

**WRITTEN QUESTION TO THE MINISTER FOR SUSTAINABLE ECONOMIC
DEVELOPMENT
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR
QUESTION SUBMITTED ON MONDAY 18th NOVEMBER 2024
ANSWER TO BE TABLED ON MONDAY 25th NOVEMBER 2024**

Question

“With regard to the recent report from Statistics Jersey, [Measuring Jersey’s Economy](#), will the Minister advise what work has been undertaken to understand why several building companies in Jersey have gone bankrupt despite the reported 19% increase in Gross Operating Surplus and 5.2% increase in real-term productivity for the construction, mining and quarrying sector, and what he is doing to provide support and stability for the Island’s construction and related sectors that have contributed nearly £500 million to GVA in 2023?”

Answer

As the question states, a number of Jersey building companies ceased trading during last year and this year. Work by Officials concluded that each business closure was due to firm-specific reasons. Whilst the whole sector was affected by rising prices of materials alongside and higher interest rates, there didn’t appear to be a common or systemic issue affecting the sectors stability.

It has been observed that former employees of bankrupt construction businesses quickly found new employment and the information in the National Accounts points to a relatively healthy sector.

Officials continue to monitor the sector and regularly meet with representatives of the construction sector. The JCRA is undertaking a review of the construction sector. This report should be available next year.