

Jonathan Renouf, 27th June 2019

***Jersey's population is increasing by over 1,000 people each year. Most of this is down to people moving to Jersey. The Government wants to reduce this number. Do you agree?***

Yes. In fact, net immigration should be reduced to zero. With births and deaths approximately cancelling each other out, this would lead to a stable population. Contrary to often stated views, this would not mean Jersey was "closed for business". Approximately 1000 people leave Jersey each year, so a stable population policy would still allow 1000 people in each year. Sooner or later Jersey is going to have to have a stable population: it is a small island with limited resources like water. Thirty years ago we were told that we needed to grow the population to allow adequate funding of future pensions and to promote economic growth. Now we're told that we need something like 700 a year to maintain a reasonable dependency ratio and keep funding pensions. This is the only example I can think of where we are trying to solve a problem by deliberately making it worse: in a few years' time those new immigrants will be getting older and we'll need yet more immigrants to fund our pensions. We need to move to a stable population now.

***The Government's Policy Development Board is focusing on the following areas. Which of these do you think is particularly important, and why?***

They're all important, obviously. But only a stable population offers a sustainable way forward. Transport, housing, access to services, protecting the island's environment - these problems can only be solved if we stop increasing the population. In fact, nearly all the problems the island faces are a result of a growing population. Economic growth will no doubt be a little less with a stable population. But a stable population will mean the focus of economic policy will have to shift to increasing productivity, and to extracting the maximum from the human resources the island already has. This is a good thing. Growth achieved through increasing productivity is the only truly sustainable economic growth.

***Fiscal Policy [Government taxes and spending]***

It is often argued that government revenue will fall unless immigration increases. The trouble is, government expenditure also rises with increased immigration: more schools, higher spending on health, more police and so on. What's more, the island cannot keep growing forever. The one question that those who argue for continued population growth because it is necessary for government revenue will not (or cannot) answer is: when does it end? At some point, we're going to have to learn to live with a stable population.

It's also worth pointing out that Guernsey, which has had a roughly stable population for the last 5 years or so, has not suffered any great economic calamity. Growth per capita has roughly matched Jersey, government revenues have not collapsed, whilst house prices have remained much more reasonable than in Jersey.

***Ageing demographic [Ageing population]***

At the moment we're told that the only way to fund pensioners in the future is by increasing the population now. As noted above, this does not solve the problem, it merely pushes it into the future. In fact, it is the very definition of a Ponzi scheme: paying for existing spending commitments by recruiting ever more tax contributors. Sooner or later it will become impossible to fit enough people into the island to fund pensions in this way. We need to find a way to make pensions sustainable with the population we have. Whilst the dependency

ratio will rise in the short term with a stable population, it will eventually stabilise. At this point we will have a truly sustainable way of paying for our ageing population.

### ***Public Service Provision [Providing public services like, schools, hospitals, police, fire service etc]***

As previously noted, the higher our population growth, the more demand there is for expensive public services. If we let population keep rising then we'll be forever chasing our tails.

### ***Planning [sites for housing, protecting green spaces etc]***

Jersey's natural environment is its most precious resource, but it is being placed under unbearable pressure by the relentless rise in population. It is simply impossible to protect Jersey's natural beauty whilst more and more fields are lost to housing. Much more needs to be done to protect the island's environment, but the pressure to build, build, build will inevitably lead to existing protections being whittled away in the desperate chase to find more sites for housing.

### ***Transport policy [Roads, buses, cycle routes etc]***

It is self evident that a growing population will make congestion worse. Allowing net immigration of about 700 (which is what the current planning assumption seems to be) will lead to more traffic and more pollution. Jersey needs to move much more aggressively towards a low carbon transport policy, that would also have the benefit of dramatically reducing congestion. But attempting to do this whilst the population is growing relentlessly means we will be running hard just to stand still.

### ***Impact of migration on housing affordability***

Whilst we continue growing the population we will have a perpetual housing crisis: rising demand, limited supply, rising prices. At the same time, the green spaces, the countryside and the coastline that we all value so much are coming under huge pressure. It is simply impossible to build houses quickly enough in Jersey for a population that is rising at anything like the current rate. In fact, even under the old planning assumption of net inward migration of 325 a year, it proved impossible to meet housing need. Only by stabilising population do we stand a realistic chance of meeting housing need and doing so without permanently losing the rural character that makes the island so special.

The only way to solve the housing crisis is to pursue a stable population policy, and allow housing supply to catch up with demand. Otherwise we're just chasing our tails.

### ***Are there any other issues in relation to population growth that the Government should be focusing on?***

One of the most important issues to consider is one that you cannot accurately measure, not put a price on - quality of life. We are lucky to have an island home where it is still possible to enjoy nature, to walk along quiet lanes, to connect with our past. As the population climbs, that enviable quality of life is eroded. We lose our distinctiveness. Economic growth is a means to an end: when the pursuit of growth threatens to destroy the quality of life that makes Jersey special, then it is time to think again.

***What are your main concerns or priorities about population growth?***

My view is that population policy is the policy on which all other policies should be built. At present the approach of the States is to identify all other priorities and then try and find the appropriate level of immigration to support these activities. It should be the other way around. The quality of life in the island will be destroyed if immigration is allowed to continue at anything like its present level. That is the priority.

There are those who suggest that restricting immigration is a negative policy, that it signals that Jersey is “closed for business”, or that it is “anti foreigner”. Not so. Jersey is an immigrant island, it always has been, and it will remain so. We need immigrants, we want them, we welcome them. We just want to control the numbers so that we can manage our resources, our aspirations, our quality of life.

To those who think that it is naive and utopian to aim to stabilise Jersey’s population, I’d suggest it is the exact opposite. It is the only long term strategy the island can pursue. No doubt there is a political temptation to defer the day of reckoning. But in fact, the gains of facing up to the challenge now are huge, if only we take the imaginative leap. All over the developed world, countries are facing the same challenges: how to reduce immigration to sustainable levels, how to fund pension provision with an ageing population, how to protect the environment. Jersey could become a beacon - a beautiful example in miniature of how it is possible to tackle these issues.

***The last Government suggested the following ways to control the number of people moving to Jersey. What do you think about each of these?***

***Prioritising employment licence requests from businesses which invest in skills and training and who deliver productivity or other community improvements***

Yes. But the States should also give consideration to auctioning employment licences to the highest bidder. This could be done sector by sector, to ensure that (for example) the finance sector doesn’t Hoover up all the available licences. This would be a neutral, market mechanism for establishing employers who had the greatest need, and would also ensure that licences were concentrated in high value roles.

***Short and medium term, time limited work permits***

Yes. These are used successfully in other parts of the world. Short term work permits are well understood by young people, who know that they are there to encourage seasonal work, without necessarily accruing residence rights. Jersey’s seasonal labour needs could be met by issuing short term work permits, which explicitly do not allow for long term residency.

***Criminal records checks for new migrants***

Yes

***Photos on registration cards***

Yes. We need to make sure that it is easy to check up on work permits.