

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 25th SEPTEMBER 2012**

Question

Given that the Treasury forecasts for real growth in GDP/GVA for 2012 – 2015 range from 1.4% to 2.5% over and above inflation this means growth at or above 5% over this period, what measures, if any, does the Chief Minister have under consideration to ensure that such high growth rates are not accompanied by population increases such as were seen during the 2006 – 2007 when growth was at similar levels?

Answer

Growth in 2006 and 2007 was well in excess of that forecast in any year of the Medium Term Financial Plan (MTFP). The 5% real growth in 2006 and 2007 compares to real growth assumptions in the MTFP that average just less than 2% over the 2011-2015 period and never exceed 2.5% in any one year.

The Economic Growth and Diversification Strategy agreed by the States in July sets out how we will deliver economic growth without recourse to significant net inward migration. That is by focusing on encouraging innovation and improving competitiveness, growing and diversifying the financial services sector, creating new business and employment in high value sectors and raising the productivity of the whole economy while reducing the reliance on inward migration.

The 2012 Strategic Plan sets out that we will agree population and immigration policy in July 2013 once we have time to assess the implications of the new population model which was published ahead of schedule last week and to undertake wide public consultation on the basis of the most up to date information.

In the meantime and in line with the actions set out in the Strategic Plan we are already taking action to control inward migration. We are granting permission for non-locally qualified staff only when thoroughly justified and issuing J-cats only where high economic value is demonstrated, where local staff are not available and where employment is safeguarded or created. The Population Office has been reducing spare capacity (particularly for non-locally qualified staff) as Regulation of Undertakings licences expire.

The introduction of the new Control of Housing and Work Law and Register of Names and Addresses Law in January 2013 will improve the effectiveness of our migration controls, meaning that we are better able to achieve whatever policy is decided by the States next year.