

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 1st FEBRUARY 2011**

Question

Would the Minister accept that the latest Business Tendency Survey shows the lowest figures for a year across all sectors in both current employment and future employment categories?

Can the Minister point to any sectors where his departmental initiatives have successfully created sustainable jobs?

What further efforts, if any, will he make in the coming year to promote job creation in the marketplace?

Answer

The introduction by the Statistics Unit of the Business Tendency Survey last September provides a valuable tool in providing an insight to local businesses perceptions of the performance of the Jersey economy. It may however be more prudent to await the release of the December round of the Manpower Survey due in early April to obtain a more substantive picture of ACTUAL employment trends

Whilst I accept that the December Survey figures are mixed, I think it important to point out to the House, that the Deputy's contention that all sectors show the lowest figures for both employment and future employment indicators for the year is clearly not correct.

In particular the figures for the Finance sector indicate that business activity and optimism have continued to improve. Expectations about future employment in Finance have weakened however the 'Employment' indicator in December was at a similar level to the first 6 months of 2010, with 'Future Employment indicator, similar to the preceding rolling 4-quarter average. It is also worth pointing out that the 'Employment' indicator within the Wholesale & Retail sector in December, similarly does not comply with the Deputy's assertion.

My Department alone is not responsible for supporting employment in the Island and the Treasury Minister has - with agreement of the States - committed to use all the £158m in the Stabilisation Fund by the end of this year in supporting local businesses and employment. This will enable the States to run a deficit of £55m this year (following one of £101m last year) designed to support the local economy. In addition, a further £44m of additional discretionary fiscal stimulus over the two years has been targeted at giving further support to local businesses and has indeed led directly to employment through initiatives such as Enterprise Grants, Advance Plus and Advance to Work.

As the recently appointed Chair of the Skills Executive, I believe that the Skills Jersey Board and the three relevant Departments have made considerable strides in tackling the effects of the recent global economic downturn. As an example, I would draw the Deputy's attention to the fact that the Stimulus funded Advance to Work scheme ALONE has now **assisted over 123 local young people to find permanent employment**, across a multitude of sectors in the island.

The extra resources recently agreed by the Treasury Minister for the Social Security Department and Careers Jersey will help extend their existing Stimulus funded programmes until September 2011, further supporting local unemployed people of all ages & backgrounds to secure future employment. In addition, Jersey Enterprise records show that it created over 1500 potential new job opportunities amongst start-up and existing companies during 2010 and has invested extra Stimulus resources to ensure that as many of these as possible were subsequently filled

The Department and the Population Office have also used the Regulation of Undertakings Legislation at its disposal to review employment licences upon their renewal, leading to a net reduction of 411 non-locally qualified licences in 2010, with further applications for 265 additional non locally qualified staff refused in

the first 9 months of 2010.

The Population Office also enjoys a high level of co-operation with Social Security, referring employment vacancies to support unemployed persons back into work, and adding conditions to licences as appropriate in discussions with businesses to encourage businesses to take on apprentices and trainees, including persons on the Advance to Work and other supported employment schemes.

The best route to creating future employment opportunities for local people however, remains stimulating economic growth to provide the conditions whereby private sector employers expand their recruitment efforts. Work is already underway on developing a new Economic Growth Strategy which will ensure we can maximise employment opportunities going forward.