

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY T.M. PITMAN OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 29th JANUARY 2013**

**Question**

Can the Minister outline what the estimated total of monies channelled through Jersey by the financial industry was in 2012; how this has reduced since the onset of the global downturn of 2008; and what is the estimated total benefit to the Island in terms of both overall taxation and investment as of 2012?

**Answer**

It is not possible presently to provide a total estimate of 'monies channelled' through Jersey because of the wide range of financial services activity that takes place on the Island and the different ways in which it occurs, many of which cannot really be described as 'channelling'. However, some further work is being undertaken on this at the moment which will be reported to States Members in due course. For example, in banking the total value of (sterling and foreign currency) deposits in Jersey as published by the JFSC amounted to just under £150bn in the third quarter of 2012. This compares to the equivalent figure of just over £200bn at the end of 2008, although it must be remembered that trends are affected by exchange rate trends because they include foreign currency deposits. In addition, the net asset value of funds managed in Jersey was just under £190bn in the third quarter of 2012, compared with about £240bn at the end of 2008.

It is understood that Jersey Finance, at a recent industry update, gave their estimate of the benefit of the Finance industry to the Jersey economy through taxes and duties as £300million per annum. The latest estimate from the Economic Adviser's Department of the benefit, based on the 2010 year of assessment, is that it provides approximately 50% of the Taxes and Duties raised. This figure is currently being updated based on the latest available information.

In terms of the benefit of the Finance Industry to Jersey it is possible to consider this in terms of economic activity (GVA), employment and expenditure by finance businesses in the economy. Figures for 2012 are not yet available for some of these, so, making an estimate based on 2011 would suggest the following:

- Gross Value Added (GVA) of the Finance sector in 2011 was £1,493 million or 41% of total GVA that year
- Gross Value Added (GVA) of the Finance sector in 2008 was £1,716 million or 46% of total GVA that year

(Source: Jersey Economic Trends 2012 – Statistics Unit)

- Employment in the Finance sector in June 2012 was 12,590 staff, or 22% of the total number of people employed at that time
- Employment in the Finance sector in 2008 was 13,220 staff, or 23% of the total number of people employed at that time

(Source: Jersey Labour Market at June 2012 – Statistics Unit)

- Expenditure on Goods and Services by the Finance Sector in 2011 was £410 million
- Expenditure on Goods and Services by the Finance Sector in 2008 was £352 million

(Survey of Financial Institutions 2008 and 2011 – Statistics Unit)