

Summary of usage of the Northern Ireland Index of Services

The Experimental Index of Services (IOS) is a key economic indicator which measures short-term changes in the output of the service industries over time and allows comparison to be made with UK figures.

Short-term economic indicator data are widely used by anyone who has an interest in the NI economy. The figures are used by economists both within and outside Government in assessments of the state of the economy. The IOS results are replicated in the First Trust Economic Outlook with other sources, reflecting its importance to local commentators on the economy. The measure also achieves significant use in the Ulster Bank's quarterly Economic Commentary and is considered a key measure of short-term economic performance. Below are links to the First Trust and Ulster Bank commentaries.

http://www.firsttrustbank.co.uk/servlet/ContentServer?pagename=FT_Treasury/FT_Quarterly_Outlook&channel=Quarterly

<http://www.ulsterbankcapitalmarkets.com/home/Economist/NI%20Economics%202/Ni%20Quarterly%20Economic%20Update%202.aspx>

The Minister for the Department of Enterprise Trade and Investment (DETI) receives both monthly Labour Market Statistics and quarterly IOS and IOP Indices to advise on the position of the Northern Ireland Economy. The Press Office also requires IOS data for dissemination to the media on a quarterly basis. Below is a link to an article in the Belfast Telegraph and an article on the BBC news website.

<http://www.belfasttelegraph.co.uk/breaking-news/uk-ireland/ni-unemployment-still-on-the-rise-14642851.html?startindex=-1>

http://news.bbc.co.uk/1/hi/northern_ireland/8635594.stm

The IOS data feed into the DETI Economic Commentary which provides an overview of the condition of the NI Economy. IOS figures are used by DETI economists in regular briefing to the Minister on the economy, policy formulation and in response to Assembly Questions and external information requests. For example, IOS data have been used in presentations to the Executive Sub Committee on the Economy and the Economic Advisory Group which includes economists and business leaders.

In addition, significant non-governmental users of the data include employers associations, universities and academics, the Economic Research Institute of Northern Ireland, academic researchers both home and abroad, the media and the general public. Specific companies have used the IOS to identify growth in specific areas of the service sector for recruitment purposes and to investigate service sector trends. The University of Ulster have used the data to identify trends in the retail sector. Below is a link to a recent report by Oxford Economics for Belfast City Council which utilises both IOS and IOP data.

<http://www.belfastcity.gov.uk/economicdevelopment/docs/EconomicIndicatorsReport.pdf>

It is one of the input series of data (along with the Index of Production and others) in the ongoing development of a Composite Output Index for Northern Ireland. This index would give a broad indication of the behaviour of the whole economy.