

**REGULATION OF UNDERTAKINGS AND DEVELOPMENT (JERSEY) LAW 1973: COMMENTARY ON  
LICENCES GRANTED UNDER PART II FOR THE PERIOD TO  
31ST DECEMBER 2001**

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## **REGULATION OF UNDERTAKINGS AND DEVELOPMENT (JERSEY) LAW 1973: COMMENTARY ON LICENCES GRANTED UNDER PART II FOR THE PERIOD TO 31ST DECEMBER 2001**

As indicated during the States Assembly in October last year, the Industries Committee committed to providing regular statistical information on licences granted under both Part II and Part III of the Regulation of Undertakings and Development (Jersey) Law 1973.

The attached independent report by the Statistics Unit of the Policy and Resources Department provides information on licences granted under Part II of the Law for the period to 31st December 2001. This report is separate from the half-yearly manpower survey and labour market report produced by the Statistics Unit on behalf of the Industries Committee. The next manpower survey and labour market report for the period to 31st December 2001 is due for release shortly.

The following points can be deduced from the report -

- The information in the tables provides evidence that the current policy implemented is in line with States objectives to ensure full employment of the resident population and the need to maintain a range of job opportunities for local residents. In this respect, the “tightening” agreed in 1998 has rightly focused on the non-locally qualified, together with new, as opposed to existing, undertakings.
- In late 1999, the view was that the number of positions available to non-locally qualified persons would remain static or would decline slightly in the following three years and that the number of positions available to locally qualified persons would increase - but with supply not being able to meet demand. This has been borne out by the attached report when considered in conjunction with the number of reported vacancies.
- The three-year joint licence has proven to be an extremely successful mechanism, as can be seen from the increased number of undertakings which have entered into such licences. Undertakings have benefited from the fact that they can plan ahead with a degree of confidence utilising the licence as a manpower planning tool. Before granting such a licence, Government can influence business in strategic areas, such as training, recruitment and business planning, having regard to the need to regulate and manage demand on the resources of the Island.
- In accordance with established policy, no applications for the engagement of locally qualified staff have been refused. This is to allow additional jobs and vacancies to be filled by locally qualified people and to control more rigidly those which can be occupied by non-locally qualified people.
- Licences for new undertakings have continued to be granted in order to enable entrepreneurs and competition to develop. In the main, they have only been granted with permission to engage locally qualified staff.

N.B. This report does not identify those undertakings which may have either not yet commenced trading or have ceased trading during the period. That information is contained within the half-yearly manpower reports.



## Regulation of Undertakings Employment Licences

up to 31st December 2001

This report summarises the granting of employment licences by the Regulation of Undertakings and Development Office under Part II of the *Regulation of Undertakings and Development (Jersey) Law 1973, as amended*.

The figures reported are as accumulated up to and including 31st December 2001. Totals and percentages for calendar years 1998 to 2003 are presented<sup>[1]</sup>. The figures for 2002 and 2003 are those projected under the continuation of three-year joint licences granted before the end of 2001.

It should be noted that approved levels of staffing may not necessarily have been filled subsequently.

### Three-year Joint Licences

Table 1 presents the cumulative number of three-year joint licences in effect at the end of each calendar year, the total number of staff authorised by these licences and the percentage accessible to non-locally qualified persons (see notes).

**Table 1: Three-year joint licences**

Year	Cumulative three-year joint licences	Total staff approved	% non-locally qualified
<b>1998</b>	163	13,539	24.9
<b>1999</b>	605	29,415	22.7
<b>2000</b>	831	32,237	22.5
<b>2001</b>	929	34,948	22.1
<b>2002</b>	929	35,024	21.6
<b>2003</b>	929	35,152	21.3

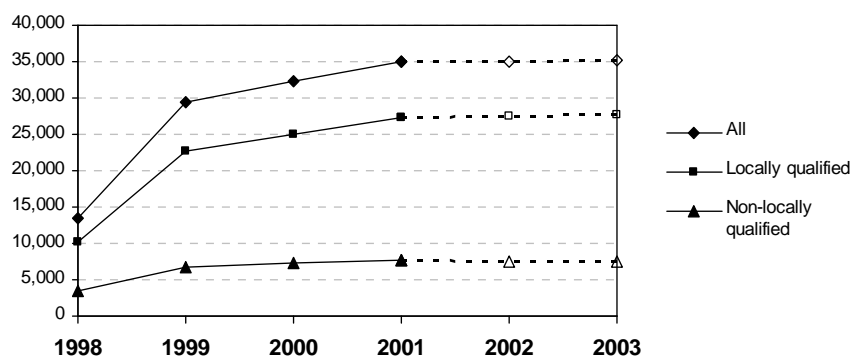
*(The figures for 2002 and 2003 are projections under three-year joint licences granted before the end of 2001.)*

The increase in the number of authorised staff between 1998 and 2001 is due primarily to the rise in the number of joint licences issued over this period; the increase also incorporates an element of permitted expansion.

Comparison of the 2001 figure in Table 1 for the total number of approved staff with the results of the Manpower Survey for December 2001 indicates that almost three-quarters of permanent staff (including vacancies) in the private sector<sup>[2]</sup> came under the auspices of three-year joint licences.

Figure 1 plots total staff numbers and those for locally qualified and non-locally qualified persons, as approved by three-year joint staffing licences covering the period 1998 to 2003.

**Figure 1: Staff covered by three-year joint licences**



(Dotted lines indicate projections under three-year joint licences granted before the end of 2001.)

## Sectoral Analysis

Table 2 shows the breakdown into sectors of the total number of staff authorised by three-year joint licences. The corresponding percentage of non-locally qualified staff approved in each sector is presented in Table 3.

**Table 2: Three-year joint licences: number of approved staff by sector.**

Sector	1998	1999	2000	2001	2002	2003
Retail	2,774	4,610	4,953	5,160	5,202	5,305
Building/ Construction	444	2,000	2,299	2,405	2,401	2,400
Hotels/Guest Houses	1,229	2,189	2,196	2,332	2,327	2,327
Restaurants/Catering	856	2,239	2,610	2,765	2,771	2,772
Banking/Finance/ Legal	3,579	7,868	8,417	9,785	9,777	9,787
Other Offices/ IT Business	2,013	3,391	3,623	3,878	3,899	3,909
Import/Export	282	421	513	515	516	517
Garages/ Manufacturing	399	674	717	735	736	736
Agencies	106	208	257	258	258	258
Transport/Haulage	219	719	995	1,166	1,167	1,167
Marine	0	33	49	58	59	59
Service	664	3,168	3,573	3,799	3,821	3,823
Other	974	1,895	2,035	2,092	2,090	2,092
<b>Total</b>	<b>13,539</b>	<b>29,415</b>	<b>32,237</b>	<b>34,948</b>	<b>35,024</b>	<b>35,152</b>

(Figures for 2002 and 2003 are projections under three-year joint licences granted before the end of 2001).

Projected changes in permitted staffing numbers for 2003 in each sector are generally within  $\pm 10$  persons of the 2001 figures, except for the Retail (+145), Service (+24) and Other Offices/IT Business categories (+31).

**Table 3: Three-year joint licences: percentage of staffing approved for non-locally qualified persons by sector (N/A: not applicable)**

Sector	1998	1999	2000	2001	2002	2003
Retail	23.5	22.4	22.0	21.0	20.7	20.0
Building/ Construction	33.8	22.8	22.3	19.7	18.6	18.3

Hotels/Guest Houses	65.7	54.5	54.3	53.6	53.2	53.2
Restaurants/Catering	36.6	41.6	44.2	41.6	40.2	38.9
Banking/Finance/ Legal	15.9	16.0	15.5	16.9	16.7	16.6
Other Offices/ IT Business	19.8	16.5	16.6	15.3	15.1	14.8
Import/Export	18.4	15.0	14.4	14.6	14.5	14.5
Garages/ Manufacturing	13.8	16.9	17.4	17.8	17.4	17.0
Agencies	27.4	26.4	24.1	24.8	24.0	22.9
Transport/Haulage	22.8	14.7	11.0	10.5	10.1	10.1
Marine	N/A	9.1	8.2	10.3	10.2	8.5
Service	17.2	11.3	12.3	14.0	13.5	13.2
Other	18.2	28.6	28.6	27.6	27.5	27.3
<b>Total</b>	<b>24.9</b>	<b>22.7</b>	<b>22.5</b>	<b>22.1</b>	<b>21.6</b>	<b>21.3</b>

*(Figures for 2002 and 2003 are projections under three-year joint licences granted before the end of 2001.)*

At 31st December 2001, between a quarter and a fifth (22.1%) of all staffing authorised under three-year joint licences was approved for non-locally qualified persons.

The proportion of staffing approved for the non-locally qualified had decreased from 1 in 4 in 1998 to approximately 1 in 4.5 by 2001. The number of non-locally qualified posts is projected to fall by 233 over the next two years (under three-year joint licences granted before the end of 2001).

There was considerable variation across the sectors in the proportion approved for non-locally qualified staff. For example, such staffing accounted for (at 31st December 2001):

- more than half of the total approved in Hotels/Guest Houses;
- over two-fifths of that in Restaurants/Catering;
- about one-fifth in Retail;
- about one-fifth in Building/Construction;
- approximately one-sixth in Banking/Finance/Legal undertakings;
- about one-tenth in Transport/Haulage.

## New and Existing Undertakings not with three-year joint licences

The information presented for these licences is of two types: new undertakings; and existing undertakings requesting additional staff. The figures reported are for calendar year 2001.

### New undertakings

Table 4 shows the total number of applications for new undertakings and the corresponding breakdown of requested staff. The figures for approved licences are the net of applications and refusals.

**Table 4: New undertakings: applications, refusals and approved licences (2001)**

	Number of licences	Total staff	Locally qualified	Non-locally qualified	Seasonal	Contract
Applications	519	1,224	958	138	62	66
Refusals	26	50	24	26	0	0
Approved	493	1,174	934	112	62	66

For the approved licences, approximately 10% of the total number of staff was authorised for non-locally qualified persons.

The refused licences had requested, in total, that more than half of new staff be non-locally qualified.

Table 5 shows the distribution of approved licences and staffing by sector.

**Table 5: New undertakings: approved licences by sector (2001)**

Sector	Number of licences	Total staff	Locally qualified	Non-locally qualified	Seasonal	Contract
Retail	52	111	107	3	1	0
Building/ Construction	102	265	195	7	0	63
Hotels/ Guest Houses	8	11	11	0	0	0
Restaurants/ Catering	16	211	84	68	59	0
Banking/ Finance/Legal	25	47	40	5	0	2
Other Offices/ IT Business	93	158	150	7	0	1
Import/Export	12	20	20	0	0	0
Garages/ Manufacturing	5	11	11	0	0	0
Agencies	15	28	26	2	0	0
Transport/ Haulage	8	13	13	0	0	0
Marine	5	10	10	0	0	0
Service	130	262	240	20	2	0
Other	22	27	27	0	0	0
<b>Total</b>	<b>493</b>	<b>1,174</b>	<b>934</b>	<b>112</b>	<b>62</b>	<b>66</b>

The Service and Building/Construction sectors each constituted almost a quarter of the total number of approved staff. The Restaurants/Catering category accounted for considerably more than half (61%) of that approved for non-locally qualified persons.

### **Existing undertakings**

Table 6 shows the total number of applications for additional staff by existing undertakings which had not entered into three-year joint licences. The figures for approved licences are the net of applications and refusals.



**Table 6: Existing undertakings: applications, refusals and approved (2001).**

	<b>Number of licences</b>	<b>Total staff</b>	<b>Locally qualified</b>	<b>Non-locally qualified</b>	<b>Seasonal/Contract</b>
<b>Applications</b>	369	1,444	490	26	928
<b>Refusals</b>	7	9	0	9	0
<b>Approved</b>	<b>362</b>	<b>1,435</b>	<b>490</b>	<b>17</b>	<b>928</b>

Almost two-thirds (65%) of all approved additional staffing was seasonal or contract.

There were no refusals for applications requesting the engagement of additional locally qualified staff.

Table 7 shows the distribution of approvals by sector.

**Table 7: Existing undertakings: approved licences by sector (2001).**

<b>Sector</b>	<b>Number of licences</b>	<b>Total staff</b>	<b>Locally qualified</b>	<b>Non-locally qualified</b>	<b>Seasonal/Contract</b>
Retail	36	61	40	3	18
Building/ Construction	160	930	165	3	762
Hotels/ Guest Houses	4	20	1	0	19
Restaurants/ Catering	9	62	37	0	25
Banking/ Finance/Legal	29	66	24	3	39
Other Offices/ IT Business	34	54	40	2	12
Import/Export	8	10	9	1	0
Agencies	9	13	9	2	2

Sector	Number of licences	Total staff	Locally qualified	Non-locally qualified	Seasonal/Contract
Transport/Haulage	3	10	10	0	0
Marine	0	0	0	0	0
Service	63	194	144	3	47
Other	4	7	3	0	4
<b>Total</b>	<b>362</b>	<b>1,435</b>	<b>490</b>	<b>17</b>	<b>928</b>

The Building/Construction sector accounted for more than two-fifths (44%) of the approved licences; as a result, this sector represented 33% of additional permanent and 82% of additional seasonal/contract staff.

Approvals for non-locally qualified persons constituted 3% of all additional permanent staff.

#### Notes

The definition of “**locally qualified**” as applied under *the Regulation of Undertakings and Development (Jersey) Law 1973, as amended* includes all persons in the following categories:

- (i) residentially qualified persons falling within any of the Housing Regulations excluding Regulation (l) and Regulation (m);
- (ii) persons resident for the whole of the past consecutive 5 years;
- (iii) the spouses of (i) or (ii) above;
- (iv) the children under 18 years (or if students under 25 years) of those in (i), (ii) or (iii) above.

*Statistics Unit*  
*May 2002*

<sup>[1]</sup> Prior to January 1998 robust statistics were not available.

<sup>[2]</sup> For the Manpower Survey and RUDL, States Trading Committees (Airport, Harbours, Postal Administration, Jersey Telecom), the Jersey Financial Services Commission and the Family Nursing and Home Care (Jersey) Inc. are included in the “private sector”.