

## STATISTICAL PRESS RELEASE

18 January 2012

### Coverage

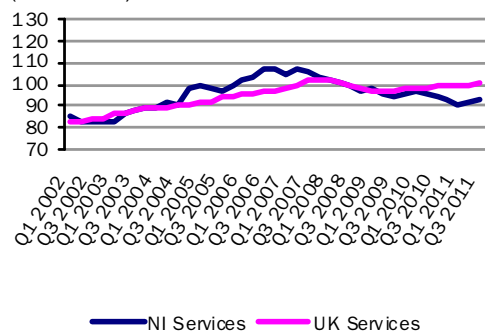
Northern Ireland, unless otherwise stated

### Theme

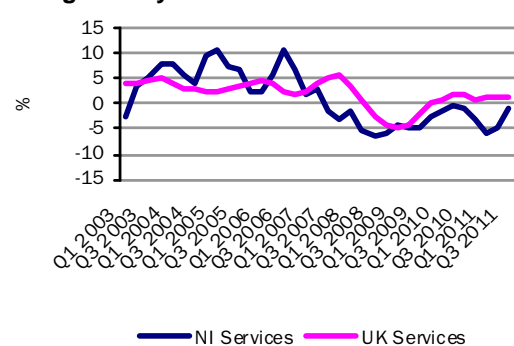
The Economy

**Figure 1: Index of Services in NI and UK**

(2008 = 100)



**Figure 2: All Services - Percentage change on a year earlier**



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## Northern Ireland Index of Services Quarter 3 2011

The Index of Services is a quarterly survey of companies designed to provide a general measure of changes in the output of the Northern Ireland private service sector industries in real terms. This publication contains seasonally adjusted data on a 2008 = 100 basis. These data are provisional and may be subject to change.

Provisional results from the Index of Services for the third quarter of 2011 showed that output in NI rose by 1.9% in real terms over the quarter, compared with a rise of 0.7% in the UK as a whole. This is the second quarter-on-quarter growth after four consecutive quarterly declines.

Growth in the Wholesale and retail, repair of motor vehicles and motorcycles; accommodation and food service activities, Transport, storage, information and communication and Other services sectors has offset a fall in the Business services and finance sector.

The index remains some 13.2% below the peak recorded in Q3 2006, whilst the UK index increased by 4.3% in the same time period. The UK Index peaked in Q4 2007. Whereas Q2 2011 Northern Ireland results indicated that the output for the service sector peaked in Q3 2007, this quarter's figures, like Q1 2011 results, indicate that output in Northern Ireland reached a high point in Q3 2006 and only started to gradually decrease from Q3 2007. Please note that such variation in reported 'peak' activity occurred as a result of updated Gross Value Added (GVA) weights.

### Quarterly, Annual and Rolling Annual average\* changes by sector Seasonally Adjusted (2008 = 100)

	Section	2008 = 100 Index	Quarter Change (%)	Annual Change (%)	Rolling Annual Change (%)
All services	G - S	93.2	1.9	-0.8	-3.6
Wholesale, retail, repair; Accommodation & food service	G & I	98.3	5.4	1.1	-5.3
Transport, storage, information and communication	H & J	102.8	3.2	2.2	-0.4
Business services & finance	K-N	76.6	-1.1	-7.5	-7.0
Other services	P-S	111.3	1.6	5.5	3.9

\* The change in the rolling annual average measures the change in the average of the latest four quarters against the same four quarters one year previous.

## Services by Broad Industry Groups

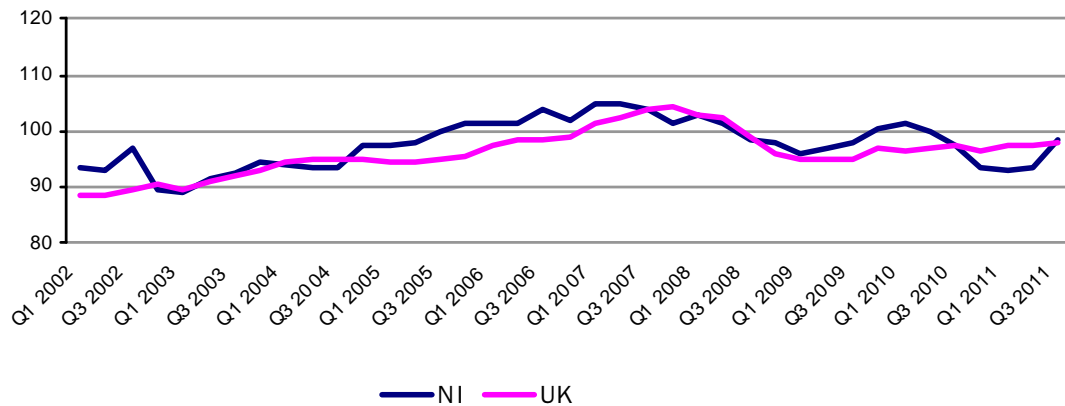
This Statistical Press Release focuses on performance of the overall service sector and the main industry categories of which it is comprised. The private service sector is dominated by the (i) Business services and finance and (ii) Wholesale and retail trade; repair of motor vehicles and accommodation and food service activities sub-sectors. Together these account for approximately 69% of the sector's total private services Gross Value Added at 2009. The sub-sectors are listed in order of importance of the contribution made to the quarterly change in the overall Index of Services.

### Summary of Results

Over the latest quarter, increases occurred in the Wholesale and retail trade; repair of motor vehicles and motorcycles, accommodation and food service activities sector (5.4%), the Transport, storage, information and communication sector (3.2%) and Other services sector (1.6%). The Business services and finance sector (-1.1%) reported a decrease. The sub-sectors are listed in order of importance of the contribution made to the quarterly change in the overall Index of Services.

### Wholesale and retail trade; repair of motor vehicles and motorcycles; Accommodation and food service activities – SIC07 Sections G&I (Weight = 34%)

**Figure 3: Wholesale & retail trade; repair of motor vehicles and motorcycles  
Accommodation and food service activities**  
(2008 = 100)

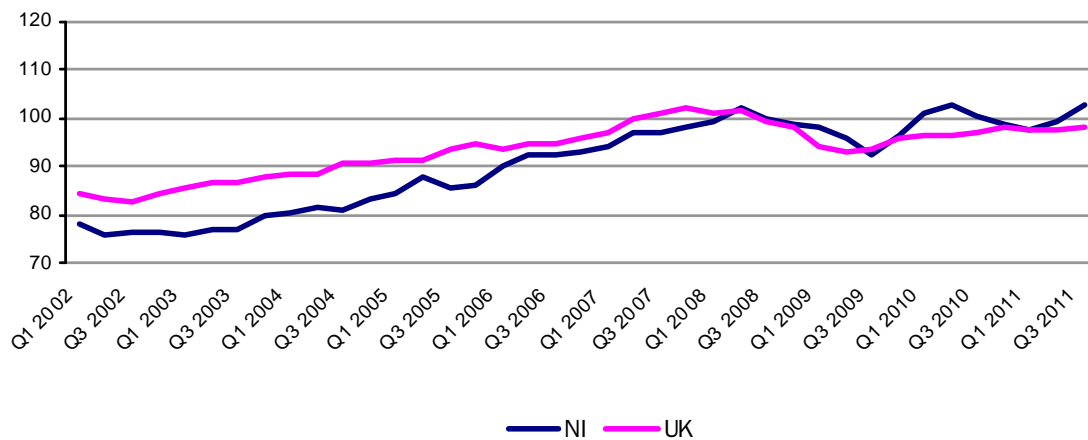


	NI	UK
Percentage change compared to previous quarter	5.4	0.3
Percentage change compared to same quarter one year ago	1.1	0.2
Percentage change for most recent four quarters compared to previous four quarters	-5.3	0.3

This index is 6.5% below the peak which was recorded in Quarter 2 2007. The index reported four consecutive year on year falls before increasing in the latest quarter, compared with the UK which has reported annual increases in four of the last five quarters.

**Transport, storage, information & communication – SIC07 Sections H & J**  
(Weight = 13%)

**Figure 4: Transport, storage, information & communication**  
(2008 = 100)

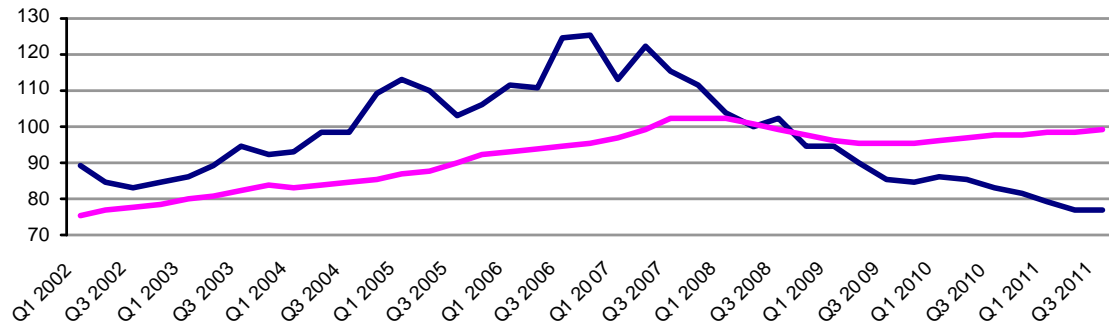


	NI	UK
Percentage change compared to previous quarter	3.2	0.3
Percentage change compared to same quarter one year ago	2.2	0.8
Percentage change for most recent four quarters compared to previous four quarters	-0.4	1.3

The index for this sub sector reported an increase over the latest two quarters after three consecutive quarterly falls. The index for the UK as a whole reported increases in seven of the last nine quarters.

## Business services and finance – SIC07 Sections K-N (Weight = 35%)

**Figure 5: Business services and finance**  
(2008 = 100)

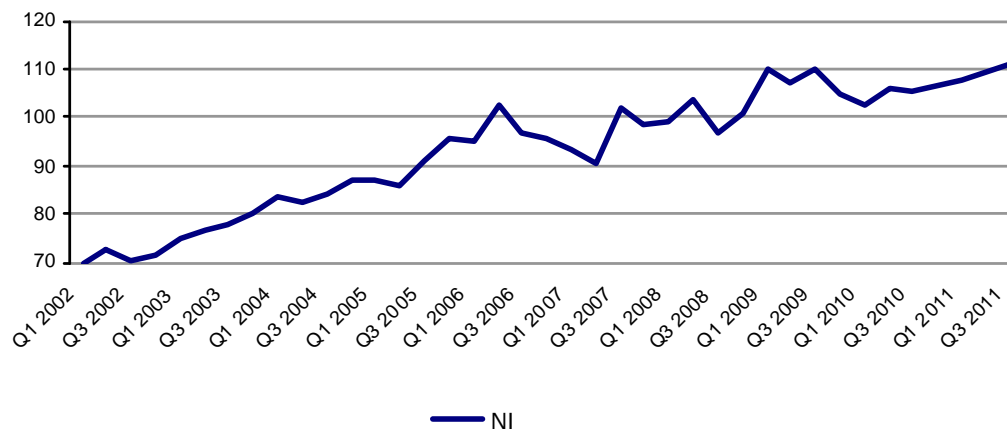


	NI	UK
Percentage change compared to previous quarter	-1.1	1.2
Percentage change compared to same quarter one year ago	-7.5	1.9
Percentage change for most recent four quarters compared to previous four quarters	-7.0	1.9

The index for Business services and finance remains some 38.6% below the peak recorded in Quarter 4 2006. The index has reported seventeen consecutive year on year falls since Quarter 3 2007 compared with the UK which reported six consecutive year on year falls from Quarter 3 2008 and has reported annual increases in the last six quarters.

## Other services – SIC07 Sections P-S (Weight = 18%)

**Figure 6: Other services**  
(2008 = 100)



	NI
Percentage change compared to previous quarter	1.6
Percentage change compared to same quarter one year ago	5.5
Percentage change for most recent four quarters compared to previous four quarters	3.9

This quarter, the index has reported a year on year increase, after having also reported year on year increases in the previous three quarters.

## **Background**

### **SIC 2007 Definitions**

#### **Wholesale and retail trade; repair of motor vehicles and motorcycles; Accommodation and food service activities – SIC07 Sections G&I (Weight = 34%)**

This sector includes wholesale and retail sale and the supply of services incidental to the sale of merchandise as well as the repair of motor vehicles and motorcycles. This sector also includes the provision of short-stay accommodation for visitors and the provision of complete meals and drinks fit for immediate consumption.

The repair and maintenance of personal and household goods has moved from SIC03 Section G (wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods) to SIC07 Section S (other service activities).

There are no significant changes between SIC03 Section H (hotels and restaurants) and SIC07 Section I.

#### **Transport, storage, information & communication – SIC07 Sections H & J (Weight = 13%)**

This sector includes the provision of passenger or freight transport and associated activities, postal and courier activities, the production and distribution of information and cultural products, as well as data or communications, information technology activities and the processing of data and other information service activities.

SIC03 Section I (transport, storage and communication) has been replaced by SIC07 Section H (transport and storage) and SIC07 Section J (information and communication).

Section J (information and communication) under SIC07 is a major new section - the main components of this section are publishing activities, including software publishing (SIC07 Division 58), motion picture and sound recording activities (SIC07 Division 59), radio and TV broadcasting and programming activities (SIC07 Division 60), telecommunications activities (SIC07 Division 61) and information technology activities (SIC07 Division 62) and other information service activities (SIC07 Division 63). These activities were included in SIC03 Sections D (manufacturing), I (transport, storage and communications), K (real estate, renting and business activities) and O (other community, social and personal service activities), therefore having a strong impact on comparability across the SIC versions. However, this new treatment of information and communication activities provides a more consistent approach (based on the character of the activities carried out) than the SIC03 version.

### **Business services and finance – SIC07 Sections K-N (Weight = 35%)**

This sector includes financial service activities, real estate activities, specialised professional, scientific and technical activities and a variety of activities that support general business operations. This index excludes those banks classified in the public sector.

The development and selling of real estate has moved from SIC03 Section J to SIC07 Section F (construction). SIC03 Division 72 (computer and related activities) is no longer part of this section. Computer repair activities have been grouped with repair of household goods in SIC07 Section S (other service activities), while software publishing and IT activities have been grouped in the new SIC07 Section J (information and communication). While SIC07 Section N (administrative and support service activities) covers activities that support general business operations - this pulls in units from many parts of SIC03, for example: employment services, call centres, travel arrangements and reservation services, investigation and security services. Veterinary services have moved from SIC03 Section N (health and social work) to SIC07 Section M (professional, scientific and technical services).

### **Other services – SIC07 Sections P-S (Weight = 18%)**

This sector includes other activities not covered elsewhere - education, health & social work, arts, entertainment and recreation and other services. There are no comparable UK figures for other services.

SIC07 Section P (education) has broadened to include specialised sport, cultural and other educational services and also specialised support services. Formerly these types of services would have fallen under other service sections e.g. SIC03 Section O (other community, social and personal services). Veterinary services have moved from SIC03 Section N (health and social work) to SIC 2007 Section M (professional, scientific and technical services). Substantial components of SIC03 Section O (other community, social and personal service activities) have been moved to SIC07 Section E (water supply; sewerage, waste management and remediation activities) and SIC07 Section J (information and communication).