey) and GB Imports data. If feasible, an expansion in sample size for the LFC survey in order to avoid moving averages.”

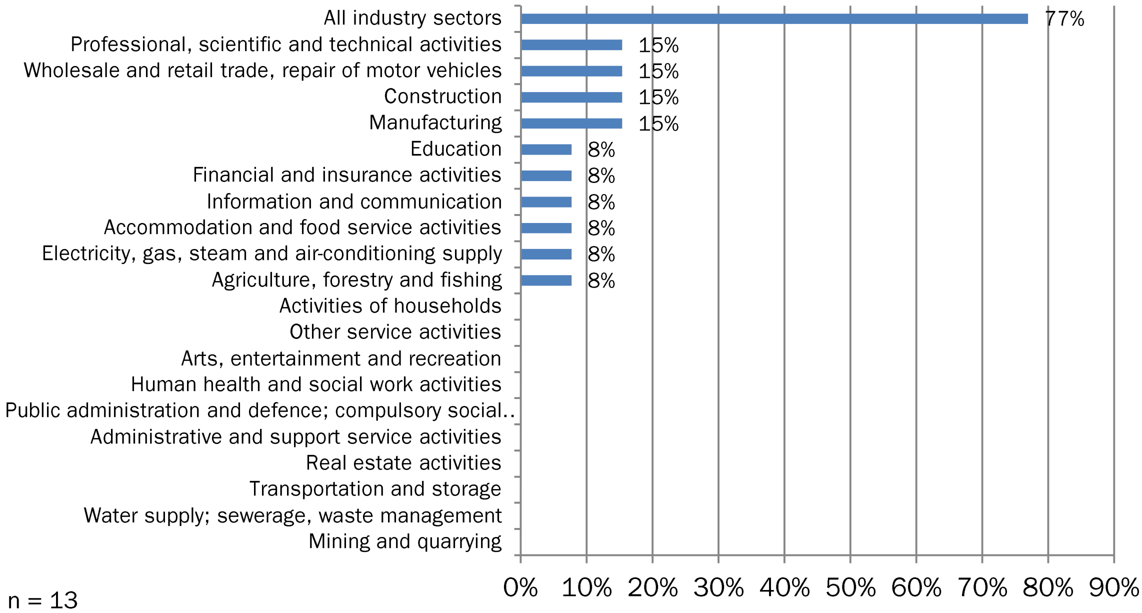
“The new export data from the ABI is critical – a complete picture of this element of the economy is essential for the tables to have effective control totals.”

2.6 Industry Focus

Respondents to the questionnaire identified the following industry sectors as being of most interest to their organisation.

Over three-quarters (77%, n=13) agreed that their organisation was most interested in having all industry sectors covered in the SUTs. However, a number of respondents identified a select few industries that their organisation were most concerned with as highlighted below.

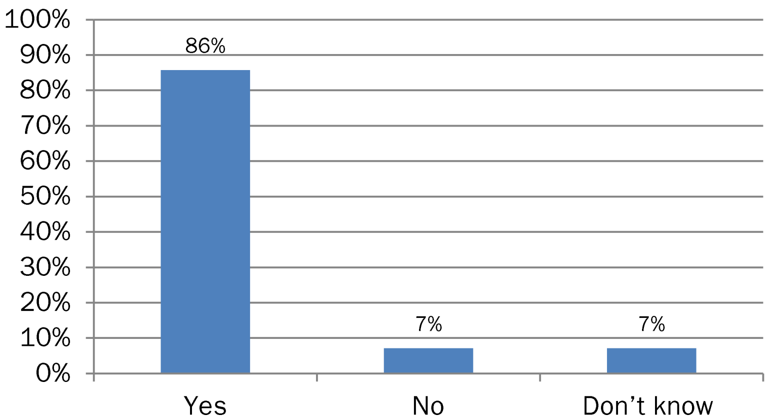
Chart 9: Which industry sectors is your organisation most interested in having covered in the Supply Use tables?



n = 13

In addition, the majority of respondents (86%, n=14) identified that there were additional industry sub-sectors that they felt would benefit from more in-depth analysis.

Chart 10: Are there any additional industry sub-sectors that you feel would benefit from more in-depth analysis?



n = 13

Comments include:

"We are working on subsectors in agriculture and food sectors."

"Financials/insurance/auxiliaries; Renting and leasing services; Large sectors (NI LCU equivalents); Health/Education/Public administration"

"Agriculture; Fishing; Food and drinks manufacture; Food and drinks wholesale and retailing."

"Priority Sectors as detailed in NI Economic strategy – granted these are fluid over time."

"Manufacturing is a particularly large and diverse sector where greater disaggregation would be needed and is probably the highest priority. However, ASU would support the need for

disaggregation as far as possible across all sectors."

"Knowledge Economy"

"Construction, manufacturing, Financial and Insurance Services, Information and communication ((re ICT), Professional, Scientific and technical services (re Innovation), Business Services, and analysis of the creative industries if possible."

"Sectoral analysis with coverage to the same extent of the UK SUTs would be preferable. Again, understand the ABI suppresses this level of detail due to privacy concerns so may not be completely feasible."

"Will no doubt find demand in future for disaggregation within manufacturing.
Also, how good an "approximation" is accommodation and food services for tourism?"

"NACE subsectors falling under the Finance Insurance Real Estate (FIRE) grouping – some of these probably displayed large jumps in GVA prior to the 07 crisis – would be interesting to see what proportion of overall FIRE profits they took."

"The Scottish Supply and Use Tables provide a useful series of sub-sectors which would be suitable for the analysis of subsections."

"I would argue all have merit, even the smaller ones. Each sector plays an important role and it is not sensible to prioritise one over another in my view. The real estate sector is a bit of a mess due to the ownership of dwellings / imputed rent issue which needs to be carefully considered. It is likely that composites of other smaller sub sectors (e.g. tourism or creative or green tech or well-being) will be of interest to many commentators and this could be useful but only secondary to producing the data which matches the SIC classifications. I suspect that manufacturing and professional services are too diverse to be meaningful from a purchasing pattern point of view and I would consider publishing a disaggregation of these critical sectors."

2.7 NISRA priorities

2.7.1 Current priorities

NISRA has identified the following objectives for the development of economic statistics in 2014-15; these are listed in current order of priority.

NISRA priorities for development of economic statistics 2014-15	
i.	Meet the pre-announced publication dates for all annual, quarterly, monthly and ad hoc economic, labour market and tourism statistical series in line with the Official Statistics Code of Practice
ii.	Produce a set of Supply Use Tables for NI (NISRA milestone) consistent with Regional accounts
iii.	Improve the availability and accessibility of Business, Economic, Labour Market and Tourism statistics by migrating to the NISRA web-site, including populating NINIS
iv.	Improve the timeliness of the quarterly Index of Production (IOP) and Index of Services (IOS) and the BRES by reducing time to publication
v.	Introduce a quarterly export series for the Production sector
vi.	Hold 2 Economy, 2 Labour Market, 2 Business Survey and 1 tourism user group consultations in 2014 - 15 and report outcomes on the Branch website
vii.	Investigate user needs for improved precision on key Labour Force Survey measures and if appropriate examine the value of a larger sample

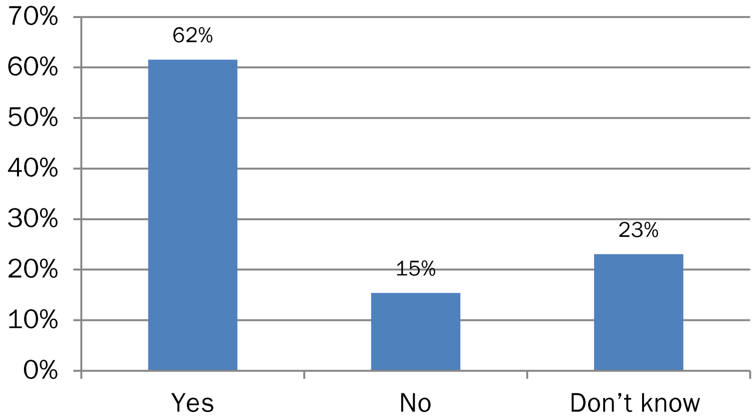
As can be seen above development of a set of SUTs is currently given second priority. Four-fifths (79%, n=14) of respondents agreed that this should be the case, with 14% stating that they did not know, and the remainder (7%) not agreeing with this.

The respondent that did not agree with this stated that the development of SUTs should be the number one priority for NISRA in 2014-14.

2.7.2 Additional priorities

Over three-fifths (62%, n=13) of respondents felt that there are other priority areas that should be added to NISRA's business plan going forward.

Chart 11: Are there any other priority areas you think should be added to NISRA's business plan?



n = 13

Comments include:

"Publication of exports results from the ABI is essential. Exports has been identified as the key driver of the Economic Strategy and will be central to the next PfG for DETI and INI. Policy makers (and their supporting analysts) need access to comprehensive exports data which the ABI can provide. This needs to be produced in a timely manner each year as no information has yet been released and we are half way through 2014. This would be seen as a higher priority than supply-use tables.

Also, the quarterly index of export performance of the production sector should be moved to priority 4 in the current list.

Priority 3 does not appear to fully achieve what it needs to. Ultimately, users should have access to interactive data tables such as available on NOMIS. In the absence of this, at the very least a wider range of information should be produced in excel format. A lot of information is gathered through business surveys that is not published – a priority should be for more information to be published from surveys (again, higher priority than supply use tables). This is a particular issue for the ABI which holds an excellent range of information but which is not used to anywhere near the extent it should be. Also, any data published in PDF reports must be available in Excel format alongside this which is not always the case. Ultimately, users do not want long written reports – they want XLS data tables and short reports highlighting the key points."

"Improvements in quality of tax receipts data."

"Expanding on priority v. A quarterly series would be useful – but a comprehensive series on total exports by CPA/STIC Rev. 3 category (goods and services) would be more important for our needs. We understand this might not be possible however, given data limitations."

"End the use of low response surveys and combined years surveys.
Develop a full framework of economic data similar to that of Scotland
Address the lack of credible public finance data
Enhance data on exports
Reconcile employment and emigration figures
Produce credible data on underemployment
Develop harmonised island wide datasets in co-operation with the CSO"

"Accuracy of key data is more important than anything else. In particular the two cornerstones of economic data – GDP and employment need to be carefully scrutinised. The data of employment in agriculture (for example) looks a mess at the moment. Ensuring accuracy in the quarterly employment series, or more commentary on areas of possible concern would seem essential to me. Some of the jumps in GDP by sector appear hugely suspect when compared to the employment data. Vii on the list, precision on LFS data is therefore an area I would move up (above say an export series of production) as the current divergence of claimant count and LFS unemployment seems crucial but as yet un-explained."

Respondents were then asked if necessary, which of the above list of priorities should be dropped to allow work on the SUTs to be programmed in 2014-15.

Comments include:

"The SUT work needs to be based on information from all areas listed above. I do not feel anything should be dropped. Instead some areas such as trade survey, purchase survey need to be further improved."

"Suggest reduce effort in vi and vii."

"viii. Improve the timeliness of the quarterly Index of Production (IOP) and Index of Services (IOS) and the BRES by reducing time to publication

IOS and IOP targets are already achieved and moving publication date of BRES from September to July would be useful but not essential."

"(vi). Also, would (v) be covered by SUTs? If so, it could be dropped also."

"None, but maintain the priority list as is – if there is to be slippage, let it be at the lower end of the priority scale."

"The emphasis should be placed upon securing a full framework of economic data similar to that produced in Scotland. The emphasis should be on producing credible fit for purpose data not pitting projects against each other."

"Personally I am not worried about quarterly exports in production – too narrow and influenced by a few big firms. Annual whole economy export data is more important. Without knowing resourcing levels I am not sure how large a commitment is required for each task so it is difficult to suggest moving priorities as the opportunity costs are not clear."

2.8 Other comments from respondents

Respondents were provided with the opportunity to express any other views they had on the development of the SUTs for NI. The comments provided included the following:

"With the support from the ONS, we need to have a plan for further development and improvement including development of local expertise and procedures."

"We see the development of this work as extremely important and well overdue. DARD would welcome the clear identification of the food chain within SUTs and any subsequent (Input-Output or CGE) models that are developed."

"The production of input-output tables would greatly improve the quality of economic analysis and policy making in Northern Ireland."

"Supply and Use tables for NI would be useful to the ONS when fielding customer queries about regional GVA. They would also potentially be a useful secondary source that could be used to inform the UK Supply and Use balances, alongside tables for Scotland and Wales (should the latter also be produced). While not essential to the UK process, the ONS would welcome the sharing of insight into Supply and Use production methods and issues."

"The scoping study was extremely positive. We are happy with the methodology outlined and sympathise with data availability issues."

"This seems like a very important resource which will allow us to bring Northern Ireland immediately into comparison with a vast range of other studies on income inequality, sectoral employment, compensation, productivity, and changes in the sectoral composition of profits."

"The Scottish Government, Supply-Use Tables and wider framework for economic data represents a useful model through which to improve local economic data.... The Scottish Government have developed a full framework of economic data. A similar approach would be welcome locally."

"I would encourage the development and suggest the use of on-line tools and tutorials (much like Scotland) to make the material more accessible and useable. I would continue to press for commentary alongside data – even if it is admitting areas of concern or need for more research. More transparency at all times would help. The accuracy of the core building blocks of GDP and employment by sector would remain my key observation before we build tools like SUT on top of these foundations."

"Economic activity is inherently complex and variable. Monitoring economic activity is a major challenge, in the context of the local economy due to challenges associated with resources and the variability of local economic activity. There is a pressing requirement for enhanced information pertaining to the local economy in the context of the long-term decline of the local economy."

"If using S&U framework for calculation of NI GDP (moving from GVA to GDP) then an accurate taxes and subsidies (product and non-product) total and NACE split is necessary. Would this be a problem?"

3 Conclusions

This section presents the conclusions of the research findings highlighted above.

3.1 Summary findings

3.1.1 Demand for Supply-Use Tables for NI

The research has identified that demand exists amongst governmental organisations, non-departmental public bodies, political organisations, academic research bodies and private sector organisations for SUTs to be developed.

All (100%, n=16) respondents agreed that it is worthwhile for NISRA to develop a set of SUTs and associated measures (similar to those available for Scotland) for Northern Ireland.

In addition, almost nine-tenths (86%, n=14) of respondents stated that they are currently working on, or planning, projects that would benefit from data available from Supply Use Tables.

3.1.2 Potential Uses of SUTs

The most popular purpose for which respondents identified they would use SUT data was to have available multipliers for economic impact studies based on local Input-Output tables, with 88% (n=15) of respondents agreeing on this.

Having a better understanding of the structure and characteristics of the NI economy, including sectoral accounts was the second most common (81%), followed by obtaining a measure of GDP for NI (75%).

3.1.3 Respondent's views on data sources

Respondents shared differing views on the appropriateness of using the UK structure of purchases by businesses to inform the NI SUTs. Over two-fifths (43%, n=14) of respondents felt that in the absence of a purchases inquiry for NI it was appropriate to base NI SUTs on the structure of purchases of UK business from the UK National Accounts. The same proportion (43%) felt that this was not satisfactory.

The majority of respondents (71%, n=14) agreed that taking a 3-year average of the Living Costs and Food survey data for the NI SUTs was satisfactory given the small sample size, one-fifth (21%) felt that it was not and the remainder did not know.

3.1.4 All industry sectors are of interest to users

The majority of respondents (77%, n=13) agreed that their organisations were most interested in having all industry sectors covered in the SUTs. In addition, the majority of respondents (86%, n=14) agreed that there would be benefit in undertaking more in-depth analysis at a more disaggregated industry sub-sector level.

3.1.5 Development of SUTs should be a priority for NISRA

Economic and Labour Market Statistics branch has identified that the development of SUTs is the second highest priority for the development of economic statistics in 2014-15. Meeting the pre-announced publication dates for all annual, quarterly, monthly and ad hoc economic, labour market and tourism statistical series in line with the Official Statistics Code of Practice is the number one priority.

Four-fifths (79%, n=14) of respondents agreed that this should be the case, with one respondent (7%) stating that they felt developing SUTs should be top priority.

3.2 Conclusion

The research undertaken with key users of economic statistics has identified that there is agreement that NISRA should continue to develop a set of SUTs for NI. It was also agreed that a set of SUTs would provide users with additional important information that is not otherwise available at the NI level. Users also agreed that this project should be a top priority for NISRA economic statistics going forward.

In conclusion there is a demonstrated need for the development of a set of SUTs for NI and that this project has support from key users of our economic statistics.