



NEWS RELEASE

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Competition Regulator to undertake a sector review on construction sector

The construction sector is to be reviewed by the Jersey Competition Regulatory Authority (**the Authority**), with a view to understanding if there are any competition issues for the Authority to consider.

Construction represents nearly 8% of the Jersey economy, with over 10% of the Island's workforce engaged in the sector. It is a sizeable market of considerable economic value - the effective operation and sustainability of the sector is key to the Jersey economy.

A case opening statement has been published today, outlining the approach to the review, which is broadly to consider market characteristics, features or otherwise that potentially impact competition.

A sector review is a flexible tool to explore whether a sector is working well for Jersey consumers. It is important to note that this review concerns the structure, operation and behaviour of the sector, not the action of any specific business or firm.

Tim Ringsdore, Chief Executive Officer at the Authority, said "This review is being launched in the context of both significant upcoming construction projects, and recent changes in the market structure. Given the significance of construction to the

economy it is important we know whether there are any competition issues to consider, and whether the market is working in the interests of Jersey's consumers.

There will be an opportunity for consumers and businesses to provide feedback on our work during the coming months. The output from the review will inform our further work in this area, which is likely to take the form of separate follow up projects such as targeted market studies, or advocacy work. These will help ensure the sector continues to work in the best interests of consumers and the Island economy”

Formal work on the review will start in September 2024 and completion is expected by the end of 2025.

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NOTES TO EDITORS:

Why is the review being launched?

Construction represents 8% of Jersey's economic output (as measured by gross value added), a higher proportion than in similar jurisdictions. Construction also employs up to 10% of the Jersey workforce, and there are significant future construction projects planned. Within this context, construction is a key input to the wider economy, supporting other sectors and policies.

What will the review cover?

A sector review is broad in scope allowing for consideration of the entire value and supply-chain. Construction involves a wide number and variety of activities, processes and inputs; the review will enable the Authority to consider the whole construction sector with a view to then focusing analysis on segments and areas impacting competition.

How will the review be carried out?

The review will gather and analyse information to better understand the current structure, the operation of the market and current practices and identify how well the market is working. This will be done through various methods, including the use of case studies, structured engagement sessions, requests for information and independent research. These materials will be used to form a draft report which will be published on our website for comment. Feedback received on the draft report will be incorporated into the final report.

What are the timings?

The review will start in September 2024 and will be completed by the end of 2025. A draft report will be published for consultation in the first half of 2025. The draft report will set out draft findings on potential areas of focus for competition policy.

About The Jersey Competition Regulatory Authority

The Authority was established under the Competition Regulatory Authority (Jersey) Law, 2001. It is responsible for administering and enforcing the Competition (Jersey) Law 2005 and also regulates the telecoms and postal sectors and the Ports of Jersey.

The Authority strives to ensure that the markets work well for the benefit of all stakeholders, including Government, business, citizens and consumers facilitating best value, choice and access to high quality services.