NEWS RELEASE – FOR ISSUE

23 September 2025

JCRA to Step Up Surveillance of Jersey's Construction Sector

The Jersey Competition Regulatory Authority (**JCRA**) has today published its final report into the Island's construction sector – and its findings are clear: more effective competition is essential to the sector's future.

The report confirms the vital role that construction plays in Jersey's economy, and the challenges the sector continues to face – from limited consumer choice in some areas and rising costs, to structural issues unique to the Island. The JCRA warns that without strong and effective competition, the sector's resilience and sustainability could be at risk.

Key findings from the report include:

- **Residential consumers** expressed broad concern over limited effective competition, high prices, and inefficiencies in contractor availability and project delivery.
- **Costs and prices** in Jersey's construction sector are generally higher than in other jurisdictions, influenced by concentrated market structures, productivity levels and labour costs.
- **Logistics and transport** emerged as a major constraint across the sector, affecting costs, efficiency and market outcomes.

Building on these findings and based on wider analysis, **scaffolding, aggregates and concrete, and residential construction** have been identified as initial "markets of interest" due to signs of poor market functioning and potential competition risks.

JCRA CEO Tim Ringsdore said:

"Since publishing our draft report in April, we've heard loud and clear from businesses and consumers. There are real concerns about how the construction sector operates – and we're committed to further surveillance of the market"

The final report draws on extensive engagement with industry, government and the public, backed by independent research. It highlights how different players experience the market:

- Homeowners report limited choice and affordability issues.

- Small businesses face unpredictable costs and contractor shortages.
- Larger firms are more positive about obtaining competitive quotes locally and externally and had fewer concerns with the competitive process.

Tim Ringsdore added:

"This isn't about pointing fingers – it's about building a stronger, fairer sector. Jersey needs a thriving construction industry to deliver homes, infrastructure and jobs. Effective competition is key to making that happen."

Next Steps: The JCRA is taking decisive action to address the issues identified:

- Further investigations are underway into potential anti-competitive practices.
- In aggregates and concrete, an analysis will be carried out to establish the competition tool most appropriate to address the competition insights and challenges arising.
- In residential construction, the JCRA has begun consumer-focused engagement to improve transparency, communication and outcomes.
- The JCRA will also revisit recommendations from its 2022 freight logistics study alongside its current investigation into Jersey's logistics and transport sector.

Beyond these targeted actions, the JCRA is:

- Developing advice to help businesses collaborate fairly without harming competition.
- Updating its guidelines on anti-competitive arrangements to be more practical and accessible.
- Launching a rolling programme of competition awareness sessions for trade associations in 2026.
- Conducting a strategic review of Island-specific features to assess long-term competition implications.
- Sharing stakeholder feedback on the planning process with Government to assist in policy development.

The JCRA has already published an updated leniency policy to encourage businesses to exit any anti-competitive arrangements.

The JCRA's work will continue throughout 2025 and into 2026, with further detail to be published in its 2026 Business Plan. The construction sector will remain under active surveillance, and the JCRA encourages anyone with information about anti-competitive behaviour to come forward in confidence: competiton@jcra.je.

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NOTES TO EDITORS:

Background

This press release is the JCRA's summary from its construction sector review. It follows a public consultation on the JCRA draft findings, published in April 2025.

The rationale for the sector review

The JCRA is responsible for promoting competition in the supply of goods and services in Jersey and undertakes a continuing programme of studies into different markets and sectors. Construction was identified as a focus as:

- The construction sector plays a significant role in the Jersey economy, impacting all Jersey consumers, and both the commercial and public sector; and
- In addition to recent market developments, there are major construction projects underway and other large-scale developments forecasted.

The approach to the sector review

To develop a broad and evidence-based understanding of the construction sector the JCRA conducted a sector review, as opposed to a market study. A sector review better reflects the sector's complexity and the presence of multiple, inter-related markets.

The sector review explored the structure and features of the entire construction sector, with a view to understanding whether there are any competition issues for the JCRA to consider.

Overview of the analysis and methodology

While a sector review is wide in scope and necessarily high-level on certain aspects, the review analysed sector and market characteristics, the operation of areas and markets within the sector, and where relevant, employed comparative data to benchmark different measures.

The JCRA commissioned independent research, and targeted surveys were undertaken into residential and business consumers' experience of the construction sector, providing independent data, and importantly, a view of sector practice and outcomes from the perspective of all consumers.

The approach to stakeholder engagement and consultation

Throughout the review the JCRA engaged widely and constructively with all stakeholders, engaging directly with fifteen sector stakeholders, either in the form of a roundtable or separately to support the draft findings. Following public consultation on the draft findings, the JCRA met with key respondents to the consultation and separately with a further eight sector participants.

About The Jersey Competition Regulatory Authority:

The JCRA 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 JCRA 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.