

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY G.P. SOUTHERN OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY 27th FEBRUARY 2007

Question

On 6th December 2006 the Minister for Economic Development stated that “we have seen in the last few months reconciliation between the numbers of people on social security and Regulation of Undertakings licences.” Would the Chief Minister confirm that this reconciliation has been undertaken by the Statistics Unit and, if not, state why, and would he also indicate what progress, if any, has been made to co-ordinate approaches to data gathering between the Chief Minister’s Department, Social Security and Health and Social Services?

Answer

The comment from the Minister for Economic Development was made in the context of a debate on our ability to measure the working population so it is worth revisiting this point.

The Regulations of Undertakings and Development Law (RUDL) requires that all Private Sector companies (including one-person businesses) submit a return to the RUDL office stating their level of employment broken down by employment qualifications, full/part time, contract and seasonal workers every 6 months (this is often called the manpower survey, despite the fact it is a census). Put another way every 6 months a full employment census of the private sector is run in Jersey. The returns under "manpower survey" are then analysed by the Statistics Unit to produce the total private sector employment and sector breakdown. This private sector information is then supplemented by data on the public sector which is compiled by the Treasury, and the combined totals are published by the Statistics Unit every 6 months in the Labour Market Report.

As a result of these legal requirements, Jersey has a complete measure of employment every 6 months and indeed the level of data we have on employment far exceeds that of other comparable jurisdictions.

As for reconciliation between Employment and Department of Social Security data, the Statistics Unit has done some work on this, in order to obtain an insight into the make up of Jersey’s workforce by nationality^[1], which it published in the Labour Market Report in October last year. However, as it explained in its report there are some important differences between Social Security and Labour Market Report data.

Social Security data are contributions, that is the number of actual contributions paid in a given quarter. The number of contributions will differ from the number employed for a variety of reasons including:

- social security contributions are deducted from earnings and paid by the employer on behalf of the employee (for the majority of the workforce). This means that any person changing jobs in a quarter will be counted twice as a different contribution will be received on their behalf from two employers. To give a guide to the scale of this, around 10% of the finance sector’s workforce changed jobs within Jersey in 2005^[2]. Equally if two people are involved in a changeover of a position or contract post it will be counted as two; and
- the data on Social Security contributions represent the number of unique contributions paid over the entire quarter, whilst the employment data is a point in time estimate at either 30 June or 31 December each year.

As a result of these differences it is not possible to undertake a direct comparison of social security contributions and numbers in employment as the former will always be definitionally higher. However, on average the difference is around 10%, reflecting the turnover in the job market as described above and the robustness of both data sets for their specific purposes.

Over the past couple of years we have seen significant advances in close working co-operation between not only the Statistics Unit, Social Security and Health and Social Services, but all Government departments in the field of statistics. One only has to look at the comprehensive and wide ranging report produced last week on the Jersey Annual Social Survey to see how well departments are now working together to produce timely and accurate statistics in a very efficient way to the benefit of us all.

[1] Under the Social Security (Jersey) Law 1974 one of the pieces of information held against everyone's unique registration number is their nationality.

[2] Source: analysis from the Survey of Financial Institutions 2005, States of Jersey Statistics Unit.