

## Summary – in 2018

### Gross Value Added (GVA)

- **total GVA increased by 1.4% in real terms on an annual basis<sup>1</sup>**
- the total GVA of Jersey's economy has increased in real terms for five consecutive years
- total GVA was £4,707 million
- the latest annual increase in total GVA was driven by the financial services sector<sup>2</sup>, which saw GVA increase by 2% in real-terms

### Gross Domestic Product (GDP)

- **GDP increased by 1.8% in real terms on an annual basis**
- GDP was £4,642 million

### GDP per head of population

- **the average economic standard of living of Jersey residents, measured by GDP per head of population, increased by 0.6% in real terms on an annual basis**
- this increase was the result of the real-term change in total economic output being greater than the increase in the resident population
- GDP per head of population was £43,470; this measure for Jersey residents was more than a quarter greater than that of the UK and a fifth lower than that of Guernsey
- over the most recent five-year period, GDP per head of population has increased, in real terms, by 1% in Jersey, by 7% in the UK and by 12% in Guernsey

### Labour productivity

- **productivity, measured by GVA per full-time equivalent (FTE) worker, was unchanged in real terms on an annual basis**
  - the finance sector saw productivity increase by 1% in real terms
  - the non-finance sectors, overall, saw productivity decrease by 1% in real terms
- over all sectors of the economy, productivity has fallen by almost a quarter (23%) in real terms since the previous peak in 2007, driven by a decline in the productivity of the finance sector (down by a third over the period)
- productivity in the non-finance sectors, overall, has declined by 6% in real terms since 2007 and has been relatively unchanged over the longer term (2% higher in 2018 than 20 years earlier, in 1998)

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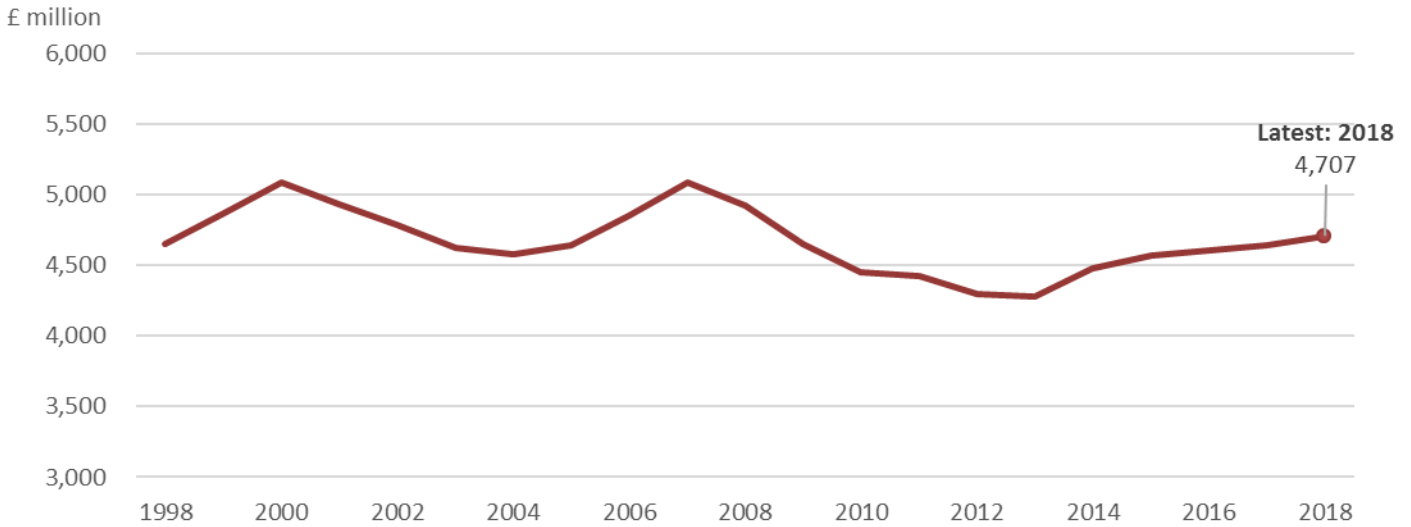
<sup>1</sup> The numbers presented throughout this report include the introduction of an additional deflator relating to the rental income of private households (see Notes).

<sup>2</sup> This report presents results by sector based on the 2003 version of the standard industrial classification (SIC). Appendices C and D present, respectively, a provisional breakdown in terms of the more recent 2007 version of SIC and estimates for the "digital sector".

## Gross Value Added, GVA

Figure 1 shows the total GVA of Jersey’s economy in real terms for each year from 1998 to 2018<sup>3</sup>. The total GVA (at basic prices – see Note 1) of Jersey’s economy in 2018 was £4,707 million.

**Figure 1 - GVA (basic) at constant year (2018) values of income, £ million**



In real terms, in 2018:

- total GVA increased by 1.4%, representing the fifth consecutive year that total GVA has increased
- the level of total GVA was almost £400 million below the previous peak seen in 2007

Figure 2 shows the annual percentage change of total GVA in real terms since 1999 (see Appendix Table A2).

**Figure 2 - Annual percentage change of GVA (basic) in real terms, 1999-2018**

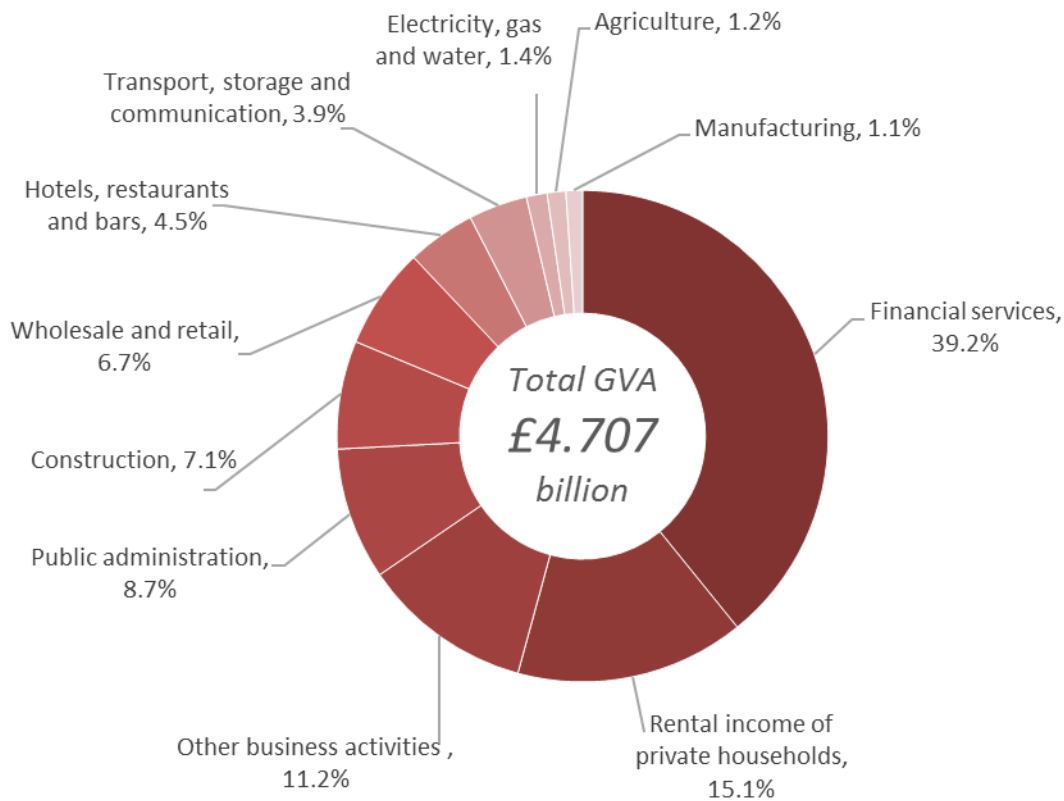


The contribution of each sector of the economy to total GVA in 2018 is shown in Figure 3.

<sup>3</sup> See Appendix Table A1 and data tables at:

<https://www.gov.je/Government/JerseyInFigures/BusinessEconomy/Pages/NationalAccounts.aspx>

Figure 3 – GVA by sector, 2018



The financial services sector represented the largest component of total GVA in 2018, accounting for almost two-fifths (39%) of total GVA. The next largest sectors in terms of GVA (excluding the rental income of private households -see Note 2) were other business activities (comprised predominantly of private sector service industries) and public administration, accounting for 11% and 9%, respectively, of total GVA in 2018.

Table 1 shows the GVA for each sector of the economy in 2017 and 2018 in constant year (2018) values and the annual real-term change.

Table 1 – GVA (basic) at constant year (2018) values of income: £ million and percentages

	2017 (r)	2018	Real-term change
Manufacturing	48	51	7%
Hotels, restaurants and bars	201	212	5%
Financial services	1,804	1,843	2%
Other business activities	519	528	2%
Rental income of private households	700	710	1%
Transport, storage and communication	180	182	1%
Public administration	408	409	0%
Wholesale & retail	316	314	-1%
Construction	340	335	-1%
Electricity, gas and water	65	64	-2%
Agriculture	59	58	-2%
<b>All Sectors (Total GVA)</b>	<b>4,640</b>	<b>4,707</b>	<b>1.4%</b>

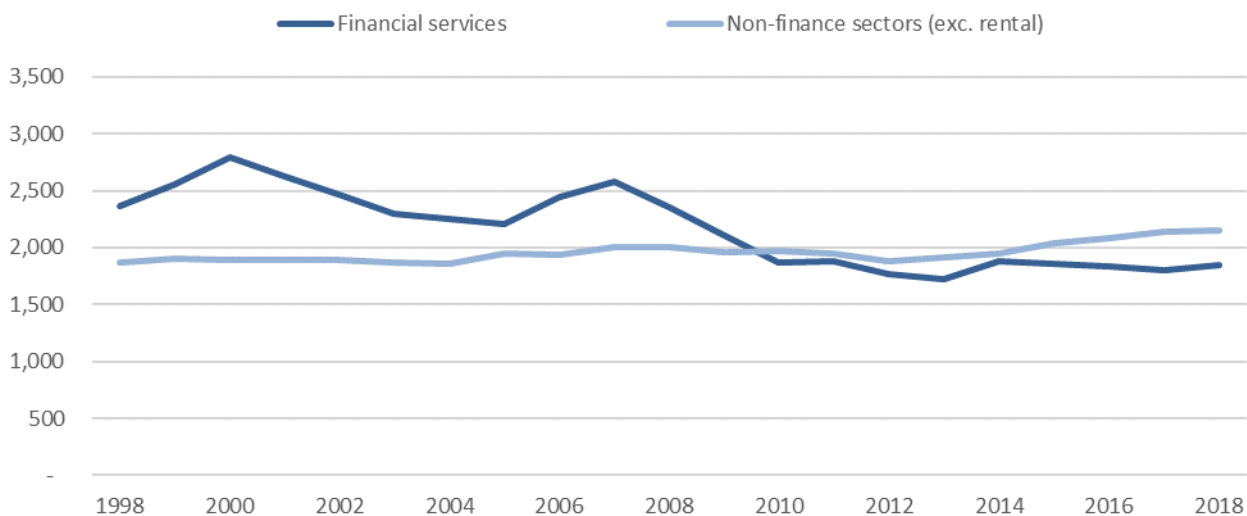
Figures are shown rounded to the nearest £ million.

The principal upward driver to the real-term change of total GVA in 2018 was the financial services sector, which recorded a real-term increase in GVA in 2018 of £39 million.

The hotels, restaurants and bars sector recorded an increase in GVA of £11 million whilst manufacturing saw the greatest percentage increase in GVA on an annual basis. In contrast, construction, agriculture, wholesale & retail, and the utilities (electricity, gas and water) saw GVA decline in real-terms in 2018.

Figure 4 shows total GVA in constant year (2018) values for financial services and the non-finance sectors (overall, excluding the rental income of private households) from 1998 to 2018 (see Appendix Table A1).

**Figure 4 – GVA (basic) for finance and non-finance sectors in real terms**  
constant year (2018) values of income, £ million



Prior to 2010 the GVA of the finance sector in Jersey was greater than the GVA of the non-finance sectors combined (excluding the rental income of private households). Between 2010 and 2014 the GVA of the finance and non-finance components of the economy were generally of a similar magnitude. More recently, since 2015, the GVA of the non-finance sectors has been greater than that of the finance sector.

The performance of the finance sector has been central to the overall performance of the Island’s economy since 1998 (Figures 1 and 4). In particular, the peaks in total GVA seen in 2000 and 2007 were driven by the corresponding peaks in the GVA of the finance sector in these years. Similarly, the decrease of a sixth (16%) in total GVA between 2007 and 2013 was largely a result of the decline of a third in the GVA of the finance sector over this period.

### Components of GVA

The two components of GVA, as measured through the income approach, are gross operating surplus (GOS) and compensation of employees (CoE), in essence “profits” and “earnings”, respectively. Table 2 shows the contributions of each of these components to GVA in 2018, overall and by sector. In 2018:

- the real-term increase in total GVA (£67 million) was the net result of increases in total GOS and total CoE of £41 million and £26 million, respectively
- total CoE accounted for more than half (54%) of total GVA
- the increase in total GOS was driven by the finance sector (up £40 million); in contrast, construction saw a decrease in GOS of £15 million

- the increase in total CoE was driven by construction and the private sector service industries
- financial services accounted for more than two-fifths (43%) of total GOS and for more than a third (36%) of total CoE

Table 2 – Gross Operating Surplus (GOS) and Compensation of Employees (CoE) in 2018 and real-term annual change in GOS, CoE and GVA, £ million

	£ million		Real-term annual change		
	GOS	COE	GOS	CoE	GVA
Agriculture	20	37	-1	0	-1
Manufacturing	11	40	3	0	3
Electricity, gas and water	35	29	1	-2	-1
Construction	90	245	-15	10	-4
Wholesale and retail	122	192	0	-2	-2
Hotels, restaurants and bars	72	140	8	2	11
Transport, storage and communication	57	126	2	0	2
Financial services	930	913	40	-1	39
Other business activities	103	425	-7	16	9
Rental income of private households	710	0	10	0	10
Public administration	0	409	0	2	2
<b>Total</b>	<b>2,151</b>	<b>2,556</b>	<b>41</b>	<b>26</b>	<b>67</b>

Figures are shown rounded to the nearest £ million; hence components may not sum to row or column totals

### Gross Domestic Product

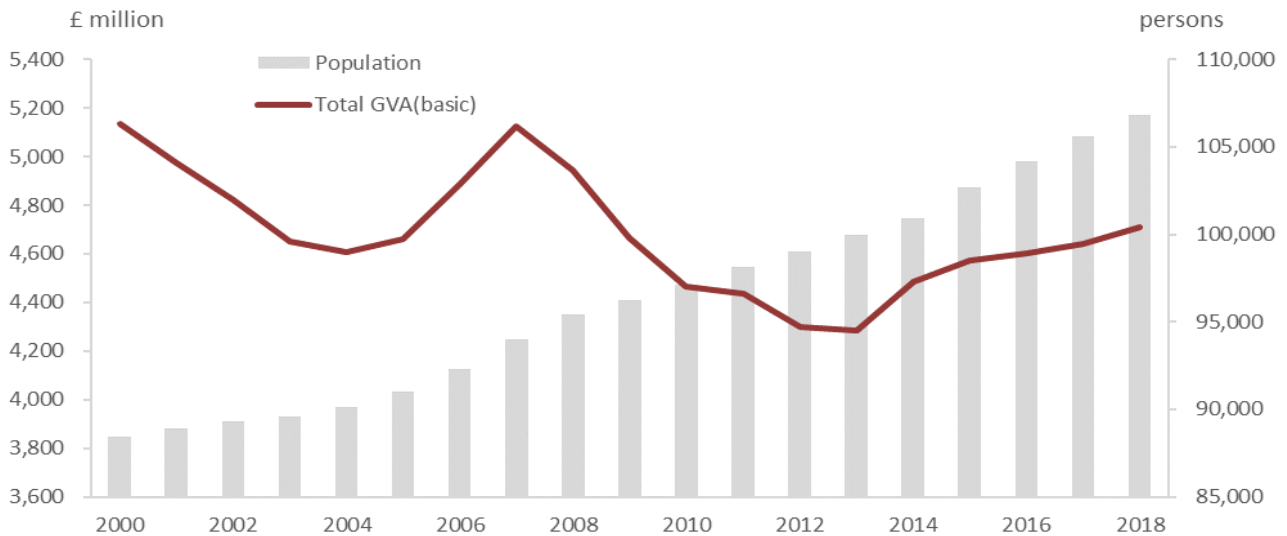
On an annual basis, Jersey's GDP increased by 1.8% in real-terms, up by around £80 million, from £4,561 million in 2017 to £4,642 million in 2018 (see Appendix Table A1).

## GVA and GDP per head of population

Expressing national accounting aggregates such as GDP and GVA on a per capita basis provides a broad indicator of the average economic standard of living for the resident population. In 2018 GDP per head of population in Jersey was £43,470. In real-terms, GDP per head of population increased by 0.6% in 2018.

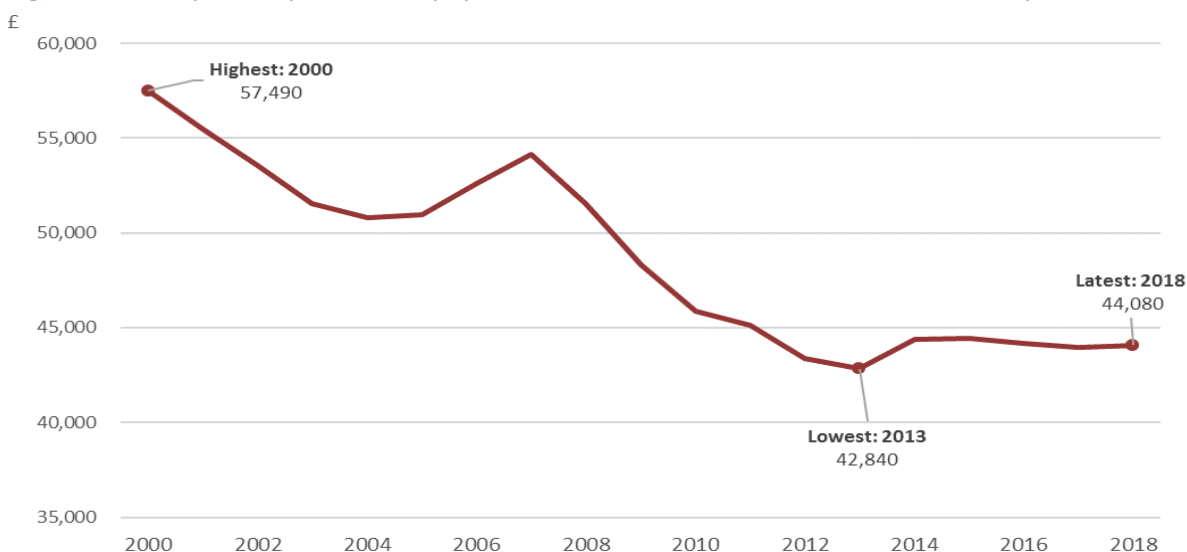
A longer period perspective of the real-term change in the average economic standard of living of Jersey residents may be examined by considering GVA per head in constant year values. The two components of this analysis, the resident population and the total GVA in constant year (2018) values, are shown in Figure 5 for the period 2000 to 2018<sup>4</sup>.

Figure 5 – Jersey’s resident population and total GVA (basic) in real terms (£ million), 2000 to 2018



The total GVA of Jersey’s economy in 2018 was 7% lower than in 2000. Over the same period the resident population increased by more than 18,000 people, an increase in population of over a fifth (21%). Figure 6 shows GVA per head in constant year (2018) values over this period (see Appendix Table A6).

Figure 6 – Jersey’s GVA per head of population in real terms, 2000 to 2018; constant year (2018) values



<sup>4</sup> The resident population figures used to calculate GDP per head and GVA per head for Jersey are the year-end estimates published in: “Jersey Resident Population – 2018 estimate”, Statistics Jersey, June 2019. The 2001 Jersey Census provides the basis for the estimate of the resident population at year-end 2000; hence, the first year-end estimate available for determining GVA per head is for calendar year 2000.

Over the period from 2000 to 2018, the GVA per head of population in Jersey decreased by almost a quarter (23%) in real terms. Most of this long-term decline occurred after 2007; between 2007 and 2018 the GVA per head of population in Jersey decreased by almost a fifth (19%). In the latest year (2018) GVA per head of population increased by 0.3% in real terms.

### Comparison with Guernsey and the UK<sup>5</sup>

GDP per head of population for Jersey, Guernsey and the UK in 2018 are shown in Table 3. In 2018, GDP per head of population in Jersey was more than a quarter (27%) higher than in the UK<sup>6</sup> and a fifth (21%) lower than in Guernsey.

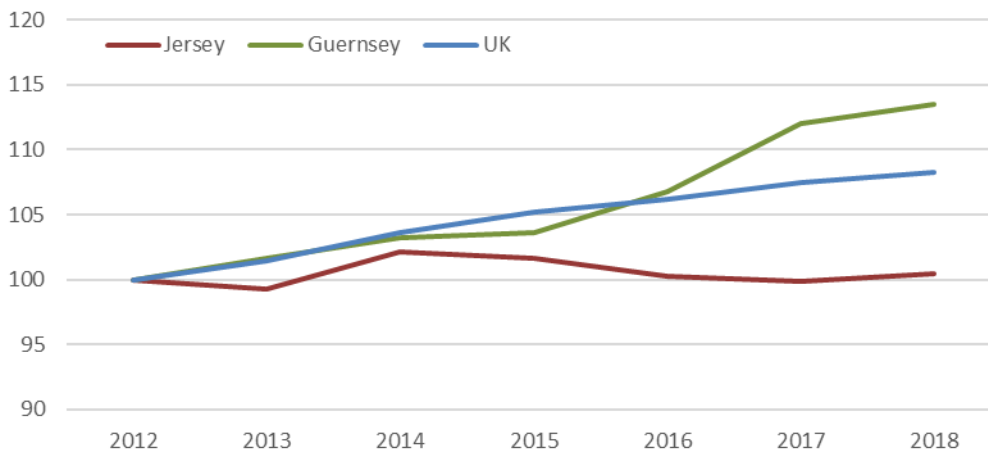
Table 3 - GDP per head of population in Jersey, Guernsey and the UK in 2018 (current year values, £)

	Jersey	Guernsey	UK
<b>GDP per head</b>	43,470	52,530	31,860
<b>Real-term annual change, %</b>	0.6%	1.3%	0.7%

In all three jurisdictions, GDP per head of population increased in real terms in 2018.

Figure 7 shows the relative behaviour of the indicator of average economic standard of living (GDP per head of population in real-terms) for Jersey, Guernsey and the UK since 2012.

Figure 7 –GDP per head of population in real terms in Jersey, Guernsey and the UK, 2012 to 2018 (indexed 2012 = 100)



Over the latest five-year period, since 2013, GDP per head of population has increased in real terms by 1% in Jersey, by 7% in the UK and by 12% in Guernsey.

<sup>5</sup> Measures for the UK are derived from datasets published by the UK Office for National Statistics.

Measures for Guernsey are derived from the report “Guernsey Annual GVA and GDP Bulletin, 2018 (First Estimates)”, published by the States of Guernsey Data and Analysis Services, August 2019.

<sup>6</sup> When comparing these measures for Jersey and the UK, it should be acknowledged that the most recent (2013) estimate of the overall relative price level for consumer goods and services (including housing, health and education costs) for Jersey was a fifth (20%) greater than the UK average; see: “Jersey-UK Relative Consumer Price Levels for Goods and Services, 2013”, Statistics Unit, March 2014.

## Labour productivity

Labour productivity is one of the main drivers that influence national living standards, as greater labour productivity means a greater output of goods and services can be produced from a given set of labour inputs. Labour productivity is defined in terms of GVA (basic) and manpower as:

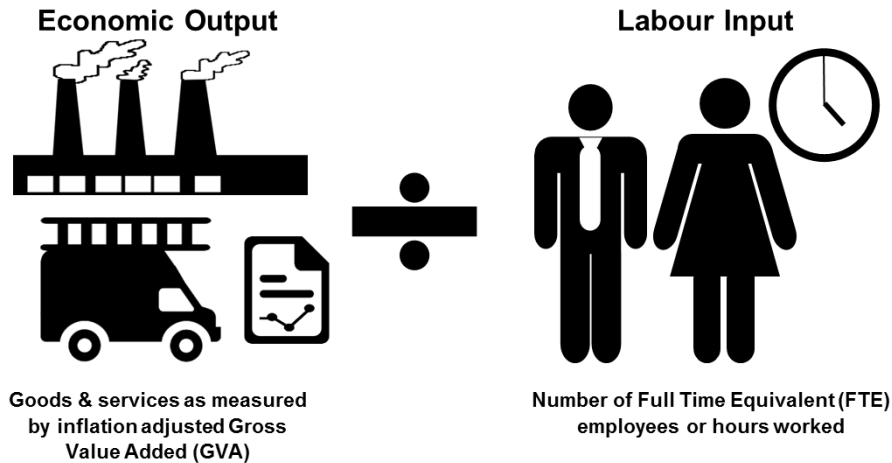


Table 4 shows the labour productivity of Jersey's economy in 2018, overall and by sector, in current year values and also shows the real-term annual change.

Table 4 – Productivity at current year values and real-term annual change, 2018  
 £ thousand per FTE and percentages

Sector	Productivity per FTE (£ thousand)	Real-term annual change, %
Agriculture	37	0
Manufacturing	47	6
Electricity, gas and water	142	3
Construction	59	-2
Wholesale and retail	46	-1
Hotels, restaurants and bars	38	4
Transport, storage and communication	65	-1
Financial services	143	1
Other business activities	44	-3
Public administration	59	1
<b>All sectors</b>	<b>72</b>	<b>0</b>
Non-finance sectors	51	-1

In 2018, across all sectors of the economy, productivity was £72,000 per FTE employee.

In real-terms, productivity in 2018 was unchanged compared with 2017 (see Appendix Table A4).

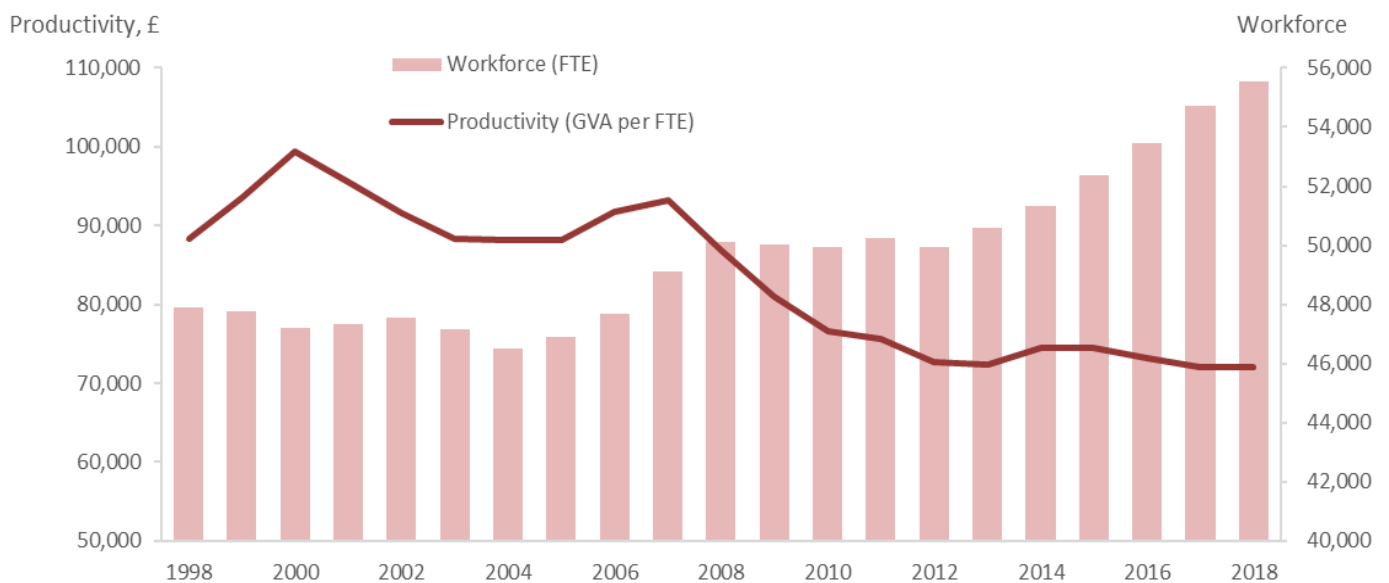


At a sectoral level, productivity in 2018 ranged from less than £40,000 per FTE in agriculture and in hotels, restaurants and bars to more than £140,000 per FTE in financial services and the utilities.

Productivity in the financial services sector in 2018 was almost three times that in the non-finance sectors overall (£51,000 per FTE).

Figure 8 shows that there has been a decline in the productivity of the Jersey economy throughout most of the last two decades (see Appendix Table A4). Since 1998 the Island’s workforce has increased by more than 7,500 FTEs.

**Figure 8 – Productivity (GVA per FTE) of Jersey’s economy in real terms and total employment, 1998-2018**



The long-term decline in productivity has occurred particularly since 2007. Between 2007 and 2018 the productivity of the Island’s economy fell by almost a quarter (23%) in real terms.

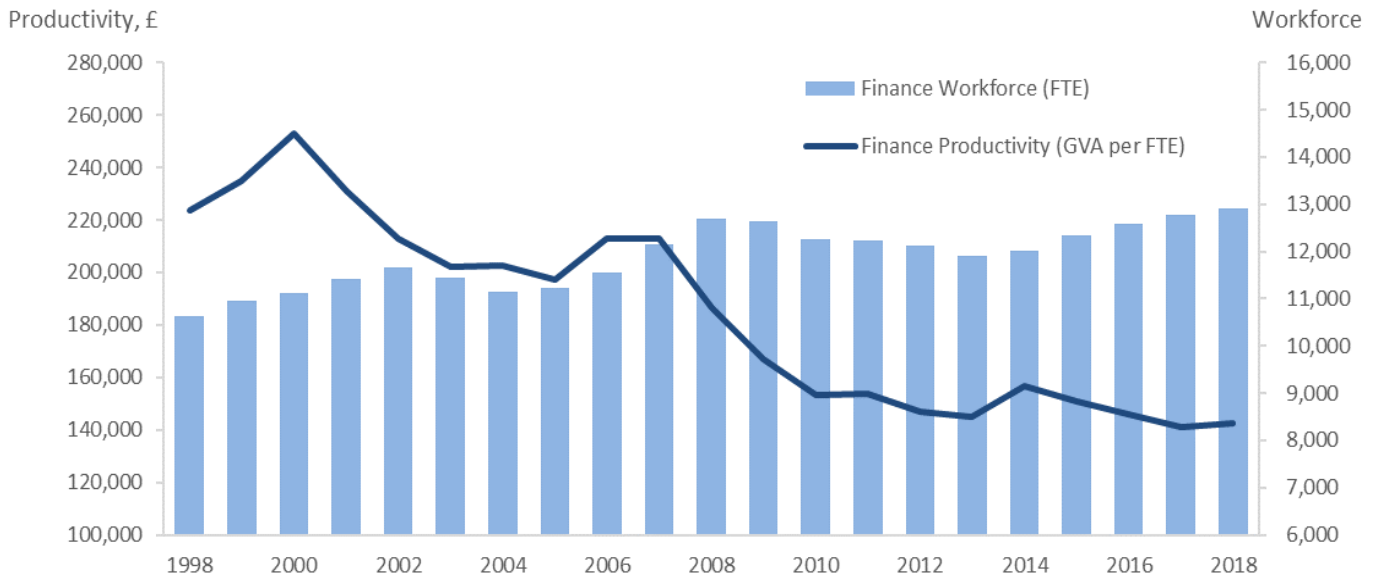
This decline in the productivity of the Island’s economy overall has been driven by a decline in the productivity of the financial services sector (see Figure 9 and Appendix Table A4). Increased levels of employment in lower productivity sectors (see Figure 10) has also been a factor in recent years.

Most of the long-term decrease in productivity in financial services occurred from 2007 to 2010. A key factor behind the decrease in productivity in financial services during this period was a reduction in the Net Interest Income (NII) of the banking sub-sector. The amount of NII generated by banking in Jersey stood at £1,040 million in 2008 and accounted for three-fifths of banking revenue in that year. During the subsequent period to 2010 the NII of the banking sub-sector decreased by more than a third, representing a fall of some £400 million in two years<sup>7</sup>. In the most recent year, 2018, NII was £900 million, representing the highest level seen since 2008.

In 2018 the productivity of the finance sector increased by 1% in real-terms (see Figure 9).

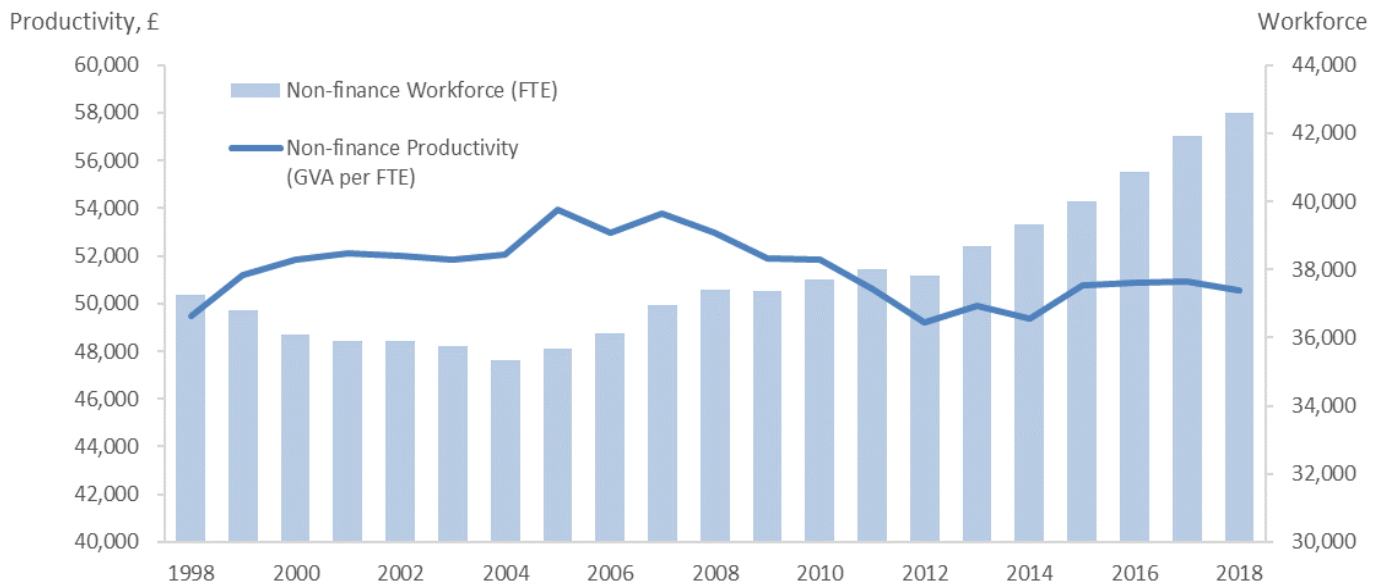
<sup>7</sup> “Survey of Financial Institutions: GVA and productivity - 2018”, Statistics Jersey, July 2019.

**Figure 9 – Financial services productivity (GVA per FTE) in real terms and employment, 1998-2018**



In contrast to the long-term decline in productivity experienced by the Island’s financial services sector, the productivity of the non-finance sectors overall has been relatively flat (see Figure 10 and Appendix Table A4).

**Figure 10 – Non-finances sectors productivity (GVA per FTE) in real terms and employment, 1998-2018**



In 2018 the productivity of the non-finance sectors, overall, decreased by 1% in real-terms.

Over the long-term, the productivity of the non-finance sectors in 2018 was 2% higher than in 1998 in real terms. The non-finance sectors recorded an increase in productivity of 9% between 1998 and 2007 before seeing a decline in productivity of 6% between 2007 and 2018.

A factor in the decrease in productivity of the non-finance sectors since 2007 has been the greater proportion of the Island’s workforce being employed in lower productivity sectors; in particular, the private sector service industries accounted for 15% of the Island’s workforce in 2007 (on an FTE basis) rising to 22% in 2018, representing an increase of almost 5,000 FTEs over the period<sup>8</sup>.

<sup>8</sup> For information on employment levels on a headcount basis see: “Jersey Labour Market, December 2018”, Statistics Jersey, April 2019.

## NOTES

### 1. Definition of terms

The size of an economy can be measured through three approaches: income (the sum of profits and earnings); output (the difference between output and intermediate purchases); expenditure (the sum of all final expenditure in the economy e.g. consumer and government spending, capital investment, imports and exports). The income and output measures both derive estimates of value added. At present, data exists in Jersey to enable calculation of the income measure only. Under this approach GVA and GDP are defined as:

**GVA** the sum of gross operating surplus (including the “mixed income” of sole traders) and compensation of employees. GVA is evaluated separately for each sector of the economy and is specified in terms of basic prices, i.e. excluding taxes on products and production (GST and impôts) and including subsidies.

**GDP** the traditional aggregate measure of an economy requires specific treatment for services indirectly charged by financial services institutions. As specified by the System of National Accounts (SNA93), such services (designated as FISIM, Financial Intermediation Services Indirectly Measured) are estimated through net interest income and are allocated by user sector. The majority of FISIM generated by financial services institutions operating in Jersey comprises the export of a service.

### 2. Owner-occupied imputed rental costs (OOIR) and rental income of private households

The international framework governing the calculation of National Accounts (and therefore GVA and GDP) is defined so that it can be applied to all countries and thereby measure economic performance regardless of differences between countries. This approach requires the inclusion of some theoretical concepts. One such concept is owner-occupied imputed rental costs (OOIR), which is essentially an estimate of the rental costs that home owners would pay themselves to rent their own property. This payment does not actually occur but is required in order to make meaningful comparisons between countries in which owner-occupation is high (such as the UK) and countries where owner-occupier rates are lower, such as Germany.

Estimates of OOIR, net of expenses, and also of the rental income earned by private households and non-corporations are, in principle, included in the “other business activities” sector but are shown separately throughout this report so that the size and performance of the underlying businesses can be ascertained.

### 3. Deflators

A GDP deflator (in essence, a measure of price inflation across the whole economy) is generally used to deflate national accounting aggregates. In the absence of such a measure for Jersey, and prior to this report relating to calendar year 2018, RPI(X) or RPI(Y) were used as a proxy GDP deflator: RPI(X) for years before 2008; and RPI(Y) from 2008 to 2017, following the introduction of a consumption tax in Jersey (a Goods and Services Tax, GST, was introduced in May 2008 at 3%; the rate of GST was increased to 5% in June 2011).

In this report a separate deflator, derived from the private sector rental index, has been introduced for the rental income of private households, including OOIR. The effect on the latest and previously published estimates of total GVA due to the introduction of this deflator is presented in Appendix B. The private sector rental index is published quarterly by Statistics Jersey, see: [Jersey House Price Index Report](#).

### 4. Revisions

The numbers presented throughout this report include the introduction of the deflator outlined in Note 3 and Appendix B. Some further revisions for calendar year 2017 have been incorporated, predominantly resulting from revised estimates of the gross operating surplus of corporations and the compilation of more recent manpower and earnings data.

Data tables can be found on the Statistics Jersey website under “National Accounts: GVA and GDP” at:

<https://www.gov.je/Government/JerseyInFigures/BusinessEconomy/Pages/NationalAccounts.aspx>

Table A1 - GVA (basic) and GDP in constant year (2018) values of income, 2001-2018; £ million

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Total GVA</b>	4,930	4,785	4,619	4,579	4,637	4,853	5,090	4,919	4,647	4,454	4,425	4,293	4,282	4,478	4,566	4,602	4,640	4,707
Financial services	2,628	2,472	2,302	2,249	2,205	2,446	2,575	2,356	2,104	1,872	1,875	1,772	1,722	1,880	1,862	1,832	1,804	1,843
Non-finance sectors*	1,881	1,877	1,865	1,853	1,939	1,929	2,000	1,996	1,953	1,967	1,938	1,877	1,909	1,941	2,031	2,080	2,136	2,154
<b>GDP</b>												4,283	4,291	4,457	4,513	4,521	4,561	4,642

\*Overall, excluding the rental income of private households.

Numbers are independently to the nearest £1 million.

**Table A2 - Real-term annual change in GVA (basic) by sector, 2001-2018; percentages**

<b>Sector</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Agriculture	-10	2	-3	-10	3	4	3	5	5	-14	-15	-3	12	-17	11	12	0	-2
Manufacturing	-3	-5	-7	-9	-7	-6	-6	1	-9	1	-8	-9	-9	6	0	6	-3	7
Electricity, gas and water	-6	-1	-9	-4	8	-6	-3	8	-13	5	-3	0	3	-1	8	8	3	-2
Construction	3	4	-8	-3	8	5	7	0	-1	4	-5	-8	-2	5	9	8	9	-1
Wholesale and retail	-3	-2	0	0	3	2	4	-6	-1	-1	2	-9	0	-3	4	-3	1	-1
Hotels, restaurants and bars	-4	-3	1	-4	-3	1	3	-2	-7	2	2	3	2	6	4	7	-2	5
Transport, storage and communication	3	-2	-3	0	4	0	4	-4	-1	-3	-2	-3	6	2	5	-1	4	1
Financial services	-6	-6	-7	-2	-2	11	5	-8	-11	-11	0	-5	-3	9	-1	-2	-2	2
Other business activities (excluding rental)	3	2	5	3	13	-9	3	3	-3	3	0	1	3	2	6	6	4	2
Public administration	3	1	2	2	1	3	5	3	0	1	-2	-1	2	4	1	-4	1	0
<b>Total GVA (including rental)</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-1</b>	<b>1</b>	<b>5</b>	<b>5</b>	<b>-3</b>	<b>-6</b>	<b>-4</b>	<b>-1</b>	<b>-3</b>	<b>0</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
Non-finance sectors (overall, excluding rental)	0	0	-1	-1	5	0	4	0	-2	1	-2	-3	2	2	5	2	3	1

Percentage changes are calculated from unrounded figures.

**Table A3 - GVA (basic) in real terms, 2001-2018 (index numbers; 2013=100)**

<b>Sector</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Agriculture	115.5	117.8	114.6	103.3	106.5	111.1	114.5	119.8	126.0	108.5	91.8	89.2	100.0	83.3	92.4	103.6	103.6	101.6
Manufacturing	212.2	201.1	187.9	171.3	160.2	150.9	141.8	142.7	130.1	131.0	120.1	109.4	100.0	105.6	106.0	111.8	108.6	115.8
Electricity, gas and water	119.5	118.1	107.0	102.9	110.7	104.6	101.9	110.3	95.8	100.2	97.1	97.1	100.0	98.5	106.0	114.0	116.9	115.0
Construction	99.8	103.5	95.6	93.2	100.4	105.7	113.3	113.3	112.6	116.7	111.3	102.4	100.0	105.2	115.0	124.2	135.2	133.4
Wholesale and retail	110.2	107.6	108.1	107.6	111.1	113.1	118.0	110.7	109.2	107.8	110.0	100.3	100.0	96.9	100.3	97.1	98.2	97.5
Hotels, restaurants and bars	104.8	101.2	102.1	98.5	95.8	96.9	99.6	98.1	90.8	93.0	94.9	98.0	100.0	105.6	109.3	117.3	115.0	121.1
Transport, storage and communication	105.3	103.1	100.1	100.1	103.8	103.8	107.5	102.9	102.1	99.3	97.2	94.5	100.0	101.7	107.2	105.7	109.6	110.7
Financial services	152.6	143.6	133.7	130.6	128.1	142.0	149.5	136.8	122.2	108.7	108.9	102.9	100.0	109.2	108.1	106.4	104.7	107.0
Other business activities (excluding rental)	80.5	82.0	86.1	88.7	99.8	91.4	94.2	96.7	93.9	96.4	96.1	96.7	100.0	101.8	107.7	113.8	118.2	120.3
Public administration	84.8	85.3	86.8	88.5	89.8	92.2	96.5	99.2	99.2	100.5	99.0	97.8	100.0	104.1	104.8	101.1	101.9	102.3
<b>Total GVA(including rental)</b>	<b>115.1</b>	<b>111.7</b>	<b>107.9</b>	<b>106.9</b>	<b>108.3</b>	<b>113.3</b>	<b>118.9</b>	<b>114.9</b>	<b>108.5</b>	<b>104.0</b>	<b>103.3</b>	<b>100.2</b>	<b>100.0</b>	<b>104.6</b>	<b>106.6</b>	<b>107.5</b>	<b>108.4</b>	<b>109.9</b>
Total GVA (excluding rental)	125.3	120.7	115.5	113.7	114.7	121.3	126.9	120.6	112.2	106.0	105.2	100.6	100.0	105.4	107.3	107.7	108.4	110.0
Non-finance sectors (overall, excluding rental)	99.0	98.7	98.0	97.3	101.7	101.3	105.1	104.9	102.6	103.4	101.7	98.4	100.0	101.7	106.4	108.9	111.8	112.7

**Table A4 - Productivity (GVA per FTE) in real terms, 2001-2018 (index numbers; 2013=100)**

<b>Sector</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Agriculture	112.9	117.4	115.5	109.6	109.1	114.1	113.9	123.6	126.5	110.2	99.0	94.9	100.0	85.6	99.5	114.0	117.0	116.9
Manufacturing	105.0	100.2	100.6	101.2	103.0	104.3	102.3	103.9	107.2	109.5	109.6	105.7	100.0	108.1	107.4	107.4	103.3	109.5
Electricity, gas and water	93.6	97.0	94.6	97.0	105.3	99.1	95.5	103.1	88.5	95.4	92.2	94.3	100.0	98.1	108.9	116.0	118.6	121.6
Construction	100.6	101.5	98.2	97.6	99.8	100.3	106.4	104.9	104.1	105.8	101.5	98.7	100.0	103.3	106.1	108.2	113.1	110.3
Wholesale and retail	106.2	104.6	104.4	102.5	102.5	103.6	107.7	100.5	100.9	98.7	98.8	94.2	100.0	97.7	100.6	99.6	99.0	98.3
Hotels, restaurants and bars	103.5	102.9	105.3	104.8	103.3	102.8	104.1	103.0	97.8	100.2	98.9	100.5	100.0	103.5	106.3	111.4	107.3	112.0
Transport, storage and communication	100.0	98.3	98.1	99.4	103.5	104.2	104.9	98.8	98.7	97.4	96.9	94.8	100.0	99.5	103.3	98.4	100.1	99.5
Financial services	159.5	147.1	139.6	139.9	136.1	146.9	147.1	128.9	115.4	106.0	106.2	101.4	100.0	108.1	104.1	100.7	97.4	98.6
Other business activities (excluding rental)	115.6	116.3	118.6	122.0	136.3	121.2	119.5	116.1	109.0	109.5	105.2	100.8	100.0	98.3	98.9	97.3	95.6	92.9
Public administration	98.5	97.7	96.5	97.1	99.4	101.0	100.9	103.5	102.4	102.4	101.5	100.1	100.0	102.8	105.9	106.8	108.4	109.1
<b>Total GVA (excluding rental)</b>	<b>131.9</b>	<b>126.5</b>	<b>122.0</b>	<b>121.8</b>	<b>121.8</b>	<b>126.8</b>	<b>128.8</b>	<b>119.9</b>	<b>111.8</b>	<b>105.7</b>	<b>104.4</b>	<b>100.4</b>	<b>100.0</b>	<b>103.0</b>	<b>102.8</b>	<b>101.1</b>	<b>99.5</b>	<b>99.5</b>
Non-finance sectors (overall, excluding rental)	104.4	104.2	103.9	104.3	108.1	106.2	107.7	106.2	104.1	103.9	101.4	98.6	100.0	99.0	101.8	102.0	102.1	101.3

**Table A5 - Productivity (GVA per FTE) in constant year (2018) values of income, 2001-2018; £ thousand**

<b>Sector</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Agriculture	36	37	37	35	35	36	36	39	40	35	32	30	32	27	32	36	37	37
Manufacturing	45	43	43	44	44	45	44	45	46	47	47	46	43	47	46	46	45	47
Electricity, gas and water	109	113	110	113	123	115	111	120	103	111	107	110	117	114	127	135	138	142
Construction	54	54	52	52	53	54	57	56	56	56	54	53	53	55	57	58	60	59
Wholesale and retail	49	48	48	48	48	48	50	47	47	46	46	44	46	45	47	46	46	46
Hotels, restaurants and bars	35	35	36	36	35	35	36	35	33	34	34	34	34	35	36	38	37	38
Transport, storage and communication	66	64	64	65	68	68	69	65	65	64	64	62	66	65	68	65	66	65
Financial services	231	213	202	203	197	213	213	187	167	153	154	147	145	157	151	146	141	143
Other business activities (excluding rental)	54	55	56	57	64	57	56	55	51	51	49	47	47	46	46	46	45	44
Public administration	54	53	52	53	54	55	55	56	56	56	55	54	54	56	58	58	59	59
<b>Total GVA (excluding rental)</b>	<b>95</b>	<b>92</b>	<b>88</b>	<b>88</b>	<b>88</b>	<b>92</b>	<b>93</b>	<b>87</b>	<b>81</b>	<b>77</b>	<b>76</b>	<b>73</b>	<b>72</b>	<b>75</b>	<b>74</b>	<b>73</b>	<b>72</b>	<b>72</b>
Non-finance sectors (overall, excluding rental)	52	52	52	52	54	53	54	53	52	52	51	49	50	49	51	51	51	51

*Numbers are rounded to the nearest £1,000.*



Table A6 - GVA per head of population in constant year (2018) values, 2001-2018; £

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>GVA per head of population</b>	55,460	53,580	51,560	50,820	50,950	52,580	54,140	51,560	48,310	45,870	45,110	43,360	42,840	44,380	44,460	44,160	43,940	44,080

Table A7 - GDP per head of population in constant year (2018) values, 2012-2018; £

	2012	2013	2014	2015	2016	2017	2018
<b>GDP per head of population</b>	43,260	42,930	44,170	43,950	43,390	43,190	43,470

## Deflators

A GDP deflator is generally used to deflate national accounting aggregates. Historically, a deflator derived from RPI(X) or RPI(Y) has been used as a proxy GDP deflator for Jersey's economy, applied to GDP, total GVA and unilaterally across all sectoral measures of GVA: RPI(X) for years before 2008; and RPI(Y) from 2008 to 2017, inclusive.

In this report, an additional deflator has been introduced for the GVA measure of the rental income of private households, including owner-occupied imputed rental costs (OOIR). This rental deflator is derived from the private sector rental index (published quarterly by Statistics Jersey, see Note 3). RPI(Y) has been used as the deflator for all other sectoral measures of GVA.

The effect on the latest measure of the real-term annual change in total GVA, and on previously published measures, is shown in Figure B1.

**Figure B1 – Real-term annual change in total GVA – effect of introducing rental deflator**



The annual real-term change in total GVA in 2018, incorporating the rental deflator, is 1.4%. Using only RPI(Y) as the deflator across all sectors (including the rental income of private households, as in previous publications) results in an estimate of annual real-term change in total GVA in 2018 of 2.3%.

For years such as 2018 and 2016 when the rental deflator is greater than that derived from RPI(Y) or RPI(X), introduction of the rental deflator results in a lower estimate of overall annual growth. In contrast, for years such as 2017 when the rental deflator is lower than that derived from RPI(Y) or RPI(X), introduction of the rental deflator results in a greater estimate of overall annual growth.

## Revision of the standard industrial classification

This report uses the UK standard industrial classification (SIC) 2003 system in order to classify businesses into relevant sectors. Starting with the December 2018 Labour Market report, Statistics Jersey is currently in the process of updating these classifications in line with the revised 2007 classification system, which provides a more up to date and comprehensive structure. At the same time businesses have also been classified to a greater level of detail, potentially allowing more granular sub-sector analysis.

It is intended that in addition to labour market statistics being produced using the 2007 classification system, future National Accounts measures such as GVA will also be published using this system. Detailed below are the preliminary results of this reclassification exercise. These results will be subject to update and revision in future publications.

**Table C1 – GVA by sector (SIC 2007) in nominal terms, current year values, £ million**

<b>Sector</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Agriculture and fishing	30	30	40	50	50
Construction and quarrying	240	250	280	330	340
Education, health and other services	220	240	240	260	270
Hotels, restaurants & bars	150	160	180	190	210
Information and communication	120	110	110	120	120
Manufacturing	30	30	40	40	40
Miscellaneous business activities	130	170	190	210	230
Transport and storage	80	80	100	110	90
Utilities and waste	60	70	80	80	90
Wholesale & retail	280	290	300	300	300
Financial services	1,720	1,720	1,720	1,740	1,840
Public sector	380	390	380	390	410
Rental income of private households	550	580	630	640	710
<b>All sectors (Total GVA)</b>	<b>3,990</b>	<b>4,110</b>	<b>4,270</b>	<b>4,440</b>	<b>4,710</b>

**Table C2 – GVA by sector (SIC 2007) in real terms, 2018 prices, £ million**

<b>Sector</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Agriculture and fishing	40	40	40	50	50
Construction and quarrying	260	270	300	340	340
Education, health and other services	240	260	260	270	270
Hotels, restaurants and bars	160	170	190	200	210
Information and communication	130	120	120	120	120
Manufacturing	40	30	40	40	40
Miscellaneous business activities	140	180	200	210	230
Transport and storage	90	90	100	110	90
Utilities and waste	70	70	80	80	90
Wholesale and retail	310	320	320	310	300
Financial Services	1,880	1,860	1,840	1,800	1,840
Public Sector	420	420	400	410	410
Rental income of private households	660	670	690	700	710
<b>All sectors (Total GVA)</b>	<b>4,410</b>	<b>4,510</b>	<b>4,580</b>	<b>4,640</b>	<b>4,710</b>

All figures in tables C1 and C2 have been independently rounded to the nearest £10 million.

**Digital sector - GVA and employment measures**

As part of the States of Jersey Digital Policy Framework<sup>9</sup> a series of Key Performance Indicators (KPIs) were put in place in respect of this sector. These KPIs include:

- high-productivity digital sector employment up by 1,000 by 2025
- GVA of the digital sector increased by 50% by 2025
- productivity of the sector increased by 10% by 2025
- first annual measurement of the size of Jersey's digital sector by 2018

The revised SIC 2007 classification (Appendix C) allows for the estimation of size of Jersey's digital sector; presented below is the first annual measurement of the size of this sector.

For comparability purposes, the sector is defined here using the same methodology as that of the UK Office of National Statistics (ONS). This definition constitutes primarily the information and communications sector, which includes publishing, broadcasting, telecommunications, computer programming and consultancy, and information services. The ONS definition also includes: the manufacture of electronic components and boards (SIC 2007 group 26.1); the manufacture of computers and peripheral equipment (26.2) from the manufacturing sector; and the repair of computers and communication equipment (95.1) from the education, health and other services sector.

It is important to note that these estimates for the digital sector are included within the broader sector estimates presented in Appendix C and are not in addition to these.

**Table D3 – GVA of the digital sector, in nominal and real terms, £ million**

Digital sector	2014	2015	2016	2017	2018
Nominal	119	115	112	119	124
Real terms (2018 values)	131	125	120	123	124

**Table D4 – Digital sector employment (FTE)**

Digital sector	2014	2015	2016	2017	2018
Full-time equivalent (FTE) employees	1,530	1,550	1,640	1,690	1,710

**Table D5 – Productivity (GVA / FTE) of the digital sector, in nominal and real terms, £ thousand**

Digital Sector	2014	2015	2016	2017	2018
Nominal	78	74	68	70	72
Real terms (2018 values)	85	80	73	73	72

<sup>9</sup> [Digital Policy Framework](#)