

## **2.5 Deputy J.A. Martin of the Minister of Housing regarding the potential rise in the number of private sector (j) category employees:**

Has it moved back to the Minister of Housing, Sir? I directed this question to the Minister of Economic Development, and it was passed to Housing and then on to the Chief Minister. So I am asking the question of Housing, am I? Right, thank you. Would the Minister of Housing advise Members whether he expects the growth of 2 per cent and 3 per cent in the number of private sector (j) category employees as stated in the Economic Growth Plan to continue in the next 5 years and be reflected in manpower returns produced by the Statistics Unit?

### **Senator T. J. Le Main (Minister for Housing):**

The Economic Growth Plan makes no mention of 2 per cent or 3 per cent growth in the number of private (j) category employees. It commits itself to limit the growth of the workforce to 1 per cent and to develop the skills of the local workforce. On the general issue of (j) category employees, both I and the Economic Development Minister are in full agreement and have already given answers on the subject on 5th December and 17th April. But I will repeat some of the key points. Point 1. Regulation of Undertakings and Housing Law continue to be strictly applied; licences for non-local and (j) employees only being granted where no local person is available. Point 2. This has resulted in 84 per cent of the workforce being locally qualified, and substantively this will continue to be the case. Point 3. (j)s account for just 3 per cent of the working population, and any increases will remain relatively small, only taking place within the approved 1 per cent target. Next point. This is entirely in line with economic growth strategies to improve productivity and skills and generate revenues to fund essential front line services. As Housing Minister, I am responsible for (j) approvals, and can give assurance that I take this responsibility very seriously. I exercise strict control - which is why numbers are so low - and will continue to do so. In fact, since January this year, I have refused 30 applications for (j) licences, because I am not satisfied they meet the current agreed policy. We monitor very closely the impact on decisions, especially on the housing market, where all the evidence indicates that (j)s have a very limited impact, with over 92 per cent of purchases being made by locals.

### **2.5.1 Deputy J.A. Martin:**

I do apologise. The question was very late being put in, and it was the Statistics Unit who said 2 to 3 per cent, and that is why I directed the question through the Minister of Economic Development. Then, as I say, it was passed to the Chief Minister. It is reassuring to hear the Housing Minister say that he at the moment is very strict on (j)s. I know why this question was directed to the Chief Minister, because the Population Office comes under that, and I am afraid that the Minister will lose control when in the very near future we have a population register, and a completely different set of Ministers providing the acceptance of (j) categories. Is the Minister not concerned that he is going to lose control? The licences which will be (j)s are going to increase to at least 3 per cent of the working population.

### **Senator T. J. Le Main:**

The issue is quite clear at the moment. I work with the Migration Advisory Group, which is Senator Ozouf, Deputy Gorst and myself, and we sift through all the information on Regulation of Undertakings; we share our meetings with the Economic Development Minister and *vice versa*. They share the information with myself as Housing Minister. Of course, there could be an issue. I agree that it is a concern that I have had in the past. I believe, Sir, that the way it is at the present, I show no concerns. I have to say also that currently the Chief Minister has a complaint that I am being too tough on (j)s, and at the moment it is an issue that we are discussing policy generally all round with the M.A.G. (Migration Advisory Group).

### **2.5.2 Deputy R.G. Le Hérissier:**

Could the Minister tell us, as a result of the loosening, the much lauded loosening of the requirements for (j)s to move into the property market, could he tell us how many have taken

advantage of this loosening of the Regulations, and whether in his view it has led to the current red hot situation in the property market?

**Senator T. J. Le Main:**

I have no figures in front of me, Sir. I can get them. But it is not a great amount. I can assure the Deputy that we have kept a very strict eye on it, and it has not exacerbated or in fact affected the purchase of (j) properties by those we relaxed, the permanent (j)s that were being renewed over the 5-year contracts. So my department and the Population Office are very, very satisfied that it is not exacerbating a rise in prices or heating the economy in the purchases. But I will get the information for the Deputy and for Members.

**2.5.3 Deputy G.P. Southern:**

Does the Minister not agree that there has nonetheless been a substantial rise in the number of (j) cats. being granted in the last 2 quarters of the last year, and furthermore, does he accept, as the Statistics Department does, that in the finance sector, whereas he quotes the overall figure of 84 per cent locally qualified, in the finance sector in the third quarter of 2006, the numbers were such that 75 per cent were locally qualified and 25 per cent, a rise in the proportion, came from (j) cats. and non-locally qualified in the finance sector, which was responsible for the largest proportion of expansion of jobs?

**Senator T. J. Le Main:**

I find that a bit difficult. There are a lot of figures there that I cannot put my hand to at the present time. All I can say, Sir, is that since 2001 the workforce on (j)s has increased to 3 per cent, but the locally non-qualified have reduced by 1 per cent. So it has not been at the expense, Sir, of the local qualified market. It has been at the expense of the non-qualified.

**2.5.4 Deputy C.F. Labey of Grouville:**

Could the Minister explain exactly what is meant by locally qualified?

**Senator T. J. Le Main:**

Well, if the Deputy of Grouville is seeking to know what is locally qualified, a locally qualified person for housing purposes is currently 12 years continuous residence or Jersey-born, but if it is by the current Regulation and Undertakings Department it is 5 years.

**2.5.5 Deputy J.A. Martin:**

I am going to find myself absolutely agreeing with the Housing Minister, but I would ask him a question. He has stated just a few moments ago, Sir, that he has been basically - I think he said told off by the Chief Minister, because he has not been...

**Senator T. J. Le Main:**

I did not say told off, I said there has been a complaint.

**Deputy J.A. Martin:**

Sorry, Sir, all right. The word was not told off, maybe that is too class ridden for even the Housing Minister. The Chief Minister was not very happy with him.

**Senator T. J. Le Main:**

No, no. I did not say that.

**The Bailiff:**

Let us get to the question, Deputy.

**Deputy J.A. Martin:**

I think I am trying to get my point across, Sir, being the concerns I have, and we did have a chance when Deputy Reed brought a proposition a couple of years ago now to put the Population Office under the Housing Department and it was rejected. Given the concerns the Housing Minister has - and there are some concerns on this side - if this proposition was revisited would he support it?

**Senator T.J. Le Main:**

Well, certainly the old Housing Committee, of which Deputy Reed was a member and others, were concerned that of course it could be detrimental... well, I suppose it could be the same with any Minister in applying policy; there has to be a degree of common sense, there has to be a degree of working within precedent. We did show some concerns that one person, probably similarly to the Planning Minister, who says too much power can be had by one person. I am confident at the moment that the way the Migration Advisory Group... where in fact it is not one politician or one Minister that is administering the Regulations but - as I say we have the Chief Minister's Assistant, Deputy Gorst and the Economic Development Minister - I am confident that if that is applied in the future with assistance to the Minister that it can be applied correctly, in my view.

**2.5.6 Deputy P.V.F. Le Claire:**

Understanding locally-qualified and understanding these essential people to our economy, as said by the Housing Minister in his previous answer, locally-qualified refers to 12 years from housing purposes and 5 years from employment, what are the numbers of (j) category employees that have become locally-qualified that no longer show up on those statistics? Is the Minister able to produce for the Assembly the numbers of people that are gaining access to Jersey's (j) category market, which as I understand - and can he correct me if I am wrong - will, under the new immigration rules, be legitimately able to purchase a house due to their extension of employment day one.

**Senator T.J. Le Main:**

It is fairly complicated, but I would be very happy if Members - including the Deputy - would put any of these issues in writing to me and I am very happy to make a statement at the next States' sitting clarifying or giving the answers to the issue. But I would not like to be caught out in guessing something because the issues change very quickly and the figures are a moving target all the time. But I can give an assurance to this Assembly that I do not give out (j) licences lightly, and as I say, since January this year 30 applications have been refused because they either do not meet the criteria or people are trying to find a quick way into purchase property and we are very, very strict, and I have the full support currently of the M.A.G. group - Senator Ozouf and Deputy Gorst - and I am pretty sure that the Chief Minister would support us on that.

**2.5.7 Deputy P.V.F. Le Claire:**

Is the Minister still not able to answer that policy issue, because it does not surely need research to understand the policy of whether or not somebody that is eligible to enter the workplace as a (j) category is eligible to purchase day one?

**Senator T.J. Le Main:**

A person on a 5-year contract can currently purchase a property under share transfer. At the end of the 5-year contract that property has to be sold out of the company and that person has to move out of the property.

**Senator F.H. Walker:**

Could I just say for the record I am not the least bit happy with the Housing Minister, in fact I am positively ecstatic.