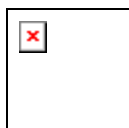


MANPOWER REPORT FOR THE PERIOD 1ST JANUARY 2000 TO 31ST MARCH 2000

**Presented to the States on 26th September 2000
by the Industries Committee**



STATES OF JERSEY

STATES GREFFE

150

2000

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OPINION ON CONDITIONS IN THE LABOUR MARKET IN JERSEY

Demand for labour in the Island remained intense in March. Unfilled vacancies rose steeply compared to a year earlier, both in those industries traditionally subject to seasonal influences and those which are not. Even allowing for some over-reporting by businesses, unfilled vacancies on 31st March were exceptionally high compared to the number of people reported to be unemployed and available for work.

Overall employment in the Island fell back in March compared to early 1999, though workers did not appear to have left jobs to enter unemployment. Jobless numbers recorded by the Department of Employment and Social Security were broadly stable. There are insufficient data for a hard judgement but the coincidence of falling employment and rising demand for labour in the vacancy figures suggests a decline in the Island population during 1999. The most recent data suggest that this decline had begun to slow down in the early part of this year.

The tight labour market was reflected in average earnings. Average earnings in Jersey in the 12 months to June increased by 5.5 per cent; well above the latest United Kingdom figure. Moreover, this figure understates the underlying rate of growth in earnings in the Island, since it excludes certain bonus payments and benefits in kind. Bonus payments are particularly important in the finance sector and benefits in kind, such as accommodation, are important to people working in agriculture and hotels. The June earnings figure also excludes any increase in wage rates in the public sector. Public sector workers have yet to agree a pay settlement for 2000.

The latest employment data for industries show some contrasting trends. There was a sharp decline in employment in agriculture and fishing. Employment in hotels, bars and restaurants also fell sharply. The unfilled vacancy data for this sector had at the same time risen, indicating that businesses wanted to hold on to their workers but could not do so. Construction, quarrying, electricity, gas, water and the wholesale and retail trades had still been shedding jobs, but at a much reduced rate. Unfilled vacancies in construction had almost doubled compared to the previous March.

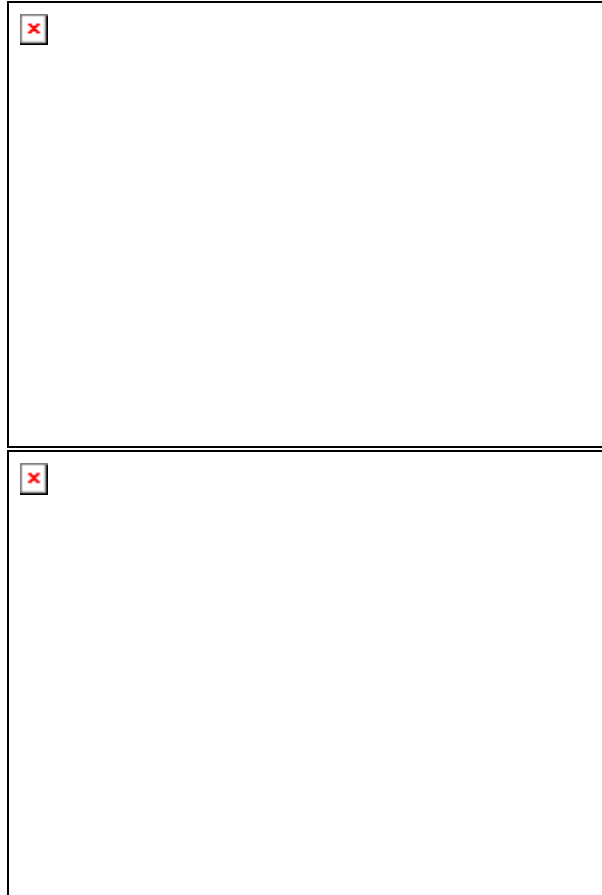
Only computer and related activities increased employment substantially during the period between surveys, though this was still a very small sector in the Island. Employment in the financial and legal sector, miscellaneous business activities and private sector health and education were stable. Unfilled vacancy rates in these industries remained high throughout the year to March 2000.

ROBERT BUSHELL

Economic Adviser.

Report

The analysis of the manpower survey returns for March 2000 shows that in the 12 months to March, full-time employment in Jersey undertakings fell by 690 to 36,240, and part-time employment fell by 220 to 7,690. Thus, the underlying trend in employment in Jersey continued downward in the first quarter of 2000, but at a slightly slower rate than that experienced in the two preceding quarters. In contrast, in the first quarter of 2000, full-time employment increased by 1,590, while part-time employment was static at 7,730. The short-term increase, however, can be attributed to seasonal factors, as can be seen from Figure 1. Figure 2 shows the underlying trend.



These comparisons do not include single-person undertakings, of which there were 1,060 reported in March 2000, 200 more than a year earlier, because they have not been consistently recorded in the past. It is likely, however, that some of this increase of 200 indicates a small rise in the total number of one-person businesses. Detailed figures excluding single-person undertakings are shown in Appendix 1 and including those undertakings in Appendix 2.

Vacancies

Since March 1999 undertakings reporting to the Manpower Survey have provided figures for the number of vacancies they have. It is possible that there is some over-reporting of the number of vacancies because some businesses may have reported vacancies they have no immediate intention of filling. Nevertheless, the figures have risen steeply over the 12 months to March (Figure 3) when the total number of vacancies in all businesses reporting increased from 2,400 to 4,020, a rise of 68 per cent. Of the 4,020 vacancies, 3,420 were for full-time staff and 600 for part-time staff. Detailed figures by sector are shown in Appendix 2.

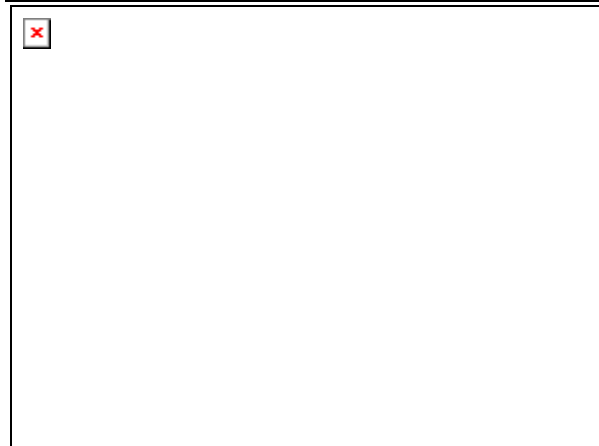
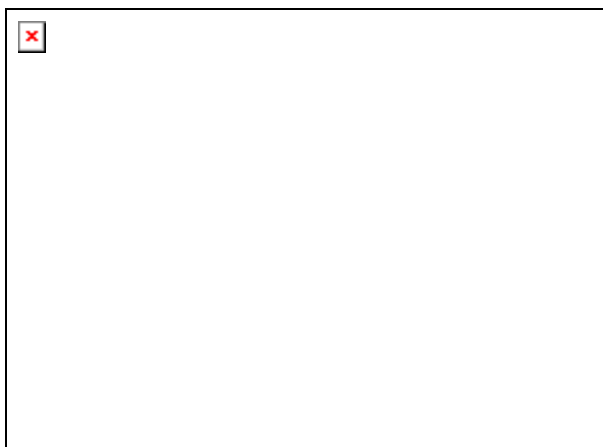


Using vacancies as a proportion of employment in the sector (including one-person businesses) as an indicator, labour shortages appear to be most severe in the computing sector (14 per cent), followed by miscellaneous business activities and construction and quarrying (both 11 per cent) and hotels, restaurants and bars (ten per cent). Staff shortages were least evident in manufacturing (six per cent) and electricity, gas and water (five per cent).

Sectoral analysis of employment - general

Although most sectors saw a small reduction in the total number of staff over the 12 months to March 2000, numbers fell most steeply in agriculture and fishing (minus eight per cent) and hotels, restaurants and bars (minus seven per cent). In contrast, there was a one per cent increase in employment in miscellaneous business activities and an 11 per cent increase in computer and related activities. The computer sector is still quite small, however, with a total employment of some 440 staff.

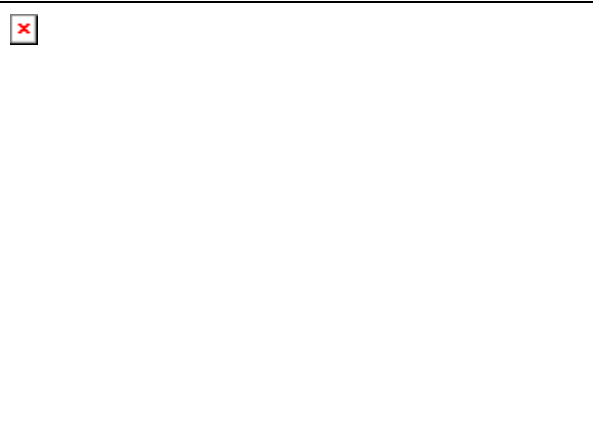
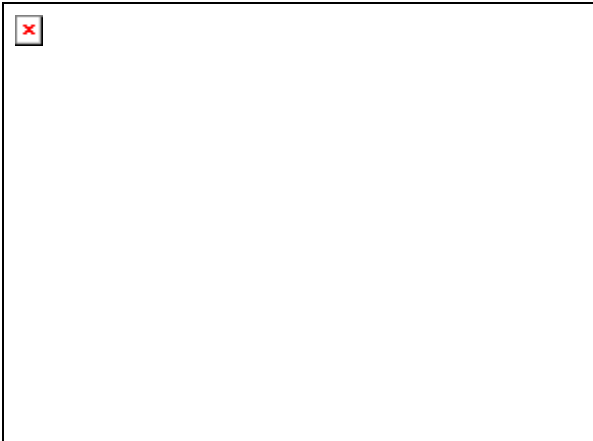
Agriculture and fishing



Employment in agriculture is highly seasonal, as may be seen in Figure 3, and the peak number employed has been rising in recent years, to 2,460 in June 1999. The 12-month change to March, however (Figure 4), shows an eight per cent decrease of

190 staff, suggesting that employment in the sector has begun to decline.

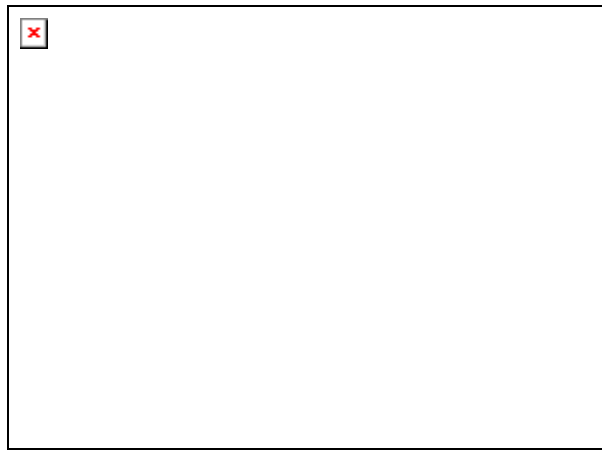
Manufacturing



Employment in manufacturing has been declining slowly for several years (Figure 6). Though it appeared to level off in 1999, the four per cent decrease (Figure 7) in the year to March suggests that the decline has resumed.

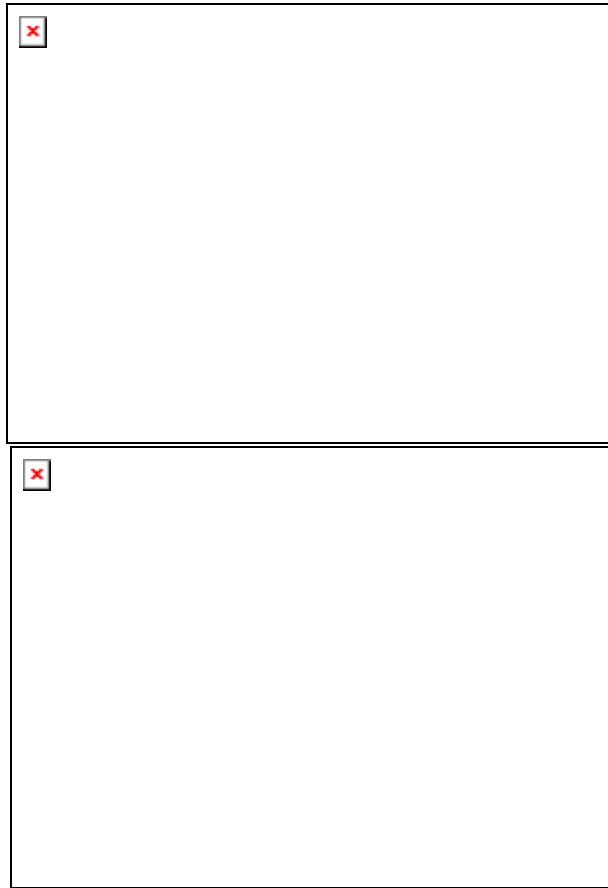
Construction and quarrying





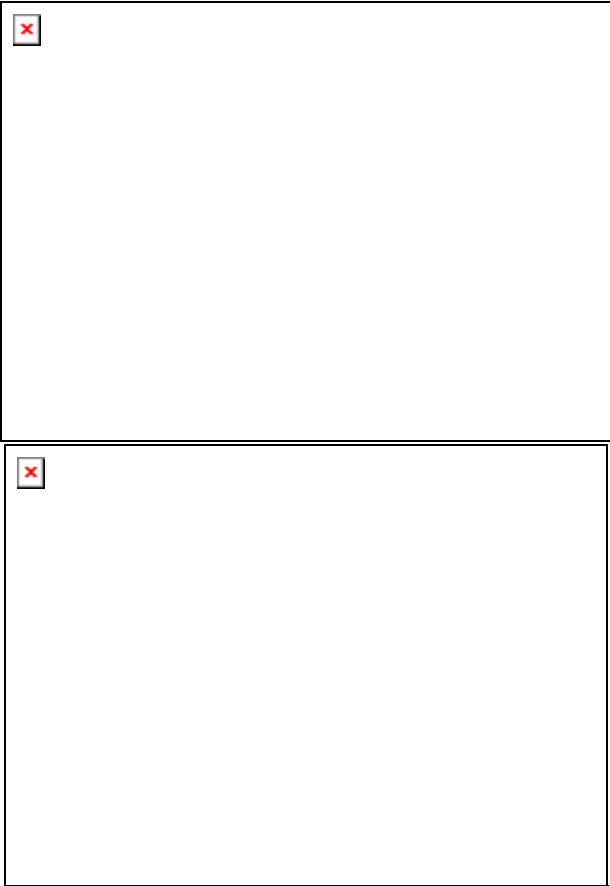
A period of growth in construction employment up to mid-1998 was followed by a steady decline as major projects were completed (Figure 8). The small rise in the first quarter of 2000, couple with the pattern of 12-month changes (Figure 9) suggest that the decline may be over.

Electricity, gas and water



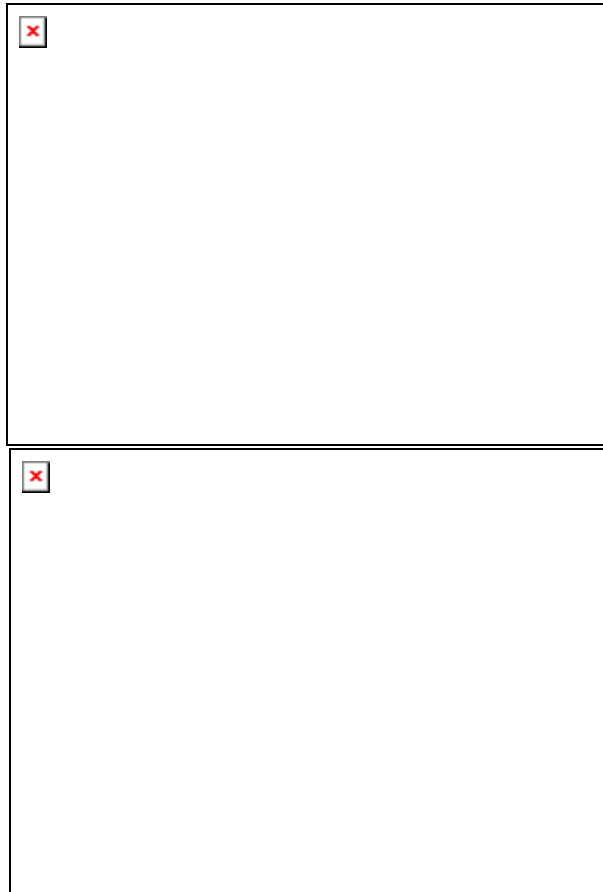
A small seasonal pattern in the utilities sector conceals a downward trend (Figure 10). The 12month comparison (Figure 11) shows that numbers are still falling.

Wholesale and retail trades



Seasonal factors tend to obscure the growth that occurred in this sector up to June 1998 (Figure 12). The pattern of 12-month changes, however, (Figure 13), suggests that the decline evident since 1998 may be coming to an end.

Hotels, restaurants and bars



The most seasonal of all sectors, with growth of some 3,000 staff between winter and summer. The underlying increase in employment that occurred up to late 1998 is nevertheless apparent (Figure 14). In 1999, however, recruitment difficulties and reduced demand led to a significant drop in full-time employment: some 320 full-time staff in the year to March 2000 (Figure 14). Part-time working also fell, by some 90 staff, in the same period, resulting in a net reduction of 410.

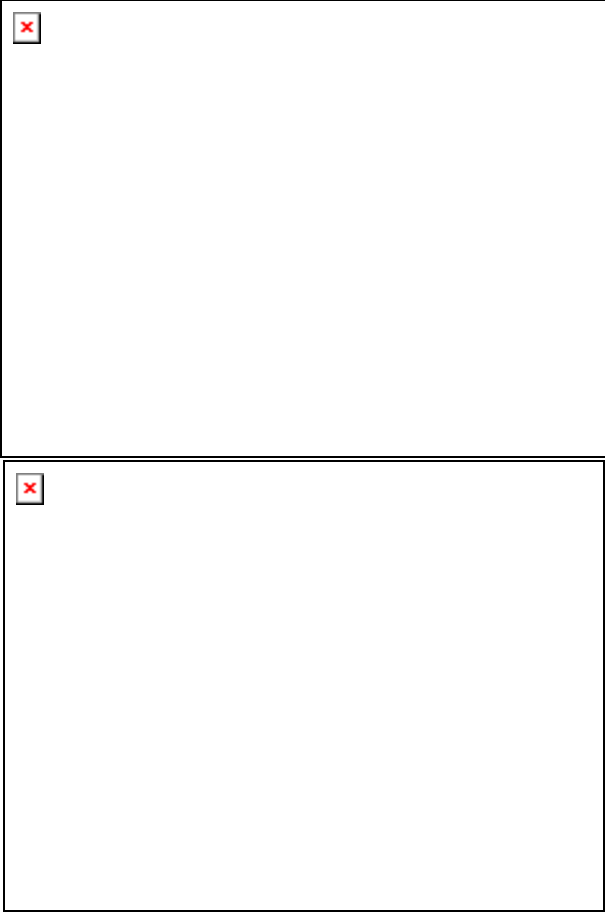
Transport, storage and communication





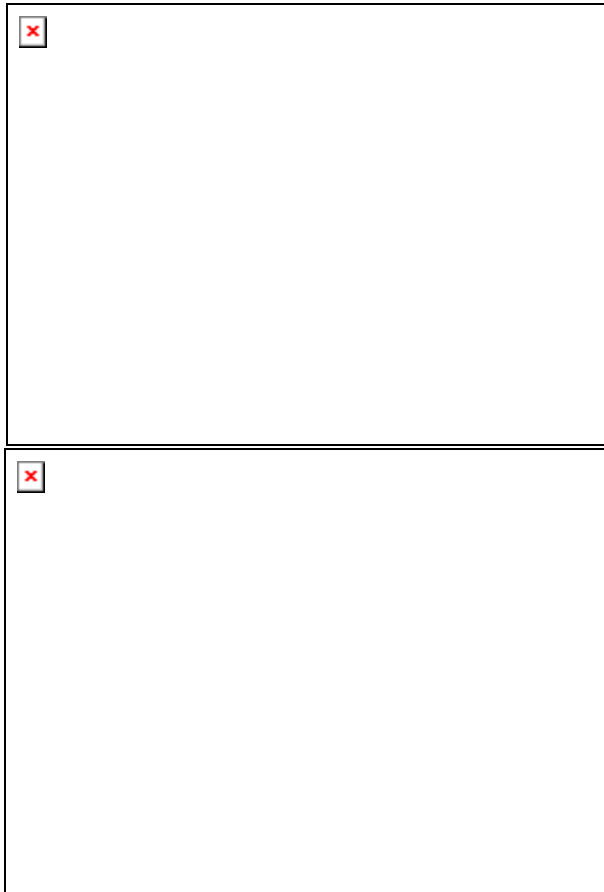
The figures shown for this sector include all the Trading Committees of the States: Harbours and Airport, Jersey Post and Jersey Telecoms. The strong seasonal pattern (Figure 16) reflects the importance of tourism to road, sea and air transport. The underlying upward trend apparent until 1999 appears to have turned into a decline in the year to March 2000 (Figure 17).

Computer and related activities



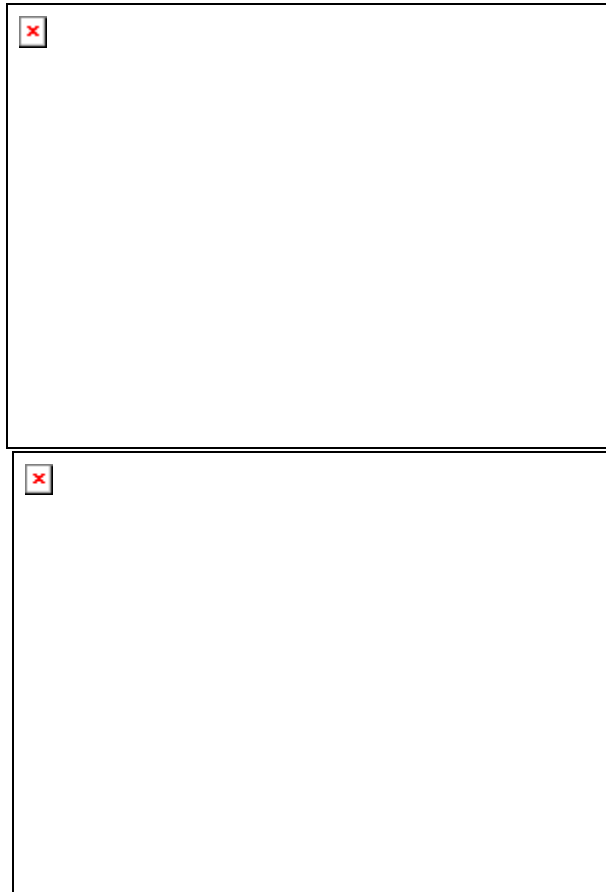
Computing is a sector which has grown rapidly since 1996, from 270 to 440 staff (Figure 18). The annual rate of growth slackened in early 1998, but recovered (Figure 1), before falling again in the period to March 2000. The growth rate continues around ten per cent a year, however.

Financial and legal activities



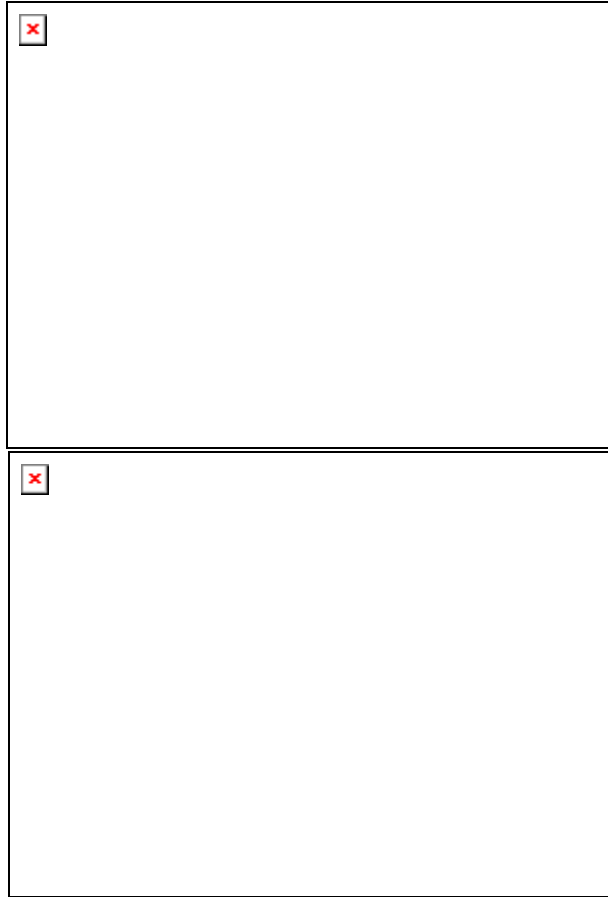
“Financial activities” include banking, investment, insurance and accounting. With legal activities also included, employment in the sector passed 10,000 in 1996 (Figure 20). Growth continued, but at a decreasing rate, until late 1998 (Figure 21), since when employment in the sector has remained around 11,700.

Miscellaneous business activities



This sector includes estate agency, architecture, car hire, security services and a wide range of other activities, and has a very high proportion of part-time staff. The car hire element accounts for most of the seasonal pattern apparent in Figure 22. The 12-month changes (Figure 23) show increasing growth until mid-1998, and then a slowing of the rate of increase to less than one per cent in the year to March 2000.

Education, health and other services



This sector comprises only the private sector activities in these fields: general practitioners, dentists, private schools and welfare organisations. As in most sectors, the trend in employment has been slowly upward from 1996 to early 1999 (Figure 24). The rate of growth became slower in 1998, however, and levelled off in the period to March 2000 (Figure 25).

Notes:

1. The manpower survey is carried out quarterly and covers some 4,400 undertakings in Jersey employing a total of 44,000 staff at March 2000, including 7,700 part-time staff who may have more than one job. The survey is conducted and analysed by the Statistics Unit of the Policy and Resources Department of the States of Jersey on behalf of the Industries Committee.
2. Further information about the Survey is available from the Statistics Unit, telephone 603401. Enquiries about the requirements of the Regulation of Undertakings and Development Law should be addressed to the Regulation of Undertakings Unit, telephone 603710.

Statistics Unit
Policy and Resources Department
August 2000

Manpower engaged by sector

APPENDIX 1

(in businesses in which two or more people are engaged)

	<i>Jun-96</i>	<i>Sep-96</i>	<i>Dec-96</i>	<i>Mar-97</i>	<i>Jun-97</i>	<i>Sep-97</i>	<i>Dec-97</i>	<i>Mar-98</i>	<i>Jun-98</i>	<i>Sep-98</i>	<i>Dec-98</i>	<i>Mar-99</i>	<i>Jun-99</i>	<i>Sep-99</i>	<i>Dec-99</i>	<i>Mar-00</i>
Full-time staff																
Agriculture and fishing	2,190	1,870	1,430	1,950	2,190	1,900	1,490	1,990	2,230	1,910	1,460	2,080	2,230	1,870	1,500	1,910
Manufacturing	2,110	2,060	2,030	2,050	2,060	2,020	2,000	1,970	1,960	1,940	1,920	1,960	1,960	1,940	1,870	1,880
Construction and quarrying	3,890	3,860	3,770	3,970	4,050	4,130	4,310	4,500	4,580	4,470	4,200	4,190	4,200	4,180	4,000	4,100
Electricity, gas and water	590	590	600	590	580	600	620	630	600	610	620	620	600	590	580	600
Wholesale and retail trades	6,610	6,440	6,270	6,250	6,650	6,570	6,500	6,490	6,750	6,590	6,440	6,480	6,490	6,340	6,230	6,420
Hotels, restaurants and bars	6,730	6,080	3,870	4,630	6,770	6,160	4,090	4,790	6,760	6,150	4,110	4,810	6,490	5,780	3,790	4,490
Transport, storage and communication	2,330	2,250	2,180	2,120	2,380	2,350	2,330	2,280	2,500	2,430	2,370	2,370	2,580	2,530	2,370	2,300
Computer and related activities	250	260	260	280	290	300	300	300	310	340	340	350	360	380	370	390
Financial and legal activities	8,580	8,690	8,810	8,960	9,120	9,370	9,620	9,840	10,020	10,430	10,250	10,240	10,330	10,320	10,190	10,300
Miscellaneous business activities	1,190	1,140	1,080	1,150	1,220	1,210	1,190	1,190	1,280	1,290	1,210	1,230	1,320	1,280	1,260	1,260
Education, health and other services	2,480	2,420	2,360	2,460	2,560	2,520	2,480	2,530	2,620	2,610	2,540	2,590	2,630	2,580	2,480	2,590
Total full-time staff	36,940	35,650	32,660	34,400	37,870	37,120	34,930	36,500	39,600	38,760	35,450	36,930	39,180	37,790	34,650	36,240
Part-time staff																
Agriculture and fishing	230	200	190	180	220	210	210	200	230	210	200	200	230	220	160	180
Manufacturing	470	420	400	400	410	390	380	420	450	420	400	430	440	440	430	430
Construction and quarrying	220	220	220	230	240	240	240	250	270	270	280	250	250	250	230	230
Electricity, gas and water	30	30	30	30	20	30	30	20	20	20	20	20	20	20	20	20
Wholesale and retail trades	1,910	1,880	1,860	1,850	1,920	1,920	1,920	1,920	2,010	1,910	1,800	1,710	1,750	1,750	1,710	1,650
Hotels, restaurants and bars	1,040	930	820	890	1,120	1,040	960	1,010	1,220	1,120	1,010	1,090	1,270	1,210	970	1,000
Transport, storage and communication	290	280	170	220	330	320	200	250	370	360	260	260	350	310	230	250
Computer and related activities	30	30	30	30	30	30	40	40	40	50	60	50	50	50	50	50
Financial and legal activities	1,260	1,270	1,290	1,280	1,280	1,290	1,290	1,320	1,380	1,360	1,380	1,390	1,400	1,350	1,340	1,380
Miscellaneous business activities	1,040	1,030	1,020	1,020	1,020	1,020	1,030	1,090	1,180	1,170	1,140	1,150	1,190	1,160	1,120	1,140
Education, health and other services	1,270	1,260	1,240	1,270	1,290	1,320	1,350	1,380	1,490	1,430	1,410	1,400	1,460	1,490	1,480	1,400
Total part-time staff	7,780	7,560	7,260	7,390	7,890	7,820	7,650	7,890	8,660	8,320	7,960	7,950	8,410	8,230	7,730	7,730

All staff

Agriculture and fishing	2,410	2,080	1,620	2,120	2,410	2,110	1,700	2,190	2,460	2,120	1,660	2,280	2,460	2,090	1,660	2,090
Manufacturing	2,580	2,480	2,430	2,450	2,470	2,410	2,380	2,390	2,400	2,350	2,320	2,400	2,400	2,380	2,300	2,310
Construction and quarrying	4,110	4,080	3,990	4,200	4,290	4,370	4,560	4,750	4,840	4,740	4,480	4,440	4,460	4,430	4,240	4,330
Electricity, gas and water	620	620	630	620	610	630	650	650	620	630	640	640	610	610	600	620
Wholesale and retail trades	8,510	8,320	8,130	8,100	8,570	8,490	8,430	8,410	8,760	8,500	8,240	8,190	8,230	8,090	7,930	8,070
Hotels, restaurants and bars	7,780	7,010	4,700	5,520	7,890	7,200	5,050	5,800	7,980	7,270	5,120	5,900	7,760	6,990	4,760	5,490
Transport, storage and communication	2,620	2,530	2,350	2,340	2,710	2,680	2,540	2,530	2,870	2,790	2,630	2,630	2,920	2,840	2,600	2,550
Computer and related activities	270	280	290	310	320	330	340	340	350	390	390	400	410	430	420	440
Financial and legal activities	9,830	9,960	10,090	10,250	10,400	10,650	10,910	11,150	11,400	11,790	11,630	11,630	11,730	11,660	11,540	11,680
Miscellaneous business activities	2,240	2,170	2,100	2,170	2,240	2,230	2,220	2,280	2,460	2,460	2,350	2,380	2,510	2,440	2,380	2,400
Education, health and other services	3,750	3,670	3,600	3,730	3,850	3,840	3,830	3,910	4,120	4,050	3,950	3,990	4,090	4,060	3,960	3,990
Total staff	44,720	43,210	39,920	41,800	45,760	44,950	42,590	44,390	48,260	47,090	43,410	44,870	47,590	46,020	42,380	43,970

Staff numbers and vacancies, including one-person businesses

APPENDIX 2

<i>Vacancies as per cent of staff employed</i>	<i>Staff numbers</i>										<i>Vacancies</i>				
	<i>Mar-99</i>	<i>Jun-99</i>	<i>Sep-99</i>	<i>Dec-99</i>	<i>Mar-00</i>	<i>Mar-99</i>	<i>Jun-99</i>	<i>Sep-99</i>	<i>Dec-99</i>	<i>Mar-00</i>	<i>Mar-99</i>	<i>Jun-99</i>	<i>Sep-99</i>	<i>Dec-99</i>	<i>Mar-00</i>
Full-time staff															
Agriculture and fishing	2,130	2,270	1,920	1,550	1,960	80	110	160	200	150	3.5	4.7	8.5	12.8	7.6
Manufacturing	1,980	1,980	1,970	1,910	1,920	80	110	140	200	130	3.8	5.6	7.0	10.4	7.0
Construction and quarrying	4,380	4,410	4,380	4,200	4,330	250	360	320	400	470	5.8	8.2	7.3	9.5	10.8
Electricity, gas and water	620	600	590	580	600	30	30	30	20	30	4.2	5.0	4.6	3.8	4.3
Wholesale and retail trades	6,580	6,590	6,460	6,350	6,540	390	460	450	500	530	6.0	7.0	7.0	7.8	8.1
Hotels, restaurants and bars	4,830	6,510	5,800	3,830	4,510	370	430	500	470	500	7.6	6.5	8.6	12.2	11.1
Transport, storage and communication	2,400	2,600	2,560	2,400	2,330	40	80	110	120	160	1.8	3.0	4.4	5.0	7.0
Computer and related activities	360	380	400	400	420	30	50	20	40	50	7.5	12.8	5.7	8.8	12.8
Financial and legal activities	10,310	10,400	10,380	10,260	10,370	610	810	890	900	1,020	5.9	7.8	8.5	8.8	9.9
Miscellaneous business activities	1,300	1,400	1,360	1,360	1,360	60	60	90	120	120	4.5	4.6	6.7	8.5	9.0
Education, health and other services	2,660	2,720	2,660	2,560	2,670	150	160	210	230	250	5.7	5.9	7.7	8.8	9.5
Total full-time staff	37,560	39,840	38,480	35,390	37,010	2,080	2,650	2,920	3,180	3,420	5.5	6.7	7.6	9.0	9.2
Part-time staff															
Agriculture and fishing	200	240	230	170	190	10	0	0	0	10	6.1	1.7	1.3	1.7	5.3
Manufacturing	450	460	450	440	440	0	10	10	10	10	0.4	1.1	3.1	1.8	1.4
Construction and quarrying	270	270	270	260	260	10	10	10	10	20	3.4	4.4	2.2	2.4	8.6
Electricity, gas and water	20	20	20	20	20	0	0	0	0	0	0.0	0.0	0.0	0.0	22.2
Wholesale and retail trades	1,750	1,800	1,800	1,760	1,700	90	150	160	130	150	5.1	8.1	9.0	7.1	9.1
Hotels, restaurants and bars	1,100	1,280	1,220	970	1,000	20	40	30	30	50	2.0	3.4	2.1	3.1	4.7
Transport, storage and communication	270	350	320	240	260	10	20	30	30	40	2.2	6.5	9.5	12.1	14.5
Computer and related activities	30	70	70	60	70	0	0	20	20	20	6.9	3.0	23.1	31.7	21.1
Financial and legal activities	1,420	1,430	1,380	1,370	1,410	50	50	70	50	60	3.3	3.5	5.3	3.4	4.4
Miscellaneous business activities	1,220	1,240	1,200	1,180	1,210	40	40	40	190	160	3.0	2.9	3.1	15.9	12.9
Education, health and other services	1,450	1,530	1,560	1,550	1,470	90	90	80	70	90	6.1	5.6	5.4	4.2	6.1
Total part-time staff	8,170	8,680	8,500	8,010	8,030	310	410	450	520	600	3.8	4.7	5.3	6.5	7.5
All staff															
Agriculture and fishing	2,330	2,510	2,140	1,720	2,150	90	110	170	200	160	3.7	4.4	7.7	11.7	7.4
Manufacturing	2,430	2,440	2,420	2,350	2,360	80	120	150	210	140	3.2	4.7	6.2	8.8	5.9
Construction and quarrying	4,650	4,680	4,650	4,460	4,580	260	370	330	400	490	5.6	8.0	7.0	9.1	10.7
Electricity, gas and water	640	610	610	600	620	30	30	30	20	30	4.1	4.9	4.5	3.7	4.8

water															
Wholesale and retail trades	8,330	8,390	8,260	8,100	8,240	480	610	620	620	680	5.8	7.3	7.5	7.7	8.3
Hotels, restaurants and bars	5,930	7,780	7,020	4,800	5,520	390	470	520	500	550	6.6	6.0	7.5	10.3	9.9
Transport, storage and communication	2,670	2,960	2,880	2,640	2,600	50	100	140	150	200	1.8	3.4	5.0	5.6	7.8
Computer and related activities	390	440	470	460	490	30	50	40	50	70	7.4	11.3	8.1	11.8	14.0
Financial and legal activities	11,740	11,830	11,760	11,630	11,780	660	860	960	950	1,080	5.6	7.3	8.2	8.1	9.2
Miscellaneous business activities	2,520	2,630	2,560	2,540	2,570	90	100	130	300	280	3.7	3.8	5.0	11.9	10.8
Education, health and other services	4,120	4,250	4,220	4,110	4,140	240	250	290	290	340	5.8	5.8	6.8	7.1	8.3
Total staff	45,730	48,530	46,980	43,400	45,040	2,400	3,060	3,370	3,700	4,020	5.2	6.3	7.2	8.5	8.9