

**EXPLANATORY MEMORANDUM TO**  
**THE DEPARTMENTS (TRANSFER OF FUNCTIONS) (NO. 2) ORDER**  
**(NORTHERN IRELAND) 2011**

**SR 2011 No 56**

**1. Introduction**

- 1.1. This Explanatory Memorandum has been prepared by the Department of Enterprise, Trade and Investment to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 8 of the Departments (Northern Ireland) Order 1999 and is subject to the Assembly affirmative resolution procedure.

**2. Purpose**

- 2.1. This Statutory Rule is required to transfer the responsibility for the collection of data and production of official labour market and economic statistics, under powers contained in the Statistics of Trade and Employment (NI) Order 1988, from the Department of Enterprise, Trade and Investment (DETI) to the Department of Finance and Personnel (DFP). The Northern Ireland Statistics and Research Agency (NISRA), an Agency within DFP will have operational responsibility for the transferred powers provided in the Order.
- 2.2. It is planned that responsibility will pass to DFP from 1 April 2011.

**3. Background**

- 3.1. The measurement of Northern Ireland's economic performance requires the production of economic and labour market statistics that show how businesses and industry are performing. This includes statistics that are produced from data obtained by periodic surveys sent out to local businesses under powers contained in the Statistics of Trade and Employment (NI) Order 1988.
- 3.2. The issue of business surveys and the production of economic and labour market statistics has historically been the responsibility of DETI and its precursors. Transferring the powers currently exercised by DETI under the 1988 Order to DFP will enable the production of economic and labour market statistics to be centralised within NISRA. This will facilitate increased standardisation and harmonisation of methodologies between the main economic and social official statistics series.
- 3.3. The transfer to DFP will help promote the independence of official statistics in Northern Ireland. In addition, and as part of the arrangements, the transfer will allow DETI statisticians to focus on policy related analysis, rather than data collection functions.
- 3.4. This Statutory Rule will make the necessary amendment to the Statistics of Trade and Employment (Northern Ireland) Order 1988 allowing the

transfer of responsibility for the collection of data and production of official labour market and economic statistics from DETI to DFP.

- 3.5. COMMENTARY ON ARTICLES -
- 3.6. Article 1 provides the title of the Order:- "The Departments (Transfer of Functions) (No. 2) Order (Northern Ireland) 2011".
- 3.7. Article 2 provides an explanation of the terms used in the Order.
- 3.8. Paragraph 1 of Article 3 effects a general transfer of those functions currently exercised by DETI under the Statistics of Trade and Employment Order (Northern Ireland) 1988 to DFP.
- 3.9. Paragraph 2 of Article 3 excludes from the transfer those powers exercisable by any Northern Ireland Department under the 1988 Order. DETI would retain powers under the 1988 Order to conduct a statutory survey consistent with the requirements of the Order (Articles 2(3), 5(1), 6(8), 7(6)).
- 3.10. In consequence of paragraphs 1 and 2 of Article 3 the functions previously exercised by DETI under the 1988 Order are transferred to DFP. These relate to the requirement to undertake an annual census of production, the option to conduct a census of distribution and services and matters related to the conduct of such surveys. The transferred functions also include the power to make provisions to carry out the purposes of the Order including the authority to amend the Schedule to the Order in terms of the information to be collected under statute.
- 3.11. Article 4 means that wherever the 1988 Order refers to "the Department", it should refer to DFP rather than to DETI, after the transfer of functions.
- 3.12. Articles 5 and 6 contain incidental, supplemental and consequential provisions.

#### **4. Consultation**

- 4.1. As this Statutory Rule is a straightforward technical transfer of responsibilities, within the Northern Ireland Civil Service from one department to another, it was not deemed necessary to go out to public consultation. DETI has consulted with the trade union side (NIPSA) on the transfer of staff between departments through the Whitley processes.
- 4.2. DETI and NISRA have consulted the Statistics Advisory Committee, an independent body of representatives of business, academic and voluntary organisations set up under the Statistics of Trade and Employment (Northern Ireland) Order 1988 to provide advice to departments on the exercise of their functions under the Order. The Committee supported the transfer of functions.
- 4.3. The Enterprise, Trade and Investment (ETI) Committee, Finance and Personnel Committee (F & P) and Committee for the Office of the First Minister and deputy First Minister (OFMDFM) have also been briefed on the transfer. The ETI Committee noted the intention to proceed. The F & P Committee sought clarification on whether there were any cost implications for NISRA and if there would be any changes in the frequency of the related statistical information as a result of this transfer.

- 4.4. NISRA reassured the F & P Committee on the financial arrangements and also clarified that there would be no planned changes to the frequency of statistical publications as a result of the transfer. The OFMDFM Committee also noted the intention of the First Minister & deputy First Minister to lay the Transfer of Functions Order before the Assembly.

## **5. Equality Impact**

- 5.1. As the Statutory Rule relates to an internal transfer of functions within the Northern Ireland Civil Service, not affecting the interaction of DETI and DFP with members of the public or having any material effect on any of the groups listed within Section 75 of the Northern Ireland Act 1998, an EQIA was therefore not considered necessary.

## **6. Regulatory Impact**

- 6.1. As the Statutory Rule relates to an internal transfer of functions within the Northern Ireland Civil Service, not affecting the interaction of DETI and DFP with members of the public it will have no effect on any charities, social organisations, economic enterprises or voluntary bodies. Survey forms previously issued under the authority of DETI will now be sent out by NISRA under DFP authority.

## **7. Financial Implications**

- 7.1. The change involves DETI transferring its existing permanent baseline budget to DFP (NISRA) from financial year 2011-12, subject to the legislation being passed.

## **8. Section 24 of the Northern Ireland Act 1998**

- 8.1. This Statutory Rule is technical and does not contravene section 24 of the Northern Ireland Act 1998.

## **9. EU Implications**

- 9.1. Not applicable.

## **10. Parity or Replicatory Measure**

- 10.1. In 1989 Transfer of Functions (Economic Statistics) Order (Great Britain) transferred responsibility in practice for collecting business statistics from the Business Statistics Office in the Department of Trade and Industry to the Central Statistics Office (of the Chancellor of the Exchequer), now the Office for National Statistics (ONS). The ONS is now the Executive Agency of the UK Statistics Authority, and NISRA is the equivalent official statistics body in Northern Ireland. The transfer of functions will achieve an equivalent effect in Northern Ireland.

## **11. Additional Information**

- 11.1. Any further information regarding this SR can be obtained by contacting Dr. James Gillan at james.gillan@detini.gov.uk or by telephone 02890529573.