

28 January 2021

Via email: k.griffiths@gov.je

Senator Steve Pallett
Chair, Migration & Population Review Panel
Scrutiny

Dear Senator Pallett

Migration Control Policy: review of proposed amendments to the Control of Housing and Work (Jersey) Law 2012

Thank you for your letter of 21 January and for offering us the opportunity to provide input on the proposals. This follows on from our previous engagement with the Migration Policy Advisory Board in October 2019, both in terms of a written submission (a copy of which is attached) and through attending an in-person interview with the Board.

Given the short timeframe, we have not had an opportunity on this occasion to consult widely with members and the responses below therefore reflect Jersey Finance's understanding of industry needs based on previous discussions with representative trade bodies and individual members. We have focused our comments on the key headline recommendations and observations, limiting ourselves to a finance industry perspective of the issues.

Before addressing the specific points, please allow me to start by giving a little context both to our response and to the particular position of the finance industry without duplicating too much the contents of our submission in 2019.

I know you will be aware already of the importance of the finance industry to Jersey in human and economic terms. It may be worth noting how remarkably agile and resilient it has proved to be during the covid crisis, with employees and businesses fast-tracking digital strategies and adapting to new working practices so that the industry has continued to contribute to tax and GVA during this period. The June 2020 [Labour Market Survey](#) highlights that the industry accounted for more than a quarter of private sector jobs. Of these, only 4% are filled by registered individuals and 6% by licensed individuals.

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We appreciate that migration cannot be viewed in isolation and the government has a difficult and delicate task to balance this in the round, for example with considerations of infrastructure, housing, healthcare, skills and education. Jersey Finance and its members work closely with government and education groups, such as Skills Jersey, to ensure that we are making the most of local talent through ongoing education. However, in a fast-changing and global-facing industry, there will always need to be some element of skills importation.

Turning to the specific points in your letter:

a. that action should be taken to provide more responsive controls in the number of migrants who acquire the right to settle permanently in Jersey and to remove the automatic 'graduation' for one Control of Housing and Work permission to another.

The evidence gathered by the Migration Policy Development Board suggests that the main driver of the recent growth in population has been this automatic graduation of migrant workers who arrive in the island to take up registered employment and who, when they become Entitled to Work after five years, leave their registered employment and move into the wider job market, freeing up registered employment permissions for employers to use for new inward migrants.

In principle, we would agree it appears sensible to provide more responsive controls and to remove automatic graduation. However, it might be useful to have some analysis to understand where people are employed once they achieve Entitled status in order to ensure that any revised policy takes into account future supply-chain issues across all sectors. At present, there is little or no visibility around whether people move across to other sectors, e.g. from hospitality to finance, from agriculture to retail, and whether we might be cutting off a supply pipeline that will ultimately not solve the problem of increased population.

b. that the Chief Minister bring forward amendments to the States of Jersey Law 2005 to require the Council of Ministers to develop a common policy on population.

We would be supportive of a fair and transparent common policy.

c. that the Chief Minister bring forward amendments to the Control of Housing and Work (Jersey) Law 2012 which:

- i. introduce a 9-month CHWL permission that does not lead to permanent residential status.**
- ii. introduce a 4-year CHWL permission that does not lead to permanent residential status.**
- iii. introduce a 10-year CHWL permission that may lead to permanent residential status.**
- iv. introduce a long-term CHWL permission that does provide permanent residential status.**

Jersey Finance is wholly supportive of the need for balance between managing population levels and ensuring the island has the skills available for employers to be able to sustain and grow the businesses which contribute so much to island life, and we therefore understand the

strategy behind the proposed amendments for varying lengths of CHWL permissions. Our concern would lie around the clarity and application of the policy and permission process, and in ensuring that this works well from a practical standpoint.

I would reiterate two points we have made in earlier submissions. The first is that it is always the preference of a business to recruit from within the island where possible; it is costly – and much higher risk – to bring someone from outside the island into a role. Given the finance industry tends to recruit migrants with considerable professional expertise and skills not available in the island, we consider it most likely that they would utilise the four-year and 10-year permission categories to attract the right candidates.

The second point I would make is that it is not the case that there is a long queue of such skilled people who want to move to Jersey; most of these will be attracted by the benefits to family life that the island provides; if someone is considering a move but finds out that it is time limited to four years, this may cause concern for their partner's employment options or their children's education, not to mention their own career progression.

In light of this, we welcome a proposal that applications might be considered for four-year CHWLs to transition to 10-year CHWLs. However, we believe sought-after applicants – and employers – would need greater clarity around the conditions for this at the time of applying for the role.

Similarly, as it is currently intended that 10-year CHWLs will only be issued for named individuals, businesses and candidates would want certainty in advance of a job offer being made and accepted that the licence would be forthcoming.

v. introduce enhanced identity requirements for all CHWL cards issued to new residents

Whilst this is of course a question for government policy, we understand the rationale for this and would be supportive of enhanced identity checks for incoming residents.

vi. establish an independent, statutory, expert panel to research and advise on population matters;

Jersey Finance would welcome the establishment of an independent expert population panel and, given the importance of the finance industry to the island, would like to see appropriate representation on this panel from our sector.

vii. provide for a Committee of States Members to determine applications under the CHW law that fall outside formal guidelines

Again, this would be welcomed. The last year has shown the importance of being able to respond nimbly to fast-changing environments and we would therefore hope the Committee would be enabled to operate flexibly within both policy and its own terms of reference. It

would also be important to its credibility that the Committee's composition be carefully balanced to ensure well-informed representation across the population and political spectrum.

I do hope the above is helpful to you as part of your deliberations. Please do let me know if you would like a call or meeting at any point to clarify these points.

Yours sincerely

Joe Moynihan
Chief Executive Officer