

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY M.R. HIGGINS OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 2nd NOVEMBER 2010**

**Question**

Will the Minister publish his assessment of where and how the private sector in Jersey will take up the slack caused by the public sector job and service cuts he and the Council of Ministers have announced setting out the timescale he expects these new jobs and services to fill the gap created?

**Answer**

A significant proportion of the proposed CSR cost savings will be achieved without reductions in jobs, through increasing efficiencies and changing how services are delivered. For example, an independent review of staff terms and conditions has identified potential savings of between £35m and £42m, and the Council of Ministers has set an initial target of £14m to be delivered by 2013, including reform of the public sector pension scheme. Staff and unions will have the opportunity over the coming months to shape which of these savings options are implemented.

Inevitably however, there will be some job losses where roles are no longer needed. The latest estimates suggest there could be a reduction of 69 posts in 2011 and a further 177 in 2012/13. This is equivalent to less than 0.4% of total employment.

In reality, and in contrast to the UK, the impact of the CSR savings proposals on private sector providers and contractors is likely to be minimal; therefore the effect on jobs will be limited to the direct reduction in public sector employment. It is hoped that as many as possible of the reductions will be achieved through voluntary redundancies. Some will go into early retirement, while Skills Jersey will be working to ensure that the right training opportunities are available for those wishing to find alternative employment in the private sector. I am confident that implementing the CSR over 3 years will minimise the impact on the economy and ensure that the individuals affected have the greatest opportunity to gain other employment if they wish.

The economy is expected to emerge from the downturn which should mean that there are more employment opportunities in the private sector. Furthermore the Council of Ministers is maximizing opportunities to boost economic growth.

Adding to the additional good work carried out by Economic Development a significant increase in emphasis is being made to grow and diversify financial services internationally – a policy endorsed by the States, in addition to developing a new intellectual property / e-commerce sector.

These policies will create new jobs over the period of the CSR programme.