

2024.02.27.

13.5 Deputy L.K.F. Stephenson of the Chief Minister regarding building a sustainable population (OQ.33/2024)

Given the Island's declining birth rate and fertility rate of just 1.32 births per woman, coupled with the ageing demographic, will the Chief Minister explain the Government's position on building a sustainable population and how they intend to achieve this aim?

Deputy L.J. Farnham (The Chief Minister):

One of the biggest challenges facing Jersey is the ageing population and the economic versus the economically-active population. That is dealt with in the economic strategy recently published by the Minister for Sustainable Economic Development and identified: "A clear goal for 2040 for Jersey to be a consistently high-performing, an environmentally sustainable and advanced small-Island economy with growth that is repeatable and meets current needs, while keeping our future options open." Population issues will be actively considered as part of the annual common population policy report that is due to be delivered later this year. Ministers will be working together over the coming months to deal with that, with special attention being paid to the challenges that face us, not least through the ageing population. The decrease in fertility rates, which is not just a local issue, it is a global issue, although our fertility rates are slightly lower than that in the U.K.; we are aware of that.

13.5.1 Deputy L.K.F. Stephenson:

Does the Chief Minister believe that reducing the decline in the birth rate specifically is achievable and, therefore, if so, will he be making it a priority? Does that include having any of his Assistant Ministers having delegated responsibility for population and a specific focus on this area?

Deputy L.J. Farnham:

I would like to think it is possible but we are not sure at the moment. We are examining trends and potential options in relation to addressing that situation. We are watching closely what other countries are doing. As I said, it is not just a local issue, it is a global one. I am likely to be appointing another Minister or Assistant Minister to lead on the population issue but that is yet to be decided upon and agreed. Yes, population has to remain a priority for the Island because, as I said, it is probably linked to the most challenging issue we face, the ageing population and those who are going to remain economically active in the years ahead.

13.5.2 Deputy H.L. Jeune:

A large part of a declining birth rate is the increasing cost of childcare, which means one parent has no choice but to stay at home, rather than return to work and parents cannot just afford this, and also the gender pay gap shows that there is also at the end of this choice you are also put at a disadvantage when you return to work. What plans does the Chief Minister propose to reduce childcare costs and what priority is he attaching this to the whole area of work within the Council of Ministers?

Deputy L.J. Farnham:

Those are areas under discussion and are playing a part in prioritisation relating to the Common Strategic Policy. I believe we need to provide more financial support and we need to target that at early years and nursery because parents cannot afford to have larger families at the moment. I speak as a grandfather of 2 very young children, so I know the challenges young people face. I think the cost of having families and housing in Jersey does remain a barrier and is not helping the situation. But I know that is a priority for Ministers, it is a priority for the

Minister for Housing and Communities and affordable housing, it is a priority for the Minister for Education and Lifelong Learning. Yes, we are alive to those challenges and we do whatever we can to assist.

13.5.3 Deputy H.L. Jeune:

I was just wondering if the Chief Minister would agree with me that also part of that is the future economy strategy to encourage those in the Island to go back to work, to be able to contribute to the economy, and this is not just housing and education and kind of small level, but it is a bigger future economy's issue and quite a high priority. Would the Chief Minister agree with me?

Deputy L.J. Farnham:

Yes, I do agree with that. If we want to ensure people become and stay economically active we have to provide the right support mechanisms to do that, especially when it comes to raising families, although there is as big an issue at the other end of the scale with longevity increasing. We are alive to both issues and I do wholeheartedly support providing more affordable options which allow Islanders to have families and remain economically active.

13.5.4 Deputy S.M. Ahier of St. Helier North:

Does the Chief Minister believe that the introduction of independent taxation may lead to more financial stress on families intending to have children?

Deputy L.J. Farnham:

To be honest, I had not really thought about that as part of the views I have on independent taxation. I support the principle of independent taxation but Members will know that I also support leaving the ability for existing married couples to continue to file joint returns. I am not sure if I can make a link between the 2 but I can certainly think about that.

13.5.5 Deputy S.M. Ahier:

Will the Chief Minister consider in giving tax incentives to encourage people to start families and, if so, what might they be?

Deputy L.J. Farnham:

That could be an option but I do not think it would be sensible to try and guess that at this stage, but we will certainly make sure that is part of the deliberations we have in helping young families.

13.5.6 Deputy M. Tadier:

Does the Chief Minister think it could be dangerous when the Government starts to use these kind of incentives? Does he think that the Government and Treasury's position should be one of neutrality when it comes to matters of family planning?

Deputy L.J. Farnham:

A bit of a tricky question. I think generally we should leave family planning to families to decide. We do not have any rules or laws about how many children people can have or what they might want and what suits their own circumstances. I think it is important that we provide support. It is worth mentioning that 2 per cent of babies born in the U.K. last year, I think, were down to I.V.F. (in vitro fertilisation) support and financial support. We must not forget that. We also need to make sure that young families who want 2 children can afford to have children and keep working. I think there is a balance to be struck.

13.5.7 Deputy M. Tadier:

Does the Minister accept that when you introduce tax incentives or tax allowances that you are only really helping people who already pay income tax and that another mechanism by which one should be dealing with if one wants to incentivise or perhaps make sure that there is enough financial support for families, that is through the benefit system, not necessarily through the tax system?

Deputy L.J. Farnham:

Yes, I would agree with that, which is why I was unable to give a full answer to Deputy Ahier because that is something that needs consideration.

13.5.8 Deputy L.K.F. Stephenson:

I am pleased that the Chief Minister mentioned I.V.F. treatment in there. He almost read my mind for my supplementary question. Does the Chief Minister agree with me that addressing the outdated and inadequate means-tested model for funding high-level fertility treatment that we currently have in Jersey, which is currently set a level so low that no one has ever qualified for it, would be a very positive place to start to support those wanting to start or grow their families?

Deputy L.J. Farnham:

Absolutely, yes, I do.