

States of Jersey  
States Assembly



États de Jersey  
Assemblée des États

# Corporate Services Scrutiny Panel



## Population Policy

Presented to the States on 1st June 2009

S.R.3/2009

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## 1. EXECUTIVE SUMMARY

- 1.1 The Corporate Services (Migration and Population) Sub-Panel recognises that the issues of Jersey's population and inward migration to the Island are highly significant and merit debate. In addition to concerns expressed by many at the potential drain on the Island's resources, infrastructure and environment, there are the demographic challenges of an 'ageing society' that need to be addressed.
- 1.2 We acknowledge the decision of the Council of Ministers to include a population policy within the Draft Strategic Plan 2009 – 2014. However, whilst a debate is ultimately required, we remain unconvinced that the proposed policy should be adopted as it stands.
- 1.3 Discussion of population size and inward migration invariably raises questions of statistical methodology. We asked our expert advisor to review the work undertaken by the Statistics Unit and have found that the methodologies and modelling used are robust. Notwithstanding this fact, questions remain and require addressing before a fully informed debate on population policy can be achieved. For instance, we do not fully understand the decision to use 2005, rather than 2006 or 2007, as a base for population projections.
- 1.4 It is necessary to look beyond the statistical work, however. We have found that the information as a whole presented to date is not sufficient to support the current proposals. In particular, it is apparent that a great deal of work on inward migration has been undertaken but that less supporting material is available for the other parts of the policy 'package' developed to address the demographic challenges ahead. A decision on the Population Policy contained in the Strategic Plan would therefore be premature given that detailed information remains to be provided on the other proposed measures.
- 1.5 Questions of 'limiting' net inward migration and the size of the Island's population raise the issue of how the 'limits' will be met. The Strategic Plan states that mechanisms for population control will be introduced in due course although the detailed provisions remain to be finalised. We have found that the question of population control is in fact paramount to any discussion on population size and net inward migration (notwithstanding the argument that 'population policy' and 'migration policy' should be treated separately). It would therefore be more appropriate for a debate on population controls to take place before any debate on the size and make-up of Jersey's population. It is consequently important that Migration legislation is brought forward in a timely fashion.
- 1.6 Ultimately, more information is required in order that a population policy can be debated in a fully informed manner. That includes consideration of principles such as 'quality of life' or 'sustainability'. Such matters can be difficult to quantify. Nevertheless, they form an important part of the debate and will require consideration.

## 2. KEY FINDINGS AND RECOMMENDATIONS

### KEY FINDINGS

- 2.1 The methodologies used by the Statistics Unit are robust. However, questions remain as to the data used in these methodologies as projections accompanying the Population Policy were not based on the most recent data: 2005 figures were used to provide the base line for projections even though there had been high economic growth in 2006, 2007 and 2008. If those years were incorporated in the base line, current population projections could be out by 2000 people. (See 4.8)
- 2.2 The introduction of effective mechanisms to monitor and control the Island's population is of paramount importance to the debate on population policy; a decision regarding specific limits to net inward migration or regarding a target population size or mix should not be taken prior to the introduction of those mechanisms. (See 5.13)
- 2.3 The other aspects of the policy 'package' mentioned by the Council of Ministers to address the effects of an 'ageing society' have not to date been sufficiently researched, analysed or documented. (See 6.10)
- 2.4 The consultation and work undertaken to date by the Council of Ministers has not provided sufficient opportunity for a debate on the various principles and philosophies that inform population policy. (See 7.12)

### RECOMMENDATIONS

- 2.5 Population projections should be established on the basis of the most recent data. The debate on a population policy should not be held until such revised projections are available. (See 4.9)
- 2.6 The proposed Migration legislation should be brought forward without delay for debate by the States. The Chief Minister should commit to the States Assembly a clear timetable of when the legislation will be lodged. (See 5.14)
- 2.7 The Chief Minister should clarify why the Population Policy would be reviewed every three years and how it would be reviewed and reset. (See 6.5)
- 2.8 The other parts of the policy 'package' need to be clearly researched and analysed by the Council of Ministers. The Population Policy should not be debated until a clearer picture of the entire 'package' is provided. (See 6.11)

- 2.9 Further work should be undertaken by the Council of Ministers to stimulate debate on the principles underlying population policy in order that a starting point and direction for population policy can be agreed. (See 7.13)

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### 3. INTRODUCTION

3.1 *Strategic Plan 2009 – 2014* (P.52/2009) was lodged for debate on 8th April 2009. The Plan stated that the issue of population is of significant public interest. A specific population policy was therefore included under Priority 5 (to ‘promote sustainable population levels’). Although the Plan was intended to be a ‘broad brush’ approach to policy direction in general, a Population Policy was described that:

- *“Maintains the level of the working age population in the Island;*
- *Ensures the total population does not exceed 100,000;*
- *Ensures population levels do not increase continuously in the longer term;*
- *Protects the countryside and green fields;*
- *Maintains inward migration within a range between 150 and 200 heads of household per annum in the long term; and*
- *In the short term, allows maximum inward migration at a rolling five-year average of no more than 150 heads of household per annum (an overall increase of circa 325 people per annum). This would be reviewed and reset every three years.”<sup>1</sup>*

A separate appendix in support of this Policy was presented alongside the Strategic Plan.

3.2 The Population Policy was formulated to address the implications of demographic changes that will, over the next 20 years, see a gradual reduction in the working age population relative to those of retirement age and above. These changes will have an impact far beyond Jersey’s shores.

3.3 Furthermore, the issue of Jersey’s population is by no means a new one. The Strategic Plan itself refers to work previously undertaken for *Keeping Jersey Special* and the *Imagine Jersey 2035* public consultation process. Indeed, we were advised during our review of work undertaken in 2001 on *Jersey into the Millennium: A Sustainable Future*. The debate on population policy no doubt stretches back still further.

3.4 The Corporate Services Scrutiny Panel had no hesitation in agreeing that this matter merited review and established a Sub-Panel in February 2009 to undertake this work. Time was short and we therefore focused our attention on those aspects relating specifically to the size of the population and the level of net inward migration. However, the debate can easily expand beyond these issues seemingly to incorporate any topic that one might bring to the table; indeed, this happened during our review.

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<sup>1</sup> *Strategic Plan 2009 – 2014* (P.52/2009), page 17

3.5 Notwithstanding this fact, we have endeavoured to review the Population Policy. We have focussed on matters surrounding the statistical work; the question of a limit on net inward migration; the place of the Population Policy in the 'package' to meet the challenges of the 'ageing society'; and the philosophy underlying the Policy. Within these areas, it becomes apparent that the following questions should be considered when discussing population policy:

1. Are the principles underlying the Population Policy sound?
2. Is this the right time for a Population Policy?
3. Are the statistics underlying the proposed Policy robust?
4. Is the other work undertaken by the Council in developing its Policy sound?
5. Has the Policy got public support?

## 4. THE STATISTICS

- 4.1 The Population Policy contains specific figures, in particular that Jersey's population should not rise above 100,000; and that net inward migration should be kept to a maximum of 150 heads of household per annum over a five-year period.
- 4.2 The inclusion of specific numbers takes the debate into the realm of statistics and, indeed, the population debate often centres on the 'numbers game' and the statistical work undertaken. The message often provided on the statistical work is that any population projections will almost certainly be incorrect. Furthermore, the debate should not focus solely on statistics. Nevertheless, they form a significant part of the discussion.
- 4.3 Given the complexities involved when discussing statistics, we asked our expert advisor, Dr Peter Boden, to review the work undertaken by the Statistics Unit. The Unit is involved in collecting and presenting data on various matters, including the size of Jersey's population. In addition, specific work has been undertaken during development of the Population Policy in projecting the growth of the Island's population.
- 4.4 Dr Boden presented us with a report on his work and we have attached it as an appendix to this report. We support the findings within and note that the methodologies used by the Statistics Unit are robust.
- 4.5 Nevertheless, questions remain. For example, there is a question as to the appropriateness of using data from the United Kingdom (UK) in relation to population projections in Jersey. This question was raised particularly with regard to the use of revised death and fertility rates from the Government Actuary's Department (GAD) and which have been incorporated into Jersey's revised models. The make-up of the UK's population differs to Jersey's and we therefore questioned whether this difference was significant. For instance, what account should be made for any differences in the death rates in different ethnic communities? However, whilst further analysis of the ethnic dimension of fertility and mortality would be interesting, there are constraints on data availability to allow this, both in the UK and Jersey. Questions of this nature cannot therefore be resolved easily.
- 4.6 We believe there is one matter from our advisor's report that does require further consideration. It is apparent that projections for population development have used 2005 as the base for estimation rather than 2006 or 2007. We understand the rationale behind that decision was that inward migration rates for 2005 were more typical of the current

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situation than 2006 or 2007 (when there was strong economic growth and net inward migration appeared to exceed the aims of previously agreed policy).<sup>2</sup>

- 4.7 Using an earlier year as a base for estimation raises doubts as to how the population projections should be viewed when presented in support of the Population Policy. Using 2005 as a 'standard' for migration rates may be appropriate in modelling the impact of migration on population projections. However, the base population used in such projections could already be seen to be wrong. Indeed, the inclusion of net migration figures from 2006 and 2007 would have the effect of increasing the base population and hence the projected population by almost 2,000 people. Given the Population Policy refers to net inward migration of 150 heads of household per annum, we find that such discrepancies, if unclear or unexplained, raise doubts. It would be preferable for such doubts to be quashed before any decision on a population policy involving specific numbers is taken.

#### **KEY FINDING**

- 4.8 The methodologies used by the Statistics Unit are robust. However, questions remain as to the data used in these methodologies as projections accompanying the Population Policy were not based on the most recent data: 2005 figures were used to provide the base line for projections even though there had been high economic growth in 2006, 2007 and 2008. If those years were incorporated in the base line, current population projections could be out by 2000 people.**

#### **RECOMMENDATION**

- 4.9 Population projections should be established on the basis of the most recent data. The debate on a population policy should not be held until such revised projections are available.**

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<sup>2</sup> States Strategic Plan 2006 – 2011 set a 'target' that net growth in the working population would be less than 1% per annum (equivalent to 500 jobs per annum).

## 5. THE QUESTION OF CONTROL

- 5.1 The Population Policy proposes a net inward migration limit of 150 heads of household per annum on a five-year average. If adopted, this Policy would be reviewed in three years time.
- 5.2 This figure differs to that which appeared during early drafts of the Strategic Plan, when a figure of 200 was provided. This in itself was a reduction from that presented during the *Imagine Jersey 2035* consultation process when a figure of 250 was put forward. The figure was reduced to 150 on the basis of revised information from the Government Actuary's Department.<sup>3</sup> Whilst this appeared somewhat counter-intuitive to us, we understood that reducing the figure was necessary to meet the other requirement of the Population Policy that the population should not grow beyond 100,000. Nevertheless, it is apparent that a reduction to inward migration of 150 heads of household per annum would have a minimal impact on the dependency ratio of non-workers to workers. At present there are two working age people for every non-worker in the Island. With net inward migration of 150 heads of household per annum, the dependency ratio would be 1.3 people of working age for every non-worker. This compares to a projected dependency ratio of 1.2 if there were nil net inward migration.<sup>4</sup> This effect of net inward migration of 150 heads of household per annum on the dependency ratios would be slight.
- 5.3 It was put to us that no specific figure should be set for net inward migration due to the current economic circumstances. No-one can be unaware of these circumstances. The Chamber of Commerce, in particular, stated its preference for setting no limit at this time:
- "I just think introducing figures for one thing or another at the moment sends messages. I am not sure it is the right time to send these messages when we do not know where we are trying to get to."*<sup>5</sup>
- 5.4 We put this matter to the Chief Minister and were advised that the Policy was intended to look beyond the short-term and that building policy on the experience of the previous twelve months or two years would not be typical of a fifty year cycle.<sup>6</sup> Consideration was also given at our Hearing with the Chamber of Commerce of whether net inward migration at that rate would meet the Island's needs. It was noted that, whilst the rate would be lower than the current trend, a target of 150 heads of household might be feasible given the current recession. The Chief Minister acknowledged that the rate of net inward migration might not be met. He also advised that a target of 150 was:

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<sup>3</sup> *Population Policy* (April 2009), Council of Ministers, page 4

<sup>4</sup> *Ibid*, pages 12 and 16

<sup>5</sup> Transcript of Public Hearing with Chamber of Commerce, 27th April 2009, page 11

<sup>6</sup> Transcript of Public Hearing with Chief Minister, 27th April 2009, page 7

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*“A bit more of a holding exercise, but I think we may well want to go back to 200 or 250 in the future but at the present time I want to see what the effect of that 150 is, balancing that against what you quite rightly point out is changing demographic assumptions which has made the nil net situation worse and made the plus 200 worse as well in terms of people living longer.”<sup>7</sup>*

- 5.5 Any discussion of a specific ‘target’ or ‘limit’, however, raises the question of how that ‘target’ will be reached or that ‘limit’ maintained. The Strategic Plan includes provision for the introduction of:

*“new mechanisms to control the population through the Migration Policy.”<sup>8</sup>*

The Plan makes a clear distinction between population policy (relating to the size of the population and the level of net inward migration) and migration policy (relating to the control of inward migration).

- 5.6 We have been advised of this distinction by the Migration Advisory Group which is charged with developing proposed Migration legislation. We understand the legislation will introduce a population register and amend the system of access to housing and employment.
- 5.7 It is our intention to review the provisions of this legislation in due course and will report our findings in a separate report to the States. It remains unclear whether the new mechanisms would support the proposed Population Policy or, indeed, would be more effective than current mechanisms. For instance, we noted the advice of the Chief Minister in response to a question on what powers the new mechanisms would provide in comparison to the current system:

**“Deputy G.P. Southern:**

*What in the new system gives you any more powers to control than in the old system, because in the old system you manifestly, when demand went up, gave in to demand? In what way can you guarantee the population will not get to 100,000 when and if, and it inevitably will on the cyclical version of the economy, that you are giving that the band goes up? You do not want to be turning R.B.S. (Royal Bank of Scotland) down for an extra 30.*

**Senator T.A. Le Sueur:**

*Yes, there may well be that you will need to turn R.B.S down, you may well need to turn Health and Social Services down. This is an unfortunate situation that if you want to try to*

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<sup>7</sup> Transcript of Public Hearing with Chief Minister, page 4

<sup>8</sup> P.52/2009, page 17

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*maintain this balance between social and economic and environmental factors you have to make tough decisions sometimes. All I am saying is in the last 5 years Regulation of Undertakings has been applied in such a way that it is still consistent in its output with the policies set by the States.”*

- 5.8 The Strategic Plan indicates that a population policy is required before a decision on migration policy can be taken.<sup>9</sup> If the two are indeed distinct issues, however, it does not follow that one policy must be decided before another. Indeed, it appears from our review that a debate on migration policy in the first instance would be more appropriate.
- 5.9 Firstly, it is apparent that there is already concern at the level of Jersey’s population and the level of inward migration. This was evident in a number of submissions made to us, both in writing and at Public Hearings. People expressed views that the Island cannot cope with the size of the population it has now; that there is no effective means of calculating the size of the current population; and that inward migration is already too great. A debate on future population size or inward migration (as required by Priority 5 of the Strategic Plan) would not assuage these concerns; a debate on population controls would.
- 5.10 The Strategic Plan states that the population question is of great public interest. We have found no reason to disagree with this statement. However, it would appear that the question of population control may be of greater interest. Indeed, submissions from parties such as the Chamber of Commerce and Jersey Finance allude to the fact that their primary concerns relate to the control mechanism to be used and, in particular, to the system of access to employment. For instance, the Chamber of Commerce advised us that the current mechanisms adversely affected small businesses.<sup>10</sup>
- 5.11 One might attempt to separate the debates on population policy and migration policy but it is seemingly impossible to debate the former without straying into the latter. Indeed, the need to consider and agree migration policy is perhaps more significant given that the views described in Paragraph 5.9 run counter to our finding that the methodologies used by the Statistics Unit are robust. Notwithstanding that robustness, people are seemingly unconvinced by the present mechanisms used to control and monitor the size of the population. For instance, we are aware of the view that a census would be the most effective means of assessing the current size of the population. In the absence of a census, the most effective means of measuring the population (and which would be seen to measure the population) would be the register contained within Migration legislation.

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<sup>9</sup> Ibid

<sup>10</sup> Transcript of Public Hearing with the Chamber of Commerce, page 11

- 5.12 The current mechanisms for controlling population are effectively the system of Housing qualifications and the *Regulation of Undertakings and Development (Jersey) Law 1973*. In the absence of new Migration legislation, these mechanisms will be used to regulate the Population Policy proposed in the Strategic Plan (if adopted). If the current mechanisms were effective, it would be appropriate to agree a set limit for net inward migration. However, the question could then be asked of why the current system should be replaced, a decision already made in June 2005 with the adoption of *Migration - Monitoring and Regulation (P.25/2005)*. Parties such as the Chamber of Commerce lack confidence in the current system and without an effective system of control, the question must be asked of whether a decision on a precise limit of net inward migration should be taken at this time.

**KEY FINDING**

- 5.13 The introduction of effective mechanisms to monitor and control the Island's population is of paramount importance to the debate on population policy; a decision regarding specific limits to net inward migration or regarding a target population size or mix should not be taken prior to the introduction of those mechanisms.**

**RECOMMENDATION**

- 5.14 The proposed Migration legislation should be brought forward without delay for debate by the States. The Chief Minister should commit to the States Assembly a clear timetable of when the legislation will be lodged.**

## 6. THE POLICY 'PACKAGE'

- 6.1 The Population Policy is intended to address the challenges of what has been described as the 'ageing society'. However, it is apparent that the Policy is only one measure required to address this situation. Alongside a policy that sets out how many people should live in the Island (and be allowed to settle in the Island), the Council of Ministers has mentioned other measures and possible solutions: increasing the pension age; working longer; increasing workforce participation and productivity; and new forms of public contributions to care. Our review focussed on issues of population size and inward migration but it is impossible not to take into account those other policy measures to some degree.
- 6.2 A great deal of work has been undertaken on the Population Policy and the question of net inward migration. The appendix presented in support of the Population Policy includes a section where different scenarios of net inward migration (and therefore different scenarios for the level and make-up of the population) have their effects mapped on to various services and provisions: for example, education; health care; infrastructure; housing; and the environment.
- 6.3 This modelling matched that undertaken, albeit in more detail, during the *Imagine Jersey 2035* process. A large amount of material was produced by the Council of Ministers on the implications of various net inward migration scenarios. Essentially, the Council asked various Departments and utilities to model the implications of populations of various sizes. The results of this work were circulated amongst the background papers for the *Imagine Jersey 2035* process.
- 6.4 There are potential implications of the above for one aspect of the Population Policy proposed by the Council. Under the list of actions to be undertaken, the Council states that the policy on inward migration "*would be reviewed and reset every three years.*"<sup>11</sup> It is not apparent how the policy would be reviewed. Indeed, it is not apparent why the policy is intended to be reviewed and what justification there is for doing so on a three-year basis. A three-year review period is somewhat at odds with the intention that this is a long-term policy which takes account of fifty-year cycles (see Paragraph 5.4). There would seemingly be resource implications if, every three years, the Council of Ministers proposed to undertake a modelling exercise akin to that developed during *Imagine Jersey 2035*.

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<sup>11</sup> P.52/2009, page 17

**RECOMMENDATION****6.5 The Chief Minister should clarify why the Population Policy would be reviewed every three years and how it would be reviewed and reset.**

- 6.6 It remains the case that a policy on net inward migration and population size is only one element of a package of measures intended to address the demographic challenges facing the Island. Some information on those other measures is available; for instance, within the OXERA report of 2007, *What is the economic impact of Jersey's ageing population?* However, whilst much supporting material has been produced in support of the policy relating to inward migration, these other measures do not appear to have been sufficiently researched and are consequently less well documented and analysed. For example, the impact on the 'Third Sector' of increasing the pension age does not appear to have been analysed.<sup>12</sup>
- 6.7 Rightly or wrongly, this has left the impression at times that inward migration is the only measure being taken and that population growth is the panacea to all demographic ills. Indeed, the *Imagine Jersey 2035* consultation process focussed almost entirely on the question of inward migration. The debate on population has therefore, in some respects, overshadowed the other measures being proposed by the Council of Ministers. These questions have taken such prominence that the other measures have come to be seen as options, or alternatives, to the proposal to allow population growth and net inward migration. This may have arisen from the various parts of the 'package' being described as 'trade-offs' to be considered.
- 6.8 It is clear that the other measures are not alternatives, however, but other parts of the policy 'package' being proposed by the Council of Ministers. Whilst the Strategic Plan includes a specific policy on inward migration, it was apparent from our Hearing with the Chief Minister that a timetable for increasing the pension age, for instance, had yet to be decided.<sup>13</sup> Furthermore, whilst we have seen a number of charts and graphs detailing population projections and indicating the dependency ratio of non-workers to workers, these graphs have not shown the impact of increasing the pension age.
- 6.9 It could be argued as a result that the States Assembly will be asked to approve only one part of the 'package' to address the 'ageing society': that part relating to net inward migration. We recognise that development of the entire 'package' of policy options would involve considerable effort and resources. However, these efforts and resources are necessary to ensure a clear picture of the entire 'package' is obtained.

<sup>12</sup> The draft Strategic Plan contains a commitment to work with the 'Third Sector' which is described as "non-government, voluntary, not-for-profit organisations" such as charities.

<sup>13</sup> Transcript of Public Hearing with Chief Minister, page 17

**KEY FINDING**

**6.10** The other aspects of the policy 'package' mentioned by the Council of Ministers to address the effects of an 'ageing society' have not to date been sufficiently researched, analysed or documented.

**RECOMMENDATION**

**6.11** The other parts of the policy 'package' need to be clearly researched and analysed by the Council of Ministers. The Population Policy should not be debated until a clearer picture of the entire 'package' is provided.

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## 7. A QUESTION OF DEFINITION

7.1 The debate on population policy can expand to include any subject one might wish to consider. Ultimately, discussion of a population policy takes into account the kind of population that Jersey should have and the kind of lifestyle that population would wish to have. This raises issues of living standards and quality of life. These matters are significant in scope and can be difficult to quantify. Therefore, they lie somewhat more easily within the realm of political debate than the objective and evidence-based sphere in which Scrutiny operates.

7.2 However, these matters require consideration and were raised during our review. Priority 5 of the Strategic Plan itself states:

*“The challenge for Jersey is to maintain a working age population which enables the economy to function and public services to be sustained without threatening our environment, essential infrastructure and quality of life.”<sup>14</sup>*

The question of whether the ‘challenge’ facing the Island has been appropriately defined is important. Dr Forskitt advised us that fifty per cent of identifying the solution to a problem was “*getting the right problem statement*” in the first instance.<sup>15</sup> It is necessary to establish a clear definition of the problems in order to enable a full debate on what solutions may be appropriate and feasible.

7.3 Similar issues were also apparent in other submissions we received and at our Public Hearings. There appears to be a strong desire for Jersey to retain its ‘special identity’. The previous Council of Ministers produced a strategic report entitled *Keeping Jersey Special*. The difficulty is establishing what these terms actually mean and, indeed, the question of definition is significant to a debate on ‘sustainable population levels’. Without a clear idea of our starting point and the direction from which we approach the issue, a consensus of opinion on the way forward will be difficult to achieve but an agreed directive does need to be established.

7.4 The problem of definition can be seen through the responses we received to one question: what is a ‘sustainable population’? The responses differed and showed that each individual or party started from a different premise and approached the problem from a different angle. The Chief Minister advised that he would define a sustainable population:

*“In all sorts of ways. If one looks at the general definition of sustainability, well I do not know if there is a definition but one, for example, was to suggest that the needs for the future were not sacrificed in trying to deal with the needs of the present. I think, from my*

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<sup>14</sup> P.52/2009, page 17

<sup>15</sup> Transcript of Public Hearing with Dr Forskitt, 27th April 2009, page 8

*point of view, looking at population what we need to do is to recognise that in fact there are various pressures facing us now and in the future which, for convenience sake, you can split into social, environmental and economic and what we have got to do I think in a sustainable policy is try to make sure that we get a balance which is both individually and collectively sustainable and deliverable into the future.”<sup>16</sup>*

7.5 Connétable Crowcroft offered his own definition:

*“Sustainable is development that meets the needs of the present without compromising the needs of the future, or words to that effect.”<sup>17</sup>*

7.6 The Chamber of Commerce advised to the following effect:

*“That is a very good question. Well, I suppose you have to look at 2 aspects that come through from our members, there is the economic aspect obviously of earning sufficient to support your people, ergo they pay enough tax to support services, pensions and the rest of it. But that of course is not the only aspect that our members are concerned about, they are also concerned about it being a pleasant place to live. So those 2 have to be in balance. How you price the second one is obviously quite difficult because the greater the price for the second one, the less you tend to earn.”<sup>18</sup>*

7.7 We also received the views of Dr Forskitt and Mr Perkins, Chairman of Concern:

Dr Forskitt:

*“Sustainability is about recognising the physical limits of what we are dealing with. We cannot overcome them. It does not matter how we organise money flows, print pound notes or whatever, it does not produce more land particularly to produce people, it does not produce more money, it does not produce more food of itself. So that is where we start from. It is like what are the physical limits we are up against?”<sup>19</sup>*

Mr Perkins:

*“Our view of sustainability is that to be sustainable you need to maintain an environment and an economy in which you can live within your means, you can live within your own resources, and continuous growth is just not sustainable.”<sup>20</sup>*

7.8 Finally, it is interesting to note that a definition of ‘sustainability’ was offered in *Jersey into the Millennium: A Sustainable Future*:

<sup>16</sup> Transcript of Public Hearing with Chief Minister, page 2

<sup>17</sup> Transcript of Public Hearing with Connétable of St Helier, 6th May 2009, page 3

<sup>18</sup> Transcript of Public Hearing with Chamber of Commerce, page 13

<sup>19</sup> Transcript of Public Hearing with Dr Forskitt, page 2

<sup>20</sup> Transcript of Public Hearing with Mr Perkins, 27th April 2009, page 3

*“Sustainability is about development that delivers basic environmental, social and economic services to all the residents of a community without threatening the viability of the natural, built and social systems upon which the delivery of these services depends.”<sup>21</sup>*

This report seemingly addressed the very same issues as the current Population Policy. Indeed, it was Dr M. Romeril, who worked on the 2001 report, who highlighted the content of the report in his written submission to us.

7.9 The same difficulty would no doubt present itself were we to ask for definitions of ‘quality of life’ and the matter demands consideration of people’s aspirations or expectations for their standard of living. As seen in Paragraph 7.2, the principle underlying the Population Policy in the Strategic Plan appears to be that the Island’s population should continue to receive sufficient public services and enjoy the quality of life that it currently does. The Council of Ministers has proposed a policy of a population of 100,000 in which it presumably believes that would be feasible. Questions can be asked as to how long people can expect to continue to enjoy the same quality of life and receive the same services, particularly at a time of great economic uncertainty.

7.10 We have noted that the primary focus of the Council’s Policy is to maintain the working age population. In some respects, therefore, the question could be asked of whether this is a Population Policy or whether it should be called more clearly a ‘Working Population’ Policy. That a different approach could be taken to the matter is reflected in evidence provided to us by Dr Forskitt. He also stated that a population of 100,000 was ‘sustainable’ albeit under particular circumstances:

*“Jersey could just about feed 100,000 people, sounds unlikely I know, but it is theoretically possible with some provisos. Those provisos are: we all turn vegan, we all turn organic. So we have got Jersey cattle out the window. It is not an easy option to face up to and ... there are some benefits. You could expect an improvement in health, improvement in exercise because to do that you would have to have about 25,000 people working the land, because you are having to do without tractors and fuel to do that sort of level of production on small scales. That is the sort of level of challenge which we are facing within the next decade, perhaps sooner.”<sup>22</sup>*

Dr Forskitt accepted that his view would be unpalatable to many. It is a view that would appear to arise from a different approach to the issue of ‘sustainability’ than that taken by the Council of Ministers; an approach that incorporates self-sufficiency into the question of ‘sustainability’ and the need to take significant account of limited resources.

<sup>21</sup> *Jersey into the Millennium: A Sustainable Future* (December 2001), page 1

<sup>22</sup> Transcript of Public Hearing with Dr Forskitt, page 3

- 7.11 Views as disparate as that put forward by the Council of Ministers in its Population Policy, and that by Dr Forskitt when he appeared before us, are not necessarily exclusive. The question is where on the spectrum of views and approaches the Council's policy sits and what account has been made for views further along the spectrum. From the evidence received, we cannot recommend one approach to be better but can highlight that the question of definition, and the issue of which philosophy underlies the population policy, require debate.

**KEY FINDING**

- 7.12 The consultation and work undertaken to date by the Council of Ministers has not provided sufficient opportunity for a debate on the various principles and philosophies that inform population policy.**

**RECOMMENDATION:**

- 7.13 Further work should be undertaken by the Council of Ministers to stimulate debate on the principles underlying population policy in order that a starting point and direction for population policy can be agreed.**

## **8. CONCLUSION**

- 8.1 We have found that hard and fast decisions on population levels or rates of net inward migration cannot yet be made. Further information is required, beyond that which is currently provided, to ensure that a proper debate can be held and an informed decision taken. Notwithstanding the additional work this would require, there is also the uncertainty posed by the current recession which would underlie any decision taken at this time.
- 8.2 Before any detailed decisions are sought or taken, further clarification is required in relation to the projections underlying the population proposals of the Council of Ministers. In addition, there needs to be greater clarity and detail regarding all the measures that the Council intends to take to address the demographic challenges ahead. Indeed, there needs to be a proper debate to ensure that we have correctly identified those challenges as otherwise the proposed solutions may not be appropriate. Finally, migration policy should be progressed in a timely fashion to allow confidence that there are sufficient mechanisms to monitor the population, regardless of the level of net inward migration that may be proposed. Ultimately, we have therefore found that the Population Policy, as proposed by the Council of Ministers in the draft Strategic Plan, should not be adopted.

## 9. APPENDIX 1 – EXPERT ADVISOR’S REPORT

### Jersey Population Statistics: Estimation and Projection

#### Census, estimates and projections

1. In the absence of a Population Register the Jersey Census provides the most accurate count of the Island’s population. The last Census was conducted in March 2001, recording a total resident population of 87,186<sup>1</sup>. The next Census is due in 2011 with its definitive population statistics scheduled for publication later the same year.
2. In the years between Censuses, the Statistics Unit produces an annual ‘year-end’ estimate of the population, rolling forward the 2001 Census count to take account of natural change (the excess of births over deaths) and the impact of migration to and from Jersey<sup>2</sup>.
3. The annual population estimate is the starting point for the development of population projections using the Jersey Population Model (JPM). Using alternative fertility, mortality and net migration assumptions the JPM is able to evaluate a range of demographic scenarios. The latest set of population projections for Jersey has been produced with a 2005 population base.

#### Annual Population Estimates

4. A number of administrative datasets are used to derive Jersey’s annual population estimate. Birth and death registrations provide an accurate picture of natural change, published annually by the Superintendent Registrar of Jersey. Migration estimation is a more difficult process and data are derived separately for children and adults, with the latter split between economically active (private sector and public sector) and non-economically active.
5. The Department of Health and Social Services and the Department of Education Sport and Culture provide net migration statistics on pre-school and school-age children respectively.
6. Adult migrants who are economically active and in the private sector are captured from the annual Manpower Survey conducted by the Regulation of Undertakings and Development Office. The equivalent public sector count is taken from manpower statistics from the States of Jersey Treasury.
7. A count of the number of non-economically active adult migrants is derived using evidence from the 2001 Census to estimate relative proportions based on the number of economically active migrants identified above.

8. As the decade progresses, the uncertainty associated with the population estimation process increases, particularly at a time when net inward migration has been such a dominant influence upon population change. At the end of 2007, the resident population of Jersey was estimated at 90,800, an increase of just over 4% since 2001. Net migration accounted for 80% of growth in 2007, with a net flow of 1,400 residents to the Island<sup>1</sup>.
9. Population estimates exclude short-term seasonal migrants (those whose length of stay is typically between 3-12 months duration) and exclude visitors (those whose stay is typically less than 3 months). The total population of the Island peaks at up to 110,000 during the summer months when tourist numbers are highest and transient labour is prevalent.

### **Population Projections**

10. The JPM employs a standard 'cohort-component' methodology that is consistent with that employed by the UK's Office of National Statistics (ONS) for its projection models. This process takes a base population and 'ages' it, to take account of the (annual) impact of births and deaths and the 'net' impact of migration. The model has been developed by the Statistics Unit using spreadsheet technology, providing a transparent and flexible tool for the evaluation of alternative demographic scenarios.
11. Population projection statistics can be produced by single year of age and sex for each year of the projection period which currently extends from 2005-2065.
12. Alternative population projection scenarios are generated by applying current assumptions on fertility and mortality in combination with statistics on net migration. Migration is modelled as both an inflow and outflow to the Island and incorporates the concept of 'replacement' whereby a proportion of each cohort of (j-category and non-qualified) migrants leaves Jersey after a given number of years and is replaced by new migrants. This process allows the model to achieve a specified level of net migration.
13. In 2008, a revised set of population projections was produced, incorporating the latest historical evidence on births and deaths in Jersey and revised assumptions on long-term improvements in life expectancy<sup>3</sup>. Reflecting recent increases in the Island's birth rate, the Total Fertility Rate (TFR) (a measure of the total number of births an average woman would have if she survived her full reproductive lifetime) has been increased to 1.57 (from 1.53) and remains constant over the projection period. Age-specific death rates (ASDR) have been derived from published life-tables with life-expectancy improving over time in line with the latest evidence published by the Government Actuary Department (GAD) for England.
14. Due primarily to the improvements in life expectancy assumed within the model, the latest population projections for Jersey suggest a population above working age in 2035 that is

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5,000 higher than that estimated for the Imagine Jersey consultation (assuming net-nil migration over the projection period).

15. Alternative 'migration scenarios' have been published to evaluate the likely impact of different levels of net inward migration; from net-nil to 650 households (1,400 population) per year. Each produces a different population total in 2035 but all illustrate the significant demographic restructuring that results from increased longevity. All scenarios have been produced from a 2005-base.
16. The Statistics Unit has not identified a specific level of future migration in its 'central' projections but rather has evaluated the impact of the alternative migration scenarios upon population totals in 2035 and 2065. This has provided the evidence from which a 5-year threshold on migration for the Population Policy has been set; first at 200 households per year and subsequently at 150 households.
17. The Statistics Unit has completed a comprehensive sensitivity analysis on the projection scenarios, evaluating alternative fertility and mortality assumptions in conjunction with the alternative scenarios on net migration and also assessing the impact of changing assumptions upon previous projections (produced in support of Imagine Jersey).

### Comments

18. The Statistics Unit makes best use of the Census in combination with data from administrative datasets to derive its annual estimate of Jersey's resident population. The estimate will always be subject to a degree of error, particularly in the estimation of migration from administrative datasets; but, in the absence of a Population Register and with a further two years until census data is released, it provides a robust alternative.
19. The JPM uses a 'cohort-component' methodology that is robust and recognised as the standard approach to demographic modelling but which is very dependent upon the quality of data inputs and assumptions that feed into it.
20. The Statistics Unit uses a variety of evidence to derive its data inputs and assumptions; combining necessary intelligence from UK statistics on fertility and mortality trends with local information on births, deaths and migration. The latest set of mortality assumptions have had a large impact upon future population growth but reflect the latest expert opinion on improvements in life expectancy and its effect upon large 'ageing' cohorts within Jersey's population profile.
21. In all demographic models, migration is typically the most difficult component to estimate, both to establish historical trends and to predict future levels. The Statistics Unit relies upon a number of sources to estimate migration and has applied a number of assumptions to model the effect of 'replacement' over time. Although there remains a level of

uncertainty with these data and assumptions, they provide a robust evidence base backed up by sensitivity tests that assess the impact of any error or variation that may exist.

22. The Statistics Unit has produced its latest set of projections from a 2005 base. This is consistent with the Imagine Jersey evidence but ignores the changes, largely due to net inward migration, that have taken place in 2006 and 2007 (latest evidence for 2008 suggests that net inward migration has fallen from its peak in 2007).

The inclusion of more recent net migration estimates would have the effect of increasing the base population and hence the projected population by almost 2,000 people.

The rationale for the 2005 base is that the net inward migration over the intervening period has been driven by the strong economic growth experienced by the Island in 2006 and 2007. In light of the anticipated economic downturn over the next few years and its potential effect on the direction of net migration, it was decided to base the long-term projections on the population figures at the point just before the period of strong economic growth commenced, i.e. 2005. The 2011 Census data will provide an opportunity to review the reliability of this decision.

## References

<sup>1</sup> Jersey's Resident Population 2007, States of Jersey Statistics Unit, June 2008

<sup>2</sup> Methodology to produce an annual estimate of Jersey's resident population, States of Jersey Statistics Unit, June 2005

<sup>3</sup> The Jersey Population Model 2009, States of Jersey Statistics Unit, April 2009

Dr Peter Boden  
Edge Analytics Ltd  
May 2009

## **10. APPENDIX 2 – PANEL MEMBERSHIP AND TERMS OF REFERENCE**

10.1 For the purposes of this review, the Corporate Services Scrutiny Panel established the following Sub-Panel:

SENATOR S.C. FERGUSON, CHAIRMAN

DEPUTY G.P. SOUTHERN, VICE-CHAIRMAN

DEPUTY C.F. LABEY

DEPUTY D.J.A. WIMBERLEY

DEPUTY T.A. VALLOIS

10.2 The Migration and Population Sub-Panel appointed Dr Peter Boden as its expert advisor. Dr Boden is Director of Edge Analytics Ltd which provides expertise in demographic analysis and population modelling.

10.3 The Corporate Services Scrutiny Panel itself comprised the following members:

SENATOR S.C. FERGUSON, CHAIRMAN

DEPUTY C.H. EGRE, VICE-CHAIRMAN

CONNETABLE D.J. MURPHY

DEPUTY T.A. VALLOIS

10.4 The following Terms of Reference were established for the review:

1. To review the proposed policy of the Council of Ministers with regard to the level; make-up; and control of the Island's population
2. To consider the methodology used in the development of the proposed policy
3. To review the proposed draft Migration legislation, with particular regard to the following matters:
  - a. Data protection issues surrounding the establishment of a Names and Address Register;
  - b. The practicalities of establishing and maintaining the Register; and
  - c. The impact on access to employment, housing and other services
4. To examine any further issues relating to the topic that may arise in the course of the Scrutiny Review and which the Panel considers relevant.

## 11. APPENDIX 3 – EVIDENCE CONSIDERED

11.1 The following documents are available to read on the Scrutiny website ([www.scrutiny.gov.je](http://www.scrutiny.gov.je)) unless received under a confidential agreement. In addition to material gathered during its review, the Sub-Panel was able to call upon documents and information received by the former Corporate Services (Migration) Sub-Panel, chaired by the former Deputy P.J.D. Ryan. This Sub-Panel undertook work in 2007 and 2008 on both population and migration policy but was ultimately unable to report to the States on its findings.

### Documents

1. *Jersey into the Millennium: A Sustainable Future* (December 2001)
2. *Migration: Monitoring and Regulation* (P.25/2005), Lodged on 8th February 2005 by the Policy and Resources Committee
3. *What is the impact of Jersey's ageing population?* (1st August 2007), Oxera
4. *Imagine Jersey 2035: Preparing for the Future – Report of Consultation Findings by Involve for the States of Jersey* (February 2008), Involve
5. *Priorities for the Strategic Plan* (6th February 2009), Council of Ministers
6. *Draft Strategic Plan* (3rd March 2009), Council of Ministers
7. *Strategic Plan – Changes to Population Projections* (17th March 2009), Council of Ministers [Confidential Report]
8. *Strategic Plan 2009 – 2014* (P.52/2009), Lodged on 8th April 2009 by the Council of Ministers
9. *Population Policy* (April 2009), Council of Ministers [Appendix to P.52/2009]
10. *Methodology to produce an annual estimate of Jersey's resident population*, Statistics Unit
11. *Jersey's Resident Population 2007*, Statistics Unit
12. *The Jersey Population Model 2009*, Statistics Unit

### Written Submissions

- |    |                |                 |
|----|----------------|-----------------|
| 1. | Mr B. du Feu   | 25th March 2009 |
| 2. | Mr P. Perchard | 8th April 2009  |

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		13th April 2009
		28th April 2009
3.	Mrs B. Murphy	7th April 2009
4.	Chamber of Commerce	15th April 2009
5.	Mrs B. Clarke	15th April 2009
6.	Mr S. Cole	19th April 2009
7.	Ms J. Holley	19th April 2009
8.	Mr M. Boleat	20th April 2009
9.	Dr M. Romeril	16th April 2009
10.	Mr P. Troalic	20th April 2009
11.	Mr C. Blampied	21st April 2009
12.	Jersey Finance	7th May 2009

### **Public Hearings**

1.	Mr C. Spears, President, and Mr. R. Shead, Chamber of Commerce	27th April 2009
2.	Mrs D. Minihane MBE, Chairman, Age Concern Jersey	27th April 2009
3.	Senator T.A. Le Sueur, Chief Minister	
	Mr D. Peedle, Economic Advisor	
	Mr M. Heald, Assistant Chief Executive	27th April 2009
4.	Dr M. Forskitt	27th April 2009
5.	Mr C. Perkins, Chairman, Concern	27th April 2009
6.	Connétable A.S. Crowcroft of St Helier	6th May 2009