



## Jersey Economic Digest 2008

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## Summary

The latest edition of the Jersey Economic Digest brings together a wide range of statistics relating to the Island's economy which have been published by the States of Jersey Statistics Unit in 2008.

Section 1 looks at measures of the size of the economy: Gross National Income (GNI), Gross Value Added (GVA) and Gross Value Added per employee. These measures are presented in terms of the economy as a whole and also at a sectoral level. Since the Finance sector accounts for more than half of all economic activity in Jersey, Finance sector profits are also considered separately in further detail.

Section 2 provides information on Jersey employment, including employment by sector, seasonality patterns and unemployment.

Section 3 covers prices and earnings. Trends in the Retail Prices Index, House Price Index and the Index of Average Earnings are reported, as well as cross-analysis of all three indices.

Whilst the focus of the Digest is the Jersey economy, the economic situation in Jersey is compared with that of other countries and jurisdictions (such as the UK) where appropriate. This edition presents annual data up to 2007 and quarterly series up to the third quarter of 2008.

Key recent developments in the Jersey economy include:

- In 2007 Jersey's GVA increased by 7%, similar to the real-term increase seen for 2006 and greater than that seen in previous years;
- the profits of the Finance sector rose to about £1.5 billion in 2007, representing a real-term increase of 12% on 2006;
- in June 2008, a total of 56,630 people were employed in Jersey, about 1,520 higher (3%) than a year previously;
- the latest annual change was made up of a net increase of 1,520 in the private sector and essentially no change in the public sector;
- in September 2008, the headline rate of inflation, as measured by the Retail Prices Index, RPI, stood at 6.4% with the introduction of a Goods and Services tax (GST) in May 2008 accounting for 1.9 percentage points of this increase;
- in the twelve months to September 2008: the RPI(X) which excludes house purchase costs rose by 6.7%; and the RPI(Y) which excludes house purchase costs and indirect taxes (such as GST and impôts) increased by 4.9%;
- over the twelve months to June 2008, average earnings in Jersey grew at an annual rate of 4.3%;

- the average price of dwellings sold in Jersey in the third quarter of 2008 was about a fifth (21%) higher than the average in Q3 2007; however, the annual rate of increase has slowed compared to the previous two quarters and the average turnover of properties was about a third lower than the long-term average;
- overall, the average annual growth rate in house prices since 1990 (7.7%) is greater than that of earnings (5.2%) and retail prices (4.2%) over the same period.

## Section 1: Economy

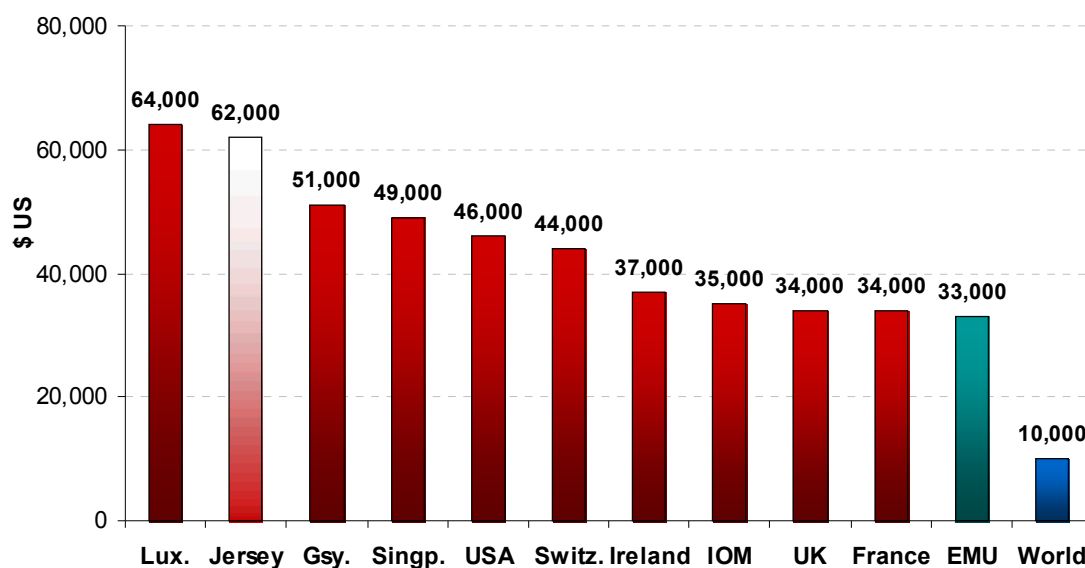
### Overview

The concept of Gross Value Added (GVA) provides an appropriate measure of economic activity in Jersey. In essence, GVA is the sum of profits of businesses and earnings of employees. In 2007 total GVA for Jersey was £4.1 billion.

Economic activity can also be considered in terms of the total income of resident businesses and individuals. This aggregate measure is known as Gross National Income (GNI) and is derived from total GVA by subtracting income earned in Jersey by non-Jersey owned businesses and adding income earned overseas by Jersey businesses and resident individuals. In 2007 Jersey's GNI was £3.7 billion.

In recent years Jersey's GNI per capita has been amongst the highest in the world<sup>1</sup>, and is shown for 2007 in Figure 1.1 in terms of \$US for comparative purposes.

**Figure 1.1: Jersey GNI per capita in 2007 (PPP \$US)<sup>2</sup>**



<sup>1</sup> Source: World Bank, calculated using OECD purchasing power parity (PPP) for £ sterling. Since 2004 the States of Jersey Statistics Unit have compiled key macro-economic estimates such as GVA and GNI in accordance with SNA and ESA guidelines and have produced these series back to 1998.

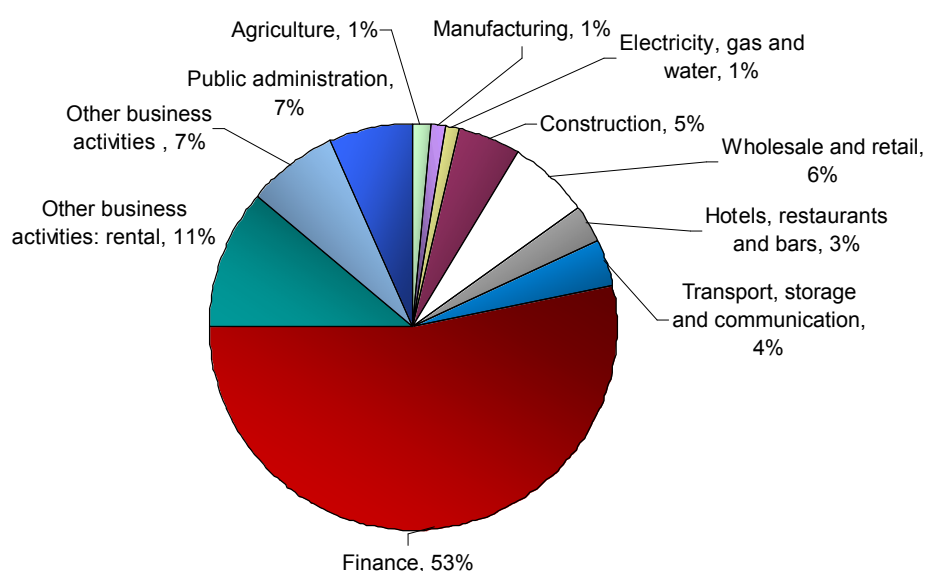
<sup>2</sup> The GNI per capita figure for Guernsey in 2007 is based on an experimental methodology, Guernsey Facts and Figures 2008.

## Development of the Jersey economy

The economy of Jersey has seen a great deal of change during the past few decades as markets have become more international and global travel has increased. This has meant that traditional Jersey industries such as agriculture and tourism are having to operate in an increasingly more competitive environment and are no longer the dominant industries in Jersey.

This development of the international nature of business enabled the single-most dramatic change to the Jersey economy to take place: over the past 20 to 30 years the Financial services sector (banking, trust and company administration, fund management, accountancy and legal activities) has grown such that it now accounts for more than half of the total economic activity in Jersey (Figure 1.2) and employs about a quarter of the workforce.

**Figure 1.2: Gross Value Added by sector<sup>3</sup>, 2007**



Total Gross Value Added £4.1 billion

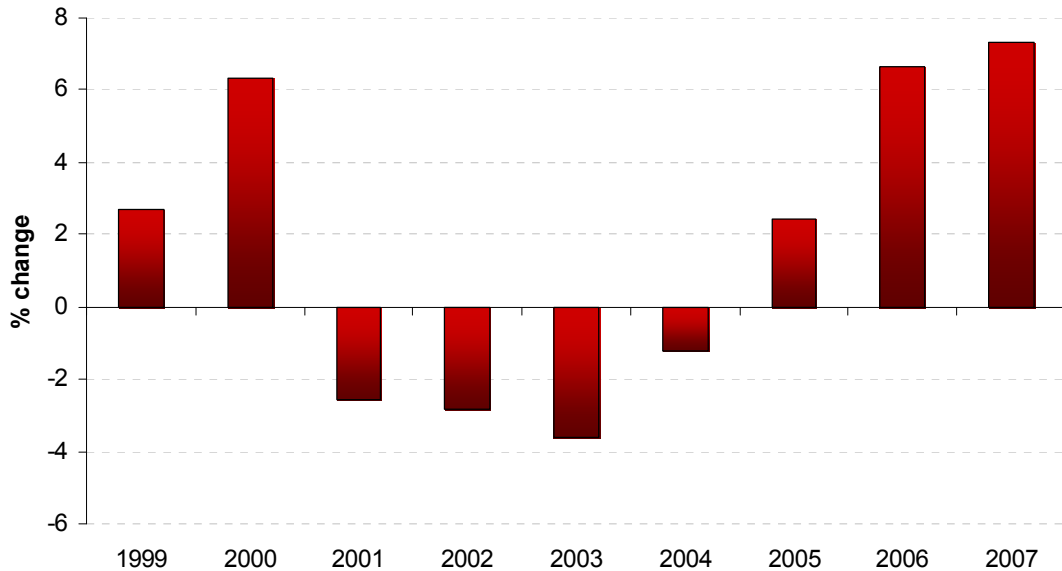
Reliable data on the size and sectoral distribution of the Jersey economy only exist from 1998 onwards, with the latest data being for 2007<sup>4</sup>. As such, it is difficult to track historic developments in the economy in detail; nevertheless it is possible to examine more recent changes for individual sectors and for the economy as a whole.

<sup>3</sup> The "Other business activities" sector is made up of a range of services and activities (e.g. architects, cleaning services, advertising etc.) and includes rental income and imputed rent for owner occupiers. In 2007 the business activities accounted for 7% of Jersey's total GVA and rental income for 11%. Throughout this report the value of the whole sector is included in total GVA; however, when comparing the performance of individual sectors, the rental element is either shown separately or else is excluded.

<sup>4</sup> Jersey Gross Value Added (GVA) and Gross National Income (GNI) 2007: Statistics Unit, October 2008.

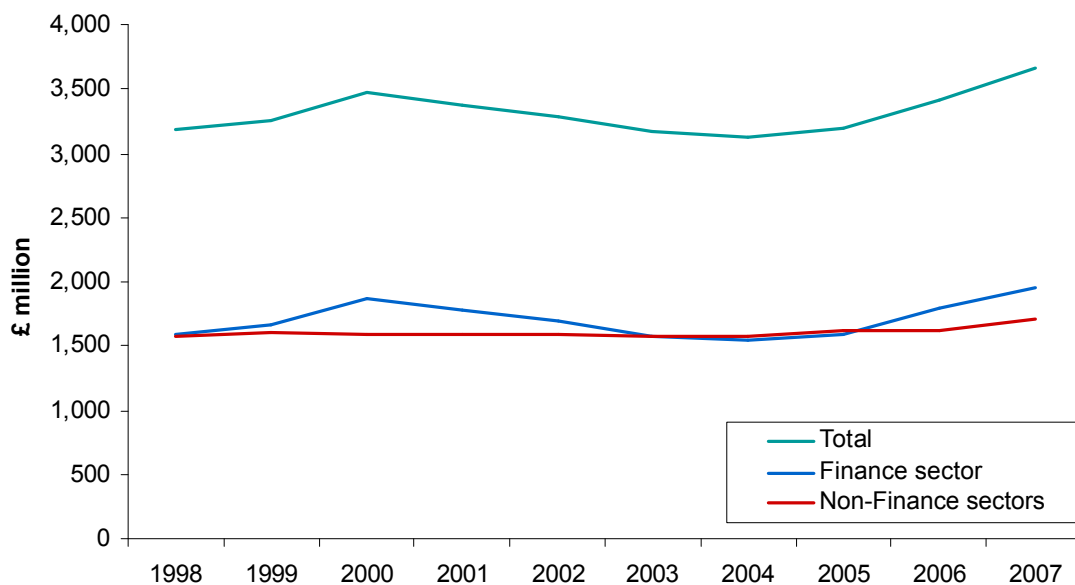
Figure 1.3 shows the annual percentage change of GVA in real terms between 1999 and 2007. In 2007 Jersey's GVA increased by 7%, similar to the real-term increase seen for 2006 and higher than that seen in previous years.

**Figure 1.3: Annual percentage change in Gross Value Added (real terms)**



Historically, there has been a strong relationship between the finance industry and the overall Jersey economy, as illustrated in Figure 1.4.

**Figure 1.4: Gross Value Added in real terms: constant (2003) prices**



Between 1998 and 2000 the GVA of the finance industry grew by 17% in real terms and this was reflected in the overall GVA for Jersey, which increased by 9% over the same period. When the GVA of the finance sector fell by 17% between 2000 and 2004, total GVA correspondingly fell by 10%. In contrast,

over the whole period, 1998 to 2004, the non-finance half of the economy remained relatively constant in real terms.

The increase in overall GVA seen in 2007 (up 7%) was due to growth in both the Finance and non-finance sectors, up 9% and 6%, respectively. This is in contrast to 2006 which saw a similar overall growth rate, of 7%, but was comprised of a 14% growth in the Finance sector whilst the non-finance sectors remained essentially flat overall.

A further element impacting strongly on the Jersey economy, but not directly apparent in Figures 1.3 and 1.4, is the performance of global financial markets. This point is important because of the interrelation of financial markets. Although the finance industries in Guernsey and the Isle of Man are structurally different to Jersey's, and are only approximately one-third the size, it is informative to look at the relative performances. The finance sector in Guernsey saw small real growth of almost 2% in 2007, whilst the real-term growth of the Isle of Man's finance sector was about 4% over the twelve months to March 2007.

### Economic sectors

Whilst the performance of the whole Jersey economy has mirrored that of the Finance sector during the past nine years, there have been differences in the performance of other individual sectors as measured by GVA (see Table 1.1 and Annex Tables A1a and A1b).

**Table 1.1: GVA by sector in real terms: constant (2003) values**

Sector	GVA in 2003 values, £ million					Percentage change		
	1998	2000	2005	2006	2007	1998-2000	2000-2007	2006-2007
Agriculture	56	53	44	46	48	-6	-10	4
Manufacturing	74	73	53	50	47	-1	-35	-5
Electricity, gas, water	40	41	35	33	33	1	-20	-3
Construction	156	162	168	177	190	4	18	8
Wholesale & retail	224	220	216	220	232	-2	6	6
Hotels, restaurants, bars	130	121	106	107	107	-6	-12	0
Transport & communications	138	136	138	138	141	-1	3	2
Financial intermediation	1,598	1,873	1,585	1,799	1,952	17	4	9
Other business activities	557	565	630	609	669	1	18	10
of which rental	357	355	361	363	403	5	27	11
of which business activities	200	210	269	246	266	-1	13	8
Public administration	193	211	230	237	247	9	17	5
<b>Total GVA</b>	<b>3,168</b>	<b>3,455</b>	<b>3,205</b>	<b>3,416</b>	<b>3,666</b>	<b>9</b>	<b>6</b>	<b>7</b>

*Sectoral GVA figures have been rounded to the nearest £ million.*



## Long-term trends

Over the entire period from 1998 to 2007, one of the most notable changes in real-term GVA has been the growth in “Other business activities”. The business activities component of this sector has grown by about a third (33%) in real terms, from around £200 million in 1998 to £266 million in 2007.

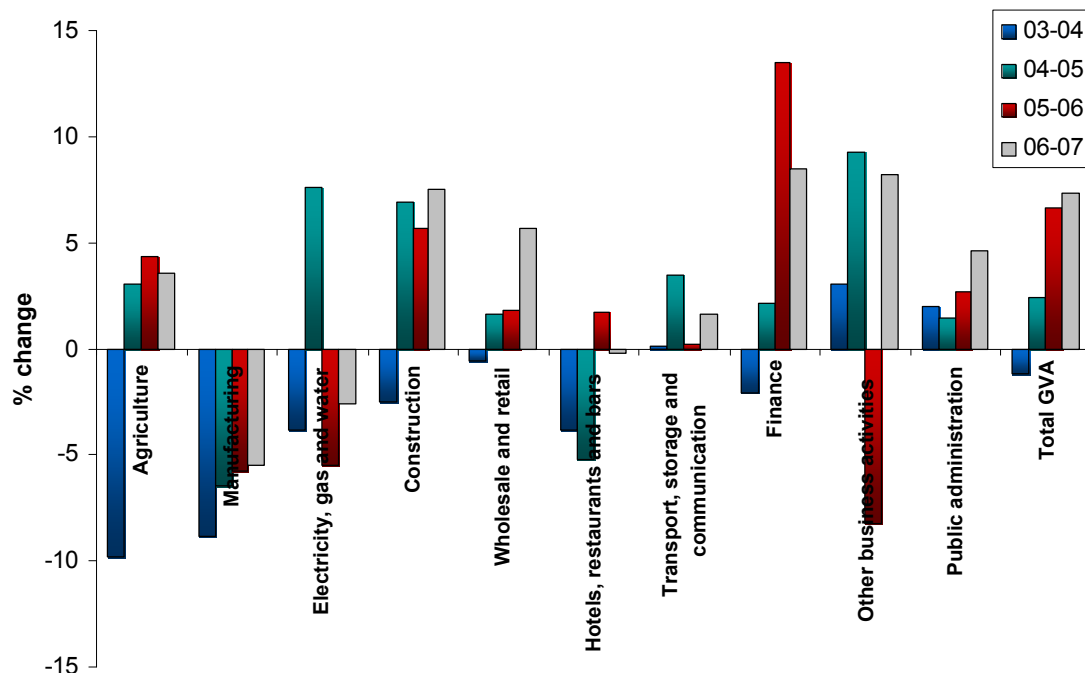
Other significant longer term changes include the general decline in the Agriculture sector, decreasing by about 15% over the nine-year period. Manufacturing has also seen year-on-year falls, although restructuring and reclassification of activities have been important factors for this sector, which in 2007 was about a third smaller, in real terms, than in 1998.

Electricity, gas and water and Hotels, restaurants and bars saw real-term falls of about a fifth from 1998 to 2007. In contrast, Public administration and Construction both experienced real-term growth over the nine-year period (28% and 22%, respectively). Although the Finance sector has experienced conflicting fortunes between 1998 and 2007, overall it grew by about 22% in real terms over the period.

## More recent trends

To understand the current state of Jersey’s economy it is best to focus on the most recent years. Figure 1.5 shows the change in real-term GVA by sector for each of the past four years.

**Figure 1.5: Real-term % change in GVA for consecutive years, 2003-2007**



The Finance sector experienced real-term growth between 2006 and 2007 (up 9%) as did Other business activities (up 10%), whilst Construction grew by 8% over the same period. Wholesale and retail, Public administration and Agriculture each saw real-term growth of around 5% in 2007.

In contrast, Manufacturing recorded a decline in real-term GVA of 5% between 2006 and 2007 and Electricity, gas and water decreased by 3% over the same period.

Whilst GVA, which is the sum of company gross operating surplus (profits) and compensation of employees (wages, pensions, etc.), is a good measure of the overall performance of an economy, some care is needed in interpreting changes for certain sectors. For example, between 1998 and 2007 the real-term GVA of the Electricity, gas and water sector fell by about a fifth; this fall coincided with a period of significantly reduced employment in the sector, resulting in the compensation of employees component of GVA falling in real terms. However, as described below, real-term GVA per employee in this sector was about the same in both 1998 and 2007.

Similarly, by convention, the GVA of the Public sector is determined as only the compensation of its employees; the Public sector is defined to consume all of its own output. Thus the 28% growth between 1998 and 2007 in the GVA of the Public sector reflects increased employment in the sector and the extent to which wage settlements have been above RPI(X), the measure used to deflate current value GVA to real terms. These two employment factors are also pertinent for other sectors, but with the additional factor of changes in company profits.

### **Gross Value Added per employee**

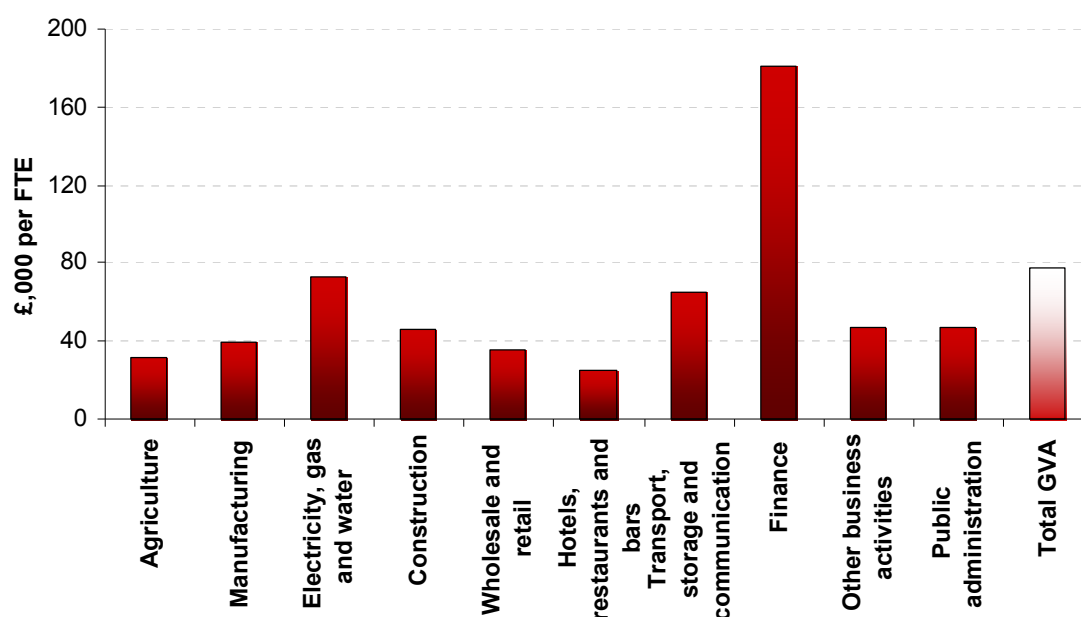
Another way of assessing the contribution which sectors make to the overall economy is to look at GVA per employee, derived by dividing GVA by the number of full-time equivalent<sup>5</sup> (FTE) employees. GVA per employee is not quite an absolute measure of productivity, as it excludes capital, but it can be viewed as a proxy since it does show the value of economic output produced per employee.

Furthermore, it is worth pointing out that GVA per employee is conceptually different to GNI per capita. The latter is a measure of the total value of economic activity of Jersey-owned businesses and resident individuals divided by the total Island population and as such is a smaller number than GVA per employee (which measures economic output of those who are actually employed).

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<sup>5</sup> The number of full-time equivalent employees is calculated by assigning a full-time employee a weight of 1 and a part-time employee a weight of 0.5.

**Figure 1.6: GVA per full-time equivalent employee in 2007 (current values)**



Averaged over all sectors (and excluding the rental component of Other business activities), GVA per employee in 2007 in current year values was about £78,000 per FTE (Figure 1.6). However, the mean for the Finance sector was more than four times that of all the other sectors, about £181,000 per FTE for the Finance sector, compared with around £42,000 for the other sectors.

The lowest values of GVA per employee were seen in the Hotels, restaurants and bars (£25,000 per FTE), Agriculture (£31,000 per FTE) and Wholesale and retail sectors (£35,000 per FTE).

The longer term trend in real-term GVA per employee for the finance and the non-finance sectors is shown in Figure 1.7, with the underlying data in Annex Table A2. The most dramatic changes have occurred in the Finance sector: GVA per employee in this sector grew from £152,000 (in 2003 values) in 1998 to a real-term peak of £170,000 in 2000, before falling in each subsequent year up until 2003, to a value of about £140,000 per FTE. GVA per FTE for the sector then increased in each year from 2003 to date, and stood at £162,000 per FTE (in 2003 values) in 2007.

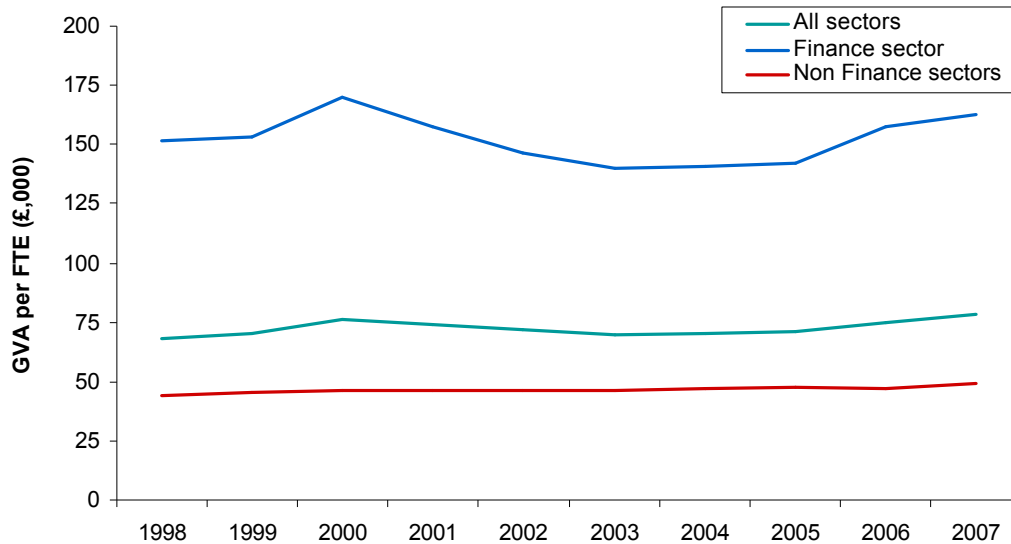
Over the whole period 1998 to 2007 the sector experienced a real-term increase in GVA per employee of around 7%; more recently the sector saw real-term growth in GVA per FTE of about 3% from 2006 to 2007.

Over the past nine years, the best performing sectors in terms of real-term growth in GVA per FTE have been Construction (22%) and Other business activities (11%). In contrast, Agriculture fell in terms of GVA per FTE (by 4%) with Electricity, gas and water and Hotels, restaurants and bars remaining essentially stable from 1998 to 2007.

In the latest year, 2007, the largest real-term growth (as measured by GVA per FTE) was seen in the Construction sector (8%) and Wholesale and retail

(6%), whereas Manufacturing, Hotels, restaurants and bars and Electricity, gas and water each saw real-term declines.

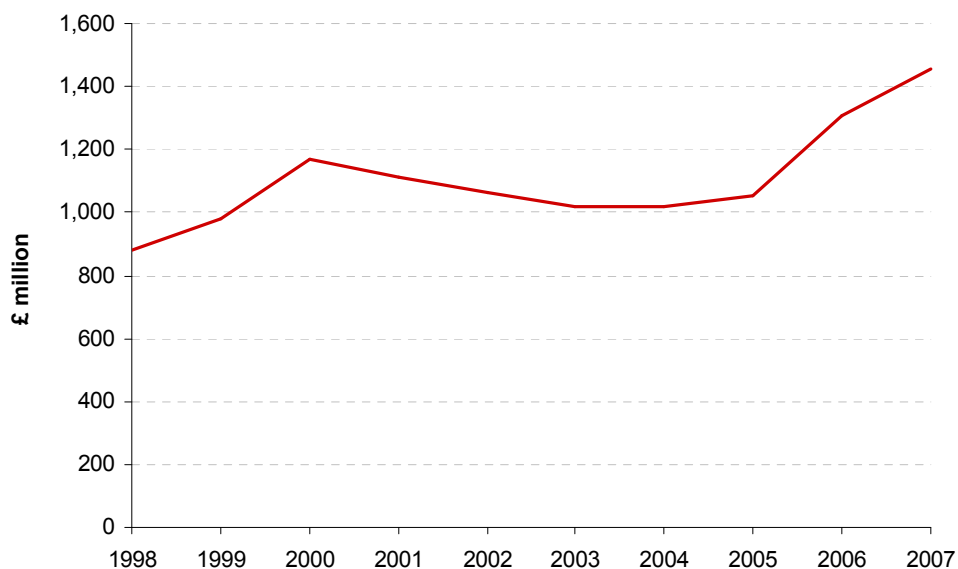
**Figure 1.7: GVA per FTE in constant (2003) values**



### Finance sector profits

As noted previously, the performance of the overall Jersey economy during the past few years has reflected that of the Finance sector. The estimated total annual profit of Jersey's financial services sector in 2007 was £1,460 million, representing a nominal increase of 12% on 2006. This latest increase constitutes the third consecutive annual rise in total profit; 2005 had seen the first rise in total profit for five years and was followed by a large increase (of 25%) in 2006 (see Figure 1.8). Previously, a peak in 2000 was followed by three years of falls of around 4 to 5% per annum before a relative stabilisation in 2004.

**Figure 1.8: Total Net Profit in the Finance Sector in current year values**



In terms of the various sub-sectors within Jersey's Finance industry, between 2006 and 2007 the total profits recorded by banks rose by 13% and by 17% for accountancy firms. Trust and company administrators (including legal firms) also saw profits increase, to £142 million (up 16%). In contrast, profits for fund managers fell by 9% in 2007, following a large increase (of 35%) in 2006.

## **Section 2: Employment**

### **Overview**

In relative terms, employment levels in Jersey are high. At the time of the last Jersey census in 2001, 82% of people of working age in Jersey were economically active (i.e. in work or looking for work) compared to 78% in the UK. The same differential of 4 percentage points applied to both sexes: the economic activity rates of men and women were 87% and 76% respectively in Jersey, compared to 83% and 72% in the UK. These activity rates resulted in there being an average of 1.24 full-time equivalent employees per household in Jersey compared to 0.96 in the UK<sup>6</sup>.

The 2008 round of the Jersey Annual Social Survey recorded an overall economic activity rate for adults in Jersey in the summer of 2008 of 85% (comprising rates of 89% and 81% for men and women, respectively). These increased rates compared with 2001 are consistent with the rise in total employment in Jersey recorded during 2008. The economic activity rate in the UK for the three month period June to August 2008 was 79% (comprising rates of 84% for men and 74% for women).

In June 2008, a total of 56,630 people were employed in Jersey, an increase of about 1,520 on June 2007 and representing the highest annual increase for ten years. Of the 56,630 employed in June 2008, 49,900 (88%) were in the private sector and 6,730 (12%) were in the public sector.

The latest annual change was made up of a net increase of 1,520 in the private sector and essentially no change in the public sector. Total and private sector employment in Jersey was substantially constant between 1999 and December 2002 but decreased during 2003 and 2004. Since 2005, however, total employment has seen an ongoing increase with June 2008 representing the highest June figure for at least a decade.

On a full-time equivalent (FTE) basis, total employment was 46,910 in June 2008. Data on an FTE basis are presented in Annex Table A3a.

### **Seasonality in employment**

As Figure 2.1 illustrates, there is a fair degree of seasonality in the Jersey labour market, with around 3,500 more people employed in the summer of 2008 than in the winter of 2007. Such seasonal variation is largely a result of agriculture and tourism: the Hotels, restaurants and bars sector employed about 1,550 more people in June 2008 than in December 2007 with Agriculture around 760 more. Some other sectors also display some seasonal variation, driven by tourism, but generally less marked.

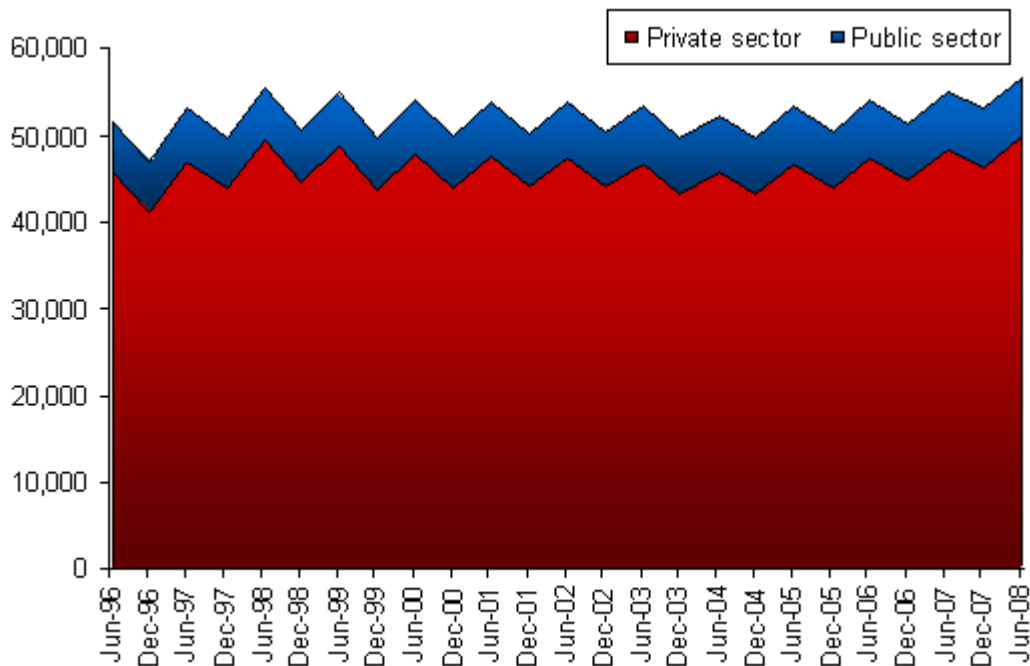
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<sup>6</sup> Jersey data are from the 2001 Census; UK data from UK Social Trends no. 32 (2002 edition) and the Labour Force Survey, 2008.

The extent of the seasonal variation in employment has lessened in recent years as the Agriculture and Hotels, restaurants and bars sectors have seen real-term economic decline (as discussed in Section 1). In 1996 the total difference between summer and winter levels approached 5,000, including a difference of some 3,000 in Hotels, restaurants and bars alone.

Over the past three years there has been some evidence of reverse seasonality in the Wholesale and retail sector, with higher employment in December than in June of each year; since 2004 around 150 to 250 more people have been employed in the sector in each December. This change is largely due to the growth of the fulfilment sub-sector of retail, the business peak for which is in the run-up to Christmas. In analysing trends between the predominantly seasonal and non-seasonal sectors, such reverse seasonality tends to offset the more traditional form of seasonality seen in other sectors.

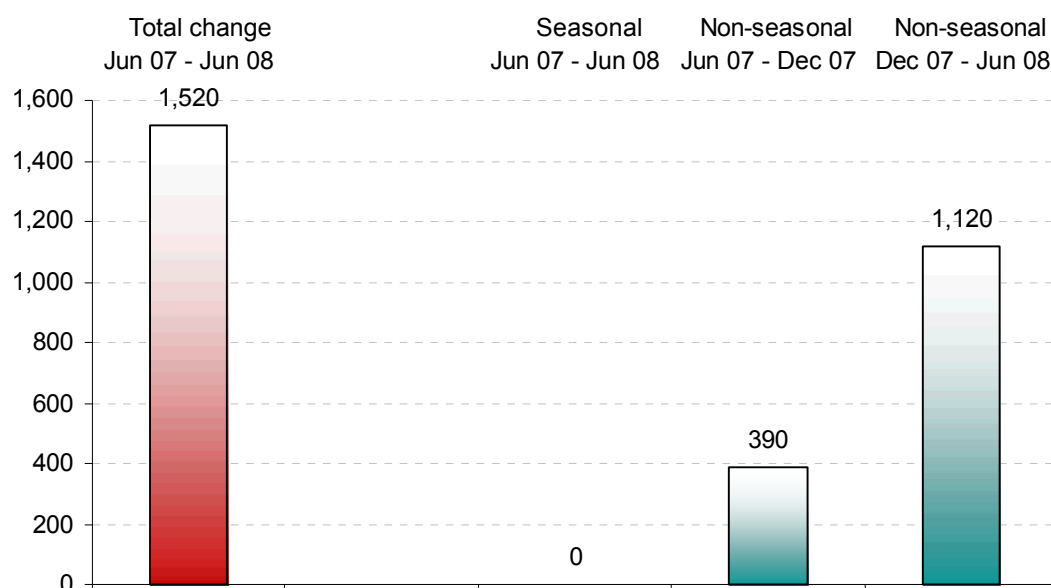
**Figure 2.1: Number of people in employment**



As described above, total employment grew by 1,520 in the year to June 2008. However, splitting the private sector into seasonal and non-seasonal activities enables the behaviour for the latter category to be examined on a shorter six-monthly timescale (Figure 2.2).

The latest increase of 1,520 on an annual basis consisted of an increase of 390 jobs in the predominantly non-seasonal sectors in the period June 2007 to December 2007; an increase of 1,120 in the predominantly non-seasonal sectors between December 2007 and June 2008; and no significant increase in the seasonal industries compared to the previous June.

**Figure 2.2: Change in employment in seasonal and non-seasonal private sectors, June 07 to June 08**



The net increase in employment of 390 in the non-seasonal sectors during the last six months of 2007 was driven by increases of 440 in Finance and of 260 in the fulfilment area of Wholesale and retail. A net decline for the remainder of this category is indicative of residual seasonal influences within some sectors, e.g. car hire in miscellaneous business activities<sup>7</sup> and sporting and entertainment activities in Education, health and other services.

The net increase of 1,120 staff in the first six months of 2008 for the non-seasonal sectors included notable increases for Miscellaneous business activities (+280, across the sector) and private sector Education, health and other services (+250) particularly for residential homes and nurseries as well as the seasonal effects of some leisure activities included in this sector. Both the Construction and Finance sectors saw increases of around 160 employees in the first six months of 2008.

### **Employment by sector**

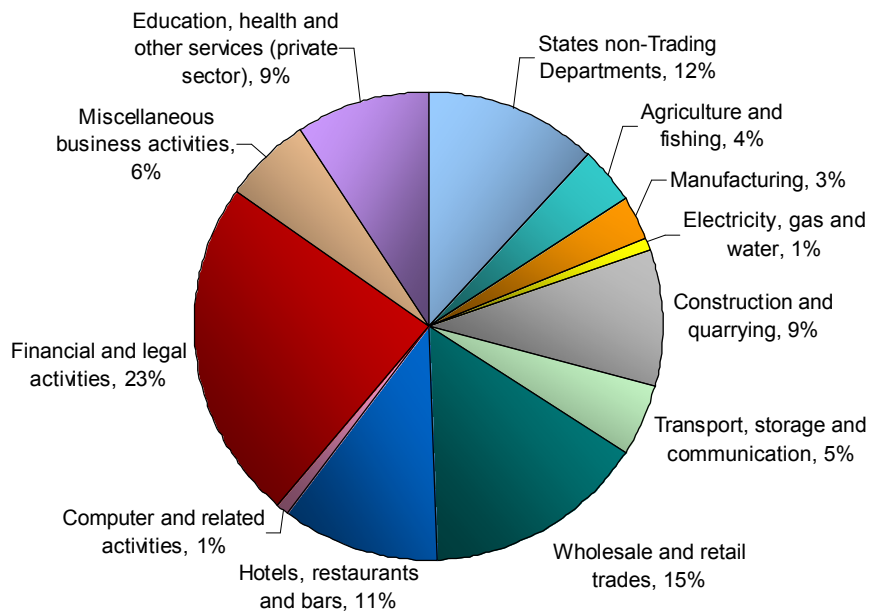
As Figure 2.3 illustrates, almost a quarter of Jersey's labour force is employed in the Finance sector. The next largest sectors in terms of employment are Wholesale and retail, accounting for almost a sixth of total employment (15%), and the Public sector (12%, excluding States Trading Committees<sup>8</sup>) and Hotels, restaurants and bars (11%).

<sup>7</sup> The category "Other business activities" comprises private sector "Miscellaneous business activities", "Education, health and other services" and "Computer and related activities". Former and current States Trading Committees are included in the Transport, storage and communication sector.

<sup>8</sup> Former and current Trading Committees are included within the Transport, storage and communication sector.



**Figure 2.3: Percentage employed by sector, June 2008 headcount basis**



The shift in employment in Jersey over the past nine years towards an increasingly more service-oriented economy is reflected by Figure 2.4 and Annex Table A3a.

**Figure 2.4: Change in employment by sector, 1996 – 2008**

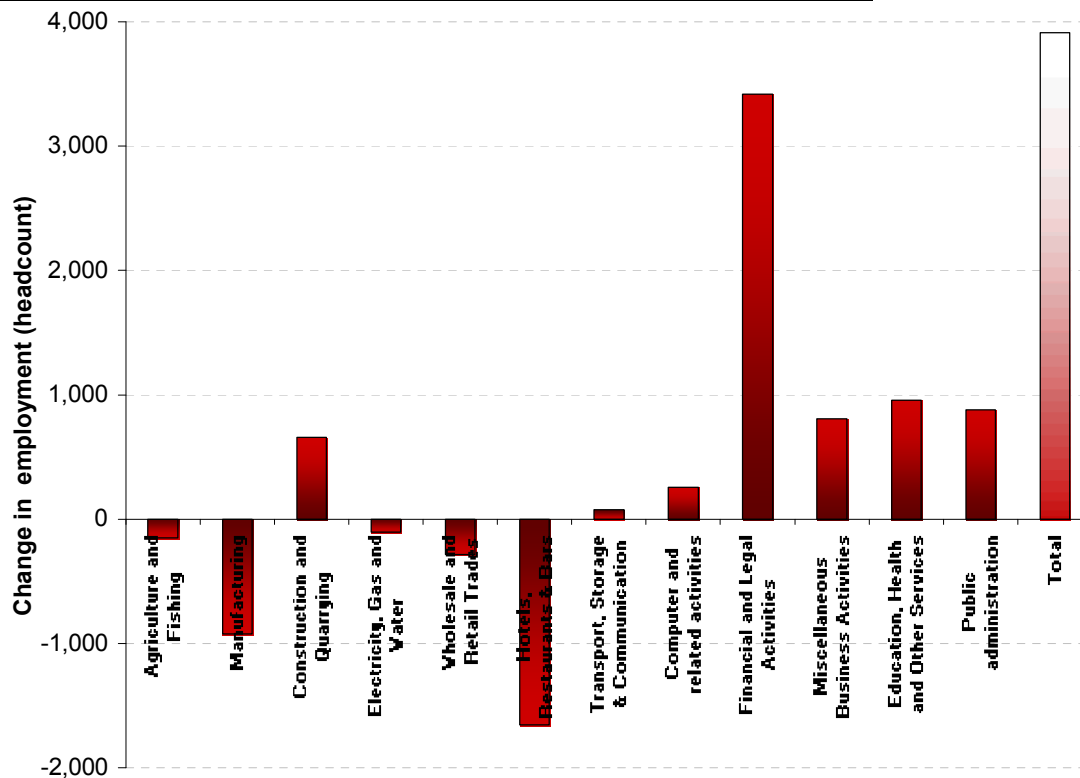
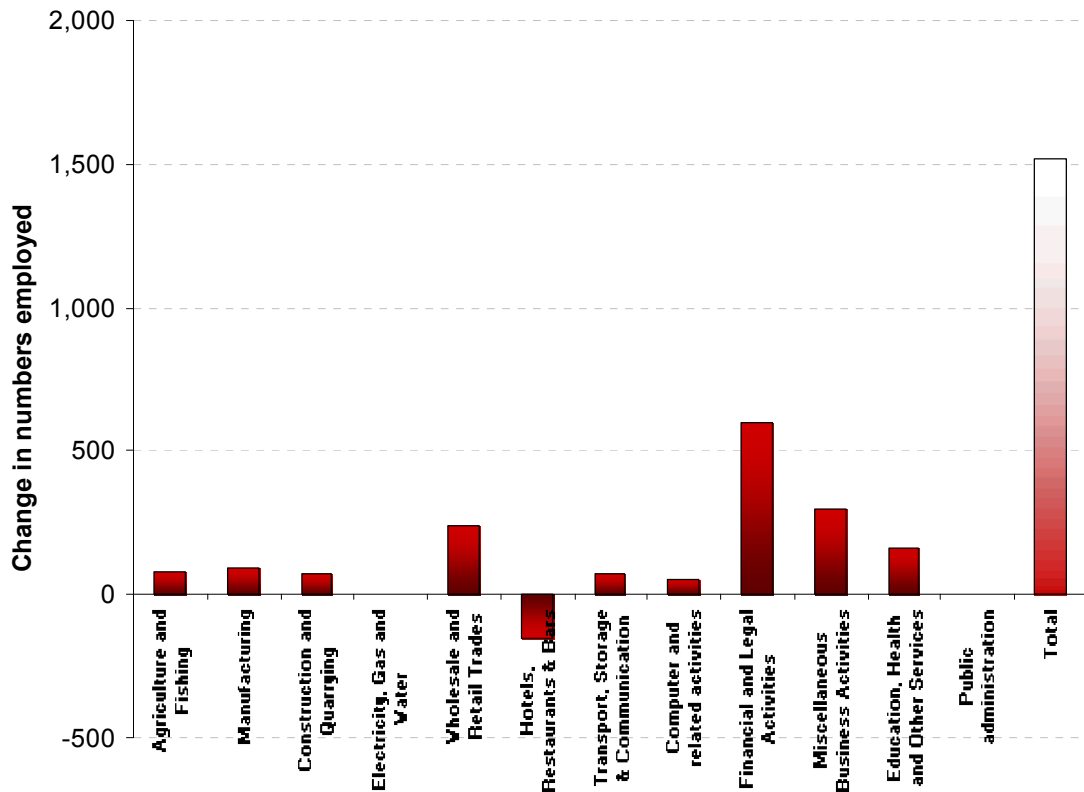


Figure 2.4 indicates the decline in employment in Agriculture, Manufacturing and tourism-oriented activities and the contrasting growth in Financial services and in public and private sector services / activities.

Between 1996 and 2008 employment in the Finance sector increased by almost 3,500. The service sectors serving both businesses and households also grew; Other business activities (comprising private sector Education, health and other services, Computer and related activities, and Miscellaneous business activities sectors) have recorded an increase in employment of about 2,000 since 1996. In contrast, over the same period, employment in Hotels, restaurants and bars has fallen by around 1,600, whilst around 150 fewer people were employed in Agriculture and 900 fewer in Manufacturing.

Figure 2.5 illustrates the changes in employment by sector over the twelve months to June 2008, enabling comparisons to be made between the overall trends seen during the past twelve years with more recent changes.

**Figure 2.5: Change in employment by sector, 2007 – 2008**



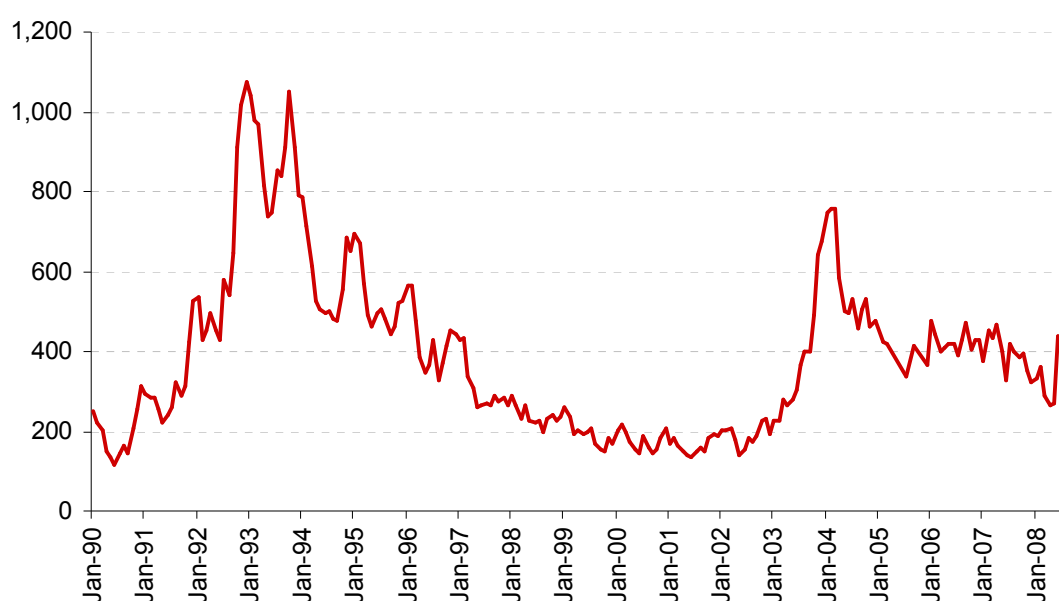
In the twelve months to June 2008, Finance recorded the largest increase of any sector (up by 600 employees, corresponding to a 5% increase). Other notable annual increases occurred in Miscellaneous business activities (up 300 employees, 9%) and Wholesale and retail (up 240 employees, 3%). Within the Wholesale and retail sector, a total of 660 employees were employed in fulfilment activities in June 2008, a decrease of 160 on the previous December, reflecting the seasonal nature of this sub-sector, but up by almost 100 on June 2007. Hotels, bars and restaurants reported small net decreases on an annual basis while Electricity, gas and water remained at essentially the same level of total staff.

## Unemployment

The number of people registered as unemployed in Jersey in June 2008 was 440. This number is somewhat greater than that seen previously over the past 12 months, the increase being largely the result of definitional changes due to the introduction of a new Income Support system in 2008<sup>9</sup>.

Figure 2.6 shows that registered unemployment in Jersey was relatively stable throughout 2005 and 2006, at around 400 per month, and then fell in 2007 and early 2008 before rising most recently due to the aforementioned definitional changes.

**Figure 2.6: Registered unemployment in Jersey: 1990 – 2008**



The internationally comparable measure of unemployment is the proportion of unemployed people (of all those who are economically active i.e. seeking work or waiting to take up a job)<sup>10</sup>. The Jersey Annual Social Survey (JASS) measures ILO unemployment in Jersey and enables the effect of changes in the Island's economy on unemployment to be monitored on an annual basis.

In the summer of 2008 Jersey's preliminary ILO unemployment rate, as measured by JASS, was slightly greater than 2%, a similar level to that recorded by the 2001 Census (2.1%). However, Jersey's economy had undergone both a downturn and recovery in the interim between these two point-in-time measures. For comparison, the ILO unemployment rate for the UK was 5.7% for the three month period June to August 2008.

<sup>9</sup> Claimants now have to register as unemployed if classified as job seekers or in receipt of Long Term Incapacity Allowance or actively seeking work and not receiving benefit.

<sup>10</sup> From Jersey's perspective, the ILO definition of unemployment includes both "registered" and "non-registered" unemployed people.

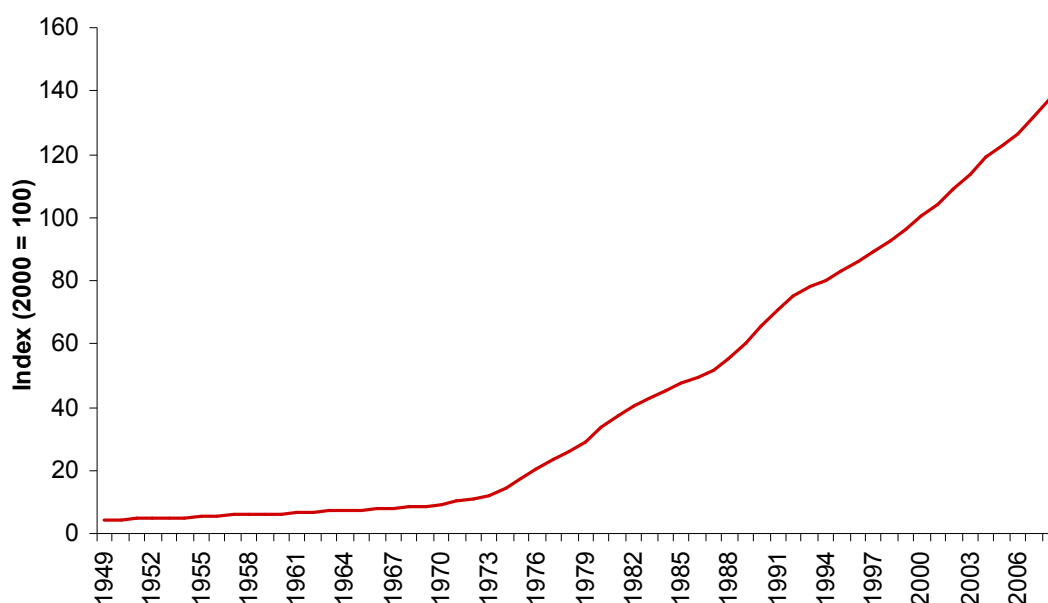
## Section 3: Prices and Earnings

### Retail Prices Index (RPI)

The Retail Prices Index (RPI) is one of the longest standing data series produced in Jersey, dating back to 1947. The RPI measures changes in the cost of a representative selection of goods and services bought by Jersey households. Over 500 items are included in the Index, ranging from food and drink to Parish rates and rent, larger goods such as fridges and TV's, and services such as dry cleaning and hairdressing.

The RPI is an index number based on a point in time (currently June 2000 being set equal to 100) and measures the *average* change in price for all these items. The rate of change in the RPI, which is quoted as a percentage, normally compares the current index to the same quarter a year previously and hence measures the average annual rate at which prices are changing (also known as the rate of inflation).

**Figure 3.1: All-Items Retail Prices Index (RPI) 1948 to 2008**

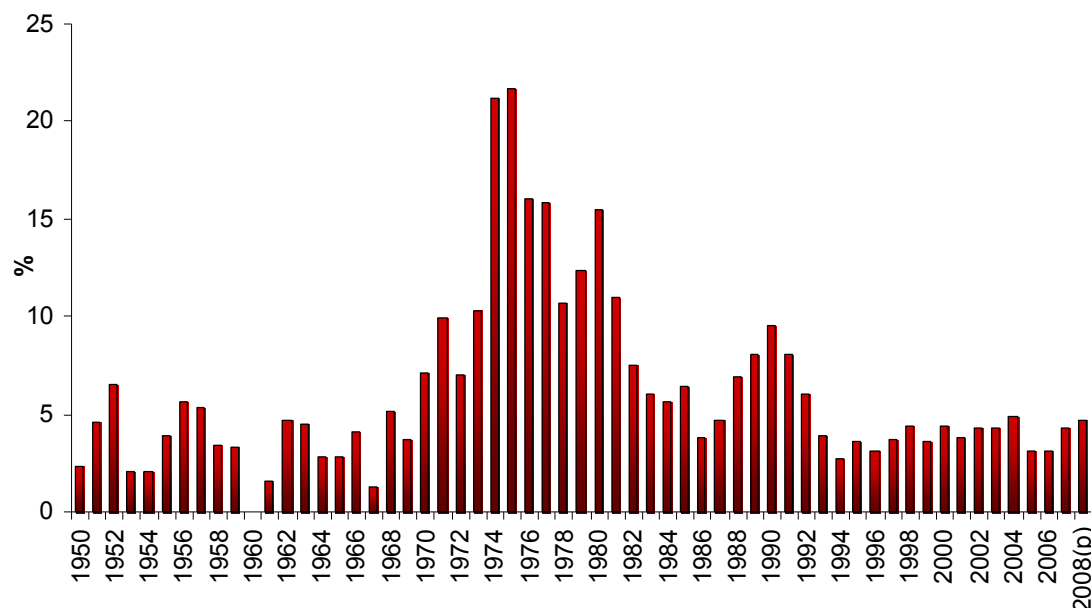


As illustrated by Figure 3.1, the last six decades can essentially be split into two periods in the context of the Jersey RPI: a period running post-war to 1973 during which prices increased by around 4% per year on average, followed by a period of average annual increases of around 8% running from 1974 until the present. Many factors generally contribute to the rate of change of consumer prices, but to identify a reason for the turning point in the series it is difficult to look beyond the 1973 oil crisis (oil prices quadrupled between 1972 and 1974), especially when at this time the Jersey economy was particularly heavily dependent on oil products for energy consumption.

Another way to view the long-term trend in RPI is to consider the annual percentage change for a given year (Figure 3.2). This perspective shows a number of distinct periods: inflation running at below 5% until the early 1970's, followed by a sustained period of high inflation of over 10% per year until the early 1980's; the late 1980's and early 1990's were another period of high inflation, whilst the last ten years or so have seen increases back at around 3 to 5% per year.

In September 2008, the annual increase in the RPI was 6.4% compared to 5.6% for the twelve months to June and 3.2% for the twelve months to March.

**Figure 3.2: Annual percentage change in RPI**



For the most recent annual change, to September 2008, a key contributor to the change in the RPI was the introduction of a Goods and Services Tax (GST) in May 2008, which contributed 1.9 percentage points to the annual increase of the RPI (spread across the groups).

In addition to the introduction of GST, key drivers to the annual rate of increase were:

- Food costs: increased by 13% compared to September 2007, contributing 1.4 percentage points of the overall annual increase in the RPI. Price rises were seen across the group, notably for fresh meat and cereals.
- Motoring costs: increased by 10% compared to September 2007, contributing 1.1 percentage points to the overall RPI. The key driver in this group was the price of motor fuels, with petrol and diesel up by about 20p and 26p per litre respectively (of which 2p per litre was due to increases in impôts) compared with September 2007 and, reflects the higher global oil prices seen on an annual basis.

- Fuel and light: increased by about a fifth (21%) on average over the twelve months to September 2008 and contributed 0.7 percentage points. The increase seen by this group was largely the result of a considerable rise in the cost of heating oil, up by 59% on an annual basis and reflecting global oil prices, as well as a 25% increase in gas prices over the same period.
- Housing costs: the Housing group as a whole increased by 2.8% during the twelve months to September 2008, contributing 0.6 percentage points to the overall annual increase in the RPI, with house purchase costs, driven by increased house prices, contributing 0.2 percentage points. This group also includes Parish rates which saw an average increase of almost 3% compared with a year earlier.

Overall, average price increases were seen for the majority of the other groups. In contrast to the other groups, the price of Leisure goods (particularly of audio-visual equipment, toys and sports goods) fell by 2%, on average, over the twelve months to September 2008.

Several other indices are produced on a quarterly basis which help the understanding of inflation in Jersey. The RPI is often known as the “all-items” or “headline” RPI because it comprises a representative selection of all the elements of a household budget. The RPI(X), where the X stands for eXcluding house purchase costs (measured by the interest paid on an average mortgage) is known as a measure of “underlying rate of inflation”.

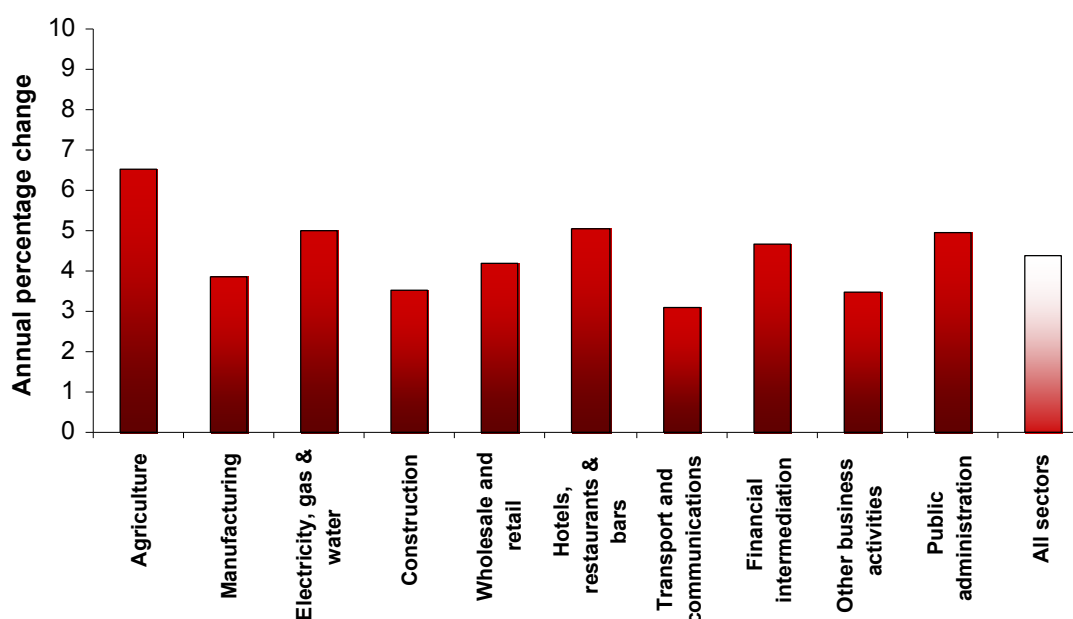
The annual change for RPI(X) in September 2008 was 6.7% with the main contributor to this annual rate of increase, as for the RPI, being the introduction of GST, accounting for 2.1 percentage points of the overall increase (spread across the groups).

A new measure of underlying inflation, RPI(Y), was introduced in Jersey in December 2007. The RPI(Y) excludes mortgage interest payments as well as the effect of indirect taxes i.e. Parish rates, Impôts (on tobacco, alcohol and motor fuels), VRD, Air Passenger Duty and GST. In the year to September 2008 the RPI(Y) increased by 4.9%.

### **Average Earnings**

The principal use of the Index of Average Earnings is to measure the average *rate of change* of earnings in order to up-rate old age pensions. The Index is compiled using data from a matched-pair sample survey of employers who provide data on the monthly or weekly earnings paid to their employees, and the number of FTEs covered by those earnings.

**Figure 3.3: Annual percentage changes in the Index of Average Earnings by sector 2008<sup>11</sup>**



Analysing the data by sector (Figure 3.3) shows that Average earnings in the private sector increased by 4.2% over the year to June 2008, whilst the public sector saw average earnings increase by 4.9% largely due to annual pay awards (scheduled and retrospective) being implemented for the majority of public sector employees.

The highest annual increases in average earnings were seen in Agriculture (6.5%), driven predominantly by the 7.4% increase in the minimum wage<sup>12</sup> implemented in April 2008. Hotels, restaurants and bars saw an annual increase of 5.1%, with the latest increase in the minimum wage being a key factor.

Average earnings in Financial services rose by 4.6%, a rate of increase slightly below that seen in 2007 (4.9%). The majority of the other sectors recorded increases of around three and four percent.

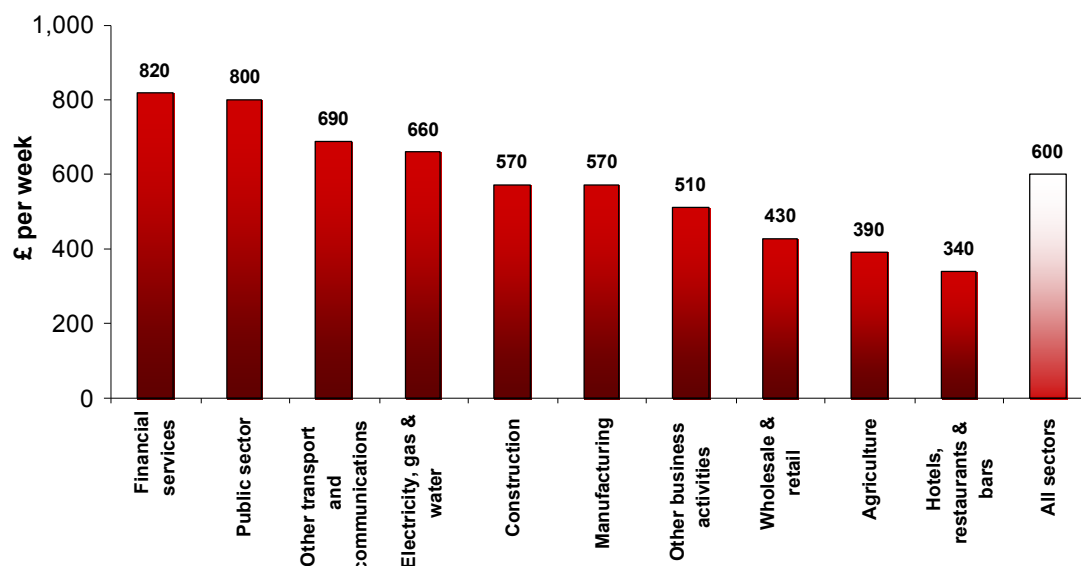
From the data collected to produce the Index of Average Earnings it is also possible to estimate levels of average pay. Such figures are informative in that they illustrate the difference in levels of pay across sectors, with a statistical uncertainty (standard error) of approximately £20. Hence, the figures for weekly earnings shown in Figure 3.4 should be considered as reasonable approximations, but with not quite the same degree of accuracy attributable to the annual percentage changes shown in Figure 3.3. It is equally important to note, that the average levels of pay are per full-time equivalent employee

<sup>11</sup> In Figures 3.3 and 3.4 the category “Other business activities” comprises private sector “Miscellaneous business activities”, “Education, health and other services” and “Computer and related activities”. Former and current States Trading Committees are included in the Transport, storage and communication sector.

<sup>12</sup> Minimum Wage legislation came into effect in Jersey on 1 July 2005 with the minimum hourly rate set at £5.08, increasing to £5.24 on 1 April 2006, £5.40 on 1 April 2007 and £5.80 on 1 April 2008.

(FTE). Therefore, someone working part-time would receive about half the levels indicated, on average.

**Figure 3.4: Average earnings by sector in June 2008**



In June 2008, the average weekly earnings for full-time equivalent employees at the sectoral level ranged from £820 per week in Financial services and £800 in the Public sector to £340 per week in Hotels, restaurants & bars (Figure 3.4; underlying data are shown in Annex Table A5).

Overall the average weekly earnings per FTE was around £600 per week. However, this figure excludes bonuses paid in the finance sector (which are excluded from the average earnings measure due to their potentially volatile nature). The annual Survey of Financial Institutions in Jersey<sup>13</sup> enables estimation of the average bonus paid per FTE employee working in the sector; for 2007 bonus payments increase the average earnings of FTE workers in the Finance sector by around £110 per week.

### **Earnings and prices**

In examining the change in the RPI and in average earnings, it is clear that often in the past, most likely because of economic growth, earnings in Jersey have, on average, increased at a faster rate than prices (Figure 3.5).

Between 1990 and 2008 the RPI in Jersey more than doubled, i.e. the index increased by 110% and corresponding to an average annual rate of increase of 4.2% per year. However, over the same period, average earnings increased by 151%, (i.e. more than doubled overall) and corresponding to an average annual increase of 5.2% per year.

In 13 of the past 18 years since 1990 average earnings in Jersey increased faster than retail prices (see Figure 3.6).

<sup>13</sup> Survey of Financial Institutions 2007: States of Jersey Statistics Unit, July 2008.

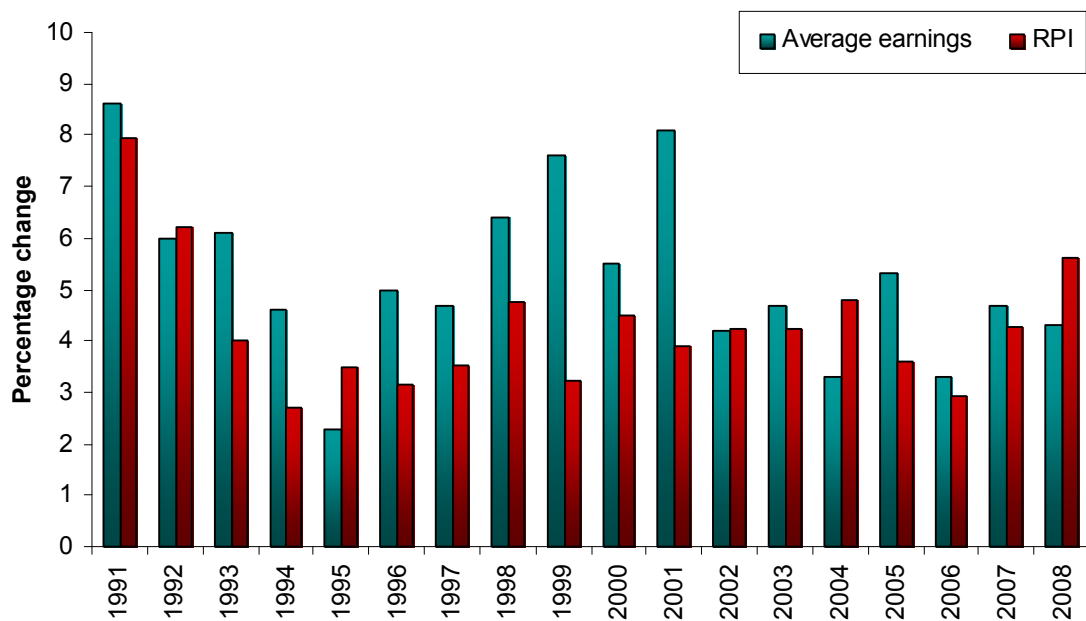


More recently the rates of increase of earnings and prices have been closer: over the past five years (2003 - 2008) the RPI has increased by 22% (corresponding to 4.0% per annum, on average) and earnings by 23% (corresponding to 4.2% per annum on average). In the year to June 2008 the RPI increased at a faster rate (by 5.6%) than average earnings (by 4.3%).

**Figure 3.5: Index of Average Earnings and the RPI**



**Figure 3.6: Annual percentage changes in the Index of Average Earnings and in the RPI at June each year**



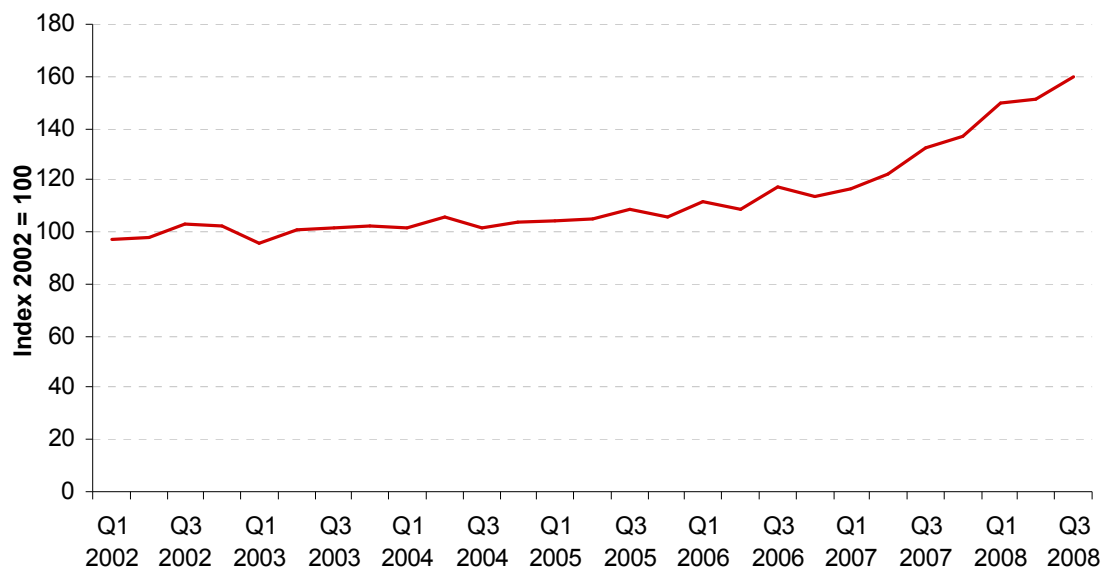
Given that the average earnings data relate to changes in the year to June, it is also informative to compare changes in average earnings which occurred throughout the period June to June, with the average of the annual changes in the RPI published between each June<sup>14</sup>.

On this basis, the time-weighted average change in the RPI was 4.1%. Thus, average earnings over the twelve months to June 2008 increased by 0.2 percentage points more than the average annual changes in the RPI published during this period. The corresponding increase in the underlying rate of inflation (the change in the Retail Prices Index excluding house purchase costs, RPI (X)) was 2.6%. The Index of Average Earnings thus increased by 1.7 percentage points more than the average annual changes in RPI(X) published during the twelve months to June 2008.

### House Prices

The measurement of dwelling prices in Jersey underwent a thorough review in 2002, resulting in a more extensive measure which includes both flats and houses, as well as a breakdown by size of property (number of bedrooms).

**Figure 3.7: Jersey House Price Index (average for 2002=100)**



As Figure 3.7 indicates, the Jersey House Price Index was essentially flat during 2002 and 2003, increased at a rate of around 3% per annum in both 2004 and 2005, at about 6½% in 2006 and at 13% in 2007 on a year-on-year basis. However, it is apparent from Figure 3.7 that since the latter half of 2007 a greater rate of price growth has occurred.

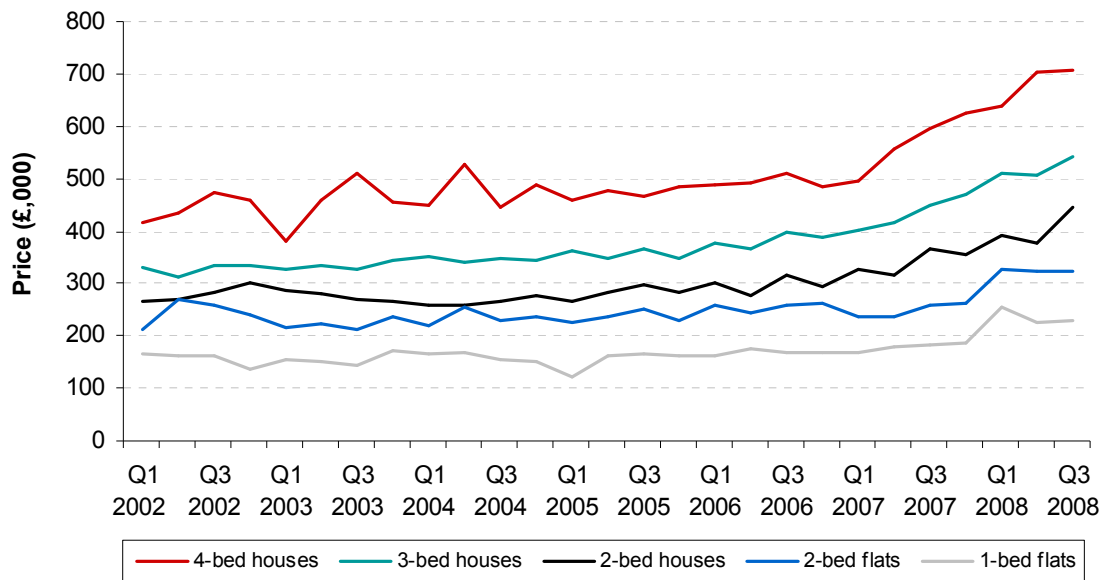
The mix-adjusted average price for the latest quarter, Q3 2008, was about a fifth (21%) higher than that recorded for Q3 2007 (corresponding to about

<sup>14</sup> For any organisation on an annual pay cycle who wishes to reference an RPI figure it is correct to look at a single 12-month change.

£87,000). This latest annual rate of increase is slightly less than that recorded in the previous two quarters, which saw annual rates of increase of 28% and 24%, respectively.

Property type specific movements can be seen in Figure 3.8 for the past six years.

**Figure 3.8: mean prices (£,000) for individual property types**



The average price of 1-bedroom flats increased throughout 2007 and notably in the first quarter of 2008. The latest quarter recorded a mean of £229,000, some 26% higher than that seen in Q3 2007 but similar to the level seen in Q2 2008.

The mean price of 2-bedroom flats remained essentially stable during 2007. The level of mean price has been higher in 2008 to date, with Q3 2008 recording an average price of £322,000, about 24% higher than Q3 2007. However, prices have remained essentially unchanged compared to the previous quarter. It is worth noting that the higher mean price level seen during 2008 has particularly been driven by new sites coming onto the market.

The trend in prices for 2-bedroom houses has been broadly upward for the past three years. The mean price of 2-bedroom houses sold during the third quarter of 2008 was £447,000. This mean price is about a fifth (22%) higher than that for Q3 2007. This property type exhibited the largest quarterly change of all of the dwelling categories (18%); however there was a particularly low number of transactions of this property type taking place in the latest quarter.

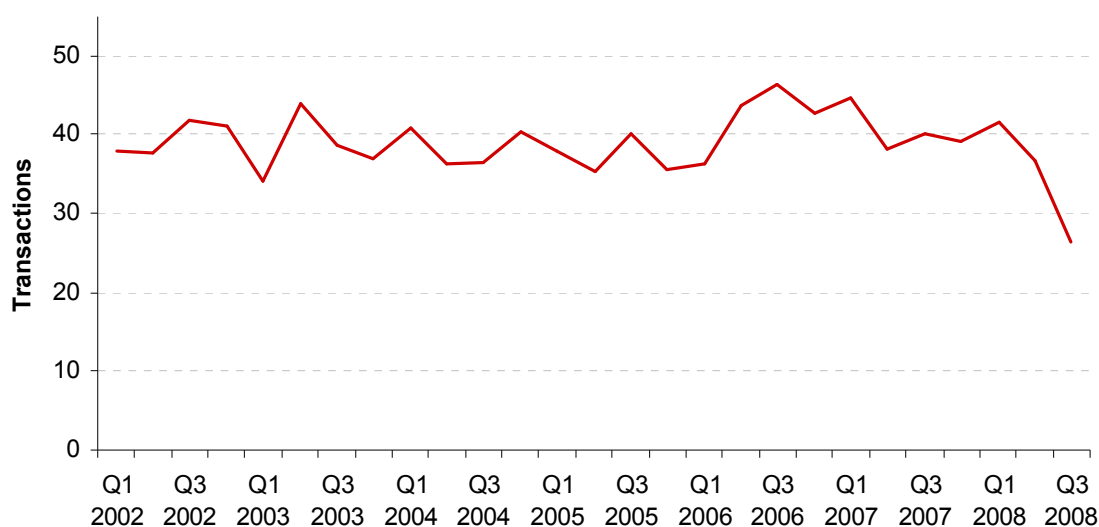
3-bedroom houses account for almost half of all residential transactions in Jersey. Following a small ongoing increase in average price from 2002 to 2005, 2006 saw a greater annual increase, of about 7% and 2007 saw the rate rise again (to about 14%). The mean price exceeded half a million pounds for the first time in Q1 2008 and the latest quarter recorded a mean

price of £541,000, a fifth (20%) higher than in Q3 2007. As for the 2-bedroom houses there was a notably lower number of transactions of this property type in the latest quarter.

The trend in average price for 4-bedroom houses has been broadly upward since 2002 and the latest quarter experienced an annual increase of 18%. However, the mean price recorded for the third quarter of 2008 was £706,000, similar to the previous quarter.

From the perspective of turnover, 188 eligible<sup>15</sup> properties were reported as being sold in Q3 2008. Some interpretation is required in making comparisons of turnover between quarters due to the variation in the frequency of sittings of the Royal Court each quarter (when property transactions take place) and also the marked seasonality of the raw data. However, taking these facts into account, the seasonally adjusted turnover in the third quarter of 2008 was about a third (33%) lower than the long-term average (Figure 3.9). This decrease was predominately as a result of lower turnover of houses (particularly 2- and 3-bedroom properties) in Q3 2008 compared with previous quarters.

**Figure 3.9: Seasonally adjusted quarterly turnover 2002 to Q3 2008**



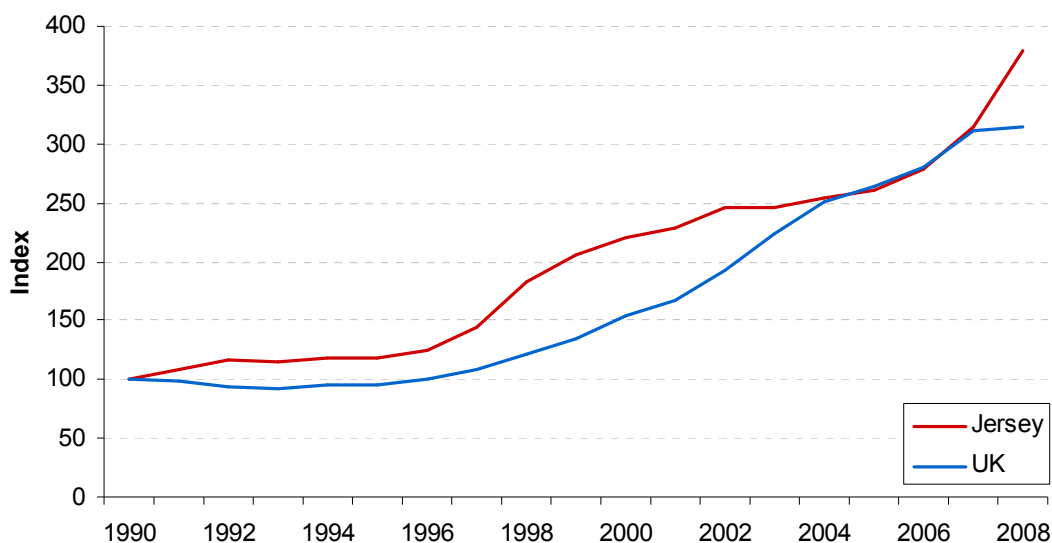
**Comparison with the UK and Guernsey**

The price of property in Jersey can be compared to that in the UK. Figure 3.10 demonstrates long-term house price movements in Jersey and the UK, from 1990 to date.

<sup>15</sup> Certain property transactions are excluded from calculations, for example commercial properties and derelict buildings. Further information on excluded property categories can be found in Note 4 of the Jersey House Price Index, Third Quarter 2008: Statistics Unit November 2008.

Until 2000, the price of property in Jersey had been increasing at a greater rate than that in the UK, with the largest difference between the two rates of increase occurring in 1998. From 2000 to 2007 the rate of increase in the UK was generally greater than that for Jersey; however, in 2008 the situation was reversed with Jersey's annual rate of increase being greater than that for the UK. This behaviour is further reflected in Table 3.1.

**Figure 3.10 Jersey and UK House Price Indices 1990 - 2008**



In Q3 2008 the average (mix-adjusted) price of dwellings sold in the UK fell on an annual basis, being about 4% lower than a year earlier. Prices fell in all regions of the UK on an annual basis, with the largest fall being seen in Northern Ireland (down by 14%).

**Table 3.1: Mixed-adjusted average house prices £,000**

Year	Jersey	UK	England	Scotland	Wales	Northern Ireland	Ratio Jersey to UK
2002	318	136	144	84	90	96	2.3
2003	318	155	166	92	104	102	2.0
2004	328	173	185	111	131	109	1.9
2005	336	184	193	124	146	130	1.8
2006	358	193	201	139	155	160	1.9
2007	404	214	221	159	165	231	1.9
Q3 2008	508	211	218	162	159	213	2.4

The average (mix-adjusted) price of dwellings sold in Jersey during the third quarter of 2008 was more than double that for the UK and about 50% higher than in Greater London.

The overall median price of dwellings sold in Guernsey<sup>16</sup> in the third quarter of 2008 was £352,000, about 16% higher than Q3 2007. The turnover of properties in Guernsey saw a similar reduction to that seen in Jersey; the number of local market transactions in Q3 2008 being about a third less than a year earlier.

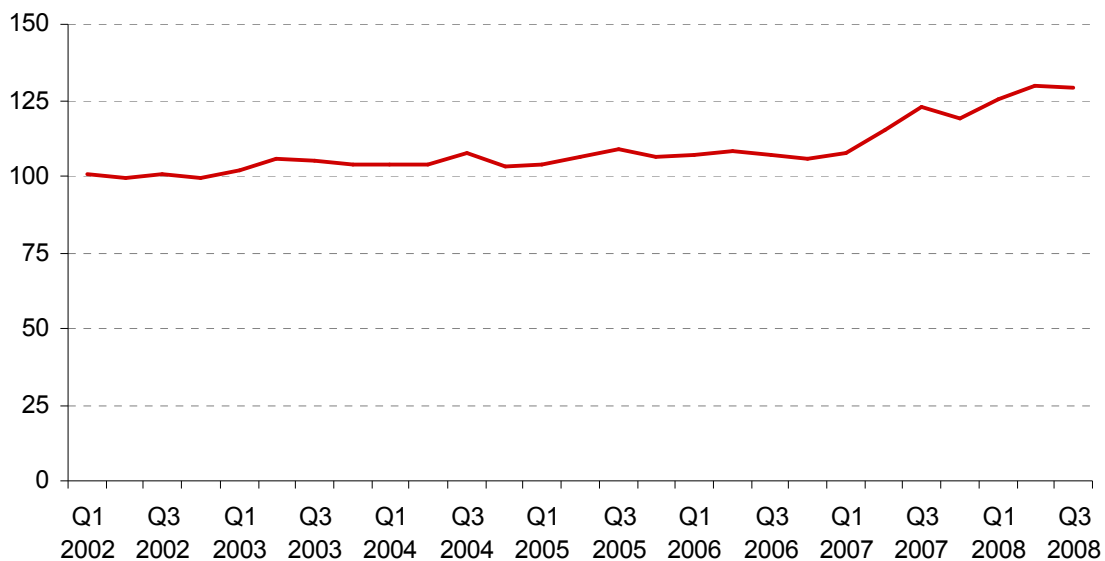
### **Jersey Private Sector Rental Index<sup>17</sup>**

In the third quarter of 2007 a Private Sector Rental Index was introduced for Jersey<sup>18</sup> (see Figure 3.11). As well as an overall mix-adjusted index, separate indices are also produced for “Flats” (bedsits, 1-, 2- and 3-bedroom) and “Houses” (1-, 2-, 3-, and 4-bedroom). The average (mean) rental price of dwellings is calculated by weighting together the average rents for each of the above categories.

Weighting each property type by a constant proportion ensures that the average rental cost in a given period is independent of the particular “mix” of properties recorded in that period. On average, there are about 1,800 and 660 private sector lease transactions per year for flats and houses respectively. The index is weighted accordingly, with flats accounting for around three-quarters of the total index.

The resulting mix-adjusted average rental price is converted into the Jersey Private Rental Index (based to 100 for calendar year 2002).

**Figure 3.11: Jersey Private Sector Rental Index (Average 2002 = 100)**



<sup>16</sup> Guernsey Policy and Research Unit: Guernsey Residential Property Prices 1981-2008. The Guernsey average (median) figure is not mix-adjusted and hence does not take into account variations in the proportions of property types sold each quarter.

<sup>17</sup> The Jersey Private Sector Rental Index is published as an experimental index.

<sup>18</sup> Using data based on new lease transactions recorded in a given quarter.

As illustrated by Figure 3.11 average rents in the private sector, as measured by the Jersey Private Sector Rental Index, increased by about 4% between 2002 and 2003. Rents were then essentially stable between 2003 and 2006 and then the annual rate of increase rose in 2007 to about 8%. Average rents in the third quarter of 2008 were about 5% higher than the average for the third quarter of 2007 but were at a similar level to the previous quarter.

### **RPI, earnings and house prices**

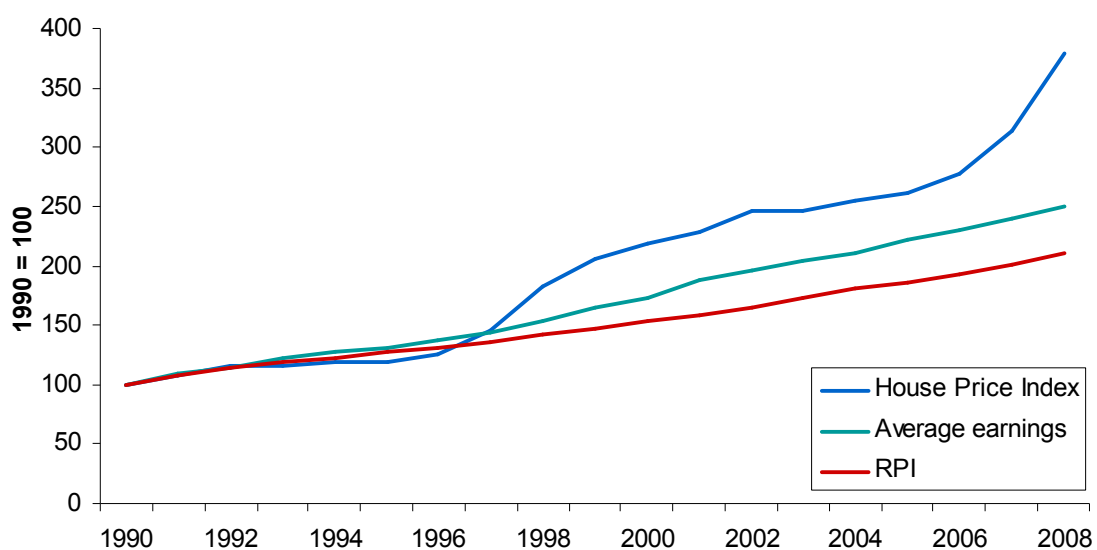
In the early 1990s retail prices, house prices and average earnings in Jersey initially increased at similar rates (Figure 3.12). However, the economic slowdown between 1993 and 1996, and concurrent tightening of the labour market, saw earnings increase at a faster rate than both retail and house prices. Earnings continued to grow at a faster rate than retail prices in the subsequent recovery, which was driven locally by the growth of the finance sector.

House prices, however, underwent a considerable increase (more than 10% annual growth for three years) at the end of the last decade, whilst the latest annual increases for each quarter of 2008 have been above 20%.

Overall, the average annual growth rate in house prices since 1990 (7.7%) is greater than that of earnings (5.2%) and retail prices (4.2%).

This relative behaviour of house prices, earnings and retail prices is comparable to the UK, where average annual growth rates since 1990 are 6.6%, 4.3% and 3.0% respectively.

**Figure 3.12: Indices of retail prices, average earnings and house prices for Jersey, 1990 - 2008**



## Annex

**Table A1a GVA by sector in current values; £ million**

Sector	1998	1999	2000	2001	2002	2003	2004	2005	2006(r)	2007(p)
Agriculture	46	47	47	44	47	48	44	47	50	53
Manufacturing	60	63	64	65	64	63	59	56	55	53
Electricity, gas and water	33	36	36	35	36	34	34	37	36	36
Construction	127	137	143	153	165	160	161	177	192	212
Wholesale and retail	182	189	194	197	200	210	215	228	239	259
Hotels, restaurants and bars	106	111	107	107	107	113	113	112	116	119
Transport, storage and communication	112	121	120	128	131	133	138	146	150	157
Finance	1,299	1,439	1,654	1,636	1,619	1,584	1,603	1,677	1,954	2,177
Other business activities	453	474	499	524	551	585	617	666	662	746
Public administration	157	174	186	199	210	223	235	244	257	276
<b>Total</b>	<b>2,574</b>	<b>2,791</b>	<b>3,051</b>	<b>3,088</b>	<b>3,129</b>	<b>3,153</b>	<b>3,219</b>	<b>3,390</b>	<b>3,711</b>	<b>4,089</b>

**Table A1b GVA by sector in real terms (constant values, 2003); £ million**

Sector	1998	1999	2000	2001	2002	2003	2004	2005	2006(r)	2007(p)
Agriculture	56	56	53	48	49	48	43	44	46	48
Manufacturing	74	74	73	71	67	63	57	53	50	47
Electricity, gas and water	40	42	41	38	38	34	33	35	33	33
Construction	156	161	162	167	173	160	156	168	177	190
Wholesale and retail	224	223	220	214	209	210	209	216	220	232
Hotels, restaurants and bars	130	131	121	116	112	113	109	106	107	107
Transport, storage and communication	138	142	136	140	137	133	133	138	138	141
Finance	1,598	1,694	1,873	1,784	1,692	1,584	1,551	1,585	1,799	1,952
Other business activities	557	558	565	571	575	585	597	630	609	669
Public administration	193	205	211	217	219	223	227	230	237	247
<b>Total</b>	<b>3,168</b>	<b>3,286</b>	<b>3,455</b>	<b>3,367</b>	<b>3,270</b>	<b>3,153</b>	<b>3,115</b>	<b>3,205</b>	<b>3,416</b>	<b>3,666</b>

(p): provisional



**Table A2 GVA per FTE employee in real terms (constant values, 2003); £ thousand**

<b>Sector</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006(r)</b>	<b>2007(p)</b>
Agriculture	29	29	29	27	29	28	27	27	28	28
Manufacturing	34	35	34	35	34	34	34	35	35	35
Electricity, gas and water	65	69	68	63	67	64	66	71	67	66
Construction	34	37	39	38	39	38	38	38	39	41
Wholesale and retail	30	30	31	30	30	30	30	30	30	32
Hotels, restaurants and bars	22	23	22	23	22	23	23	23	22	22
Transport, storage and communication	54	54	53	55	54	55	55	58	58	58
Finance	151	156	170	157	146	140	140	142	157	162
Other business activities	102	101	101	100	100	99	101	107	100	105
Public administration	38	39	40	41	41	40	41	42	42	42
<b>All sectors</b>	<b>61</b>	<b>63</b>	<b>68</b>	<b>66</b>	<b>64</b>	<b>62</b>	<b>62</b>	<b>63</b>	<b>67</b>	<b>70</b>

*Note that the GVA per employee over all sectors excludes the rental component of "Other business activities".*

**Table A3a Employment by sector; FTE employees (excluding one-person businesses)**

Sector	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture	1,920	1,920	1,810	1,750	1,710	1,690	1,600	1,660	1,650	1,700
Manufacturing	2,150	2,140	2,130	2,020	2,000	1,850	1,670	1,520	1,410	1,340
Electricity, gas and water	620	610	610	600	570	530	500	490	490	500
Construction	4,600	4,370	4,190	4,360	4,480	4,250	4,150	4,370	4,590	4,590
Wholesale and retail	7,580	7,320	7,130	7,030	6,940	6,960	7,040	7,260	7,300	7,310
Hotels, restaurants and bars	5,980	5,770	5,440	5,150	4,990	4,920	4,770	4,700	4,770	4,830
Transport, storage and communication	2,580	2,620	2,570	2,530	2,510	2,440	2,400	2,390	2,370	2,410
Finance	10,550	10,870	11,010	11,330	11,550	11,330	11,040	11,130	11,420	12,020
Other business activities	5,464	5,512	5,594	5,715	5,759	5,912	5,886	5,904	6,063	6,366
Public administration	5,100	5,210	5,220	5,270	5,350	5,510	5,580	5,530	5,590	5,850
<b>Total</b>	<b>46,550</b>	<b>46,330</b>	<b>45,690</b>	<b>45,750</b>	<b>45,870</b>	<b>45,400</b>	<b>44,630</b>	<b>44,960</b>	<b>45,670</b>	<b>46,910</b>

"Other business activities" includes private sector Education, health and other services, Computer and related activities, and Miscellaneous business activities.

"Transport, storage and communication" includes former and current States Trading Committees.

Numbers are rounded independently to the nearest 10 and are weighted averages for each year.

**Table A3b Private sector employment by sector June 2008: headcount (number of employees; including one-person businesses)**

Sector	Full-time	Part-time	Total	Locally qualified	J category	Non locally qualified	Total
Agriculture	1,640	670	<b>2,310</b>	1,250	*	1,060	<b>2,310</b>
Manufacturing	1,310	350	<b>1,670</b>	1,340	20	310	<b>1,670</b>
Electricity, gas and water	4,980	310	<b>5,290</b>	4,750	30	510	<b>5,290</b>
Construction	480	30	<b>510</b>	480	*	30	<b>510</b>
Wholesale and retail	6,610	2,070	<b>8,680</b>	7,350	60	1,280	<b>8,680</b>
Hotels, restaurants and bars	5,120	990	<b>6,110</b>	2,730	30	3,350	<b>6,110</b>
Transport, storage and communication	2,460	370	<b>2,830</b>	2,630	40	160	<b>2,830</b>
Finance	12,070	1,190	<b>13,260</b>	11,390	710	1,160	<b>13,260</b>
Other business activities	5,850	3,390	<b>9,240</b>	7,770	190	1,290	<b>9,240</b>
<b>Private sector total</b>	<b>40,510</b>	<b>9,400</b>	<b>49,900</b>	<b>39,680</b>	<b>1,090</b>	<b>9,140</b>	<b>49,900</b>

Numbers are rounded independently to the nearest 10. \* denotes a positive number less than 10.

**Table A4 RPI group level indices and RPI(X), quarterly 2003 - 2008**

Date	Food	Catering	Alcohol	Tobacco	Housing	Fuel & light	Household goods	Household services	Clothing & footwear	Personal goods & services	Motoring	Fares & travel	Leisure goods	Leisure services	All-items	RPI(X)
Mar-03	108.8	107.7	118.3	133.2	114.0	111.4	102.0	116.1	96.7	111.2	110.7	128.3	98.3	124.1	<b>112.4</b>	112.5
Jun-03	109.6	109.9	117.7	133.2	114.3	102.0	102.8	117.4	94.5	113.3	112.3	150.0	96.7	123.5	<b>112.9</b>	113.4
Sep-03	111.0	111.3	118.0	133.1	114.8	102.5	101.9	119.4	97.3	112.6	112.9	156.7	98.0	124.9	<b>113.9</b>	114.5
Dec-03	111.8	110.8	117.6	133.2	117.8	106.1	102.1	119.4	93.9	112.6	114.1	141.2	98.7	124.5	<b>114.2</b>	114.2
Mar-04	112.9	111.9	123.6	149.2	121.0	106.1	102.0	122.3	93.0	115.6	117.3	151.4	98.4	124.9	<b>116.6</b>	116.4
Jun-04	114.0	113.9	123.0	151.1	125.9	108.6	102.7	123.0	92.4	116.8	118.5	151.8	98.4	125.8	<b>118.3</b>	117.3
Sep-04	114.8	115.9	122.8	151.1	132.1	114.4	102.3	124.3	93.1	116.7	121.7	142.4	97.4	128.0	<b>120.3</b>	118.3
Dec-04	114.6	116.6	119.8	151.1	133.4	113.3	102.4	124.6	90.2	116.2	121.9	141.6	97.3	129.0	<b>120.3</b>	118.1
Mar-05	114.6	116.6	123.7	160.2	135.2	120.5	103.5	125.9	90.3	119.0	122.4	146.1	96.6	130.0	<b>121.9</b>	119.6
Jun-05	114.4	118.8	122.1	162.1	136.9	124.9	103.7	125.3	90.3	119.7	122.9	153.1	95.7	129.7	<b>122.6</b>	120.2
Sep-05	114.2	119.0	122.6	162.2	136.2	130.1	103.5	125.8	90.8	119.2	125.2	147.4	94.0	130.2	<b>122.7</b>	120.6
Dec-05	115.3	118.9	122.6	162.1	137.3	131.8	103.5	127.1	91.9	119.4	122.0	148.2	95.2	130.0	<b>123.0</b>	120.7
Mar-06	114.8	120.0	127.5	165.8	138.2	139.5	105.2	128.9	90.7	123.0	125.2	156.6	95.7	130.9	<b>124.8</b>	122.5
Jun-06	117.0	120.2	127.7	166.2	140.0	142.4	102.6	129.2	90.0	124.6	127.4	174.3	96.4	131.9	<b>126.2</b>	123.9
Sep-06	117.5	121.8	128.4	166.4	143.4	140.6	102.5	130.0	86.8	125.7	127.2	169.7	95.7	134.0	<b>127.1</b>	124.0
Dec-06	118.6	122.7	126.4	166.4	147.7	139.0	102.6	130.9	86.9	126.0	126.7	150.7	95.7	134.3	<b>127.5</b>	123.7
Mar-07	120.5	124.3	131.2	170.9	151.9	154.0	103.1	133.6	85.6	127.9	130.6	164.7	93.2	135.0	<b>130.3</b>	125.9
Jun-07	122.1	125.3	131.2	172.8	156.0	157.0	101.9	134.9	87.0	129.3	132.5	165.0	89.7	134.9	<b>131.6</b>	126.7
Sep-07	124.0	127.4	132.8	172.9	159.4	156.2	98.9	136.8	82.2	128.5	129.7	169.7	90.3	136.3	<b>132.1</b>	126.7
Dec-07	125.8	128.7	131.3	174.8	161.3	167.0	99.1	136.3	86.0	128.9	132.5	156.8	90.2	137.4	<b>133.3</b>	127.7
Mar-08	130.7	130.8	135.2	179.6	158.3	176.2	99.8	136.9	83.8	129.8	135.2	165.3	89.6	138.2	<b>134.5</b>	129.5
Jun-08	137.9	135.9	142.7	184.5	161.4	197.1	102.6	139.8	83.5	133.1	141.7	172.3	89.9	141.9	<b>139.0</b>	134.0
Sep-08	140.6	136.8	143.9	185.2	163.8	189.3	103.4	142.3	84.5	135.2	142.7	176.8	88.4	144.6	<b>140.5</b>	135.2

**Table A5 Average earnings by sector; £ per week**

Sector	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007(r)	2008(p)
Agriculture	290	290	310	330	320	310	320	340	360	370	390
Manufacturing	380	400	420	440	450	470	490	520	530	550	570
Electricity, gas and water	410	440	460	480	500	530	550	590	610	640	660
Construction	360	390	410	430	460	460	480	510	520	550	570
Wholesale and retail	270	290	310	330	340	350	370	390	400	410	430
Hotels, restaurants and bars	210	230	240	270	270	280	290	300	310	320	340
Transport, storage and communication	410	450	480	510	520	560	580	610	640	670	690
Finance	480	510	540	590	630	670	690	720	750	790	820
Other business activities	310	330	360	380	410	430	450	470	480	500	510
Public administration	490	540	570	600	620	640	670	700	730	770	800
<b>All sectors</b>	<b>370</b>	<b>390</b>	<b>420</b>	<b>450</b>	<b>470</b>	<b>490</b>	<b>510</b>	<b>530</b>	<b>550</b>	<b>580</b>	<b>600</b>

Numbers are rounded to the nearest £10.

The figures shown for 1998-2007 are weighted averages for each calendar year, compiled from six-monthly manpower data for the whole year in question and the June snapshot of earnings data provided by the Index of Average Earnings survey. The figures for 2008 are preliminary estimates based on June 2008 data only; some of the figures for 2007 have been revised from those published in the previous Jersey Economic Digest to include more recent data.

Figures shown for "Public administration" have been smoothed to remove the effect of the two-year structure of recent pay awards in this sector.

**Table A6 2008 Statistics Unit Publications**

<b>Month</b>	<b>Day</b>	<b>Publication</b>
January	23	RPI - December 2007
	30	RUDL licences - December 2007
February	6	Jersey Annual Social Survey - 2007
	13	House Price Index - Q4 2007
March	5	Jersey Housing Needs Survey - 2007
April	16	RPI - March 2008
	23	Labour Market (Public & Private Sectors) - December 2007
	30	Jersey in Figures - 2007
May	21	House Price Index - Q1 2008
June	4	Population update - 2007
	18	Jersey Energy Trends
July	2	Survey of Financial Institutions – 2007
	16	RPI - June 2008
August	13	House Price Index - Q2 2008
	27	Average Earnings Index - June 2008
September	3	UK/Jersey Price Comparisons - June 2008
October	1	GVA and GNI - 2007
	8	Labour Market (Public & Private Sectors) - June 2008
	24	RPI - September 2008
November	12	House Price Index - Q3 2008
December	17	Jersey Economic Digest - 2008

Statistics Unit publications can be viewed and downloaded from [www.gov.je/statistics](http://www.gov.je/statistics)

**Table A7 2009 Statistics Unit Publications**

Month	Day	Publication
January	21	RPI - December 2008
February	11	House Price Index - Q4 2008
April	1	Labour Market (Public & Private Sectors) - December 2008
	22	RPI - March 2009
	29	Jersey in Figures - 2008
May	13	House Price Index - Q1 2009
June	3	Population update - 2008
	17	Jersey Energy Trends
July	1	Survey of Financial Institutions – 2008
	15	RPI - June 2009
August	12	House Price Index - Q2 2009
	26	Average Earnings Index - June 2009
September	2	UK/Jersey Price Comparisons - June 2009
	30	GVA and GNI - 2008
October	7	Labour Market (Public & Private Sectors) - June 2009
	23	RPI - September 2009
November	11	House Price Index - Q3 2009
December	16	Jersey Economic Digest - 2009
	23(p)	Jersey Annual Social Survey 2009

Statistics Unit publications for 2009 will be available on the Statistics Unit website [www.gov.je/statistics](http://www.gov.je/statistics).

*Photographs courtesy of Lawrence Davies and Oliver Doran*

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