



STATES OF JERSEY

Corporate Services Scrutiny Panel Migration and Population Sub-Panel

WEDNESDAY, 25th NOVEMBER 2009

Panel:

Senator S.C. Ferguson (Chairman)
Deputy C.F. Labey of Grouville
Deputy T.A. Vallois of St. Saviour
Deputy D.J. De Sousa of St. Helier

Witnesses:

Senator T.A. Le Sueur (The Chief Minister)
Mr. P. Bradbury (Director, Population Office)
Mr. M. Heald (Assistant Chief Executive)
Dr. D. Gibaut (Head of Statistics)

Also in Attendance:

Mr. P. Boden (Panel Adviser)
Mr. W. Millow (Scrutiny Officer)

Senator S.C. Ferguson (Chairman):

Good afternoon, Chief Minister. I am sorry, good afternoon to the representative of the general public. Welcome to this meeting of the Corporate Services Migration and Population Sub-Panel on the migration and population policies. Now, I assume everybody has read the health warning. Have you read the health warning? If you could possibly say who you are and what your position is, please, for the ladies who do the transcribing.

Senator T.A. Le Sueur (The Chief Minister):

Right, I will start, and I am Senator Terry Le Sueur, the Chief Minister.

Mr. P. Bradbury (Director, Population Office):

Director of the Population Office; Paul Bradbury, sorry.

Mr. M. Heald (Assistant Chief Executive):

Mick Heald, Assistant Chief Executive.

Dr. D. Gibaut (Head of Statistics):

Duncan Gibaut, Head of Statistics.

Deputy D.J. De Sousa of St. Helier:

Deputy Debbie De Sousa from St. Helier.

Deputy T.A. Vallois of St. Saviour:

Tracey Vallois, the Deputy of St. Saviour.

Deputy C.F. Labey of Grouville:

Carolyn Labey, the Deputy of Grouville.

Senator S.C. Ferguson:

Senator Sarah Ferguson, Chairman.

Mr. P. Boden (Panel Adviser):

Peter Boden, adviser to the Scrutiny Panel.

Mr. W. Millow (Scrutiny Officer):

William Millow, Scrutiny Officer.

Senator S.C. Ferguson:

Super. What work has been done on implementing the population policy since the Strategic Plan was approved?

Senator T.A. Le Sueur:

It is probably best to start with what the policy itself contained and I think it contained 5 main elements really, although there were 6 bullet points. The first one was to maintain the level of the working-age population in the Island as an objective. Secondly, to ensure that the total population did not exceed 100,000. Thirdly, to make sure there was an ongoing growth in the population in the longer term. Fourthly, which may not sound like population, but it is all linked, certainly in the Strategic Plan, to protect the countryside and the green fields. The fifth, which was really the outcome of some of that policy, is to maintain inward migration to a range of somewhere between 150-200 heads of household a year with an initial aim of no more than 150 over the next 5 years, on average, but to be reviewed every 3 years. I think although that was since the Strategic Plan was approved, in fact the population policy has been in gestation for some time now. We have had previous targets and suggestions of a policy range of up to 250 heads of household per annum. So I think it was during the discussions leading up to the Strategic Plan and the population policy that we came to the conclusion that we should set our sights a little bit lower, more like 150-200, and for the time being 150 was a more suitable target to aim for, on average.

Senator S.C. Ferguson:

Yes, because some of the documentation that you have produced just ... I think it was the Friday before the debate on the following Tuesday, indicated that increasing the retirement age with 150 coming in would keep the working population to retired population ratio at a reasonable level. Have you done any more work in that area?

Senator T.A. Le Sueur:

Yes, although I think we need to be careful. We talk about retirement age; we should probably be talking about pensionable age because people retire at different stages in their life. They do not necessarily retire at pensionable age; they may retire before pensionable age, they may carry on working after pensionable age. So, I think one has to have a certain amount of care in trying to link those sorts of arrangements. So I feel what your question was implying, which I agree with, is that if you can keep people in employment longer then you need lessened migration to cover the same level of economic activity.

Senator S.C. Ferguson:

Yes, but has any more work been done on that?

Senator T.A. Le Sueur:

Yes, in terms of reviewing pensionable age there has been and in terms of how the economy might be structured. I think this links up to the work currently being undertaken on the fiscal strategy. It is one reason why we have not, at this stage, set an economic growth target, but rather to see how the policies interact. You could set employment levels at a certain rate, which would impact on green fields adversely. I think that is a danger in looking at one policy in isolation. The Strategic Plan has aimed to look at policies in the round and see the impact of different policies on the overall situation. That was why we took care in the original 150-200, or in the revised 150. Going on from that, I think there are probably 4 strands of work which arise from that. Firstly, if we are going to maintain the working-age population we have got to make sure that there is that sort of balance in the workforce between school age, working age and retirement age. You have got to see what mechanisms there could be to monitor and regulate that policy and that is, I suppose, the sort of nuts and bolts of the Population Office. If you have got the objective of keeping your population at a manageable level then you need to see how you can improve productivity with those you have got. Again, if you are going to look for that sort of activity rather than simply, as some people would say, pour more and more people into the issue, then you have got to accept the fact that that could have economic consequences and people who are here may have to pay more to compensate.

Deputy T.A. Vallois:

Like we have seen in the last 4 years? Because we were supposed to have sustainable economic growth of 2 per cent, but we have had 7 per cent, 7 per cent, 3 per cent. Also, on top of that, I think it was last year, 1,500 people in the Island.

Senator T.A. Le Sueur:

This is an issue which is not unique to economic growth, but it is ... what I said first of all in terms of the 150 heads per household over a 5-year period, over a rolling 5-year period, what is the length of your cycle? Because to suggest you will get an even growth every year is beyond the bounds of reality. If economies work in cycles, and population tends to move in accordance with the economic cycle, then you are not going to get uniformity from year to year; that is why you need to have a cyclical period. However, that cyclical period should be 5 years, 10 years, whatever. I would say it would probably be the length of the economic cycle. It was a 5-year economic growth plan, so it would make sense at that particular time to have a 5-year target. But certainly, if one looks at economic growth over the length of ... over the span of

an economic cycle, which is I suppose typically more like 10 years, you would probably find that you were not too far off the 2 per cent.

Deputy T.A. Vallois:

What if you were? What if you were, say, 15 per cent over that amount? What then?

Senator T.A. Le Sueur:

If you were getting near that sort of situation then you would need to take corrective action because you would not be achieving your strategic policy objectives. You would not be maintaining the level of working-age population; you would be increasing it. You would probably be finding that the total population was in danger of exceeding 100,000. So, it is by regularly measuring and monitoring that you can ensure that those policies are still within your constraints. Certainly, what we did find was even in 2008 when there was higher than anticipated economic growth in that particular year, over the 10-year economic cycle it was still within the range of acceptability. Granted, it was getting quite close to the top of it and you might say had that continued you would have needed to take corrective action to dampen the economy in order to stay within your targets. In fact, the corrective activity was taken not by us, but by external forces.

Senator S.C. Ferguson:

How do you make sure that all your other policy developments reflect the population policy and how do you ... do you have a particular ... are the officers here the people in your department who ensure that the population policy is ... or the other policies reflect the population policy?

Senator T.A. Le Sueur:

It is not just in my department, I think it is across officers, or Chief Officers, generally, that the Strategic Plan has been carved up into tasks for different people to identify and act upon. It is probably better if I ask the Deputy Chief Executive or Assistant here to explain that because he knows more about the operations of that side than I do.

Mr. M. Heald:

Sure. I mean, I think the population ... lots of the actions of the population policy have been built into the Strategic Plan. I think it does it probably in 3 ways: I think there are policies in the Strategic Plan that have been worked on, which mitigate the effects of increasing the population, so there are things like Island Plan policies to protect green spaces, there are environmental policies to reduce demand, those things. Those are embedded in the Strategic Plan and work is going on in those areas; some of those will be coming to the States probably early next year. I think, secondly, it requires actions to address the broader policy issues, which are required to achieve the aims, so things like working longer through pension policy - and you mentioned pension policy before. Social Security are currently looking at options that the Government Actuary Department provided to them and there is an expectation that something will be coming forward, proposals for those in the early part of next year, quarter 2 next year, so that is a specific example, along side other policies such as increasing participation ... you know, an increasing participation through skills, all those sorts of things. Thirdly, it kind of provides a longer-term planning horizon within which things like infrastructure developments, et cetera, can be based on. So,

throughout this Strategic Plan there are a number of policy areas under the ... managing the population, we have been speaking this morning - it feels like this morning, but it was only earlier - about the migration policy. Maintaining the working-age population is around ... issues around pension, skills development, those sorts of things; productivity growth, careers, some of the enterprise stuff that is happening. Then, of course, the one which we called paying more, which is around where we have to look at things like long-term care provision, look at things like health insurance schemes, review the Social Security scheme. A lot of that is wrapped up with the, or will be wrapped up, fiscal strategy, so there is a co-ordination around those things. The final point, I think is how these have all filtered into the Strategic Plan and all been worked upon. How is that going to be brought together? Individual Chief Officers and people like myself have got responsibility for individual priorities and are responsible for managing the cross-department actions on those ... 2 of the priorities: one is about the ageing population and one is about limiting population growth.

Senator S.C. Ferguson:

Super. Well, what impact will implementation of the proposed migration legislation have on the collection of population statistics?

Senator T.A. Le Sueur:

That is probably a question best answered by Duncan Gibaut as Head of Statistics. All I would say is that we already have various ways of looking at population numbers and, more importantly perhaps, comparing the population numbers, and increases and decreases in population numbers in terms of things like regular manpower reports and so on, comparison with Social Security contribution records. So, I think, from my point of view, a population register - which is part of the migration legislation proposals - will be an added way, if you like, of validating those figures and maybe also looking at it in terms of absolute terms rather than comparative year-by-year terms. I mean, to the extent we have had periodic censuses; that gives us one aspect of a periodic reality check. Manpower figures give an ongoing comparison. I think the population register will give you a third validation from a different direction of those figures. If there is any discrepancy between the different arrangements then no doubt the statisticians will find a good reason why.

The Deputy of Grouville:

These were all from our last hearing. We established it is a tidying-up exercise and it is the "entitled" is "qualified" and stuff like that. For all intents and purposes it is the same thing, other than giving firms a quota of (j)s rather than an individual. How is it proposed to control the population, if we have to control the population?

Senator T.A. Le Sueur:

I think we are talking about 2 different things here because the original question was on collection of figures and getting numbers, rather than controlling the numbers.

The Deputy of Grouville:

Yes, but in the Strategic Plan you said that you were going to control the population, so how is it envisaged that this will happen?

Senator T.A. Le Sueur:

That will be within the mechanisms of the migration policy, mechanisms which are or have been out for consultation, that have been outlined in a Green Paper. Assuming that those get put forward, either in their passed or refined state, that will be the tool whereby you can exercise those controls. Probably Paul Bradbury is best to explain there whether there will be any change in that policy as a result of the migration, or any likelihood of a change following the feedback from the consultation.

Mr. P. Bradbury:

The very simple foundation in the migration policy is the factors that can influence migration should be controlled. So, access to housing, that will be restricted to 10 years, and access to work, which will be immediate. So businesses will have licences in a similar way they do now under Regulation of Undertakings and they will continue to have licences. We talked at the last hearing how that would be simpler in terms of the (j) category or licensed provisions. So it will be simpler, but it will continue to do what it does now, which is restrict the ability of newcomers to Jersey to work and businesses must make application and they make a business case and we thereon grant a licence, or we do not, with reference to that business case, with reference to the economy, and with reference to the population targets which we work towards. So, that is the current laws and the future laws controlling access to work and housing.

Senator S.C. Ferguson:

Suppose you suddenly see on ... presumably you are going to have monthly returns or monthly reports on the Population Office figures to say how many people?

Mr. P. Bradbury:

We will have, quite right. I mean, currently the foundation - and Duncan will also talk about this - for the population statistics, the annual population statistics and the 6-monthly manpower is the 6-monthly manpower returns conducted by our office. In future that will be a combined return, as we discussed at the last hearing, and it will be quarterly. So the population statistics will be more frequent.

Senator S.C. Ferguson:

So suppose you get the quarterly return and you suddenly see that we are increasing the population at too high a rate, are you going to have a cut off in the database and say: "Hang on a minute, folks, you cannot have any more"? How are you going to stop the population growing if it is growing excessively, apart from pulling up the drawbridge?

Senator T.A. Le Sueur:

I assume that we are talking about the incoming population rather than natural births and deaths?

Senator S.C. Ferguson:

Well, the net effect. You know, if the net effect is up too much ...

Senator T.A. Le Sueur:

In that respect, the crude comment of pulling up the drawbridge is in fact ... yes, that is your solution. If not pulling up the drawbridge, but at least narrowing the entrance to the gateway.

Senator S.C. Ferguson:

But remembering, what was it, in 1990 when it effectively gave the impression Jersey was closed to business, how are we going to control it?

Senator T.A. Le Sueur:

Which is why I think it is important to consider this over the economic cycle.

Deputy T.A. Vallois:

How long is the economic cycle though? How many years are we looking over, exactly, because I do not have that number in front of me anyway?

Mr. M. Heald:

Well, the population policy talks about it being a rolling 5-year average.

Deputy T.A. Vallois:

So it is going to be reviewed every 3 years?

Mr. M. Heald:

Reviewed every 3 years, but the average is over 5 years.

Deputy T.A. Vallois:

So that is not really an economic cycle though, is it?

Senator T.A. Le Sueur:

It probably is not. This is maybe something we can debate or you might take a view on. If you do it over an economic cycle my guess is you are probably talking more like a 10-year cycle, if I was looking back historically.

Dr. D. Gibaut:

That is correct. I mean, the peak of the last cycle was in about 1999, 2000 or so. The cycle over the last few years has certainly seen strong growth in 2006 and 2007, real-term growth of about 7 per cent per annum. The latest real-term growth in 2008 was about 2 per cent, so peak to peak it is about 10 years. That is as far back as certainly statisticians are comfortable to go because that is how we have been measuring the economy according to international best practice, the System of National Accounts, basically. So the last economic cycle peak-to-peak has been of order 10 years.

Senator T.A. Le Sueur:

I think even it may not be statistically so easy to validate, if you look back over previous economic cycles and levels of unemployment we tend to have seasonal lows in 1979 and 1989 and then in 1999 and now in 2009. I would not say it is quite as regular as clockwork, but there has been some sort of consistency with that sort of pattern, whether it is statistically validated or not. Picking up the question you asked, if in 2007 one had said: "Oh, we are looking at growth here of 5 per cent and we only wanted 2, let us pull up the drawbridge" that would have been a kneejerk reaction. It would not have looked over the 5-year cycle or the economic cycle. It is looking over that cycle that says: "Yes, okay, we are on track." If you get a situation where you had continuous economic growth, as I was saying in an earlier answer, then you would need to pull up the drawbridge or narrow it drastically, but hopefully you

would take more corrective action at the amber light rather than waiting for the red light.

The Deputy of Grouville:

Pulling up the drawbridge means restricting the amount, the quota of (j)s. I do not like to use (j)s; it is the new terminology, licensed.

Senator T.A. Le Sueur:

Well, the mechanism could be in various ... well, not in various ways, but it could be unlicensed, it probably would be. Let us try and say that the migration policy has the tools in which to identify different sectors of the working population, some of which will be easier to control than others. You cannot very easily control residentially qualified. If they are entitled then you cannot remove that entitlement, so you have got a more limited pool to play. If one takes past experience where the flow of people in and out of the Island has been something like 7,000 a year with a net overall change of perhaps plus or minus 150 heads of household or even 200 or 300 heads of household, in the context of a much wider flow of labour in and out you still have the scope to monitor and control without taking apparently drastic action.

Deputy D.J. De Sousa:

The public perception is that the States have had a policy of grow, grow, grow, grow, grow. What, as a Council of Ministers, are you proposing you will do to convince the public that you are still not going to do that? Even in the Strategic Plan it says: "Limit population" but there does not seem to be any firm policy to do that.

Senator T.A. Le Sueur:

I think there is. It is a question of consequences and the consequence of limiting population to any particular number is going to be increased costs for the resident population. Now, that is a balance to be struck and it is a balance politically for us to strike within the confines of a policy that says: "No more than 100,000 people and no more than 150 heads of household per year." Within that policy framework you then decide: "Do I want to pay a bit more taxation in order to deliver the level of services I want to have?"

The Deputy of Grouville:

In one of the hearings we had there was a suggestion that we should, especially in this economic climate, begin to discriminate for local people, in favour of local people. What is your feeling about this?

Senator T.A. Le Sueur:

That is more social policy than population policy. Certainly, I would like to encourage more employment of local people. I would like to ensure that those local people are properly trained to do the jobs that need doing locally, which in some cases are not being done by local people because there are no trained local people to do it.

The Deputy of Grouville:

Or the cost of housing puts quite a few local people coming back from higher education ...

Senator T.A. Le Sueur:

Which is why population policy should not be looked at in isolation, but you have got to look at it in terms of things like the Island Plan. If you are going to have more affordable housing policy then not only will you need to limit the number of people, but you are also going to have to rezone some green fields. For some States Members that is anathema. I will not say who. **[Laughter]**

Senator S.C. Ferguson:

What is the latest evidence on migration and population in Jersey and the effects of the recession?

Senator T.A. Le Sueur:

The biggest difference I have would be the 6-monthly manpower returns for June 2009. Now, it may be the Population Office can have some more seat-of-the-pants information on a more up-to-date basis, but I work on statistical information and that is ...

Senator S.C. Ferguson:

He is there.

Senator T.A. Le Sueur:

... from June 2009. Now, it depends whether ... we certainly compared June 2009 to June 2008 and that showed a decrease in the number of non-locally qualified of about 600 people, I think. Whether June to June by itself is a sufficient comparison, maybe we should also see what is at the December to December comparison, which takes out some of the seasonal employees to see what is our baseline. So, I think within those sort of caveats that would be my evidence of the effect of the recession on population. It does not surprise me at all. It is very similar to what we have seen in previous recessions.

Senator S.C. Ferguson:

What about (j) cats? Has there been a reduction or increase?

Senator T.A. Le Sueur:

(j) cats, there has not been a reduction in the number at the moment; I think there has been a reduction in demand. But of course there are not probably sufficient new applications year by year to take one 6-month period by itself and say ... I do not know. It is probably Paul, whether there has been any gut feel of trend on (j)s.

Mr. P. Bradbury:

The 30 June 2009 manpower showed that the (j)s for the previous 12 months had not changed. It maintained a round number. What we have seen change during 2009 is the number of applications for new (j)s. We saw 523 in 2008 and to the end of September this year we saw 267. So a substantial decrease in the number of (j) applications, but not a substantial decrease in the number of (j) employees, which suggests that people are staying put.

Senator T.A. Le Sueur:

That would be consistent with the general declining employment numbers. They would expect a matching reduction in the number of applications for the (j)s as well.

Senator S.C. Ferguson:

So the reduction, we have got roughly 1,000 unemployed and a reduction in 600 non-locally qualified, so if they stayed we would be looking at unemployment figures of about 1,600? Or is that a leap too far?

Senator T.A. Le Sueur:

That may be a bit too simplistic, but I think the general principle is fine, even if the numbers will not necessarily marry unilaterally.

Dr. D. Gibaut:

Could I just interject? The unemployment statistics of over 1,000 is the registered unemployment, for which there is obviously criteria to be able to register as unemployed. The much more internationally comparable measure of unemployment is the I.L.O. (International Labour Organisation) measure of unemployment, which we have published in the last round of the manpower survey and we are publishing it again in the social survey. That was a rate of 2.7 per cent. That translates into unemployment in Jersey in the order of 1,700 in July 2009. So there has always been a difference between the register of unemployment, which is almost like the Claimant Count, compared to the internationally comparable definition, which includes people that have not registered, people that are between jobs. The unemployment level was of the order of 1,000 or 1,200 or so, it has been for the last few years, that 2.7 per cent internationally is a very low rate of unemployment. However, in Jersey it means that we have moved from of order 1,200 to of order 1,700 in unemployment as defined internationally.

The Deputy of Grouville:

Does that figure include the students at Highlands that are on training programmes?

Dr. D. Gibaut:

No, it does not include people that are in full-time education. So it is people who are registered as unemployed, or are not registered as unemployed, or are in between jobs but it does not include homemakers, full-time education, et cetera.

The Deputy of Grouville:

But there are a few that have gone from Social Security up to Highlands to be trained, ready for work.

Deputy D.J. De Sousa:

Through the economic stimulus.

Senator T.A. Le Sueur:

But if they are in full-time education.

Dr. D. Gibaut:

If they are not in full-time education then they will be included in the unemployment figures. If they are in full-time education they will not be. This is done by a social survey rather than administrative sources. Yes, one way to do unemployment statistics like your registered unemployment, the claimant count, is administrative sources. Another way to do it is a random survey as is done generally globally. For example, in the U.K. (United Kingdom), the U.K. rates are towards 8 per cent or so,

and are done from a survey. Our unemployment internationally is done through a survey, so the I.L.O. rate of 2.7 transferring to 1,700 individuals; it is just a point of information.

Unknown:

Duncan, do you think that these unqualified statistics suggest that 2009 is going to be your net emigration rather than net immigration?

Dr. D. Gibaut:

Certainly, the leaning is towards that stage at this point. The Senator made a point that the June to June figures have seen of order 600 non-qualified fewer employed in June this year than June of last year. We do the annual update of the population on the December figures because the June to June obviously is susceptible to fluctuations in seasonal employment. So, that is why we tend to, or have done in the past and will continue to do, the measure of the resident population as of end of year. We have seen the fall of 600 in non-qualified June to June. There was a question a few moments ago about the effects of the recession on the population; well we have seen the first fall in manpower annually for 5 years. That June to June saw a fall of 400 approximately in terms of employment. However, there was an increase of 200 in locally qualified people in employment June to June, so the fall was in the non-locally qualified: a fall of 600.

The Deputy of Grouville:

Is there any work being done on changing - well there is the work being done - but how far advanced are you in changing the pensionable age and are there plans afoot to sort of follow the U.K. or are we going to be ahead of them?

Senator T.A. Le Sueur:

Certainly what we now have that we did not have at the time of the population debate is the more up-to-date Government Actuary Report on the Social Security scheme and I think it is pretty clear that they are going to be looking to an increase in pensionable age. Whether we mirror the U.K. or Guernsey or have the Jersey solution at this stage will be part of the fiscal review. Because there are implications generally that the number of contributors in relation to the number of retired people will continue to be a decreasing number so that those people left in the workforce are going to have to work harder or pay more in order to support the likes of me. More seriously, that is going to have economic effects: either contribution rates go up, pensionable age goes up, benefits change. One can look at that in isolation or one can look at that in terms of the overall tax package, if you like, because if you increase Social Security contributions on the current scheme it impacts on the workforce. If we have a declining workforce in comparison to those retired it puts an additional burden on them, so do you want to solve your problems looking at the workforce or the entire taxpaying or Island-resident workforce and how do these things interact? So, yes, the answer is going to be that we are going to need to raise the pensionable age. When we do that and to what level remains to be seen. My guess is that we will be probably doing it at much the same sort of time as Guernsey and the U.K. are suggesting which is make a start about 2020. The U.K., I think, are doing it in 3 annual hikes. Guernsey is going to do it in 36 monthly hikes or something like that; they will take 36 years to achieve it. The U.K. may take 36 years as well but they will do it in 3

hikes rather than uniformly. We have not yet decided what sort of arrangements we would take.

Deputy D.J. De Sousa:

The U.K., that is if it is the current Government, because the Tories have said that they will start implementation of raising the retirement age by 2014.

Senator S.C. Ferguson:

2016.

Senator T.A. Le Sueur:

That certainly is an option available to us. In the great scheme of things it does not have a huge effect on contribution rates because you are looking 50 years into the future. But I accept the fact the sooner you start, the sooner it makes an impact and I think we probably would start earlier except, of course, that our Social Security scheme is reasonably young, it is probably about 50-odd years or 55 years-old by now, and it is only reasonably recently that we received parity between men and women. So uniformity of retirement age for men and women does not finally take effect until 2019.

Senator S.C. Ferguson:

However, if we do not raise the pensionable age in line with the U.K., will that not snarl things up, make things difficult when we are employing people from the U.K. like teachers and nurses and so on?

Senator T.A. Le Sueur:

I think, no, for 2 reasons: pensionable age needs to be de-linked from the retirement date. A pensionable age is the age at which you can collect your pension.

Senator S.C. Ferguson:

But if they have one and we have another ...

Senator T.A. Le Sueur:

State pension?

Senator S.C. Ferguson:

Yes, if they have one and we have another?

Senator T.A. Le Sueur:

So if they have one State pension and we have another, it means that they will get one pension at one stage and they get an uplift at a different stage.

Senator S.C. Ferguson:

But if people think that they are going to have to work longer it might put them off coming, or if people think they might be able to work longer, it might encourage them.

Senator T.A. Le Sueur:

Yes, I think there are various decisions anyone takes as to when they choose to retire and also whether they choose to work in Jersey or not. I think one of our objectives if

we are going to maintain the population level at the sort of figures we are talking about, is to increase economic activity among the economically active. So if you can get people to work longer and retire later that helps your population policy target doing it that way rather than bringing in additional immigrant labour.

Senator S.C. Ferguson:

How are you going to encourage them?

Senator T.A. Le Sueur:

There are limited ways in which one can do that. Certainly, for example, recently in the last amendment to the employment law there was provision in redundancy there which meant that they no longer necessarily applied at the age of 65. I think some of the changes to pension views are not going to be driven by government policies; they are going to be driven by world economics. Because if you thought that you were going to retire at 60 with a pot of £100,000 and that would see you through your life thereafter at an interest rate of 6 per cent per annum and you now find that the yield you are getting is 2 per cent per annum, you suddenly realise you cannot afford to retire on that sort of money, so, perforce, you are going to work for longer. You might not want to do it but you cannot afford not to. Or you might decide to retire somewhere else, but given that yields are the same around the world you are not going to get much joy that way either. So, as I say, it is quite likely that decisions will be made on totally different circumstances so whereas I think a few years ago the average age for retirement was something like 58 or 59, you may well find that nowadays it has moved up to 62 or 63 and not because people love the thought of work but because they dislike the thought of starvation.

Senator S.C. Ferguson:

Yes, but even if you have moved the pensionable age up, you are going to have to have a real cultural hurdle to overcome with regard to employers.

Senator T.A. Le Sueur:

Yes, you are and I think that is a 2-way process because the nature of the employment market is constantly changing. So employers are going to have to be encouraged to maintain employment opportunities for older people. Older people have to accept the fact, on the other hand, that the job they trained for in the 1940s or 1950s may not be the same job available in the current economy. I was discussing a little while ago the situation in the telecommunications industry where a decade or 2 back you had complicated switchboards which required lots of men with soldering irons and good eyesight. Now you use one man and a circuit board and the whole job is done but that person would need a degree in electronics. So it is a different sort of workforce and people have to be prepared to adapt to learning new skills and not relying on the same skills seeing them through their lives. What we want to do as a government is to encourage and support training opportunities, re-training opportunities, and provide the wherewithal to do that. So it is a situation where we all have a part to play. Employers will have to be open-minded about taking on older people, older people have to be open-minded about learning new skills and we have to oil the wheels in order for that to happen.

Deputy D.J. De Sousa:

Do you not also agree that you have to be careful of legislation that you pass because I have had 2 cases recently brought to me where people have wanted to continue working over the age of 70 and gradually wind down while it is an option? Legislation has been brought in to make it more difficult for them to do that. So if we are going to be, as a government, trying to encourage employers to keep people on and employees to adapt and move on at the same time, do you not agree we have to watch the legislation that we are bringing in as well?

Senator T.A. Le Sueur:

I would be interested to learn what the legislation was because certainly the intention in recent years has been to remove barriers not to put new ones in. If we have done inadvertently, then we need to correct that.

Deputy D.J. De Sousa:

The ministerial decision was made at D.V.S. (Driver and Vehicle Standards) last year to bring a condition in on driving instructors over the age of 70 and tests that they have to do. It was just brought in under a ministerial decision.

Senator T.A. Le Sueur:

Okay, that is not legislation though. That may be on health and safety grounds. I do not know on what grounds that decision was made. I can well understand that there were certain things, for example, P.S.V. (Public Service Vehicle) drivers need to have a medical test every year to ensure that they are fit to drive and not a danger to other road users. Now driving instructors may be somewhere in that sort of category and that is a policy decision on health and safety grounds rather than employment. So it is not an absolute bar on that person working at the age of 70, it is saying he or she should not be working in a job where he or she might be a danger to the public if they were doing that particular job.

Senator S.C. Ferguson:

Yes, I think that is a bit like airline pilots, is it not? One thing we did not touch on earlier, how will administration of the 2011 census coincide with data collected for the Jersey names and address register?

Senator T.A. Le Sueur:

I do not think there is any need for it necessarily to have anything much in common but that is an issue which I had not particularly thought of. So I am going to look hopefully to see if any of my officers have any better ideas, and Duncan is nodding his head.

Dr. D. Gibaut:

The data gathering, again, will be kept very much apart and will have to be. The fundamental principles of official statistics that I have to adhere to, and certainly would want to adhere to, are from the United Nations Statistical Division. I have also chatted to the former National Statistician of the U.K. in terms of population register data compilation for that and a census and the official International Best Practice Guidelines (the fundamental principles) and the advice of the National Statistician who is also the first Director of the Office for National Statistics is that the 2 exercises should be very much kept separately and I would absolutely want that for several reasons, firstly, in that the census is compiled for its own purposes for collecting

information, for gathering information, for statistical purposes. Any exercise going along with that I would not want to impinge upon the compliance rate or the coverage of the census. Secondly, information exchange between the 2 sources, whether or not they be the population register or the census, one of the fundamental principles again of the Statistics Unit is that information comes into the Statistics Unit and goes nowhere else; it does not go to any other department. So, again, there should be basically no interplay between populating one with the other. However, once you have the 2 independent sources then, of course, in a statistical sense - and I stress the word "statistical" not at an individual record level - then cross-checks and validation can be done and should be done only by the Statistics Unit in terms of the census database is only accessed by the Statistics Unit. So, yes, they are separate exercises. The census is going ahead in early 2011 and will be an important exercise and we are very much getting geared up to doing that. That exercise of data-gathering, or I should say the whole census exercise, will certainly be separate from the population register data compilation thereof.

Senator S.C. Ferguson:

It is your data and no one is touching it.

Dr. D. Gibaut:

Well, I do not want to be precious about it but I am guided by the United Nations Statistical Division so ...

Senator S.C. Ferguson:

No, no, but it will be very much ...

Dr. D. Gibaut:

I doff my hat to them.

Senator S.C. Ferguson:

Yes. Super. I suppose basically it was apparent from our review that there is a large gap between the official message about the Island's population and the perception that some people have, what are you going to do to address that gap? You hear the rumours on the daily phone-in ...

Senator T.A. Le Sueur:

There being more than 100,000 people on the Island already or something? What we have done, I think, over past censuses is to try to refine the accuracy of that census data, recognising that there will always be some element of under-recording or uncertainty. I have a feeling at the moment it is something like 2 per cent ...

Dr. D. Gibaut:

It is less than that, we did rather well. I can say that as I was not involved. They did rather well last time. The 2001 census has an under-count and that is what you call the non-recorded part of a census; an under-count of about 1 per cent, slightly less than 1,000, I think it was 880 or so, so slightly less than 1,000. Internationally that is rather good. Australia and other jurisdictions tend to get under-counts of the order of 2 per cent. So the Jersey census last time, the published figure was just under 1,000 as the under-count.

Senator T.A. Le Sueur:

So I think what one can do and what one has tried to do, although it is quite difficult, is to encourage recognition of the validity of a census as an independent tool which is statistically pretty accurate. I will settle for 99 per cent accuracy and that sort of thing and if we are under by 1,000, well, that is still pretty good. So I think that will be the first thing to do, to make sure that we have a good, robust method of collecting that information. I suppose, secondly, what is the public's concern, because, again, it is a bit like inflation versus the cost of a basket of goods. What concerns me would be a consistent rise in the Island's population over and above what the Island can manage. Now, that is comparing relativities: what the population is now compared to what it might be in 5 or 10 years' time. If we are 99 per cent certain of a figure now and we are 99 per cent of a figure in 5 years' time it is the variation difference between those 2 figures which is the thing driving your population policy. I have to be careful how I choose my words here, but in a statistical sense it would not make any statistical difference whether it was 90,000 now and 95,000 in 5 years' time or 110,000 now and 115,000 in 5 years' time in a statistical sense. What I am really saying there is: what is the impact on the Island's infrastructure of a change in population levels? What is the impact on the Island's economy of a change in population levels? What is the impact on all sorts of government policy of a change in population levels? That is why I think it is important not to get hung up on a number for its own sake but what you are going to use the tool to achieve. I want to stress that I am not saying that Jersey can cope with 110,000 people or 115,000 people; that is not what I am saying.

Senator S.C. Ferguson:

No, no. It is really to keep the rate of change, if there needs to be a rate of change, at a reasonable level.

Senator T.A. Le Sueur:

Yes. I suppose going back to square one, the policy of ensuring the total population does not exceed 100,000 is a policy based on the fact that I am satisfied that the 2001 census level is 99 per cent accurate. So, I suppose, if I were to re-phrase that priority it would be to make sure that the total population is not more than 12,200 more than it was in 2001. If that sounds rather convoluted, it is much easier to say does not exceed 100,000 but you get the point, I am sure.

Senator S.C. Ferguson:

Thank you very much indeed, Minister. Have we any more questions? No more?

The Deputy of Grouville:

From what you have said, to my mind the absolute key to either controlling the population or making best use of the population we have is through employment, and I am not sure there is enough emphasis put on employers to play their part. We were speaking before about employing the elderly, if you like, or able-bodied people beyond the official pensionable age, also employing entitled people: school leavers, university graduates, encouraging them back rather than ... the perception is they sort of sit there expecting a workforce off the peg and if they cannot get it then they go and get their (j) categories. How can we incentivise the employers to play their part, because they have a huge part to play in my opinion?

Senator T.A. Le Sueur:

Employers do have a significant part to play. I think you also have to incentivise the employees, the potential employees, as well that they cannot expect a job on a plate. The fact that you may be residentially qualified does not entitle you to a job; you have to be not only entitled but also capable of doing that job. Some of the difficulties have been the mismatch of trying to find people able to do the job or prepared to train to do the job and those who will not. Where we have perhaps failed in the past is not having training opportunities for local people to be able to pick up opportunities which they would otherwise want to take up but cannot do so without that training ability. So that is where I think part of our policy target has to be and is. Just as in the current economic downturn we are talking about putting fiscal stimulus money into training opportunities as well, recognising that people who are put out of one job may take a job in a different field.

Mr. M. Heald:

Can I just add to that, Chief Minister? There are one or 2 things, but there is a lot happening in the skills area, particularly around matching, supply and demand, advance to work, increasing local higher education options, and the 14 to 19 curriculum development and that is all centred around vocational opportunities. Just to go back to something we talked about earlier, Senator Ferguson, you talked about a culture issue with employers. I think one thing that is going to be true in the future is that the pool of people we currently identify as working age is going to get smaller and that in itself will generate that culture as well as things the Government may do. The pool of employees available will be smaller and that will generate those change in values.

Senator S.C. Ferguson:

Thank you very much indeed, Minister, and gentlemen, and the public.