

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY S.Y. MÉZEC OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 23rd JUNE 2015**

Question

What statistical evidence does the Minister have to justify the statement made during his speech to the Jersey Chamber of Commerce on 11th June 2015 that Jersey's economy is returning to growth?

In this regard, could the Minister provide a yearly breakdown of growth in Jersey's Gross Value Added over the past decade?

Answer

Statistics that define economic growth in Jersey are published by the independent Statistics Unit in the third quarter of every year for the preceding calendar year. The latest available GVA figures for 2013 (published in September 2014) and previous years can be accessed here:

<http://www.gov.je/government/jerseyworld/statisticsunit/businesseconomy/pages/gvaandgni.aspx>

This information and more comprehensive economic data is also published in the "Jersey in Figures" booklet published by the Statistics Unit on an annual basis. The latest Jersey in Figures booklet can be found here:

<http://www.gov.je/government/jerseyworld/statisticsunit/factsfigures/pages/jerseyfiguresbooklet.aspx>

The statement made in the speech to the Jersey Chamber of Commerce on 11th June was based, in no small part, on the opinion of the independent Fiscal Policy Panel (FPP). In their pre-MTFP Report published the FPP concluded that:

"The Jersey economy has shown some signs of a moderate improvement in 2014, with a likely return to growth for the first time in six years. Survey data suggest more positive sentiment in both the finance and non-finance sectors"

This is consistent with the latest Business Tendency Survey produced by the Statistics Unit that showed

<http://www.gov.je/SiteCollectionDocuments/Government%20and%20administration/R%20Business%20Tendency%20Survey%20March%202015%2020150410%20SU.pdf>

The highlights of the survey are:

The headline all-sector Business Activity Indicator was 26 percentage points (pp), implying that the proportion of businesses in Jersey reporting an increase in business activity compared with three months previously was 26 pp greater than the proportion reporting a decrease;

The all-sector Business Activity Indicator increased significantly in the latest quarter, recording its highest level since this survey was introduced in September 2009;

Over all sectors: five of the ten indicators increased significantly, three recording their highest levels to date, whilst one declined in the latest quarter and four were relatively unchanged;

For the Finance sector:

Four indicators improved compared with the previous quarter, five were essentially unchanged and one declined;

The Business Activity, Profitability, Employment and Future Business Activity indicators improved in the latest quarter, whilst the Input Costs indicator declined;

For the non-finance sectors overall:

Seven indicators were improved compared with the previous quarter, two were essentially unchanged whilst the Input Costs indicator declined

Combined with the latest Actively Seeking Work statistics published by the Statistics Unit it seems clear that the likelihood is that, as stated by the FPP, Jersey's economy has returned to growth.