

20.09.22

16 Deputy K.F. Morel of the Chief Minister regarding non-resident business licences (OQ.235/2020):

Will the Chief Minister state how many non-resident business licences to work in Jersey were issued by the Population Office for the years 2018, 2019 and to date in 2020 and what income was generated in each year by the sale of these licences?

Senator L.J. Farnham (Assistant Chief Minister - rapporteur):

Just as a reminder, the business licences alluded to allow for local individuals and companies to bring in services that they are not able to source locally or where there is a long wait for that service or skill to be available, thus stifling those businesses and individuals from moving forward with projects such as construction and medical projects just to name some of them. So these enable local firms to import skilled labour to finish the projects on time. In 2018, 310 licences were issued that generated £399,000 in revenue. In 2019, 355 licences were issued generating £407,515 in revenue. In 2020 to date 160 licences have been issued generating £165,000.

4.16.1 Deputy K.F. Morel:

Would the Minister advise simply whether he is considering increasing the cost of these licences in order to increase to some extent income to the Treasury, but also to ensure that such licences are seen as valuable and not used as a way around using local companies?

Senator L.J. Farnham:

These licences can be quite useful because we can import skills and companies to complete projects, so they come over, they do the work and they go, thus not staying behind and putting extra pressure on our population challenges. As part of the post-COVID-19 economic recovery programme and the sort of the look through of our charges where we can increase charges, there might be an opportunity here to perhaps base the fee on the contract value, for example. That is something we will be looking at moving forward and I will keep the Deputy as chair of our Scrutiny Panel updated on any discussions we might have about that in the future.

4.16.2 Connétable M.K. Jackson of St. Brelade:

Would the Minister consider that it is unwise to encourage more of the issue of these licences, particularly in the light of COVID at the moment and the impending spike that is occurring in the U.K.?

Senator L.J. Farnham:

As I alluded to in my opening statement, these are generally issued when the skills or the service provided cannot be readily or quickly obtained locally so they do not hold up important contracts. The advantage is individuals do not stay, they come over, complete the work and they leave. As we are trying to support the local economy as much as possible, I would agree with the Constable and we would much rather find the work from our local economy. However, notwithstanding the tough economic situation we find ourselves in, there are still some industries and some economic sectors that are busy - for example construction is one of them - so there is even now still a call to import some of this labour to make sure important projects stay on time.

4.16.3 Deputy K.F. Morel:

Would the Minister advise the Assembly as to the extent of efforts that the Government makes to ensure that businesses do not come over and operate here without the licence? With the numbers that the Minister kindly provided in my earlier question, is he certain that 100 per cent of the businesses have come to Jersey on a temporary basis?

Senator L.J. Farnham:

I think we capture the vast majority of businesses that come over. There have been instances of business coming over without the correct licences but customs officials are very alive to the fact and a close watch is kept on the comings and goings of commercial vehicles, and regular spot checks are carried out. I cannot guarantee we get everybody but the vast majority are licensed.