



Corporate Services Scrutiny Panel Review of Interim Population Policy

FRIDAY, 28th FEBRUARY 2014

Panel:

Senator S.C. Ferguson (Chairman)

Deputy J.G. Reed of St. Ouen (Vice Chairman)

Deputy R.J. Rondel of St. Helier

Witnesses:

Senator P.F. Routier MBE (The Assistant Chief Minister)

Mr. P. Bradbury (Director, Corporate Policy)

[15:16]

Senator S.C. Ferguson (Chairman):

Good afternoon and welcome to the Corporate Services Scrutiny Panel on a review of the Interim Population Policy. I think I possibly should explain to the audience that we did in fact advertise it as being the Chief Minister but he has unavoidably been unable to attend and we shall be having a return session with him later, but we welcome the Assistant Minister and the Director of Corporate Policy. I think there are some copies of the health warning over on the chairs there for people and the health warnings for the witnesses. If you could possibly say who you are and what your position is for the benefit of the transcribers, please.

Assistant Chief Minister:

Certainly. Senator Paul Routier, Assistant Chief Minister. You opened up with the fact that the Chief Minister is unable to be here. He is sorry he is not able to be here but, as you know, the actual law, the Control of Housing and Work (Jersey) Law, is framed in a way that it is my responsibility, the Assistant Chief Minister's responsibility. The population policy obviously is the Council of Ministers' policy but I have responsibility in law for the actual Control of Housing and Work Law.

Senator S.C. Ferguson:

Super. Thank you very much.

Director of Corporate Policy:

Paul Bradbury, Director of Corporate Policy, Chief Minister's Department.

Deputy R.J. Rondel of St. Helier:

Deputy Richard Rondel of St. Helier No. 3 and No. 4 districts.

Deputy J.G. Reed of St. Ouen:

Deputy James Reed, panel member.

Senator S.C. Ferguson:

Senator Sarah Ferguson, Chairman.

Scrutiny Officer:

Sammy McKee, Scrutiny Officer.

Senator S.C. Ferguson:

I wonder if we can look at the rationale of the Interim Population Policy. If you are simply proposing a continuation of the current system, why are you bringing an Interim Population Policy to the States?

Assistant Chief Minister:

I think there has been great interest in this topic. We have seen from the Social Survey that I think 77 per cent of the population are very interested and want us to have a population policy as soon as possible and the business community have also been wanting to have some clarity about how they are going to operate with the new law. So the Council of Minister considered that it was vitally important that we do come as soon as we possibly can to the States with a policy so that they can react to that. Obviously the long-term planning procedure, which is going to happen later

on, will be another opportunity for people to have a view about how the Island is made up and what sort of Island we want, but this is an interim policy. As you rightly say, it does continue what has already been in strategic plans but the reason it is being debated is because the Housing and Work Advisory Group are having to administer the new law now and we wanted to have some sort of guidance from the States and from the public generally about how we should be operating that law.

The Deputy of St. Ouen:

It is interesting to hear you say that you want guidance from the public. Looking at the priorities contained in the Strategic Plan, it clearly says that once the analysis of the census is complete in 2012, public consultation and States debate on what our immigration and population objectives should be will take place. Those are the Council of Ministers' words in the Strategic Plan. It is a priority that the States signed up to and we find that rather than that the Council of Ministers have got in a closed room, sat down, thought about the population policy and come out with some interim policy that they cannot implement anyway because their term of office ends in 2014.

Assistant Chief Minister:

With regard to not being able to implement the Interim Population Policy, what is in the Interim Population Policy currently is the way we are operating the new law. That is what we are doing. We want to have some sort of appreciation from other States Members of whether they support the way that we are currently operating it. With regard to your first point that the Council of Ministers shut themselves away in a dark room and came forward with this interim policy, there has been a design to have a population policy but once the work was started out on it, it is bigger than just looking at one area. We know that it is about what sort of Island do we want to live in. Do we want to live in an Island that is as green in the future as it is today? Do we want to live in an Island that has so many schools, so many shops? There is a real big piece of work that needs to happen. As you know, States Members are having workshops next week. I hope many Members can come to those.

The Deputy of St. Ouen:

Just to interrupt you, let us deal with a couple of what I call simple questions. Were you in the States in 2007 and 2008?

Assistant Chief Minister:

Of course I was.

The Deputy of St. Ouen:

Do you remember a major consultation that took place called *Imagine Jersey 2035*?

Assistant Chief Minister:

Yes.

The Deputy of St. Ouen:

What was the outcome following that consultation?

Assistant Chief Minister:

I have not got those details in front of me. Would you like to remind me?

The Deputy of St. Ouen:

Well, yes. Was not a population policy put forward and did not the States debate and agree a population policy?

Assistant Chief Minister:

Yes, I believe so. It was a number of 325.

The Deputy of St. Ouen:

Right. Since that time has it not been the responsibility of various Ministers and Councils of Ministers to make sure that that policy was implemented?

Assistant Chief Minister:

You are aware that the introduction of the new Control of Housing and Work Law ...

The Deputy of St. Ouen:

No, I come back to was it not the responsibility of the Ministers that were involved in this particular population policy to implement it, as agreed and approved by the States?

Assistant Chief Minister:

Yes, of course it is.

The Deputy of St. Ouen:

So if that is the case and we already have a population policy, which has been consulted upon, why do the Council of Ministers choose to bring an Interim Population Policy when, in your own words, there is far more discussion to take place around a long-term plan and further discussions on population levels?

Assistant Chief Minister:

I think earlier I mentioned about the desire of, for instance, the business community who have been asking us to have a debate as soon as we possibly can about population because they need

to know how they can progress their business plans and to know if they are able to progress their businesses. That is obviously one of the priorities. Also with regard to the recent Social Survey, it is a high priority, as it is for most people in the Island - 77 per cent of the Island think it is important - and it is for me as well.

The Deputy of St. Ouen:

Are you suggesting that the businesses do not support the current population policy that has been in place since 2008?

Assistant Chief Minister:

I have not said that, no.

The Deputy of St. Ouen:

Why produce another policy?

Assistant Chief Minister:

I think there is, I would say, a concern from the business community with the new law that has come into place that they want some clarity about how that law is going to be administered. That is what they are really looking for.

Deputy R. J. Rondel:

You did say earlier on that this new interim policy would produce more clarity, but how do you see that happening if it is not really any different to the existing policy? Being only for 2 years, that does not give a long-term position for business.

Assistant Chief Minister:

In the Interim Population Policy it is quite clear about how we are going to administer the law, how we would intend to administer the law. I do not know if you have got a copy there, but certainly it talks about looking at licences for individual businesses where they are above average than similar businesses, that there will be an opportunity to discuss with those businesses to see if there is an opportunity to find more ways of employing more local people. There is also the opportunity to get more local people who are currently unemployed. That is a priority, we want to ensure that as many local people are given the opportunity to get into employment. So the business licences that we would be negotiating with businesses is that we would ensure that they do everything they possibly can to employ local people. There are a number of strands to the way we are looking for guidance from the States and whether they are going to accept the policy or not, it will be for the States obviously ... you are scrutinising it but the States will take a view on what the policy says and your views as well and the States will make a decision.

The Deputy of St. Ouen:

Are you suggesting that the Control of Housing and Work (Jersey) Law that was introduced in July 2013 can be administered in different ways?

Assistant Chief Minister:

Yes.

The Deputy of St. Ouen:

So it is not the perfect solution that has been suggested in the past that it can control and manage our population to the levels that we would wish to see?

Assistant Chief Minister:

We know that the law, as I thought it was quite clear when we debated it in the States, is a mechanism. It is a tap that can be turned on and off with regard to the permissions that are given to businesses and it will react to whatever policy the States ask us to work to.

The Deputy of St. Ouen:

Can you just remind us what the current population policy is?

Assistant Chief Minister:

Paul wants to say something.

Director of Corporate Policy:

Imagine Jersey led to the 2009 Strategic Plan, which was the 325. The 2009 Strategic Plan has now been superseded by the 2012 Strategic Plan. The 2012 Strategic Plan ...

The Deputy of St. Ouen:

I am sorry, the question was can you remind us what the current population policy is?

Director of Corporate Policy:

As reflected in the 2012 Strategic Plan.

The Deputy of St. Ouen:

No. It is a policy agreed by the States. It is not linked to a strategic plan as any other policy. Any policy that is adopted by the States remains in place until it is changed. It is not simply a priority or a meaningless piece of paper that can be changed as and when individuals choose, at least that is not my understanding of it.

Director of Corporate Policy:

My recollection, and I am happy to be corrected, is that the 325 figure was established in the Strategic Plan. There was not a separate debate that I recall. The 2009 Strategic Plan is no longer valid. The 2012 Strategic Plan is valid. The population policy, as it stands, is outlined in the 2012 Strategic Plan.

The Deputy of St. Ouen:

So you are saying that basically, the Chief Minister, and indeed the Assistant Minister because we have been told he is responsible for the delivery of the population policy ... it is something that cannot be relied because it has insufficient weight behind it?

[15:30]

Assistant Chief Minister:

What I have responsibility for is administering the Control of Housing and Work Law. The Housing and Work Advisory Group, who sit with me to make the decisions about business licences, will do whatever the States requires it to do. We have the new law that will enable us to try to meet those targets. The new legislation is a lot stronger than the old Regulation of Undertakings law that we used to have.

Senator S.C. Ferguson:

Shall we just move on then? You are saying that you have a proposal to limit net migration to 325 a year. What was the rationale of that and can you confirm that all departments are using the 325 as an annual inward migration figure for their planning assumptions? Why 325 and are all departments using it?

Assistant Chief Minister:

All departments other than Education and T.T.S. (Transport and Technical Services) are using it. Education are using an assumption of 500 and so is T.T.S.

Senator S.C. Ferguson:

500 what?

Assistant Chief Minister:

500 people.

Senator S.C. Ferguson:

Immigrants?

Assistant Chief Minister:

Yes. That is what their planning assumption is. That is what they have been working to.

The Deputy of St. Ouen:

Can you just explain why they would choose to work on a different net migration figure to everybody else?

Director of Corporate Policy:

It partly comes down to the nature of their businesses, i.e. infrastructure and the requirement to perhaps build some capacity, and it partly comes down to the discussion we had before around what is the States policy on net migration. My view is it is as outlined in the 2012 Strategic Plan, which does not put a figure and therefore different departments will plan on what basis they think is most reasonable. Most are planning on a continuation, in effect, of the 2009 Strategic Plan number of 325. T.T.S. and E.S.C. (Education, Sport and Culture) have taken a slightly different view, as I say, partly because of the nature of their services and partly because that reflects the actual experience of migration.

Senator S.C. Ferguson:

What is going to happen if this particular interim policy goes through the States? Are they then going to have to rehash all their planning with a different number?

Director of Corporate Policy:

I would say yes, albeit I think they still need to think of anything specific in relation to their department, i.e. capacity issues, because they are building infrastructure. I am not an expert. I am not sure whether it necessarily costs more to build in a bit more capacity just in case. Sorry, the answer is they should comply with the States policy as approved if the States approve the Interim Population Policy.

Senator S.C. Ferguson:

Will you be bringing in an amendment to this interim policy to explain the difference?

Assistant Chief Minister:

I do not think there is any need to bring an amendment to the ...

Senator S.C. Ferguson:

I think somebody needs to explain it, do they not?

Assistant Chief Minister:

No doubt the Ministers for each of those departments will perhaps make some statement, but to me it is just they have been planning for 500. I think they could quite easily change it back to 325

once the States have decided. I do not see that being an issue. For instance with T.T.S., what difference is it going to make to ...

Senator S.C. Ferguson:

It could make a big difference on their budgets, particularly for Education.

Assistant Chief Minister:

It depends on the size of the drain they put in, I suppose. It depends what they are planning for really.

Deputy R. J. Rondel:

I am a little bit surprised about those 2 particular departments. What about Health? I would have thought they would be gearing to more because are they not having difficulty at the moment taking on local staff?

Assistant Chief Minister:

No. They are planning for 325. That is what their policy is currently.

The Deputy of St. Ouen:

So there is no flexibility there then?

Assistant Chief Minister:

Was that a question? Sorry.

Senator S.C. Ferguson:

Yes.

The Deputy of St. Ouen:

You suggested that Education and T.T.S. work on 500 to allow a bit of flexibility. You are saying Health, on the other hand, are not?

Assistant Chief Minister:

I am not sure that I mentioned about flexibility at all for the other 2.

The Deputy of St. Ouen:

You explained that the reason for having Education and T.T.S. working on 500 is to allow some flexibility in the overall agreed number, which is 325. You are now saying that Health is working on 325. We are going to get to whether 325 is deliverable anyway at a later date, but at the

moment all we want to know is can you confirm that Health are absolutely working on no more than 325 per annum?

Director of Corporate Policy:

Health are working towards 325. I cannot answer whether they have got flexibility or otherwise. Take an example of the long-term care benefit that Social Security brought in. They are working on 325 but they can flex it. You either need to ask us to make those assessments with the departments as to their flexibility or indeed question those departments.

Assistant Chief Minister:

I was just responding to your straightforward question, which is what the departments are doing, and that is the information that I have gained over the last few days, that that is what the situation is.

The Deputy of St. Ouen:

We are grateful for that.

Senator S.C. Ferguson:

Did the Council of Ministers at all consider any other possible net migration targets? For instance, do you consider no net migration?

Assistant Chief Minister:

We looked all of those, yes. We looked at zero, we looked at 325, we looked at 500, and it became very obvious that 325 was a policy of stability because it maintains the workforce population. To our minds, it is important that we have a similar number of people working in the Island because, as we all know, the population is gradually getting older with more people going to be stopping work. If we were just to go for zero we would have more people dropping out of working and we would have less people in work. So, with the advice of the Statistics Unit, they have confirmed that 325 will maintain the working age population.

Senator S.C. Ferguson:

Yes, but on that you have ignored the fact that productivity has been dropping. You are saying maintain the working population, but if the productivity has been dropping is that not an area you should be looking at more? The whole policy document I think mentions productivity once.

Assistant Chief Minister:

You are right. Productivity is vitally important, there is no doubt about it, but it is one of the areas.

Senator S.C. Ferguson:

It is almost more important than numbers, is it not?

Assistant Chief Minister:

I am not sure that I agree with that because ...

Senator S.C. Ferguson:

You need to have more for less.

Assistant Chief Minister:

Yes, we need to ensure that our population are all working and working effectively and the people who are unemployed, we need to ensure that they have the opportunity to get into work. We know that is a big piece of work with the number of people who are unemployed currently. That is the importance of getting acceptance that the way we use the Control of Housing and Work Law will ensure and hopefully encourage - encourage is probably a better word - businesses to recognise that there are local people who need to be in work and we need to ensure that those people ... the problem with that is the skills need to match up as well and the enthusiasm to be in work. It is not a simple one answer unfortunately. It is not just productivity. It is about getting local people into employment, ensuring they have got the right skills to match the business community's needs. It is all of those issues that need to be looked at. It is not a one-answer situation I am afraid.

Senator S.C. Ferguson:

Does this policy now abandon the total population limit of 100,000 that was set in the previous population policy?

Assistant Chief Minister:

Abandon is probably a strong word. I think we know we are getting very close to 100,000. We know that is happening and the projections in the Interim Population Policy and also the amendment that has been put forward by Deputy Southern does show that our population will increase over 100,000.

Deputy R. J. Rondel:

So "abandon" is probably the right word.

Assistant Chief Minister:

If you wish to use that word, it is up to you.

Senator S.C. Ferguson:

Yes, if you reckon that you have got 325, 350 coming in under the Net Migration Policy, you have got a difference between births and deaths of about 460.

Assistant Chief Minister:

It is in the document.

Senator S.C. Ferguson:

So we are talking 800 a year already, if my arithmetic is correct, and it was 97,000-something 3 years ago. So if we have not passed 100,000, we must have passed it surely. Is it not time to face up to it and say: "Okay, folks, we are over 100,000"?

Assistant Chief Minister:

I think if you look at an answer to a question I gave in the States not so long ago I actually said that.

The Deputy of St. Ouen:

I suppose the next question is, okay, we have passed the population limit of 100,000, so why has no limit been set or proposed by the Council of Ministers in the Interim Population Policy?

Assistant Chief Minister:

Good question. We recognise that setting a limit, a number, is very difficult. We understand that our Island needs to evolve. We need to be able to provide the services for the people who live in the Island. We need to know we have to have a number of nurses, we have to have teachers, and the business community has to be able to evolve and pay the taxes we are going to need to pay for the services. So it is a balancing act, devising a policy. It is a real tough balancing act that we have to face up to.

The Deputy of St. Ouen:

Is it not the reality that although it might be a projected number of 325, past experience has shown that we end up exceeding that number on a year-by-year basis? I would suggest that probably since this Council of Ministers has been in power that the 325 or 350 population net migration figure has been reached every year.

Assistant Chief Minister:

Since this Council of Ministers has been in place, the first year it was 500, we do not know the answer for last year, and obviously we are in the middle of the third year of this Council of Ministers. But you are right, I think you are identifying, quite rightly, that it is going to be a very difficult challenge to meet the 325. There is no doubt about it in my mind, but we have a desire to try to meet the wishes of 77 per cent of the population who are very concerned about the way the population is growing. But we have to balance that with business communities needing to have

the right level of staff, the skills to enable us to continue to be economically viable. So it is a tough job.

The Deputy of St. Ouen:

Can I ask why do you not know the figure for last year?

Assistant Chief Minister:

The manpower returns are only being finalised now. Then the Statistics Unit will need to ...

Senator S.C. Ferguson:

Sorry, excuse me. Manpower returns have to be in by the end of January.

Assistant Chief Minister:

There was an extension made because of the change of the new manpower returns. It went online and there were some businesses who were having difficulty with making their online returns, so there was an extension and today is the last day of the manpower returns being submitted.

Deputy R. J. Rondel:

When do you think those results will be available?

Assistant Chief Minister:

They are normally due in April.

Director of Corporate Policy:

They are scheduled for early April, which is the same date they are always scheduled.

Assistant Chief Minister:

The delay in the return is hopefully not going to affect the outcome of that, but that is just manpower returns obviously.

[15:45]

That does not give population numbers. The Statistics Unit will be the ones who will be doing that work and I think they are aiming for June as being the date when they will have that figure.

The Deputy of St. Ouen:

I am struggling to understand, because we have a Population Office now that is responsible for managing matters to do with population, including licences and so on and so forth. Are you

suggesting that there is no real-time information or information that can be relied upon that we are able to use to monitor closely what is happening and we have to wait many months to have actual information to be verified by some other independent body?

Assistant Chief Minister:

I will let the technical advice answer that question.

Director of Corporate Policy:

The data that you should accept as the goalpost, if you like, is the Statistics Unit population data and that is always out in June the following year. The new law did bring in a population register. We are operating that register, but I have always said to this panel that we will calibrate that with the first manpower return process and that is what we are doing now.

The Deputy of St. Ouen:

When will we have real-time information that will be reliable?

Director of Corporate Policy:

I have always said that we will calibrate the register against the manpower return. Until I see that calibration ... what I could find is we get the manpower return data in and it is a perfect match with the population database in which case that is the point in time, but I cannot say with confidence when it will be until I get the data in and find out the extent of the anomalies and the errors.

The Deputy of St. Ouen:

So you are thinking it could be this year?

Director of Corporate Policy:

The returns are due in. Today is the final day. When we have that analysis of data I will be able to understand the gap between the information employers are giving us and the information I have and then I will be able to make some assessment as to how long it will take to bridge that gap. Parallel to that, though, the statistical processes will run as they normally do, April-June.

Deputy R. J. Rondel:

If we move on to the proposition itself, it does not appear to make any reference as to how the Control of Housing and Work (Jersey) Law is to be applied to support the assumption of 325. Why is that not in the proposition?

Assistant Chief Minister:

Well, it is in the report. If you look at the findings it talks ...

Deputy R. J. Rondel:

Exactly how the law will be applied to keep to that figure?

Assistant Chief Minister:

Yes.

Deputy R. J. Rondel:

Could you explain where the details are of how you will be able to do that?

Assistant Chief Minister:

On page 10 of the policy, finding 5, it says how the law would be applied.

The Deputy of St. Ouen:

What assurances can you give that the law will be applied as reported in the accompanying report to the proposition?

Assistant Chief Minister:

Well, certainly if the States support this Interim Population Policy that will be what we will be doing. You either have confidence in the Assistant Minister and the Housing and Work Advisory Group doing it or you do not.

Deputy R. J. Rondel:

There has been a failure so far to meet the net migration target.

Assistant Chief Minister:

But we have not had the law to be able to achieve that. This is the new law that has just come in and we now ...

Deputy R. J. Rondel:

So you are saying with confidence that this will be able to be met?

Assistant Chief Minister:

No, what I can say with confidence is this law is a lot stronger than what we had previously, because we can call licences in at any time now. Before we used to have to wait 3 years. We could not look at any licence at any time. We can call them in at any time. The strength of the law is we can stop businesses operating. It is a very strong law and we will have the ability to administer it far better than we could in the past.

Deputy R. J. Rondel:

Will you actually do that? What assurances can you give the public that this policy will be delivered?

Assistant Chief Minister:

If we get 100 per cent support from the States I will be doing that, certainly.

Senator S.C. Ferguson:

Until you have got the register calibrated you do not know the numbers, so how are you going to make sure the policy is applied: 325, 150 heads of household and their appendages? How are you going to make sure you have got your 325 in the middle of the year? If you reach that number at the beginning of June, how are you going to cope with that and what are you going to do, pull up the drawbridge?

Assistant Chief Minister:

No, we are not going to pull up the drawbridge. We have to recognise that, firstly, it is an average over the 2 years, so we will be looking at how we work that.

Senator S.C. Ferguson:

That is not what it says. It says 325 a year.

Assistant Chief Minister:

It is averaged.

The Deputy of St. Ouen:

No, it does not. I direct you to the wording of the proposition of the Interim Population Policy and it says net migration of 150 households per year, 325.

Assistant Chief Minister:

It says that in the proposition.

Senator S.C. Ferguson:

Yes, and the proposition is what the States goes by.

The Deputy of St. Ouen:

It does say on average for the period 2014-2015.

Assistant Chief Minister:

It says on average.

The Deputy of St. Ouen:

So we have already exceeded the average. How does it work? How are we going to monitor this?

Assistant Chief Minister:

Every time the Housing and Work Advisory Group meet we obviously are making decisions and then we will have a regular update from the departments about the numbers that have been permitted. We will be monitoring it, but the issue is, for instance, if a new business was to come to the Island or want to come to the Island and they were going to be offering a very good percentage of local job opportunities, while we have this high unemployment in Jersey one of the highest priorities, from my point of view, is having job opportunities for local people. If it means we are at 325 and a business wants to come to Jersey and they say: "We are going to need 4 or 5 managers to run a new business but we are going to offer 40 or 50 jobs to local people", I would say I am more likely to say yes to that.

The Deputy of St. Ouen:

Even though it is against the policy that will have been agreed, given that this is agreed by the States?

Assistant Chief Minister:

This is a planning assumption.

The Deputy of St. Ouen:

So we cannot rely on it because it is only a planning assumption, which is absolutely right. You are right.

Assistant Chief Minister:

It has to be flexible for the benefit of Jersey, for the benefit of our community.

Senator S.C. Ferguson:

It is just so that everybody understands what we are doing, basically. If you get your 650 in the first year, you are not going to pull up the drawbridge the second year?

Assistant Chief Minister:

I am going to trip over these words. I doubt we are going to get to 650 in one year. I cannot see it happening.

Director of Corporate Policy:

We were very careful. We thought hard about the wording of the proposition in terms of words like "cap" and "maximum" and "target".

Senator S.C. Ferguson:

And “average”, yes.

Director of Corporate Policy:

Exactly. So the proposition is to support a planning assumption. We will apply the law to achieve 325 per year. The proposition also says this is not an exact science. There are large flows of inward and outward migration each year. Businesses cease; businesses start up. So our view is the proposition is pretty clear. It is about supporting and applying the law to achieve a planning assumption of 325 as best we possibly can with the information we have. That information is getting better and the law is better.

Deputy R. J. Rondel:

Do you have any data available that shows how the new legislation that has been in force 7 months now has performed to date?

Assistant Chief Minister:

We have always said right at the outset we are going to do an implementation review, which was planned for a year. So it is July of this year. I am sure we agreed that it is going to be July.

Director of Corporate Policy:

In the meantime, we are collating the year-end stats, so I am sure we can get those year-end stats for the first 6 months of the law to you during the course of the review. As the Assistant Minister said, the full analysis of its effectiveness and where we might be able to make changes in the law to improve it will be conducted April to July.

Assistant Chief Minister:

We need to have a full year really to understand the seasonality of everything.

Director of Corporate Policy:

But some simple stats on how many approvals, et cetera.

Deputy R. J. Rondel:

I think that would be extremely useful for our review because we need some sort of data.

Assistant Chief Minister:

Yes, we are happy to provide that.

The Deputy of St. Ouen:

Can you just confirm that, as per one of the key actions in the Strategic Plan, you will be undertaking a review of the migration controls and report to the States on the findings within 12 months? We are talking of June, July this year.

Assistant Chief Minister:

That is the intention certainly.

The Deputy of St. Ouen:

So that is what we can expect?

Assistant Chief Minister:

Yes.

Deputy R. J. Rondel:

Do you think it is still too early to assume that the new Housing and Work Law has been capable of delivering?

Assistant Chief Minister:

Yes. We know we are working with it on a daily basis. I meet with businesses once a fortnight and we are having lots of negotiations with them and trying to encourage them to employ as many local people. I keep on saying that, but it is a high priority for me.

Deputy R. J. Rondel:

Have you found any issues with it that perhaps you could have implemented something else?

Assistant Chief Minister:

It is challenging. Every decision we are making is really challenging when we are discussing with businesses. It is very easy to say yes but we have been saying no to businesses that are not providing a good economic benefit to the Island. I keep on talking about economic benefit but it is also the social benefit as well, if it is something to do with nurses or teachers or that sort of thing. There are 2 sides to this. It is not all just economic. It is social benefit as well. So any organisation that applies to us has to be very clear and demonstrate that they are providing social benefit to the Island and also economic benefit.

Deputy R. J. Rondel:

Do you feel that this is being done fairly across the board when they are being applied for?

Assistant Chief Minister:

I hope so. We try to be as even handed as we possibly can be.

Deputy R. J. Rondel:

We have been previously told by the States Chief Statistician that it will take at least 3 to 5 years for the new register to accurately measure net migration and the total population. If you are unable to capture real-time information, how would you determine whether the policy was being adhered to?

Assistant Chief Minister:

The standards that the Statistics Unit uses are very high and they want them to be very accurate. For our purposes, we will have data that is available to us that will help us to make decisions. The Statistics Unit is right, they do need a good length of time. Even the information we are gathering from this current manpower return, Paul has already said that it has to verify those figures and to compare them to the population numbers and to get it all justified. There are going to be areas that do show up that there are things that perhaps have not been declared in the same way as they had previously. I was speaking to employers only yesterday about the difference between how they declare on the manpower returns. It is a different system now because they have to declare zero hours contracts as opposed to part-time and all the rest of it. So the way that the information is being collected in the new system is different to the old system, so we have to get those sorted out. It is going to take a number of months or years, as the Statistics Unit has said, to get a really clear understanding.

Deputy R. J. Rondel:

The information you ask on the manpower returns, do you feel that is reliable and accurate? There were issues with the previous system.

Assistant Chief Minister:

The previous system only asked for how many part-timers and how many full-timers and that was about it, I think, and whether they were local or non-local, but now we are asking for a lot more information. It goes down to the detail of named individuals. The new manpower return is naming everybody and with social security numbers on, so there is the ability to ... Do you want to develop on that?

Director of Corporate Policy:

The old manpower return was just a subtotal: how many employees have you got in total? This time we have got a list of every employee, so we have got 50,000 lines of data more to compare against the population register with nearly 100,000 people on it, so it is a big task. But what you get through that is you pick up anomalies. You pick up potential breaches in businesses. They may not transpire to being breaches once you have investigated them through but they are leads,

if you like. So in that sense it gives us a potential mine of information on which to act and verify the population register.

Assistant Chief Minister:

I was down at the Population Office this morning having a look at how it is all operating and I have to say I was really impressed with the way the staff are ... they have got lots of challenges, they have got a lot of work to do, but I have to say that the enthusiasm for their task and the way they are ploughing through all the returns is very impressive.

[16:00]

Senator S.C. Ferguson:

If the returns are computerised and we have a population register on a computer, is it not just a question of doing an exception report of one lot against the other?

Director of Corporate Policy:

That gives you potential anomalies but it does not mean it is an actual anomaly. We might think somebody is registered and the employer might think somebody is entitled. You then have to go through a process to establish who is correct. We might have them down as registered because we have not got the proper contribution records for them. They does not mean they were not here though. So you have to go through a process of qualifying the people, if you like.

Senator S.C. Ferguson:

The work that is being done is the exception work as opposed to ...

Director of Corporate Policy:

Yes.

Assistant Chief Minister:

Also, as you are aware, the initial setting up of the new online manpower returns did identify there are some small businesses, one-man businesses, that do not have the ability to do online returns, so there are quite a number of paper returns that are being dealt with currently on the phone. The department, I have to say, have bent over backwards to help small businesses to make their manpower returns. I think it should be recognised that they have put in that extra effort.

Senator S.C. Ferguson:

I take it you are going to be rewriting the instructions too.

Director of Corporate Policy:

Yes.

Deputy R. J. Rondel:

If you received a report from the Statistics Unit that indicated that you had exceeded the 325 level - and you have partly answered - say it was 450 after 6 months, what would you do?

Assistant Chief Minister:

I think I would report that to the States. I would make a statement in the States, I think, to say that that had happened and see what reaction came back from that. That is not something we are aiming to do. But as I said before, hopefully, if we still have 1,800 people unemployed and an employer comes and offers to employ a lot of people, it is very likely that we would accept a small number of new people coming to the Island to achieve those people getting into work.

Deputy R. J. Rondel:

Do you believe honestly within the Council of Ministers there is real political will to adhere to this figure?

Assistant Chief Minister:

I believe so, yes. I have to say we had a very robust discussion in the Council of Ministers and I think it is ...

Deputy R. J. Rondel:

Would you say it is unanimous?

Assistant Chief Minister:

It was unanimous to have the proposition we have. The proposition we have ended up with there was a unanimous proposition. From the Council of Ministers' point of view, we see it as being ... I am going to say the word "sensible" here but there you go. We see it as a good middle of the road way of progressing what we need to do. As I said earlier, as Assistant Minister and the Housing and Work Advisory Group, we need to have the backing or the guidance from the States to say go ahead and do these things that are in here to administer the law in that way. For us to wait until the long-term planning framework is in place, I do not think is appropriate. Really I am asking the States to give us a guidance on how to use this law because otherwise we could do anything.

The Deputy of St. Ouen:

You have been doing anything apart from following a policy that is currently agreed.

Assistant Chief Minister:

We have been aiming for the 325 in whatever we have been thinking.

The Deputy of St. Ouen:

Yes, but you have not succeeded up to now, so it is hardly encouraging for the public or other States Members to believe that this time you are going to follow the agreed policy.

Assistant Chief Minister:

You may want to say that. I am sorry, but I cannot accept that that is the way we are going to react, we are reacting to it. Since this new legislation has come in, we now have the tools to do what the States are asking us to do. I speak for every member of the Housing and Work Advisory Group that we are aiming to do that. But I will repeat it, it is not easy. It is a very difficult job.

The Deputy of St. Ouen:

With regards to the information and monitoring and the ability for the public and States Members to monitor your progress in delivering this particular policy, are you aiming to publish a report on a regular basis?

Assistant Chief Minister:

It depends what you mean by regular. Do you mean annually or biannually or ...

The Deputy of St. Ouen:

If you are saying that you have regular updates and there is data available for you to make decisions and monitor how the law is being implemented, then maybe 6-monthly, annually. At least we should expect something.

Assistant Chief Minister:

I would hope certainly at least 6-monthly we would do something. I do not know if I am putting you on the spot there, Paul.

Director of Corporate Policy:

We should be transparent and we should report more than we do.

Deputy R. J. Rondel:

What confidence do you think the public will have that your policy will be achievable? At the moment there does not seem to be confidence of that.

Assistant Chief Minister:

I think there needs to be an acceptance that it is a really tough policy that we are putting forward here.

Deputy R. J. Rondel:

So it is difficult to achieve?

Assistant Chief Minister:

It will be difficult to achieve. I think I said that earlier. It is a challenge that we are prepared to take on. We are going to have to have a States debate about it. Do the States want us to try to control population? To my mind, I think the answer to that is yes and the public wants us to try to control population, but the reality of that is ...

Deputy R. J. Rondel:

Without affecting the business.

Assistant Chief Minister:

Yes. We would have to ensure that we have a business community that can continue to operate and pay taxes and pay for all the services we want. So it is tough. From that question, I wonder whether it is felt that perhaps we should not have a number at all or we should not have any controls. That is the flipside of that.

The Deputy of St. Ouen:

It is a bit late now because the Council of Ministers have agreed an Interim Population Policy with a number in it. Then you are saying maybe it is not a good idea to have a number in it.

Assistant Chief Minister:

I am not saying that. I am fully behind this. It was just I took the inference from the question.

The Deputy of St. Ouen:

Has any work been undertaken on the effect of a yearly population increase of approximately 725, 800, which is target net migration plus natural growth?

Assistant Chief Minister:

That is what each States department is planning for. They are planning across the States, except the 2 that we talked about, but certainly each of the departments who are planning for the community are looking at that sort of number, certainly.

The Deputy of St. Ouen:

What work specifically has been undertaken to consider the effect of an increase in population per annum of approximately 800 people?

Assistant Chief Minister:

Every States department business plan would have that in mind.

The Deputy of St. Ouen:

Before we have even agreed the Interim Population Policy?

Assistant Chief Minister:

Sorry, you have lost me.

Director of Corporate Policy:

From a technical point of view, if you are providing public services, as the States of Jersey are, and you are a policy officer or whatever you might be in a department, you need a planning assumption of how many people are going to use your service. The 2009 Strategic Plan, based on *Imagine Jersey*, set 325. Most departments, other than the 2 we mentioned, think that is a sensible assumption on which to plan their services. When you approved the health policies, that was underpinned by 325, so were the long-term care policies in our plan underpinned by 325. The new hospital is going to be underpinned by 325.

The Deputy of St. Ouen:

I need to ask, why are you focusing on just one part of the population, which is 325, when we have a varying number of births against deaths, which is the natural growth? Why is it that you are ignoring a relatively large number of people that are naturally increasing our population year on year?

Assistant Chief Minister:

We are not. The departments are preparing for 325 inward migration but within their business plans they obviously are also preparing for the natural growth within our population.

Deputy R. J. Rondel:

What figure are they using for that?

Assistant Chief Minister:

Whatever is in the ...

Director of Corporate Policy:

They take the Statistics Unit model, which measures different models of net migration but in each model there is an assumption of births over deaths. So they use the Statistics Unit model when they are developing ...

The Deputy of St. Ouen:

So basically you are saying that for the public and the States to sign up to this they are accepting that natural growth could be running at 400 or 500, 450, whatever, per annum and in addition the 325, which is an average figure, it could be greater, which is the number of new immigrants that you are going to allow to add to the already increasing population.

Assistant Chief Minister:

Every year our population grows and every department works to that. Our population grows naturally, I should say, every year and they have always planned for that. What this debate is about is how many people on top of that are we going to provide for. That is what this debate is about. It is not about the difference between births over deaths.

The Deputy of St. Ouen:

Can you point me to the area in the report that spells that out?

Assistant Chief Minister:

It does not need to because it is natural, it just happens.

The Deputy of St. Ouen:

It is just focusing on one particular part and not the overall picture, which is the overall population growth that the Island will have to provide for.

Director of Corporate Policy:

All the population projections in here are based on the Statistics Unit model, which is natural growth plus migration, and the proposition focuses on migration because that is the only bit really we can control and make a decision on.

The Deputy of St. Ouen:

So it is based on the statistics produced by our Statistics Unit and those are simply projections ...

Director of Corporate Policy:

They are projections.

The Deputy of St. Ouen:

... which cannot necessarily be relied upon because, as we already see, although we have agreed to meet certain targets and figures, we have been unable to for various reasons. Yes or no?

Assistant Chief Minister:

Yes, that is right. We all know that the population changes for various reasons, whether it be people marrying outside the Island and bringing somebody back, bringing elderly parents back

who have every right to be here. People have lived all over the world and they can all come back to the Island. There is nothing we can do to stop that and we should not want to try to stop that.

The Deputy of St. Ouen:

I am just interested to briefly explore the economic benefits that you put forward that support increasing migration. If we look back over the last 10 years, we have had considerable immigration and yet we have found that the local residential population have been faced with increased taxation during that time and other costs, whether it is user pays charges or whatever. What evidence can you produce to show us that growing our economy, increasing the number of immigrants coming to work in the Island will benefit the local population?

Assistant Chief Minister:

I think going forward the decisions that are made with regard to any new people coming to the Island, they will have to demonstrate that they, on an individual basis, will bring some economic benefit to the Island. With regard to the previous decisions that have been made, obviously things have changed over the years. Back in 2006, 2008, when we did not have high unemployment there was a different attitude, the people who were doing the Regulation of Undertakings. It was a different world then and we had hardly any local unemployment.

The Deputy of St. Ouen:

But we still had a population policy, Assistant Minister, which you seem to ignore and yet promote an Interim Population Policy, which some would argue may not be worth the paper it is written on.

[16:15]

Assistant Chief Minister:

I am not ignoring what has happened in the past. We all know what has happened in the past, but what happened in the past was that the tap was opened more because that was the decision made by those who were responsible for the Regulation of Undertakings at that time, but things have changed now. I accept we have got to do things differently now. We have to.

Senator S.C. Ferguson:

Yes, but under the new policy it is not going to prevent people coming into the Island, getting registered as unlicensed and then going to look for an employer looking for unlicensed staff. So it has not really changed the situation that much, has it?

Assistant Chief Minister:

The way we are working with businesses and their licences, we are clawing back all those unused licences where we possibly can. So the availability of the spare capacity in licences for registered

people is reducing and people coming to the Island on spec and just going along to Social Security and getting a registration card and then going around, those opportunities are becoming limited. That is the work we are asking the States to support us doing, whether they are prepared to allow us to continue - we have been doing it - with that process of speaking to employers. We have to do it carefully though. This is not some draconian method of just swiping unused licences away from businesses. We need to do it very carefully and speak to each business on a one-to-one basis if we possibly can. We have been sending letters out and taking them away and people have been appealing and we have been discussing it with them. In some circumstances we have allowed them to have some of their registered numbers back, but we have been clawing away and taking some of the registered posts away from within their business licence if they have not been using them. It is going to be gradually closing down those opportunities for people just to turn up, because if they turn up in the Island, they are only going to come here if they can work. They are not going to earn any money.

Deputy R. J. Rondel:

Do you have any figures available for people who have registered during, say, the last 5 years and, once they have become registered for 5 years, they then can go out into the workplace anyway? Obviously that has implications that then at that 5-year stage allows another group to come in to be registered. Do you have figures that can monitor that? Previously it was 10 years and it made quite a difference when it reduced to 5 years the amount that came in because suddenly those were allowed to go out to work anyway in the workplace.

Director of Corporate Policy:

We know statistically how many people graduate over that 5-year line every year from the 2011 census. If I recollect, it was just over 800 people graduate. What is important through this policy is that is all well and good. What you want to avoid, if appropriate, is that employer then just using that licence for a new migrant when there might be a local person available for that job, which is why the Interim Population Policy talks about clawing licences back and imposing conditions, subject to discussion with business.

Deputy R. J. Rondel:

What I was saying is if he leaves that employer at 5 years to go out to a different job, as he would become entitled, that employer now needs to fill that gap so someone else new comes in. Is that what you allow or do you challenge that?

Assistant Chief Minister:

We are challenging that. It depends on each business really. If they did not fill that post and it was not used for quite some time we would then look at it, certainly. I do not know if you recall the presentation I gave to Members a month or so ago about the difference between the ... we have

identified the unused registered posts. There are about 2,000 currently in the business community that are unregistered.

Deputy R. J. Rondel:

But that person leaves one day, so you immediately get somebody else to fill that post. They can just go to Social Security, get their card and start working. They do not have to apply.

Director of Corporate Policy:

The Interim Population Policy says that it should be focused on businesses that employ more migrants than their competitors. In respect of those businesses, we need to review their licences and then there are various options that can be taken. Part of that is taking licences away. Part of that could be conditions to say new recruits must be local to deal with your situation. I stress that that needs to go through an individual consideration by H.A.W.A.G. (Housing and Work Advisory Group).

Assistant Chief Minister:

We know that we need to do this very carefully because we want businesses to be able to operate, because it is important, and we know that we want to get local people into work. If we were sitting here today and there was very few local people unemployed we might be having a different discussion, but to me, while we have this high unemployment of local people, I am focused on that.

The Deputy of St. Ouen:

Just picking up on a comment you made earlier regarding the way you are going to use the law. You said it depends on the business. I would like to know what assurances you can provide that the same standards will be applied to all businesses in respect of licence allocation for registered staff?

Assistant Chief Minister:

We are probably being a bit more specific across different types of businesses really. When it comes to businesses that are providing a valuable service to the Island, a social service, they may have perhaps a more lenient approach. If it is a business that is not creating very high economic value to the Island, we would probably be a bit tougher.

The Deputy of St. Ouen:

So you could ignore our local industries of tourism and agriculture, because they are the ones that perhaps do not employ necessarily a whole load of high net worth individuals and just focus on finance. Is that what you are saying?

Assistant Chief Minister:

What I am saying is that we have to get a balance between all of those things. What we need to do, for instance, is ensure that our existing businesses are accommodated and ensure that they do the best they possibly can to employ local people, but there is a reality check there, obviously, because we know that some of those job opportunities are not suited to local people. There is a reality check with that certainly. As I think Paul said earlier, there are some types of businesses that have a higher proportion of registered people within them. You have mentioned agriculture and tourism have a very high proportion of registered people doing those jobs. In fact, we had quite a good success story - I am not going to mention the business - in agriculture quite recently where we came to an agreement that they were going to employ some local people within their agricultural business, which was fantastic. They were going to take on another 10 local people and they felt able to do that. It is a negotiation with each of the businesses really to see if they are willing and able to try to do that.

The Deputy of St. Ouen:

Given that you have discussed in quite some detail the way you are planning to apply the new Control of Work and Housing Law, what efforts have you made to ensure that businesses, both large and small across all sectors, fully understand how you are planning to apply that law?

Assistant Chief Minister:

That is what this debate is about.

The Deputy of St. Ouen:

I am sorry, I asked what efforts you have made with the businesses, not about debate with the States. What efforts have you made to ensure that the businesses are clear about the way you plan to apply that law?

Assistant Chief Minister:

There has been meetings with the Chamber of Commerce. Did you have one with the finance industry?

Director of Corporate Policy:

A range of them, one with the finance industry.

Assistant Chief Minister:

We are trying to get the message out as best we possibly can. It depends what you go out with really. You go out today saying we are going to do this and then the States change their mind; why confuse the business community? We are getting responses.

The Deputy of St. Ouen:

You say you are applying the ones that you are proposing anyway, so nothing is going to change unless the States actually throw this out.

Assistant Chief Minister:

Yes, exactly.

The Deputy of St. Ouen:

That is the only thing that would change.

Assistant Chief Minister:

Yes.

The Deputy of St. Ouen:

I understand the Chamber of Commerce, great, I.O.D. (Institute of Directors), great. What about the 60 or 70 per cent of businesses on the Island that employ less than 10 people? Are you communicating with them?

Director of Corporate Policy:

It is the principle of natural adjust, if you like. If you have got a law, it is right we have to communicate to businesses and subjects of that law as to how it is applied. If the States approve the Interim Population Policy, we will run a range of communications on our website, in the mail. We will mail people, we will email people. In the meantime it is quite general communication. Until the States approve it, I am not sure it is right to write to businesses and say this is the policy.

The Deputy of St. Ouen:

Sorry, that is a poor answer. We have had a law in place since July 2013 that has been applied to businesses. Regardless of what debate we are going to have in whenever, June or July, you have been applying that law. You have told us in the last hour how you have been doing it so there is nothing new. All you are looking for, I presume, or seeking is some form of confirmation from the States that you can carry on applying it in the way you are applying it, which is very difficult to understand anyway because there is no figures or information that the States or the public can look at to see how it is being applied.

Assistant Chief Minister:

We had the debate about the law a few years ago. That is when the business community became aware of the law. At what level we apply the law, really, is all this debate is about. The actual operating of the law was debated and discussed with our Island community 2 or 3 years ago.

The Deputy of St. Ouen:

So you are saying nothing has changed. It is just a number, which has not changed anyway.

Assistant Chief Minister:

This law is a tap, which we can turn on and off, and what we are asking from the States is just to give us the nod to say continue to aim for that number and we will do that. We know it is a tough job because, as you rightly pointed out earlier, we have not been at that number. We have not achieved that 325 in the past and it is going to be tough to do that. There is no getting away from it.

Deputy R. J. Rondel:

By saying that, you are suggesting that Deputy Southern's amendment will be impossible?

Assistant Chief Minister:

I will say that, yes. I will agree with you.

Deputy R. J. Rondel:

I did not say it. It was a question.

The Deputy of St. Ouen:

Deputy Rondel has pointed out there is one other question. This the last question. Has any consideration been given to introducing a requirement for immigrants to have private healthcare as a means of reducing the burden on Jersey's economy?

Assistant Chief Minister:

Not specifically recently. There is a piece of work that will be undertaken at a later stage once the first year of implementation has taken place, which will be looking at access to services in the Island. That will be a piece of work that talks about access to hospital, access to all sorts of services really.

Deputy R. J. Rondel:

States education and things like that.

Assistant Chief Minister:

Yes.

The Deputy of St. Ouen:

Have discussions already taken place with the Council of Ministers regarding the introduction?

Assistant Chief Minister:

Very generally, yes. It is a piece of work that we would need to progress. We have got to get this law embedded and make sure it is all working correctly and then the next piece of work will be to look at the issues around access to services.

[16:30]

Senator S.C. Ferguson:

What other countries have you been looking at?

Assistant Chief Minister:

In regard to access to services?

Senator S.C. Ferguson:

Yes. What do other countries do? We have had submissions from people who have worked all round the world and everywhere they went there were certain restrictions like they have to have private health insurance and things like that.

Assistant Chief Minister:

We have not done the piece of work yet. We will look at what happens elsewhere but specifically what is appropriate for Jersey.

Senator S.C. Ferguson:

Yes, because I think this is probably what other people would like to see in our law or what the population would like to see: no public education provided for children, C.R.B. (Criminal Records Bureau) checks before they come, total private healthcare for the family, and it has to be an expat would benefit the population and so on. Apart from that, thank you very much indeed for your time. I think we have slightly overrun, for which I apologise.

Assistant Chief Minister:

It has gone really quickly.

Senator S.C. Ferguson:

We have one or 2 other hearings and queries to make and we shall no doubt be talking to you again.

The Deputy of St. Ouen:

And the Chief Minister.

Senator S.C. Ferguson:

Yes. Thank you very much.

Assistant Chief Minister:

Any other information, Paul will be very happy to provide it.

[16:32]