

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY M.R. HIGGINS OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 12TH SEPTEMBER 2017**

Question

Will the Minister define how productivity in the Island is measured, both overall and per individual, and set out the measures that he can use to directly influence productivity in the Island? Will he also give his assessment of why Jersey has a lower rate of productivity than Guernsey, which has a similar economy to Jersey?

Answer

The main measure of productivity in Jersey is labour productivity which is the economic output per unit of labour input. Labour productivity and its two components, Gross Value Added (GVA) and labour input, are measured for Jersey by the independent Statistics Unit. GVA shows the value of economic activity taking place in Jersey and is measured according to the internationally agreed framework and is explained in more detail here in a video by the Statistics Unit (<https://www.youtube.com/watch?v=xAg3GG0aJII>). Labour input is measured on a full time equivalent (FTE) basis, using information on employment derived from the manpower returns.

The measures in place to raise productivity include investing in health, education, St. Helier and the Island's infrastructure as set out in the MTFP Addition. The Strategic Plan also sets out how Council of Ministers aim to raise productivity by:

- Promoting jobs and growth in the technology sector, with a particular focus on Fintech.
- Delivering and further enhancing the existing Financial Services Policy Framework
- Promoting higher productivity in all economic strategies, including the new Tourism, Retail and Rural Economy Strategies
- Developing a new and challenging Enterprise Strategy, a new Innovation Strategy and attracting more inward investment
- Reviewing and upgrading the existing Skills Strategy
- Developing a new Competition Framework and reviewing opportunities to promote competition
- Identifying and addressing barriers to work for key groups
- Adopting environmental management principles to help improve productivity and efficiency and attract environmental businesses in line with our economic growth objectives.

Guernsey do not publish GVA per fte so it is not possible to consider labour productivity in the two islands on a comparable measure. Guernsey do publish data on GDP per worker which is not compiled on the same basis and it is understood that their GDP methodology is being reviewed.