

STATES OF JERSEY



MANPOWER REPORT FOR THE PERIOD 1ST JULY 2002 TO 31ST DECEMBER 2002

**Presented to the States on 13th May 2003
by the Economic Development Committee**

STATES GREFFE

REPORT ON THE MANPOWER SURVEY DECEMBER 2002

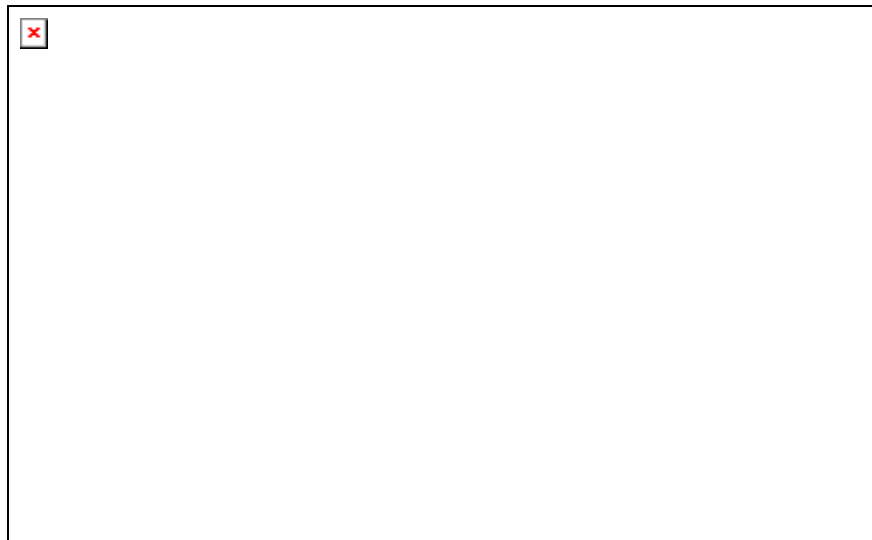
The number of people employed in Jersey businesses at the end of 2002 was almost exactly the same as a year earlier. The very small reduction of 20 in total headcount compared to the previous December represents a change of less than 0.1% over the twelve-month period. Following the negligible annual changes recorded over the previous year, this most recent change in total employment indicates that the underlying trend in total employment in Jersey remains flat, and that the high level of economic participation observed in the 2001 Census has continued.

The number in *full-time* employment rose by 300 over the twelve months to December 2002, to stand at 35,260, a rise of almost one per cent. Conversely, the number in *part-time* employment fell by a similar amount, by 320 to 7,360. This shift from part-time to full-time employment suggests a small increase in overall economic activity.

Having fallen sharply in the first 6 months of 2002, the number of vacancies that employers were actively trying to fill rose by 6% in the second half of the year; the total of 3,220 such vacancies in December 2002 is 190 more than in June 2002, though still considerably below the level reported in December 2001. With the notable exception of financial and legal services, most sectors reported small increases in vacancies during the last 6 months of 2002. Financial and legal services, in contrast, reported an overall reduction of 170 vacancies. The decline in the number of vacancies in this sector occurred predominantly within banking institutions and law firms. Overall employment in the sector was the same as in June 2002.

Over the last 6 months of 2002, fulltime employment decreased by 3,080 and part-time employment fell by 380. These shorter-term changes are entirely attributable to seasonal factors, as can be seen from Figure 1a. The underlying trend, excluding seasonal and other short-term variations, is shown by Figure 1b (see Note 2). The 12 month percentage changes are shown in Figure 2.



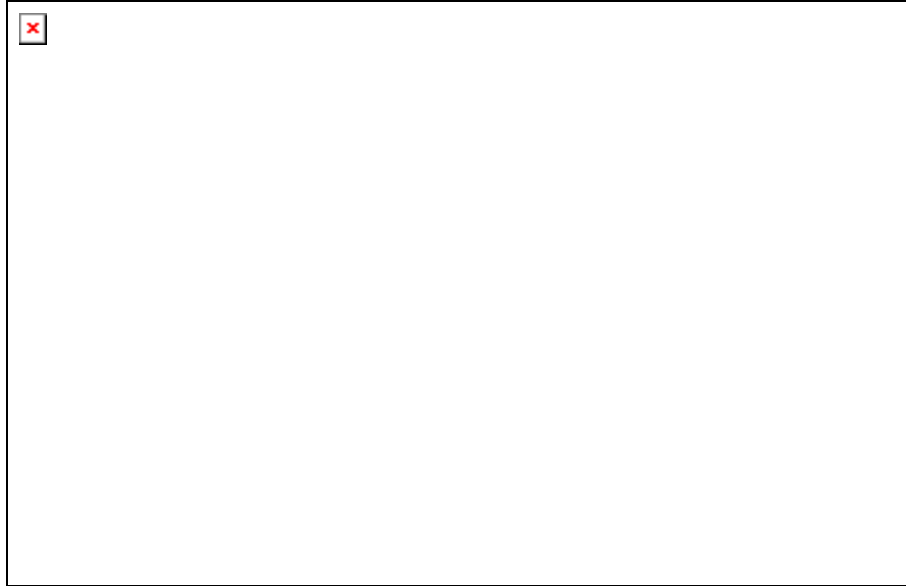


Due to single-person undertakings not being consistently recorded in the past, the above comparisons do not include such enterprises, of which there were 1,460 reported in December 2002, 130 more than a year earlier. Detailed figures excluding single-person undertakings are presented in Appendix 1; those including single-person undertakings are shown in Appendix 2 (see Note 3).

Vacancies

Since March 1999 undertakings reporting to the Manpower Survey have provided figures for numbers of vacancies. It is possible that, in the past, there may have been a degree of over-stating of vacancies due to some businesses reporting positions which they had no immediate intention of filling. From September 2000, however, the survey form was revised to emphasise that only vacancies which businesses were actively seeking to fill should be included. Further changes to the form took place in December 2001, when undertakings were asked to provide the residential status of employees in the context of the Regulation of Undertakings, and also in December 2002, with the introduction of the option for electronic submission of returns.

Acknowledging the potential for more realistic reporting of vacancies by undertakings and also the possible effect of changes in wording, the level of reported vacancies for the last 3 years is shown in Figure 3. After a substantial fall in reported vacancies between December 2001 and June 2002, during the last 6 months of 2002 the number of vacancies increased by 190 to 3,220, a rise of 6% (see Appendix 2). Vacancies (both full and part-time) were 7% of total employment. Of the unfilled posts, more than three-quarters (78%) were full-time.



Using as an indicator for a given sector the total number of vacancies as a proportion of employment (including one-person businesses), labour shortages were most severe in computing (15%), miscellaneous business activities (12%) and hotels, restaurants and bars (10%). By this criterion, staff shortages were least evident in financial and legal activities and in transport, storage and communication (each at 5%).

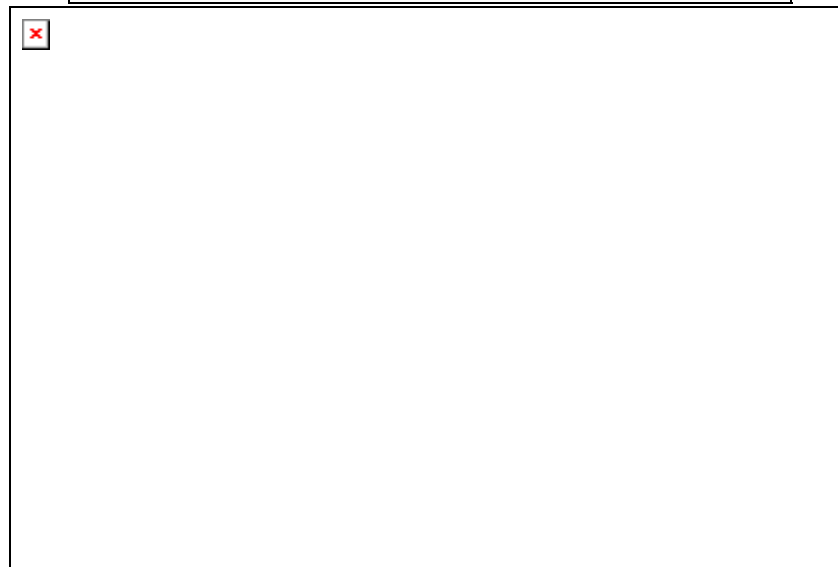
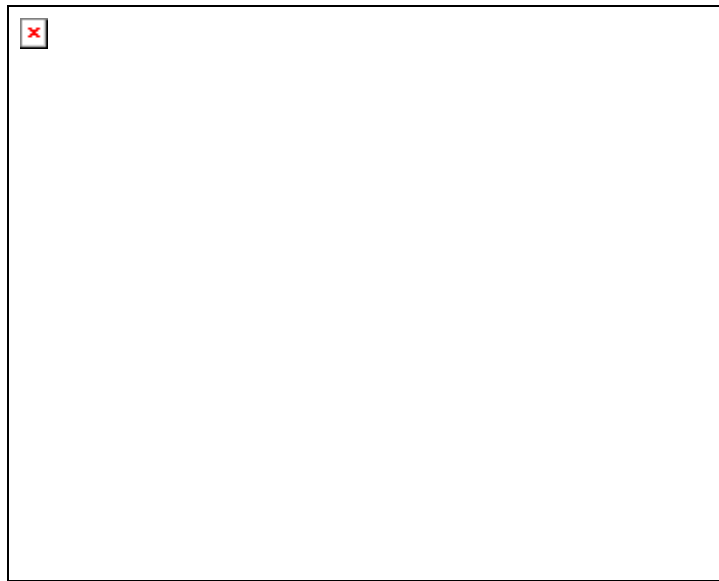
In contrast to the overall increase in the number of vacancies, which was distributed across almost all business sectors, the Financial services sector recorded a substantial decrease in the number of full-time vacancies during the last 6 months of 2002; the fall of 180 such vacancies in this sector constitutes a reduction of almost one quarter since June 2002. The reduction in full-time vacancies in the sector occurred predominantly in banking institutions (150, representing a fall of some 40%) and in law firms (40, amounting to a reduction of 30%). Other parts of the sector (e.g. accountancy and trust and company administration) reported substantially constant numbers of vacancies.

Part-time vacancies increased by 100 over the last 6 months of 2002, spread across all sectors.

Residential status (as defined in terms of the Regulation of Undertakings, see Note 4)

The residential status of staff was recorded for the first time by the December 2001 Manpower Survey. Each undertaking reported the numbers of locally qualified and non-locally qualified employees; full-time employees with “(j)” category housing qualifications were recorded separately from other locally qualified staff. The numbers of staff in each category by sector are presented in Appendix 3.

Figure 4a shows the breakdown by residential status of all staff (including one-person businesses); more than five-sixths were locally qualified (including “(j)” category).



Approximately one in 6 full-time staff were non-locally qualified, and almost one in 7 part-time staff were non-locally qualified. The percentages in each category of residential status, averaged over all sectors, were very similar to those recorded a year previously, in December 2001.

The June 2002 Manpower Survey recorded slightly greater proportions of non-locally qualified staff in both full-time and part-time employment (approximately one in 5 and one in 6, respectively) resulting in 20% of all staff reported in the summer round of the Survey being non-locally qualified. The increase in the proportion of non-locally qualified staff in the June figures is due to an additional 1,800 non-locally qualified seasonal staff in the summer months.

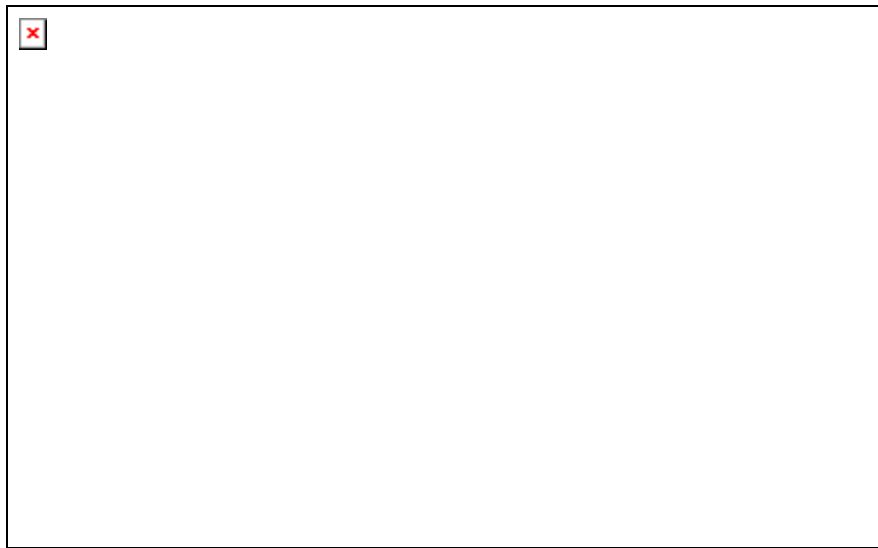
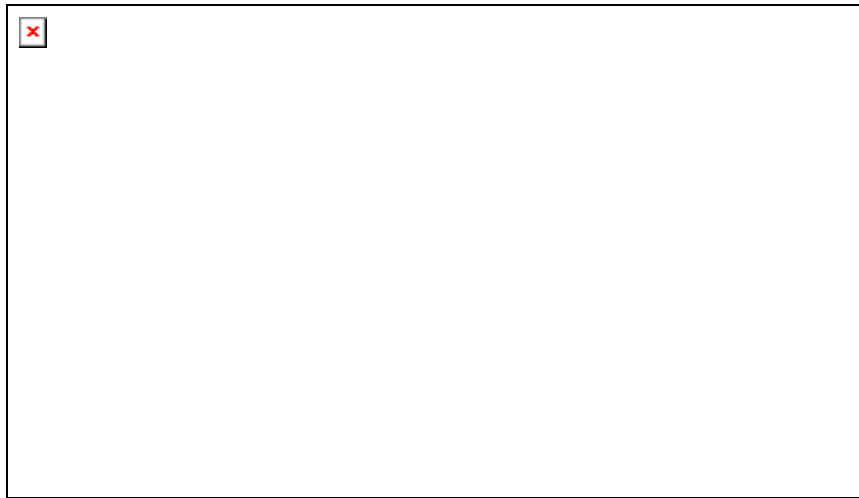
As shown in Figure 4b, the number of “(j)” category employees in the private sector has increased over the past 12 months, by 12% from a total of 510 to 570. The business sectors which recorded the largest increases in “(j)” category employees were financial and legal services (40) and education, health and other services (10).

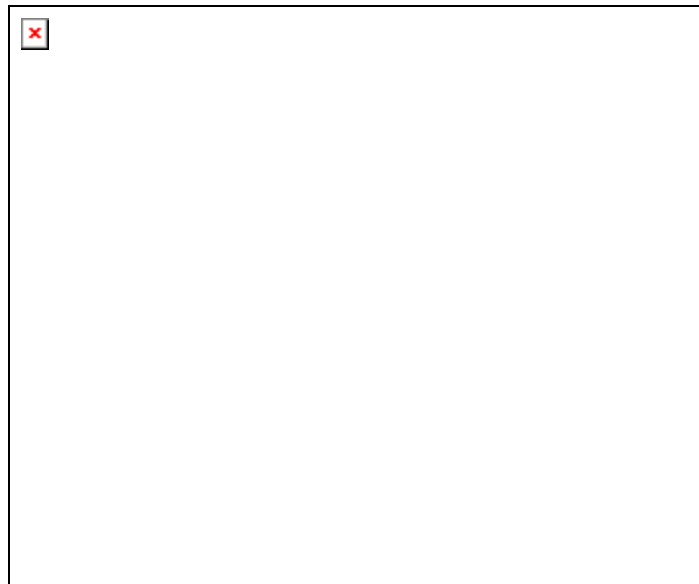
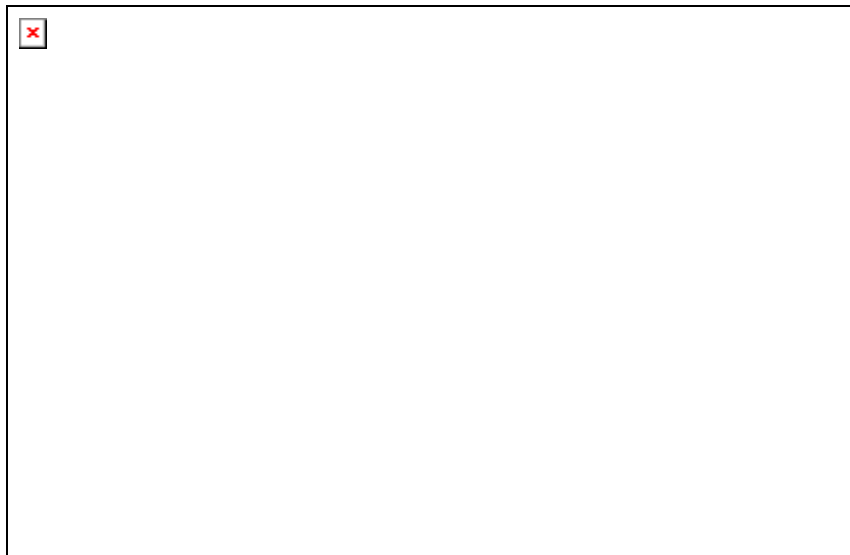
Sectoral analysis of employment – general

The total number of staff (both full and part-time) employed in all undertakings (excluding one-person businesses) decreased by 20 over the 12 months to December 2002. The largest reductions occurred in manufacturing (100) and transport, storage and communication (80). In contrast, increases in total employment

were observed in miscellaneous business activities (160), financial and legal services (60), agriculture and fishing (50) and education, health and other services (30).

Agriculture and fishing

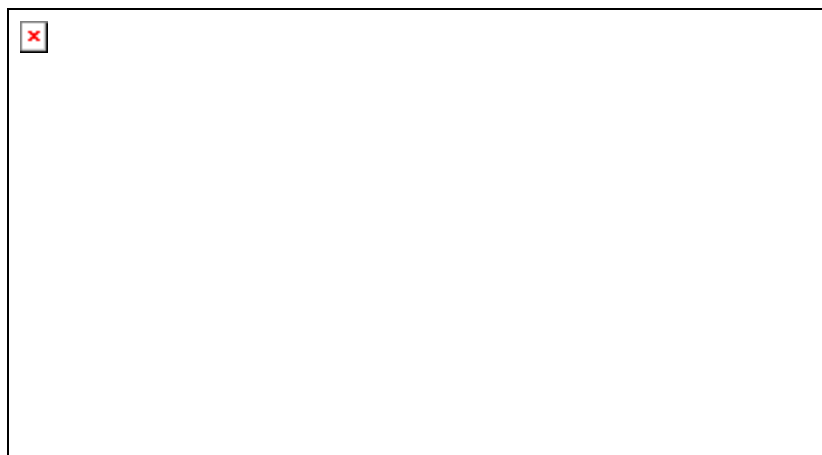
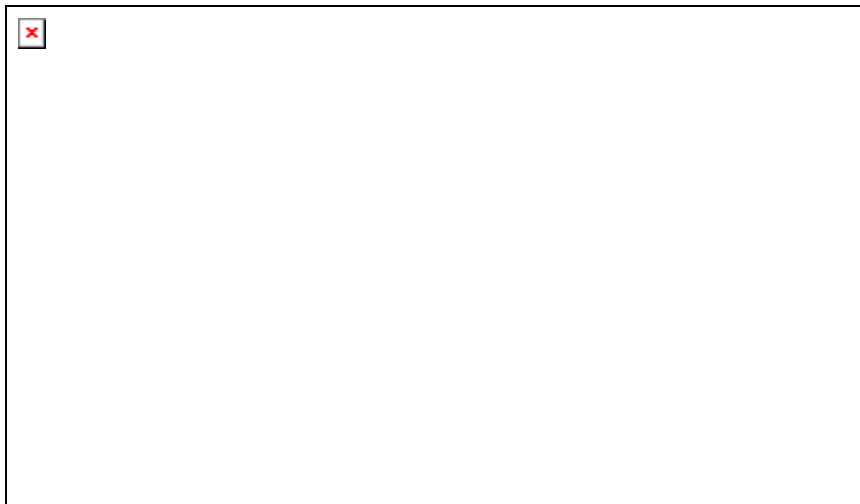




Employment in agriculture is highly seasonal, as may be seen from Figure 5a. The peak number employed rose to 2,400 in June 1998 and June 1999, but only attained 2,110 in June 2002. Figure 5b suggests that the underlying long-term decline apparent since late 1998 has levelled out and this is confirmed by Figure 5c which shows that over the most recent 12-month period, to December 2002, the sector recorded its first increase in employment for more than 3 years.

In December 2002, as in December 2001, approximately one quarter of those employed in the agriculture and fishing sector were not locally qualified. In June 2002, the proportion of such staff was over one-third, reflecting the additional 340 non-locally qualified summer seasonal workers in this sector.

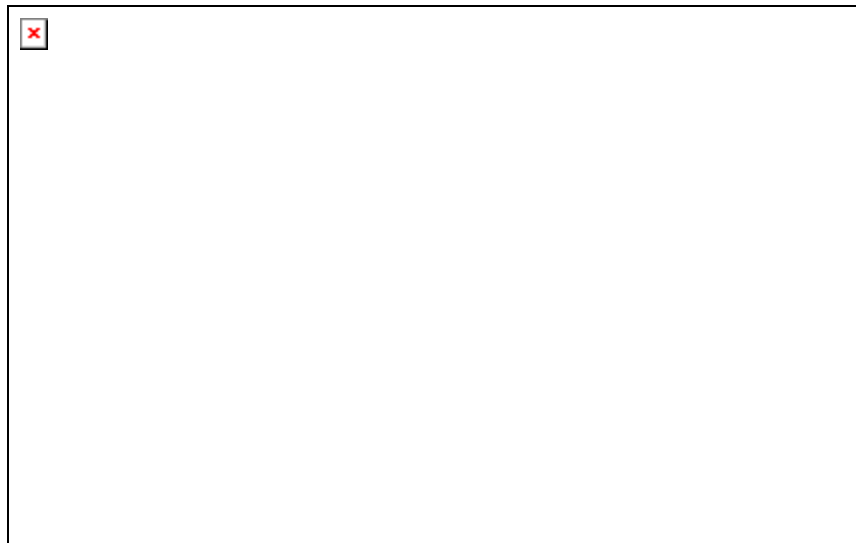
Manufacturing

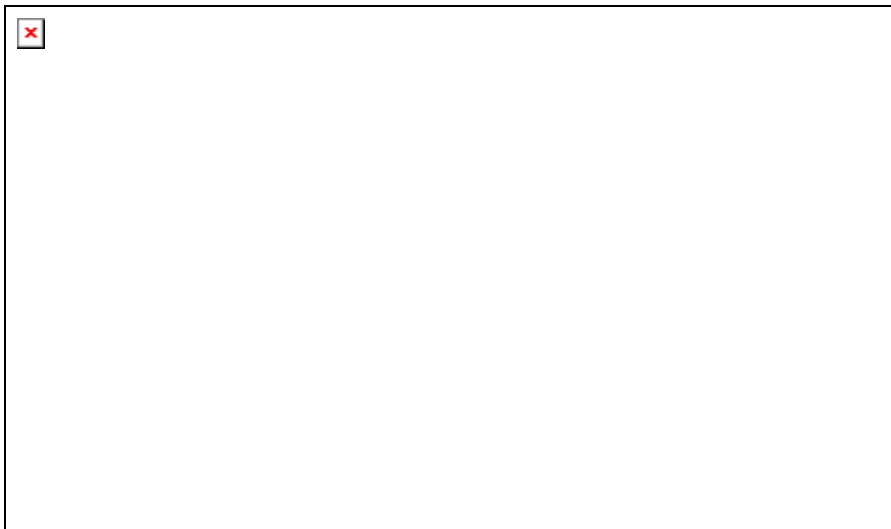


Manufacturing activities in Jersey mainly involve the production of beverages and food products, publishing and printing activities and, to a lesser extent, the manufacture of furniture, boats and of plastic, stone and metal products.

As indicated by Figure 8, employment in manufacturing in Jersey has been declining slowly for several years. The most recent decline in employment on an annual basis of almost 5% (Figure 9) comprised 10 fulltime and 90 part-time staff. The proportion of manufacturing employees who were not locally qualified (17.3%) was slightly above the average for all sectors (15.8%).

Construction and quarrying



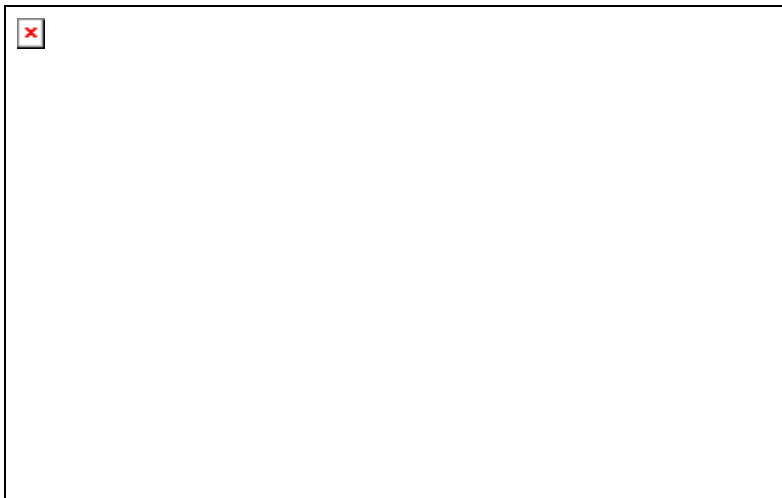


This sector experienced substantial growth in employment throughout 2001 and during the first half of 2002 (Figure 12). However, over the 12 months to December 2002 total employment in the sector declined by 50 (representing one per cent of the headcount), the first fall since December 2000.

At almost one in 9, the proportion of workers in the construction sector who were not locally qualified (11.8%) was lower than the average (15.8%) for all sectors, and was down on the proportion reported a year earlier (13.6%).

Electricity, gas and water





Overall employment in the utilities sector has been declining for almost 2 years, as indicated by Figure 14. The decrease of almost 7% in total employment over the 12 months to December 2002 (Figure 15) is due to reduction of 40 in the number of full-time staff.

The proportion of locally qualified staff was the third-highest of the 11 sectors (92% including “(j)” category employees).

Wholesale and retail trades



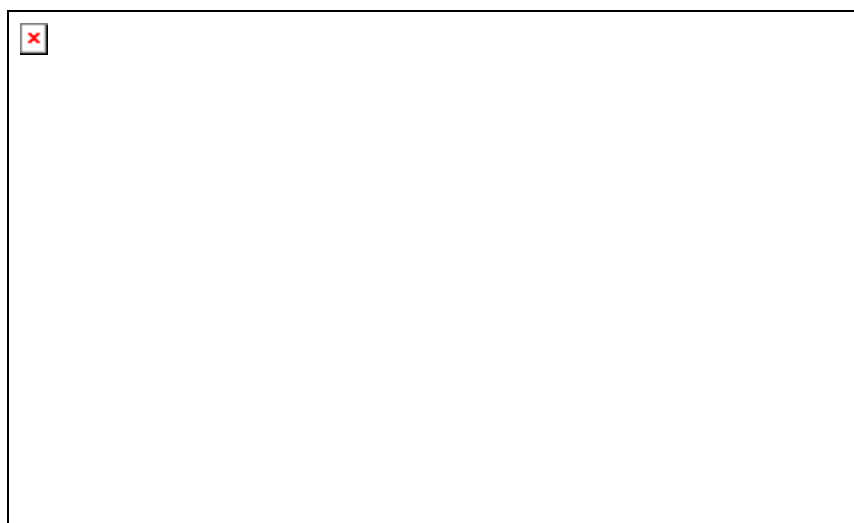


Seasonal factors tend to obscure the growth that occurred in this sector up to mid-1998 (Figure 17a); this growth is apparent in the trend shown by Figure 17b. Employment in the sector then underwent a continuous decline for more than 2 years (Figure 18), but since December 2000 has remained substantially constant (as indicated in Appendix 1). The seasonal pattern apparent in the past had disappeared by 2002.

The proportion of employees in the Wholesale and retail trades sector who were not locally qualified (14.3%) was slightly below the average for all sectors (15.8%). This proportion was a little higher than a year earlier (13.4%).

Hotels, restaurants and bars





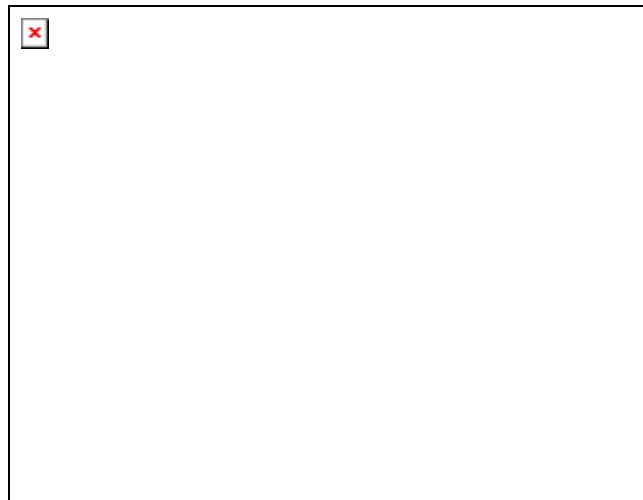
Hotels, restaurants and bars is the most seasonal of all sectors, with recent variations of some 2,000 staff between winter and summer months (Figure 20a).

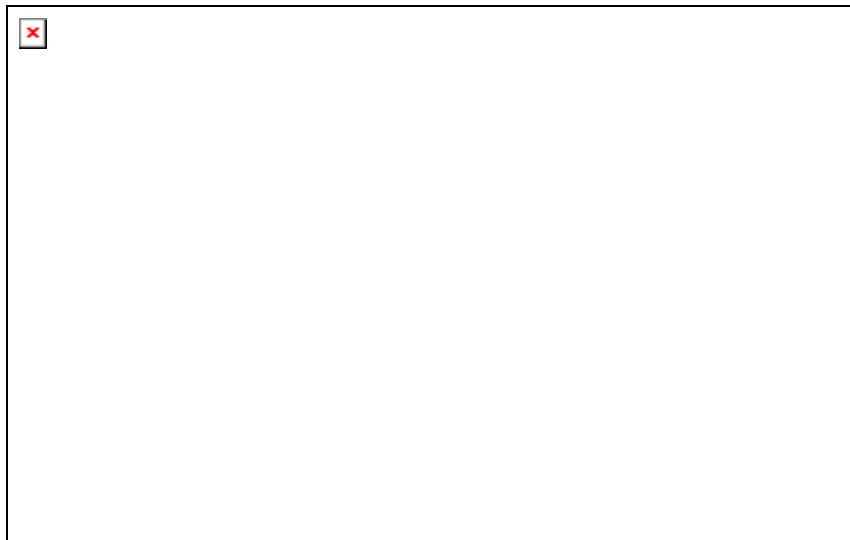
Figure 20b shows that the underlying decline in employment in the sector, apparent since late 1998, has continued, but at a slower rate; the fall in total employment of 0.7% between December 2001 and December 2002 represents an overall reduction of 30 staff.

This most recent reduction in total employment, on a twelve-month basis, is made up of an increase of 90 in full-time employment and a decrease of 120 in part-time employment. The increase in full-time employment within the sector occurred primarily in the areas of public houses, canteens and catering.

In December 2002, the sector had by far the highest proportion of non-qualified staff, at 41.9%, slightly higher than a year earlier (39.3%). The proportion of such staff was 52.3% in June 2002, the increased percentage in the summer months reflecting the temporary influx of an additional 1,230 non-locally qualified seasonal workers to the sector.

Transport, storage and communication

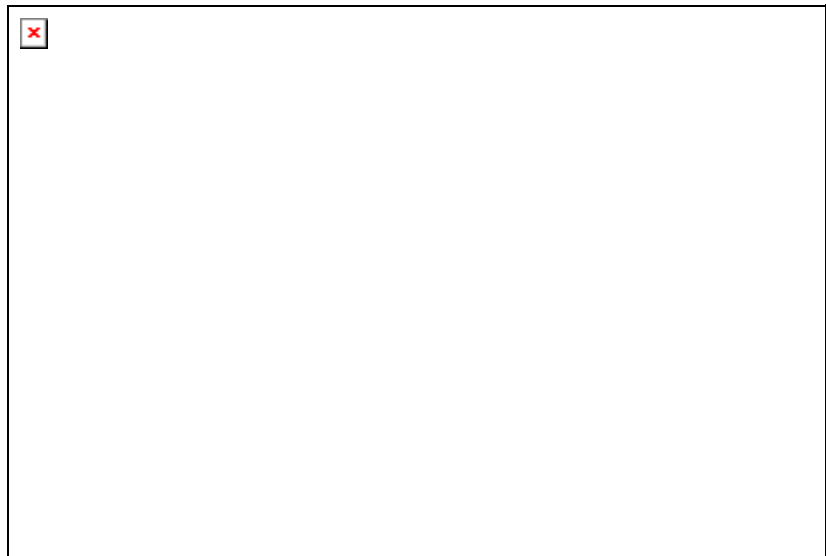
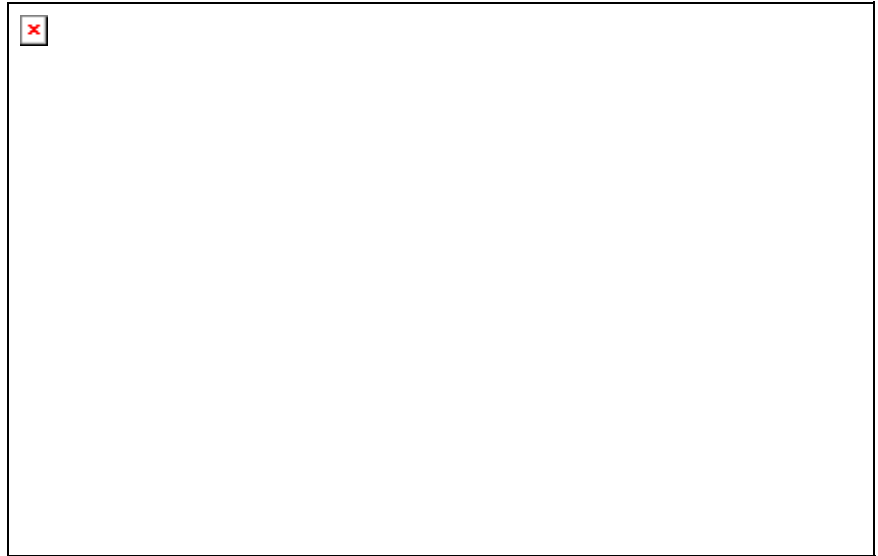
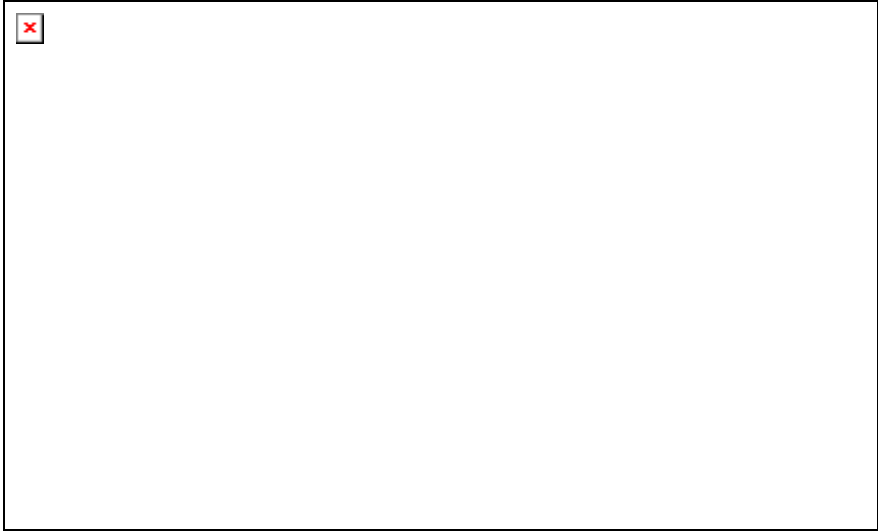




The figures shown for this sector include all the States Trading Committees: Airport, Harbours, Postal Administration and Jersey Telecom. The strong seasonal pattern apparent in Figure 23a reflects the importance of tourism to road, sea and air transport. The underlying trend (Figure 23b) is a slow decrease in total employment since late 1999; the most recently recorded 12-month decline was 3.2% (Figure 24).

The transport, storage and communication sector has the highest proportion of locally qualified staff (95.3% including “(j)” category). This proportion has not changed significantly from a year earlier.

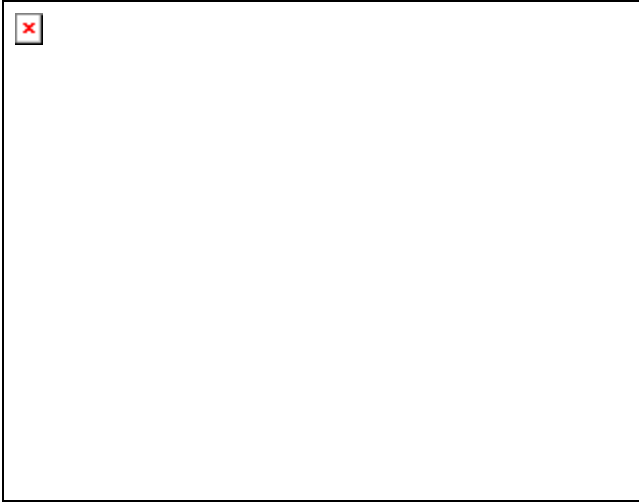
Computer and related activities

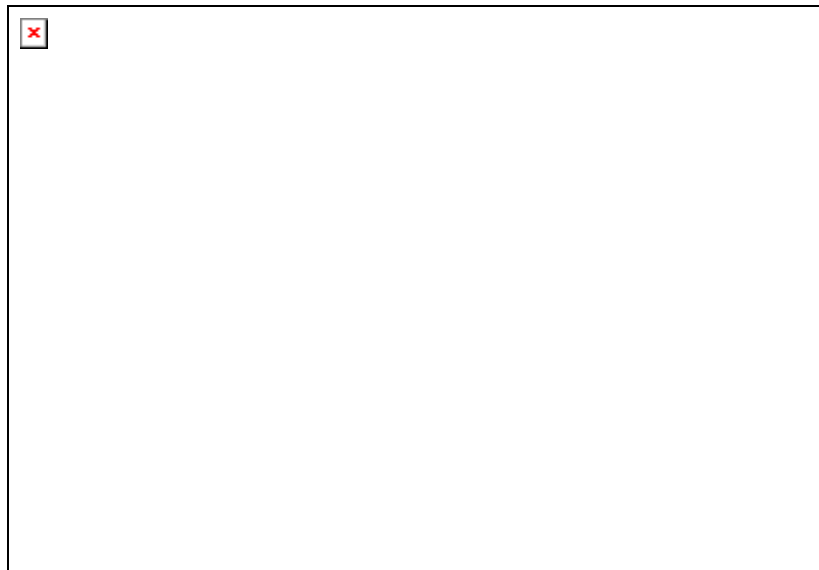


The rapid growth in the Computing sector, which occurred between 1996 and 2000 (Figures 26 and 27), appears to have ceased. As detailed in Appendix 1, the total number in employment in the sector has been essentially constant since mid-2000.

The proportion of locally qualified staff (93.4% including “(j)” category) is considerably above the average for all sectors, and second only to that of transport, storage and communication. It has fallen slightly from a year earlier (95.3%).

Financial and legal activities





There was rapid growth in the financial services sector until late 1998 (Figure 29), since when total employment in the sector has grown more slowly (Figure 30). The 12-month growth rate recorded for December 2002 was 0.5%, the smallest rate of increase for 3 years.

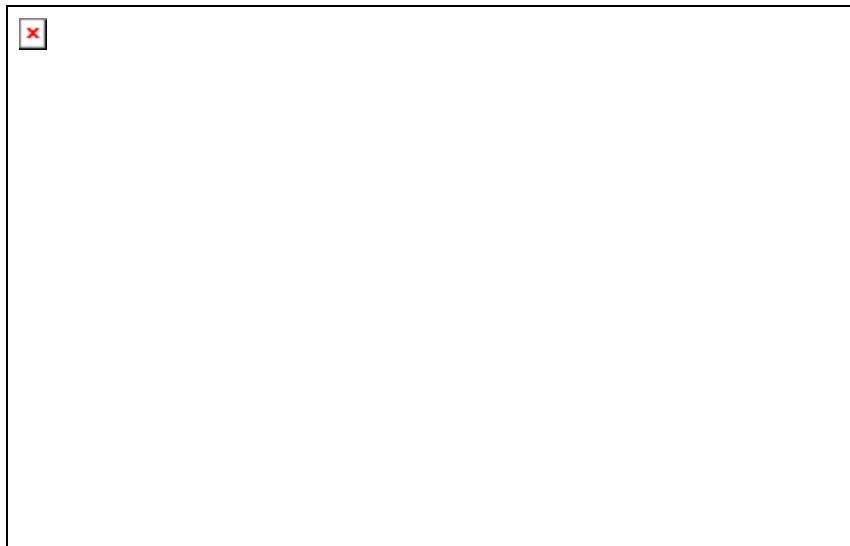
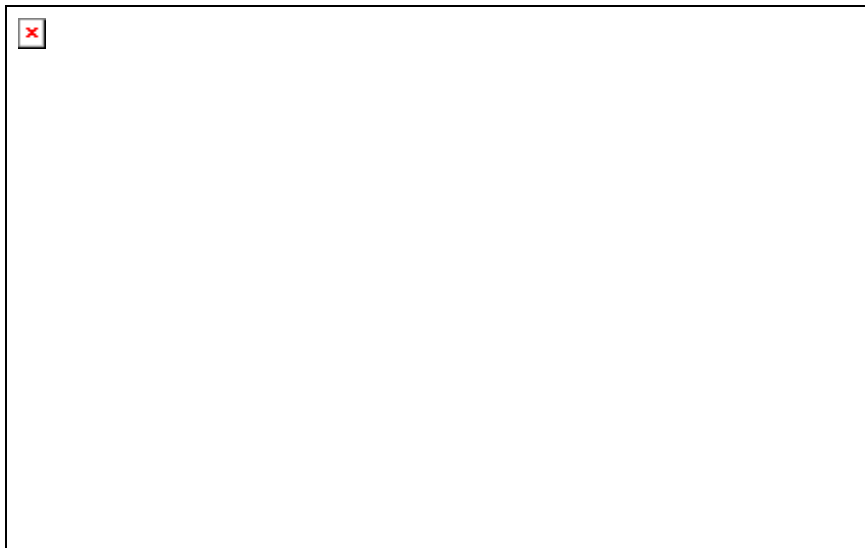
Although, as indicated earlier, the number of vacancies in the sector fell by 170 during the last 6 months of 2002 total employment in the sector remained constant over this period (Appendix 1). The subsectors which accounted for the overall reduction in vacancies (banking and legal institutions) also reported very small reductions in full-time employment (10 and 40, respectively) and in part-time employment (30 and 10, respectively). However, other areas of financial services recorded increases in employment, notably trust and company administration, which reported an increase of 110 in total employment.

The financial and legal activities sector accounted for more than a quarter (28.6%) of the total private sector headcount at December 2002.

The sector had the highest percentage of “(j)” category employees (2.9%) in the private sector, slightly higher than a year earlier (2.6%).

Miscellaneous business activities





This sector includes architecture, car-hire, estate agency, industrial cleaning, security services and a wide range of other activities, and has a very high proportion of part-time staff (47% in December 2002). The car-hire element

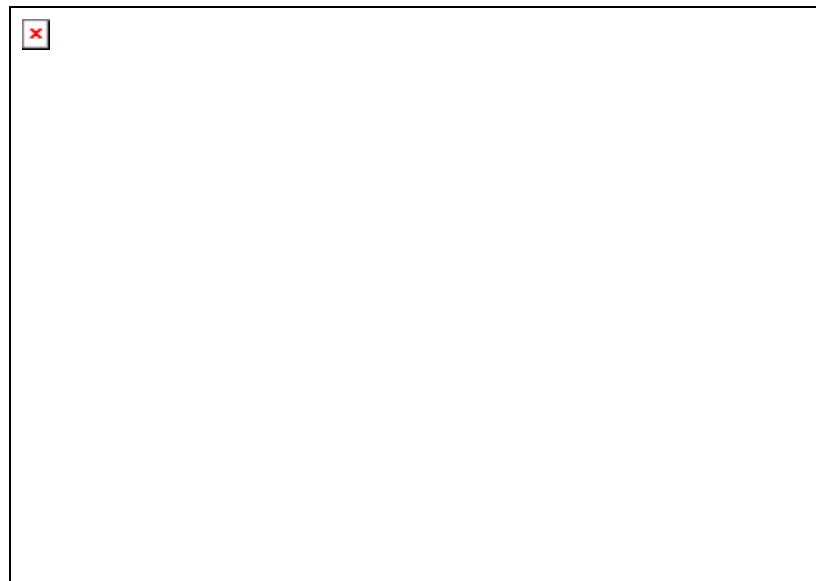
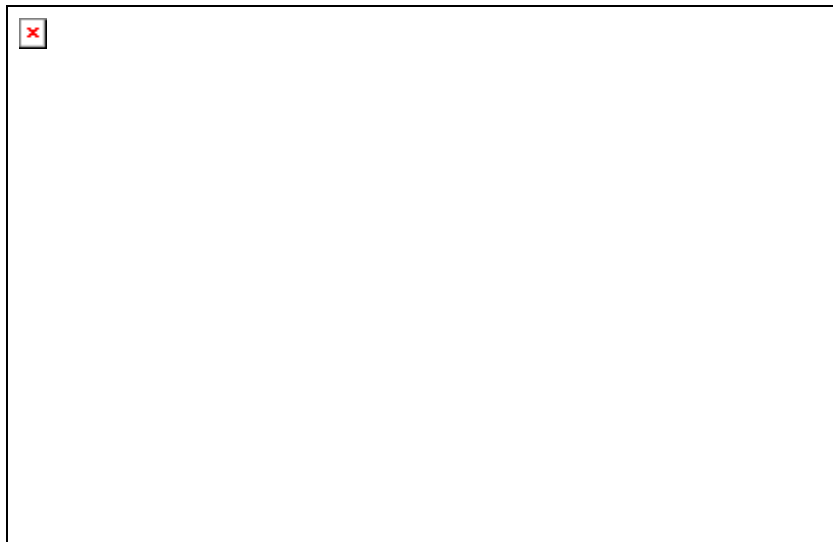
accounts for most of the seasonal pattern apparent in Figure 32a.

As Figure 33 indicates, the sector has experienced periods of growth and decline during the past 3 years. However, over the 12 months to December 2002 total employment in the sector increased by 160, an almost 7% increase – the largest for any sector over this timeframe.

Almost a fifth (19.5%) of all staff employed in this sector were not locally qualified. This is a small reduction from a year earlier when the proportion was 21.9%.

Education, health and other services





This sector comprises only the private sector activities in these fields: general practitioners, dentists, private schools and welfare organisations. The seasonal behaviour apparent in Figure 35a is due to sporting, recreational and entertainment activities.

The trend in employment over the past 3 years has been generally upward (Figure 35b), the latest 12 month growth rate in total employment of 0.7% following a decline of 1.1% observed for June 2002 (Figure 36).

The increase in headcount of 30 in the sector over the past 12 months arises from an increase of 100 in full-time employment and a decrease of 70 in part-time employment.

This sector is second only to financial and legal activities in the proportion of “(j)” category staff (2.1%), slightly higher than in December 2001 (1.9%).

Notes

1. The Manpower Survey encompasses almost 4,700 undertakings in Jersey, employing a total of over 44,000 staff (December 2002) including almost 8,000 part time staff (who may have more than one job).

Prior to December 2001, the Survey was conducted quarterly; from June 2002 the survey takes place at 6-monthly intervals. The Survey is analysed by the Statistics Unit of the Policy and Resources Department of the States of Jersey, on behalf of the Economic Development Committee.

2. The trend series shown in Figures 1b, 5b, 17b, 20b, 23b, 33b and 35b are calculated using a weighted moving average over 3 consecutive 6-month periods; the derived average is then assigned to the middle period.
3. The historic numbers presented in the appendices for sectoral employment show some minor differences from those presented in previous Manpower Survey reports; these arise from minor revisions to staffing levels reported by a small number of undertakings.
4. The definition of “locally qualified” as applied under the *Regulation of Undertakings and Development (Jersey) Law 1973, as amended* includes all persons in the following categories –
 - (i) residentially qualified persons falling within any of the Housing Regulations, excluding Regulation (l) and Regulation (m);
 - (ii) persons resident for the whole of the past consecutive 5 years;
 - (iii) the spouses of (i) or (ii) above;
 - (iv) the children under 18 years (or if students under 25 years) of those in (i), (ii) or (iii) above.

The analysis in this report further divides the locally qualified between “(j)” category and the remainder.

5. Further information about the Survey is available from the Statistics Unit, telephone 603423. Enquiries about the requirements of the Regulation of Undertakings and Development Law should be addressed to the Regulation of Undertakings and Development Office, telephone 603710.

*Statistics Unit
Policy and Resources Department
May 2003*



Note: Staff numbers and vacancies in the Appendices have been rounded independently to the nearest 10. Hence, components may not add to group totals.



Note: + means a non-zero number less than 5.



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