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**15 The Connétable of St. Helier of the Minister for Economic Development, Tourism, Sport and Culture regarding the recruitment problems facing the retail and hospitality sectors: (OQ.237/2019)**

What steps, if any, is the Minister taking to address the recruitment problems faced by the retail and hospitality sectors?

**Senator L.J. Farnham (The Minister for Economic Development, Tourism, Sport and Culture):**

The Migration Policy Development Board is actively considering the interrelated and complex issues required to produce a migration and population policy that ensures that the Island can strike the right balance between having a sustainable economy and a balanced population and meeting our businesses' needs. There is no single, or simple, answer to improve the Island's reliance on inward migration. We are not alone in looking to balance the needs of an ageing population, having a vibrant economy, protecting our environment and protecting the domestic workforce, while ensuring that gaps in the domestic skills and labour markets are filled appropriately and carefully through migration. The Board, which includes industry representatives, aims to make recommendations by the end of this year. In the short term, we continue to work in partnership with the Jersey Hospitality Association to develop solutions to assist with the recruitment problems some businesses in the sector are experiencing. As well as implementing a trial work permit scheme, we are looking at whether it is possible to provide a limited amount of accommodation through the Association. Dedicated support to the retail sector is also provided through Jersey Business and I would encourage any retailers, or any businesses, experiencing difficulties recruiting to contact these organisations in the first instance.

**4.15.1 The Connétable of St. Helier:**

I have heard from a former manager in retail of 18 years' standing, who told me that the staff she employed in a range of businesses were rarely born in Jersey. Does the Minister think that we should do more to encourage local youngsters, coming through the school system, to consider a career in retail and will he agree to talk to the Minister for Education about how that might be achieved?

**Senator L.J. Farnham:**

Yes; and the Minister for Education and myself have already been in lengthy dialogue about how we develop future local skills, because if we are to get on top of the population challenges and we are going to improve productivity, we really need to embrace our local, home grown talent, not just into financial services, but into all sectors of the economy.

**4.15.2 Senator K.L. Moore:**

The Minister tells us that the Migration Policy Development Board will come up with some suggestions shortly, but does the Minister accept that action is needed, rather than waiting for policies to be delivered at a later date, especially given the comments given of the Hospitality Association at the beginning of this summer season?

**Senator L.J. Farnham:**

Absolutely I do. Action is required and action will be delivered by the Group.

**4.15.3 Deputy M.R. Higgins:**

Following on the question of action, the Minister mentioned about a trial work permit scheme. We have been talking about work permit schemes for as long as I have been in the States, which is over 10 years. Why has it taken so long to bring in a work permit policy?

**Senator L.J. Farnham:**

The catalyst for this was the severe shortage of workers from Europe wanting to come to work in the sterling area, because of the economic shocks caused by the U.K. electorate's decision to leave the E.U. That meant it was important that we found another solution to help businesses and I am pleased to say that, with the support of the Department for Home Affairs and the Minister, a trial scheme was set up to allow the hospitality sector and the agricultural sectors to import labour from outside of the E.U. for up to 9 months per year. This is a trial scheme, that is going to be running for 2 years. We are monitoring it very closely and I very much hope that the scheme will be extended across other sectors of the economy, because I firmly believe that if we are to control our population, without negatively impacting businesses to the point that they cannot operate, we will have to fully embrace the scheme moving forward.

**Deputy M.R. Higgins:**

A supplementary, Sir?

**The Bailiff:**

Sorry, we have got to move on.

**4.15.4 The Deputy of St. Martin:**

In answer to a previous question, the Minister said that he thought that the current level of population coming into the Island was unsustainable and yet we have a hospitality industry, a retail industry, an agricultural industry all desperate for workers. How does he square that circle?

**Senator L.J. Farnham:**

That is easy to explain and it is a very good question, but I believe that those sectors are going to have to be far more reliant on temporary staff, 9-month-permitted staff to be able to run their businesses. That is the only way we can do it, by avoiding continued exponential growth in our population and in fairness to the sectors they are working with Government. They all understand the challenges ahead and they are working to ensure that permit scheme will work for them. It is going to take a bit of time to bed in, because we are currently exploring different labour markets around the world. It is not ideal in many circumstances, but there again we cannot continue to grow the population at such a level. To reiterate, we must embrace this permit scheme and expand it as soon as possible, so that businesses have access to the staff they need.

**4.15.5 Deputy G.J. Truscott:**

It seems bizarre that we are looking around the world to recruit people, when we have got, at the last count, 830 people locally registered unemployed. There are 1,000 locals, who are on the long-term unemployment list. Is there not more this Government can do to help these people get back to work? The Back to Work team is doing a great job, let me not discredit that in any way, but surely there is more and surely there is also an issue with the amount paid to these people, so we should be perhaps addressing the living wage and bringing that in sooner, rather than later.

**Senator L.J. Farnham:**

I too would pay tribute to the Back to Work team at Social Security. I would also pay tribute to the work the Minister for Education is leading on growing the skills opportunity in Jersey. I also cite examples recently of the opening of the new Digital Skills Academy, all first class and necessary examples of the Government leading on providing opportunities for local people to upskill and train. We are not alone. There is a general labour shortage of certain skills in Great Britain and the E.U. and, unfortunately, we are not immune from that here. That is why I believe that for the sectors that the Constable alludes to in his question, we need to develop the permit scheme, but I take on board his comments and we will continue to work as closely as we can with the industry to help to provide the solutions they need.

#### **4.15.6 The Connétable of St. Helier:**

The Minister has focused, perhaps quite rightly, on population control, as have most of the questioners to him. The purpose of my question, however, was to seek the Minister's strong support for these 2 sectors in our Island, that do so much to add to our quality of life as Islanders and to support our tourism industry and our finance industry. Will he join with me in pledging to do everything that he can to ensure that our wonderful range and variety of shops, restaurants and hotels across the Island are fully supported by this Assembly and that we will not put any more obstacles in their way, whether we are talking about annual impôts rises, more red tape, just making their operating more difficult? Will he pledge with me that we will do all we can, as an Assembly, to support retail and hospitality?

#### **Senator L.J. Farnham:**

I am happy to respond to the Constable by endorsing, wholeheartedly, his comments and I can assure the Constable that I will continue to provide strong political support, wherever I possibly can, to all of those sectors and perhaps he would consider joining me as we approach the Budget and possibly the Minister for Treasury and Resources too, to rethink the 20 per cent retail tax that is causing large retailers such difficulty at this time.