Development of Supply and Use Tables
User Group Meeting minutes

10 June 2015, at 9:30am

Boardroom McAuley House

Attendees:

Name	Organisation
1. James Gillan	ELMSB
2. Gerard Colgan	ELMSB
3. Suzanne Bradley	NISRA
4. Chris Ganley	ELMSB
5. David Marshall	ELMSB
6. Damian Buchanan	ELMSB
7. Robin Griffith	ELMSB
8. Seamus McErlean	DARD
9. Ziping Wu	AFBI
10. Neil Gibson	University of Ulster
11. Johann Gallagher	SIB
12. Shane Murphy	DETI
13. Thomas Byrne	DETI
14. Philip McDonagh	SAC
15. Maureen O'Reilly	Independent Economist
16. Jim O'Donoghue	ONS
17. Esmond Birnie	PWC
18. Laura Heery	University of Ulster
19. Johann Gallagher	SIB

MINUTES:

1. **Introduction and overview of the meeting**
   James Gillan welcomed everyone and explained the importance for NISRA of producing Supply and Use tables (SUTs) on a regular and sustainable basis to meet user needs. James also noted that the tables under discussion at the meeting (for 2012) are SUTs (as opposed to Input / Output tables) and that they are still in draft form with one of the key aims of the meeting to identify any quality issues. Attendees were reminded that the SUT tables contained potentially disclosive material and were asked to sign confidentiality agreements.

2. Gerard Colgan set out the objectives of the meeting: to provide an update on progress to date, present draft results, gather initial feedback and discuss the next steps and future work plans. In addition, Gerard highlighted previous work that had been undertaken in Northern Ireland regarding Economic Accounts.

Overview of SUTs

3. Gerard Colgan explained how SUTs are constructed and gave details on some of the data sources used for the construction of the NI SUTs. In addition, the methodology to populate the tables was discussed.

4. In discussing some of the strengths of the NI data in terms of quality, Gerard noted that sample size for the Annual Business Inquiry in NI was larger than sample used for the Annual Business Survey in Scotland and London.

Improvements made during the development of the 2012 SUTs

5. Gerard Colgan highlighted improvements made during the compilation of the 2012 SUTs. The main improvement was the inclusion of additional data sources, most notably the Broad Economy Exports data. Other new data sources included more robust data for the non-profit sector and additional data relating to the community and voluntary sector.

6. A number of data quality improvements were also made, for example the identification of double counting within the universities sector. In addition, a system of integrated spreadsheets have been developed which has improved the quality assurance process. Gerard also noted that the Economics accounts team had now increased to four staff.

7. Gerard explained that the SUTS currently use UK purchasing information from 2004, but that a new Purchases Inquiry (PI) was planned for the 2016 reference year. James Gillan provided some background details on the PI, which is scheduled to go into the field in March 2016 (survey reference year 2015). The data collection would be conducted electronically on a UK wide basis. He noted that NI was the only region with a boosted sample (c. 3,000). This would form the basis for a NI purchasing matrix in line with the recommendations from the 2014 Feasibility Study.

Presentation of the 2012 Experimental Supply and Use Table Draft Results

8. Gerard Colgan presented a number of graphs summarising the key results for the 2012 SUTs, including comparisons with the UK and Scotland. Gerard also explained how data from the SUTs could be used to calculate GDP using the three different approaches: the production, income and expenditure approaches.

9. The group noted the complex nature of the tables and asked for a detailed explanation of the results. Gerard took the group through some of the detail of the compilation of the results.

10. The group queried the value of the imports within the summary tables, and noted that the value of imports from the Republic of Ireland looked low.

    *Action point: NISRA officials agreed to undertake further investigation into the imports values.

11. The group discussed the advantages and disadvantages of using the Broad Economy Export data (BEE) and the Regional Trade Statistics (RTS). Gerard Colgan noted that there were coverage differences between the two datasets. One member noted that the BEE allowed detailed investigation, not possible with the RTS. The advantages of the RTS data included timeliness and comparability. However, against that it was pointed out that the use of RTS goods data provides comparability across the UK. BEE additionally data covered the export and imports of services, which were not available from the RTS series.

    *Action point: NISRA officials agreed to undertake further assessment of the difference between using the RTS /BEE data for goods.

12. The group discussed the Gross Fixed Capital Formation (GFCF) figures in the summary tables. Gerard Colgan noted that the proportion of GFCF expenditure seems low in NI compared with the UK and Scotland. Some participants were not surprised that this proportion was lower in NI.

    *Action point: NISRA officials agreed to undertake further investigation into GFCF figures.

13. Officials from DARD/AFBI noted that there was more detailed data available for the agriculture industry, although the data was for the 2010 reference year.

    *Action point: NISRA officials agreed to liaise with DARD/AFBI to explore the possibility of using this additional data.

14. Some members commented that Gross Operating Surplus (GOS) and mixed income (MI) should be presented separately in the results tables. At the least, detailed footnotes should be provided in order to reduce misinterpretation.

    *Action point: NISRA officials agreed to explore the possibility of presenting figures for GOS and MI separately.

15. The group discussed the fact that figures were constrained to the values in the Regional Accounts. Some members commented that this was the correct approach. James Gillan noted that we plan to continue with this approach to ensure consistency with the main ONS Regional Accounts estimates but NISRA will explore the possibility of using a 'mixed approach to contraining' similar to Scottish SUTs.

16. The group discussed the fact that NI Trade deficit was higher than in the UK and Scotland. Some members commented that the figure did not look unreasonable. Another member explained that he had undertaken modelling work in this area and that their work produced similar estimates.

17. Gerard Colgan explained that due to the last minute inclusion of revised exports data some figures in the summary tables needed to be amended.

    *Action point: NISRA officials to amend SUT tables and resend to members of the group.

18. The group agreed that they found the explanation of the way the balanced SUTs could be used to work out GDP particularly helpful**.** Others also found the comparisons with UK and Scotland useful.

19. There was a discussion around the need for this type of data to carry out research and the need to ensure that users were provided with appropriate metadata and background information to facilitate the use of the SUTs and ultimately the I-O tables. Gerard Colgan explained how figures from the balanced set of SUTs enabled GDP to be calculated using the three different approaches. It was proposed that when such data became available, a publication explaining the differences would be beneficial.

    *Action Point:- NISRA to prepare a summary publication on the three different approaches to measuring GDP when this information becomes available for 2012

    Planned developments
20. Gerard Colgan outlined the future developments of the project. NISRA are in the process of developing a broad survey based measure of imports. The new Purchasing Inquiry is being conducted in 2016 and this will be used in the future to compile the tables. A sample boost to the Living Costs and Food survey is planned and will be available for the 2016 reference year.

21. Gerard highlighted that there would be further investigation into the development of data for the financial sector as well as the public expenditure datasets. There will also be a project to assess the potential to publish quarterly GDP information for Northern Ireland as well as an exercise to assess the production of Input Output tables for 2012.

Publication of 2012 results

22. There was a discussion around the best way to publish the 2012 SUTs. Some members recommended publishing an initial paper explaining the uses of SUTs including the calculation of GDP. Other members commented that publications should include worked examples to explain what the figures mean. Some also thought that comparisons with the UK and Scotland should be included, and that any assumptions when making comparisons should be noted. In addition, some also commented that whilst accuracy was important the figures should be published in the near future, albeit with appropriate caveats.

23. The group noted that the project had a wide audience including MLAs, the private sector, industry bodies, academic community and government economists. It was agreed that communication of the results to the public is very important. Careful consideration must be given to the packaging of the project e.g. report, results, tables, explanations and worked examples.

   *Action point: NISRA officials will investigate options on the best way to communicate detailed SUT results to the public.

24. Gerard Colgan noted that the Net Fiscal Balance (NFB) report is due to be published later in 2015 and highlighted that further investigation would be undertaken regarding the taxes in the tables.

   *Action point: NISRA officials will explore HMRC and figures from the updated NFB report for the taxes element of the tables.

25. James Gillan noted that NISRA intends to work with subgroups of the Main User Group to explore specific areas where further QA is considered necessary. A decision regarding the publication date of the SUTS will be made after the new imports data becomes available and further investigation around specific topic areas has been carried out.

   *Action point: NISRA officials will engage with specific subgroups to discuss specific topic areas.

26. Users were unanimous in their appreciation of the work undertaken by the Economic Accounts team. They also highlighted the importance of this work for future economic policy development and fully backed the continuation of the development of economic accounts for Northern Ireland.

27. James Gillan and Gerard Colgan both thanked users for their valuable contribution to the meeting prior to closing.

END

If you require more information about any of the topics discussed above, please contact NISRA via the details below. In addition, if users have any views on DFP statistical services, official statistics data quality or the format and timing of reports, please provide your comments via the details below:-

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