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4 Deputy M.R. Higgins of St. Helier of the Chief Minister regarding the effect of increases in net inward migration: [9537]

Will the Chief Minister advise Members what research, if any, has been undertaken by the Council of Ministers into the effect of rapid and large increases in net inward migration, in particular on education, house prices, housing rental prices, hospital and primary care provision, traffic congestion and inflation?

Senator I.J. Gorst (The Chief Minister):

I would like to ask Senator Routier to act as rapporteur.

Senator P.F. Routier (Assistant Chief Minister - rapporteur)

I thank the Deputy for this question. Now, more than ever, we need to support our businesses, also our care providers and our teachers and our economy, helping to generate jobs and growth, helping to keep prices down. However, it is our overall quality of life that matters most. This means the health service that can cope with the demands of an ageing society, it means improved social services and mental health services, it means a much better education system and sustainable infrastructure. Our economy pays for all of this and our M.T.F.P. (Medium Term Financial Plan) will put in place the necessary investment based on all the research we have undertaken. But we also need to protect our green spaces to deliver enough housing to house our population. We are working hard to do all of this, also applying the research and information we have. One of my favourite examples that I have been told about recently is that despite our population going up our water consumption is going down. Our crime levels are coming down. Our house prices for now are stable and our traffic volumes are not increasing. Jersey is genuinely a good place to live and everything we do, using all the information and research we have, is focused on ensuring it remains so.

3.4.1 Deputy M.R. Higgins:

I have never heard so much waffle in all my life. We have just had the latest population figures, which show that in 2015 there was an increase of 1,700. The net inward migration of registered, formally non-qualified employees, was 1,100. They are not the doctors. They are not the teachers. They are doing other jobs. Now we have got 1,100 people coming in a year and what the Minister did not do was answer the question. What research have you done into the effect of rapid and large numbers of population coming in? You mentioned teachers, right?

The Bailiff:

Through the Chair, please.

Deputy M.R. Higgins:

Sorry, through the Chair. Will the Minister tell us, for example, how many extra classrooms we are going to require. What the effect of the health service is going to be of this magnitude of population increase in the Island? Will the Minister please, first of all, tell us what research you have done? In fact, I would like you not only to tell us what you have done but also to publish it.

The Bailiff:

Through the Chair.

Deputy M.R. Higgins:

Through the Chair.

The Bailiff:

It is not cured just by saying: "Through the Chair" afterwards. [Laughter]

Deputy M.R. Higgins:

It sounds nice anyway, Sir.

Senator P.F. Routier:

There are lots and lots of questions there.

Deputy M.R. Higgins:

On the first one, what research has been done, through the Chair?

Senator P.F. Routier:

Every department and Minister has been looking at those services which they provide within their responsibility in the build-up to developing the Medium Term Financial Plan. That has been happening and we know the pressures that are there.

[10:00]

You will find that the question regarding to additional classrooms, that is happening, because we know the demographics are happening. We also know that the hospital provision is predominantly being driven by the ageing population. We know that over 65s in the next 20 years - we currently have 14,000 - we are going to have 28,000. So that is the main driver of the hospital provision. There is research in each of the departments. They have all been working on what needs to be provided. I would really want to get over the point that I do not want people to get the impression that we have given 15,000 licences out. We have not done that. We have only given about ... I can tell the Deputy, 460 licences ...

Deputy M.R. Higgins:

That is enormous.

Senator P.F. Routier:

That is the sort of number that has been happening in the past because we know that there is an ebb and flow in the population. People come and go from this Island. I would suggest to Members that we do recognise that the numbers have increased considerably and we know that we need to look at it going forward, and that is what we will be doing, preparing for the future.

3.4.2 Deputy J.A.N. Le Fondré of St. Lawrence:

I think, succinctly, can the Assistant Minister say whether there is a single report produced for the Council of Ministers, let us say, in the last 2 years that identifies if somebody is coming in on a minimum wage on a non-finance company what the cost versus the benefit to the Island is? For example, if there is an assumption - I am using examples - that they come in, the family come in, they use free education, use free health care, they have States supplementation, is there anything then that gives the financial cost of people coming in on various salary scales and various scenarios against the benefit they generate to this Island? Succinctly.

Senator P.F. Routier:

That is a piece of work that needs to be done, certainly. But we do know when applications do come to us that there is ... every application that comes to the Population Office, there needs to be a

judgment made about the support that is given to a particular business. There is a judgment call ... if you were to be hard line about it to say that we were going ... only going to support businesses that were going to give the greatest economic value we would find that we would not have an agricultural industry. We may have less hospitality industry. Those are real tough judgments which have to be made by the Population Office. I think you will have found there has been an outcry from many businesses who are unable to get staff to work within their businesses and we need to be in a place to be able to support those businesses.

3.4.3 Deputy J.A. Martin of St. Helier:

This Minister, the day after this number came out, was on the radio saying the 325 number was only for planning purposes. Planning for the types of things that Deputy Higgins is asking: hospital, housing, education, *et cetera*. So obviously we were planning. The plan was to 325, how many have we underplanned for then and what is the effect on all these services? It is a simple question; again it was not answered. I am pushing the Minister. Would he say that they have definitely underplanned by about 800 people per year?

Senator P.F. Routier:

There is a recognition, certainly, in the next M.T.F.P. that the number we are planning for was higher than what the 325 is, certainly. I think what we need to recognise is that we are very fortunate ... some people may not think this is the case but we are in the position where we have a growing economy. Not like some jurisdictions which have a decreasing economy. So I think we really need to be careful about what we are saying about our population needs. We need to be able to support the business community, to pay out the taxes to ensure that we can provide the services for our community.

3.4.4 Deputy M. Tadier:

I am glad the Minister has put on record that immigrants, who come to our Island, are valued socially, culturally and economically. I hope we can all agree on that, especially in these dark times of creeping xenophobia in Europe and the rest of the world. But the point remains that this ministerial team is missing their own target, in this case by 5 times. 1,700 people in one year is already 5 times the order of magnitude of the 325 in their own targets. Is it not time either to revise their own targets, abolish them completely, or come up with a fit-for-purpose migration plan for our Island, which was suggested in the last Assembly, because the current one that we have was only ever intended to be an interim measure. Is it not time for this Government to step up to the challenge of meeting these needs?

Senator P.F. Routier:

I am really pleased I have been asked that question because later on there is a very similar question about our long-term planning. This is something we recognise really needs to be done. We need to find out, and I hope all Members and all our community around the Island are going to become involved in what sort of Island we want to live in. Then we will be able to have a sensible discussion about the people that we need in the Island to support our infrastructure and our community and our business community, and that is what is happening.

3.4.5 Deputy M. Tadier:

Does the Minister accept that timing is critical? It is not satisfactory simply to wait until slightly before, or even after, the next election. We need to know in advance exactly what this looks like so that we can satisfy both the economic and cultural needs of our Island without putting the

drawbridges down, but making sure that we do not lead to a situation where we empower the xenophobes and make immigrants the scapegoats for what are essentially political problems.

Senator P.F. Routier:

I certainly would like to disassociate myself with the comments about being xenophobic, or anything like that, where there is nothing further from the truth. Certainly you are pre-empting an answer which I will be giving later about our long-term planning and the timing of that. We are aiming to bring a debate to this House in spring of 2017 so that we can all have the ... because there is the consultation which has currently just started. There is the next phase of that to find out with the community what sort of Island they want to live in, and the fallout of that will be a population policy, which we are coming to the Assembly to be debated in spring of next year.

The Bailiff:

Can I just follow up on the Minister's answer there? There are 5 questions on migration. They all tackle slightly different aspects. This one is really about what research has been done about the effects of migration on education, house prices and so on. There will be a time to come back to the other questions.

3.4.6 Deputy A.D. Lewis of St. Helier:

Would the Assistant Minister not agree that this is a very positive indicator of economic growth, which is, of course, an important thing? Does he agree that? But also should he not be more concerned with the turmoil in Europe at the moment of potential future depopulation should things change dramatically? We should be more aware and more concerned with that. Also, for every application that he has for a high value job, surely they do need to be supported by people that cut hair, people that do gardens, people that clean houses. So this is surely a good news story not a bad news story as long as it is well managed.

The Bailiff:

Those are 3 questions, none of which goes to research that has been done.

Senator P.F. Routier:

I will answer this in a very cautious way because there are so many different views across our community. I tend to share the Deputy's view of this matter, but there is a balance to be struck. There are a number of people within our Island who are concerned about the increasing population. We have to deal with that in a measured way. That is why, although we are being criticised for a higher number this year and the permissions that have been given, I can assure you we have refused half ... the same amount as we have given. We have taken the flak for that by some businesses. It is a very difficult job to do to make decisions about the business community. We know from Members within this Assembly who have come to the H.A.W.A.G. (Housing and Work Advisory Group) Committee to represent businesses who have had their permission refused. There are 2 sides to this story and we have to find a middle path through it. You are quite right to raise the issue about the uncertainty, which is within the wider world; that is certainly something we need to be very aware of.

The Bailiff:

The obligation to speak through the Chair applies to Ministers as well as to Back-Benchers, Senator.

3.4.7 Deputy G.P. Southern:

Will the Assistant Minister agree to discuss with the Statistics Unit and the Minister for Housing what impact the admission of 400 licensed workers at a time has on the housing market supply, both for rental and for purchase?

Senator P.F. Routier:

I can certainly do that. My inclination is that those people who have been giving registered permissions will not have any effect ...

Deputy G.P. Southern:

The question was licensed.

Senator P.F. Routier:

There are not 400 licences.

Deputy G.P. Southern:

You just said there were 460 licences.

Senator P.F. Routier:

No, that is registered permits. I did not say "licence", I said "registered".

3.4.8 Deputy G.P. Southern:

For clarification. Would the Minister explain what he means by 460 licences, when the overall net immigration figure is 1,100 registered workers and 400-plus licensed workers, making a total of some 1,500 workers in 2015? What figures are we to believe? The Stats Unit's or his?

Senator P.F. Routier:

I can give him the exact figures. Registered, which is registered people, who are not qualified to have access to housing or under 5-year work permits from within the businesses, there were 460 of those. The licensed, who do have access to housing, was 280 last year. But there are other numbers, which are the seasonal applications, which are very time limited, which is 116, and also there were people who came in on contract, which is again for a short period of time of 191. So, within those numbers of 1,500, there are numbers that are just for very short periods of time. They are not here permanently because they have a time limit on their licence. I just make that observation.

The Bailiff:

The Connétable of St. Saviour, on research.

3.4.9 Connétable S.A Le Sueur-Rennard of St. Saviour

As one of the people who are obviously a great drain on society, because everything seems to be blamed on the ageing population and, to be honest with you, I am getting sick and tired of it. Yes, you said we need a new hospital, because of the ageing population.

The Bailiff:

Through the Chair applies to Connétables as well.

The Connétable of St. Saviour:

The Minister did say at the time when he was speaking that the ageing population was part of the cause for needing a hospital. Whenever anything comes up in here that the Island is going down the tubes with a flourish, it is because of the ageing population. I am sorry, but we are not and maybe we need to bring in euthanasia and then that will solve all the Island's problems.

The Bailiff:

I do not think you need answer that, Minister.

3.4.10 Deputy M.R. Higgins:

We have had 1,500 people come in in 2015. In 2006, 2007 and 2008 we had 1,100, 1,400 and 1,100, and we had the highest increase in inflation in housing in this Island that we had seen for quite some time. What we have is a runaway population policy. I just want to make one other comment before I ask my question and that is: many people talked about economic growth. Yes, population can add to economic growth. However, population of low income people, people on zero-hour contracts, does not lead to economic growth; it will lead to a drain on the economy and a reduction in growth. When the Minister says that we have a growing economy, it was 5 per cent last year but the Fiscal Policy Panel are telling us it will revert to the norm, which is zero.

The Bailiff:

Deputy, this is not a speech, you have to put a question.

Deputy M.R. Higgins:

Again, I go back to my original question. The research that has been done, which I believe is none, will the Minister publish all research that he has carried out in the last 2 years on the effect of population growth on the Island so that all Members and all members of the population can see what they have done, or not done?

Senator P.F. Routier:

That is very difficult to respond to because the pieces of information are with regard to the needs which are within each of the departments is something which will need to be collated. We are going to have a major population debate in spring of next year, when we will have all of that information before us, so we can make a very clear decision about what our Island needs. There is a comment which was not part of the question, but it talks about the negative aspects of having people on low incomes coming to the Island. But our decision making is predominantly about targeting high value and social value to our community. The people who have been given licences, who are perhaps at the lower end, are those which are perhaps just supporting some businesses who are perhaps teetering on the end and are having real difficulty in continuing in business.

[10:15]

So, we do make those judgments exceptionally clearly. Please, I would ask Members to ensure that they take part in our planning for the future and we can have a proper population debate in the spring of next year.

Deputy M.R. Higgins:

Can I ask a point of clarification? The Minister basically just admitted that there is no joined-up thinking. It is all in silos, so each department has done nothing; you have no documents showing what the total effect of the population is?

The Bailiff:

The Minister has said it is very difficult to publish that research. That is true. We come to question 5 which Deputy Southern will ask of the Chief Minister. This question is about a breakdown by economic sector.