

**WRITTEN QUESTION TO THE CHIEF MINISTER BY DEPUTY G.P. SOUTHERN OF ST. HELIER****ANSWER TO BE TABLED ON TUESDAY 16th SEPTEMBER 2008****Question**

In his response to a question on migration asked on 15th July 2008, the Chief Minister referred to the net job-growth figure over the five-year period to date as being below the annual target of 1% (500 jobs), in fact 0.7%. Will he explain to members how this statement correlates with the official employment figure, taken from Jersey Labour Market December 2007, of net growth over the 5 years of 2,770 jobs or 1.1%?

**Answer**

The figure of 0.7% refers to the annual change in employment on a calendar year basis and is the statistically correct methodology adopted by the States Statistics Unit. The figure of 1.1% is simply the differences between December each year. The Statistics Unit use the same methodology for calculating the size of the workforce in relation to the Gross Value Added (GVA) of the Jersey economy on a calendar year basis.

However, from an economic perspective the most appropriate period is that of an economic cycle because rolling five year averages could be influenced by a significant proportion of the period being either the growth phase or the decline phase of the cycle. This could lead to five year annual average growth figures overstating or understating the underlying growth in the workforce. Taking the previous peak of the cycle in calendar 2000 as the start point, the **average per annum growth to 2007 is 0.5%**. If the next peak in the economic cycle occurs in 2008, with a similar growth in workforce in 2008 as for 2007, then the annual per annum growth over the full cycle will be 0.8%, .i.e. still below the target 1% per annum.