



01 August 2023

Ref:

BY EMAIL ONLY

Deputy Moz Scott
Chair
Economic and International Affairs Scrutiny Panel
Scrutiny Office
States Greffe
Morier House
St Helier
JE1 1DD

Dear Deputy Scott

Jersey Construction Industry

Thank you for your letter of 21 July.

As set out in our annual Business Plan, the Authority selects markets where a market study could potentially add value. Different markets are screened to determine those most relevant to Jersey at the time of review, with each being assessed against a range of criteria. This includes an assessment against the Authority's Prioritisation Principles.

Construction has previously been identified as a potential candidate market study, although it has not been selected for a formal market study. This is because a different market study, for example, Groceries, was seen as having a higher consumer impact. Another reason is the significant uncertainty in the construction sector, noted in your letter.

That said, Government Officers at the Department for the Economy are undertaking some initial work on the construction sector, with the support of external advisers. We are in early discussion with Government Officers regarding this workstream. Should there be a requirement to undertake further work to build on this work, such as, a market study, my Officers will develop an appropriate terms of reference. We will of course be happy to share the terms of reference with Government Officers and Scrutiny to help ensure it is appropriately targeted.

Our desire is to continue proactively with our market study programme; we have already completed studies into Freight Logistics, Alcohol Pricing and Promotions and School Uniforms, with a study into Groceries due to conclude in the Autumn.¹ All of our studies have seen significant engagement from stakeholders and overall have been well received.

¹ A summary of our market study programme, with links to the completed studies is available on our website at: <https://www.jcra.je/competition-and-regulation/market-studies/>

However, we have been informed that our Competition Grant (which has not increased since 2022), in principle, will not be increasing for 2024-2027. That said, for 2024 we have been advised that further consideration will be given to our request for an increase later this year should additional funds be available to the Economic Development department once its budget has been confirmed. We are currently planning our work programme for 2024 and will continue to discuss the funding issue with our Minister in the hope that additional funding will be secured to support competition and further market studies.

I am very happy to discuss this or any other matters at your convenience.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim Ringsdore', with a large, stylized flourish above the name.

Tim Ringsdore
Chief Executive Officer