

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT  
BY DEPUTY G.P. SOUTHERN OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 15th MARCH 2011**

**Question**

Will the Minister state what progress, if any, the Economic Development Department is making in the development of an economic growth policy which is central to the Minister for Treasury and Resources strategy to cope with the recession and when he will be presenting the policy?

Will the Minister inform members what sectors of the economy this policy will focus on and where he expects to see growth?

Can the Minister point to any signs of growth already visible in the economy (jobs, retail, construction, house prices)?

**Answer**

The Economic Development Department is on course to meet the commitment made in Budget 2011 to publish a green paper on a new Economic Growth Strategy in the first half of this year. The Strategy will focus on a framework for growth across all sectors of the economy.

The Fiscal Policy Panel in their last published assessment of the economic outlook in Jersey in November last year stressed that their central expectation for growth was 0-2% this year. Since that report there have been further signs that the economy is on course to meet that forecast:

- Interest rates are now expected to rise earlier than expected which will ease some of the pressure on our banking sector.
- The December 2010 Business Tendency Survey shows that business activity and new business in the finance industry increased at a sharper rate than in the previous survey and optimism in the sector has continued to improve.
- The global economy is expected to grow again in 2011 and 2012 in excess of 4% p.a.
- The latest retail sales figures show that the volume of retail sales in the Island increased by 5% in 2010 Q4 on a year ago, for the second consecutive quarter and following seven consecutive quarters of no annual growth in sales volumes.
- While conditions in the labour market are weak and tend to lag behind economic activity the latest figures for employment are that in mid-2010 total employment was at the same level as a year earlier and has been flat since mid-2008.