WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY G.P. SOUTHERN OF ST. HELIER CENTRAL
QUESTION SUBMITTED ON MONDAY 10th JULY 2023
ANSWER TO BE TABLED ON MONDAY 17th JULY 2023

Question

"Further to the response to Written Question 294/2023, will the Chief Minister –

  (a) explain whether it is her assessment (given the rent levels in Jersey) that the most accurate picture of poverty levels amongst children in Jersey is provided by consideration of income after housing costs, rather than before such costs;

  (b) in order to allow for further international comparisons, agree to research and publish data from a range of countries on relative low income in those jurisdictions after housing costs; and

  (c) explain the reasons for the 'narrowing of the gap' between the proportion of children in relative low income in Jersey and the same proportion recorded within the EU?"

Answer

  (a) Statistics Jersey publish statistics on relative low income both before and after housing costs. Relative low income is also known as the at-risk-of-poverty threshold and is set at 60% of the jurisdictions equivalised income level.

  As detailed in Statistics Jersey's 30 June 2023 Income Distribution Report R Income Distribution Report 2021 20230630 SJ.pdf (gov.je), it should be noted that this provides a relative measure of low income, within the context of a particular jurisdiction, and relative to all household types, rather than an absolute measure of low income for a particular household. In addition, this measure does not take into account spending patterns, which are likely to vary between household types.

  This measure of relative low income does not therefore indicate which households have an income level below that which is necessary to maintain a certain standard of living for that household type.

  Both before and after housing costs statistics provide important perspectives, and I would not regard one as being more "accurate" than the other. However, the after housing costs figures do more completely capture the level of disposable income available to a household and as such are considered the headline measures in the reports by Statistics Jersey. The Chief Statistician would be happy to provide a detailed briefing on these statistics.

  (b) As detailed in the most recently published income distribution report by Statistics Jersey:
  "...net income after housings costs is more difficult to measure than other types of income, so when making international comparisons it is less widely available."

  Ultimately it is down to each jurisdiction as to what statistics they produce and make available. Comparisons on this basis are made available by Statistics Jersey where they are available.

  (c) As detailed in the most recently published report by Statistics Jersey, the proportion of children in relative low income (before housing costs) for Jersey in 2021/2022 had increased slightly from 13% in 2014/2015 to 14% in 2021/2022. In comparison many European countries had reported a reduction in the proportion of children in relative low income, which moved Jersey closer to the EU average. Jersey remains below the EU average proportion of 16.5% in 2021/2022.