

**WRITTEN QUESTION TO THE
MINISTER FOR ECONOMIC DEVELOPMENT, TOURISM, SPORT AND CULTURE
BY DEPUTY R.J. WARD OF ST. HELIER
QUESTION SUBMITTED ON MONDAY 12th APRIL 2021
ANSWER TO BE TABLED ON MONDAY 19th APRIL 2021**

Question

What parameters in respect of economic growth are being used to plan for future need or recovery in sectors of the economy supported by the Government Co-Funded Payroll Scheme; and what is the range of recovery level predicted for these sectors in the next year and 2 years beyond that?

Answer

A new Economic Framework for Jersey is being produced in 2021. Broadly, and in the context of post-pandemic recovery for the medium-long term, it seeks to provide a clear overview of Jersey's economic ecosystem, identify threats, constraints and opportunities, and determine how sectors might best evolve through the design and delivery of initiatives to improve productivity, support a sustainable and vibrant economy, and to provide a skilled workforce for the future.

There are some predictions already in place that suggest that some of sectors supported by the Government Co-Funded Payroll Scheme will not recover to 2019 levels until 2023. Ultimately the answer is the future is hard to predict, but Government is working to develop a range of sector strategies and frameworks this year to determine what Govt. should do to support the sectors of the economy, many of which have bespoke needs. Trade-offs will also need to be found to chart an optimum path through carbon neutrality, living wage, population considerations, skills development & productivity improvements.

Economic measures deployed to date in response to the COVID-19 pandemic have been exceptional responses to a unique shock to the economy. Over the course of 2021 and beyond these will need to revert to more conventional fiscal measures to mitigate the impacts of a recession once the immediate shock of Covid-19 public health measures recedes.

A range of possible schemes are being considered to encourage the Island's economic recovery, including a focus on skills, back-to-work initiatives & investment incentives. Policy in these areas will take further time to develop.