

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 3rd FEBRUARY 2015**

Question

Following his response to a written question on 20th January 2015 (reference 8587) and subsequent oral questions, can the Minister account for the fact that 153 (17%) of the jobs created by inward investment were registered or licensed posts, a higher proportion than is the average across employment sectors?

Is the Minister yet in a position to provide figures for the tax paid by the 35 finance sector companies subject to the 10% rate referred to, and if not can he inform members when he will be able to do so, along with the sectoral income tax revenue generated by the 896 jobs created?

Will he also inform members what data he has for business and employment creation for Locate Jersey for the years 2012 -2014?

Answer

From the latest report on the Labour Market in June 2014; Registered posts accounted for 10% of total manpower (public + private) and licensed posts for 3%, giving a total of 13% for the two categories. For the private sector only, registered + licensed posts accounted for 14% of total manpower.

By its very nature inward investment often means that principals of companies and skilled experienced employees relocate to the Island – the ‘mind and management’ of the business. Within the period of the business license these companies recruit local staff and transfer their skills, knowledge and experience to the local market.

As stated in previous answers, my department is not privy to tax paid by individual businesses or persons. This is confidential information between the business and / or their employees and the Taxes Office. Inward investment activity, and the associated job creation, generates new tax revenue for Jersey. We will continue to support inward investment and will continue our relentless focus on the creation of jobs and employment.

For the period 2012 – 2014 (inclusive), 115 new licences were approved, of which 100 have, or are likely to, commence trading, creating 1052 potential job opportunities of which 90% were for entitled posts. As three year licences are generally granted by the Population Office to businesses, these job opportunities will be converted into jobs in the period 2012 – 2016. Of these new licences, 33% of the licenced businesses had not yet commenced by, or were approved after, June 2014 (the most recent complete information). Now that we have access to the manpower returns we will assess the employment impact of inward investment businesses and will publish on an annual basis.

I reiterate that I would be pleased to arrange for the Deputy to visit the Department so we can discuss with him the nature of our work and the benefits of inward investment to Jersey. Furthermore, I am aware of at least one inward investment business offering to meet with the Deputy to confirm their personal and business tax situation, the number of employees engaged and the benefits to Jersey of inward investment.