

States of Jersey
States Assembly



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Corporate Services Scrutiny Panel

Population and Migration Review

Part 1



Presented to the States on 24th April 2012

S.R.1/2012

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1. CHAIRMAN'S FOREWORD

The results of the 2011 Census which revealed 97,857 people lived in Jersey have caused many Islanders to be justifiably concerned about the effect a growing population will have on the environment, housing, essential services, and employment opportunities for local people.

With this in mind the Corporate Services Scrutiny Panel chose to conduct a review based on the latest Census information. Due to the tight timescale and the panel's desire to present some initial findings prior to the Strategic Plan debate, a decision was taken to undertake the review in two parts.

In this first part the Panel have considered the results of the 2011 Census with previous estimates and the implications these may have on any future population policy proposals brought forward by the Council of Ministers.

The Census results have confirmed population levels have increased by approximately 900 persons a year since 2001 and it is apparent that the 100,000 population limit set during the last Strategic Plan has almost been reached.

This is alarming as previous policies have sought to control population increases to sustainable levels and many other decisions made by the Assembly such as the provision of housing contained in the Island Plan and the Island's future Tax policy have all been based around the current levels agreed by the Assembly.

The Panel supports the Council of Minister's view that the challenge for Jersey continues to be the need to achieve a balance between an economically viable working population, and the provision of essential public services without threatening our environment and way of life.

However it is very unclear as to how the Council of Ministers is going to deliver on this most important priority, especially as it will take till the end of this year to update the population model and a States debate on population and immigration limits will not happen until July 2013.

The decision of the Council of Ministers to exclude immigration and population objectives from the Strategic Plan is significant, as other priorities contained within the Plan will by their very nature, be influenced by current and future population levels.

Evidence considered by the Panel to date, shows that the failure to meet migration targets is due to the fact that our current control mechanisms are flawed and were neither sufficiently managed nor enforced.

The inability to manage our population within agreed levels does not inspire much confidence in the new actions proposed by the Council of Ministers and raises doubts over whether Ministers and their departments are capable of managing and enforcing existing laws.

In Part 2, the Panel will be looking at the effectiveness of the proposed controls, specifically the subordinate legislation arising from the Control of Housing and Work (Jersey) law and the Register of Names and Addresses (Jersey) law, political responsibility and whether any changes that may need to be made in the interim. The panel will be making further recommendations once the further work still to be undertaken by the Statistics unit and the population office is completed.

A handwritten signature in black ink, appearing to read 'James Reed'. The signature is written in a cursive style with a large initial 'J' and 'R'.

Deputy James Reed
Vice-Chairman
Corporate Services Panel

2. EXECUTIVE SUMMARY

- 2.1 The issues of Jersey's population and inward migration are highly significant and merit debate. Particularly in light of the 2011 Census results which showed a considerable rise in population numbers since the last Census was conducted in 2001. Furthermore, the total resident population figure was significantly higher than the estimate published by the Statistics Unit in 2009. These findings sparked concerns regarding the effectiveness of our existing control mechanisms in managing population levels in line with existing policy.
- 2.2 Discrepancies between the two Censuses and previous population estimates raised questions of statistical methodology. We asked our expert advisor to review the work undertaken by the Statistics Unit. He found that the recent Census was conducted in an efficient and robust manner. Furthermore, he supported the explanations that were provided for disparities between the 2011 Census figures and the 2009 estimates but acknowledged the need for methodological revisions for future year-end estimates. The Statistics Unit has advised that a reconciliation of the recent Census will be released around June this year and, while this will help to provide more accurate annual updates, we found that it will not solve the issue of measuring inward and outward migration.
- 2.3 A revised Population Model will not be completed until December 2012. In light of this information, the Council of Ministers has decided to delay the Population Policy debate until July 2013. Before this discussion can take place however, questions concerning population and migration targets need to be addressed. The fact that Jersey has already exceeded the Net Migration target that was set during the 2009 Strategic Plan debate, and is close to exceeding the population limit, makes us doubt its rationale. We found that a population limit or target should not be put in place unless there is confidence that it can be achieved through appropriate controls and measures. Before a debate on the new Population Policy can take place, there also needs to be a full understanding of the difference between the 2011 Census results and previous population estimates.
- 2.4 High population levels have a considerable impact on many areas of Jersey's society. The 2011 Census results not only affect the debate on population but also impact directly on policies in education, health, housing and employment. In light of the 2011 Census results which showed high numbers of unemployed Jersey born residents, the Council of Ministers has highlighted unemployment as one of the top priorities within the 2012 Draft Strategic Plan. The short-term aims are to encourage local people into lower value sector jobs and reduce the number of non-locally qualified licences. While we agree that the initiatives are

necessary, their effectiveness in limiting population growth has to be questioned. We cannot have confidence in what is being proposed by the Council of Ministers given that the current control mechanisms for population and migration are failing, and have been for the last three years. In order to measure the effectiveness of the control mechanisms, the Chief Minister should ensure that a comparison is undertaken between the annual updates and the numbers of locally qualified and non-locally qualified licenses that are allocated.

- 2.5 The Control of Housing and Work (Jersey) Law and the Register of Names and Addresses (Jersey) Law are to be introduced in July this year with the notion that the new legislation will provide more effective means of controlling and monitoring population and net inward migration. A population register introduced under the legislation is due to provide an accurate measure of Jersey's population. However, there has been ambiguity over the timetable for its development and the date from which it can be relied upon as a true and exact measure of the resident population. Until such time as the register is operational and has been validated, any population policy that sets overall population limits is likely to be frustrated and runs the risk of failure. Before any decisions on targets and limits are made, further clarification is required about the implementation of the population register. Furthermore, views of the Chief Statistician, with regard to the completion date of a statistically viable rolling measure of the Island's population, should be provided to States Members at least three months before the Population Policy debate.
- 2.6 During this review, the Chief Minister informed the Panel that consideration was being given to an extension of the qualification period for access to work from five years to ten years. We recommend that the Chief Minister should advise the States Assembly during the Strategic Plan debate on discussions to date regarding the proposal to extend the current "5 year rule" to a 10 year qualifying period.
- 2.7 Ultimately, past and present failures to meet policy guidelines have been the result of insufficient controls and measures. The delivery of the population policy will depend on the effectiveness of the new population and migration control mechanisms. Further clarity is required with regards to the responsibility of those controls and accountability for their success. We shall explore such matters, along with others highlighted within this report, when part two of this review is undertaken, in which greater consideration will be given to; the implementation of accepted recommendations made in Migration: Control of Housing and Work (SR9/2011); the mechanisms of the new legislation; and the role and effectiveness of the Chief Minister's Department in overseeing the delivery and management of migration control mechanisms.

3. KEY FINDINGS

Please note: Each key finding is accompanied by a reference to that part of the report where further explanation and justification may be found.

- 3.1 The 2011 Census results called into question the Population Policy agreed in 2009 and the capacity to control inward migration. (See 6.5)**
- 3.2 The 2011 Census was conducted in an efficient and robust manner and evidence to date suggests that the significant increase in the population figures results from the failings of our current control mechanisms. (See 6.19)**
- 3.3 The reconciliation of the 2011 Census results by the Statistics Unit will help to provide more accurate annual updates. However, it will not resolve the issue of measuring migration to and from the Island and a degree of uncertainty will therefore remain. (See 6.20)**
- 3.4 The Statistics Unit will not have completed a revised Population Model before December 2012. (See 7.3)**
- 3.5 The current Population Policy was adopted on the basis that new population control mechanisms would be implemented. However, those new mechanisms are still not in place. (See 7.5)**
- 3.6 There must be a full understanding of the difference between the 2011 Census results and previous population predictions before a debate on the new Population Policy can take place. (See 7.8)**
- 3.7 A delay in the debate on population policy is unfortunate given that it impacts upon other policy matters: housing, education, employment, economic growth and infrastructure – all of which will be covered in the new Strategic Plan. (See 7.9)**
- 3.8 If the current population trends continue then the population limit of 100,000, set by the current Population Policy, will soon be breached. (See 7.13)**
- 3.9 Although the Chief Minister has stated that he would like to see the population constrained to 100,000, the Council of Ministers has yet to decide on whether the new population policy should include a set population limit. (See 7.15)**

- 3.10 Further work on the granting, renewal and removal of licenses by the Population Office is required in order that a full understanding of the employment position in Jersey, and the impact of inward migration, can be developed. (See 7.21)**
- 3.11 In order to have managed the population more effectively, measures should have been taken earlier to address high levels of inward migration to the Island. (See 7.25)**
- 3.12 The Statistics Unit will need to validate the Population Register before it can be relied upon as a rolling measure of Jersey's population. (See 8.4)**
- 3.13 Until the Population Register is complete and mature, two sets of population statistics will be available, thereby increasing the risk of confusion when discussing population policy. (See 8.8)**
- 3.14 Until such time as the register is operational and has been validated, any population policy that sets overall population limits is likely to be frustrated and runs the risk of failure. (See 8.9)**
- 3.15 The Chief Minister has begun to consider whether qualification for access to work should be extended from five years to ten years. (See 8.15)**
- 3.16 Delivery of the population policy will depend upon the effectiveness of migration controls. There must be clarity as to the responsibility for those controls and accountability for their success. (See 8.16)**

4. RECOMMENDATIONS

Please note: Each recommendation is accompanied by a reference to that part of the report where further explanation and justification may be found.

- 4.1 The Chief Minister should undertake a fundamental review of the structure of the Population Office and, in particular, examine the compliance and enforcement function and licence allocation. (See 7.22)**
- 4.2 Given that the current control mechanisms are failing, the Chief Minister should ensure that a comparison is undertaken between the annual population updates and the numbers of locally qualified and non-locally qualified licenses that are allocated. Furthermore, these findings should be published in a report and presented to the States on an annual basis. (See 7.28)**
- 4.3 At least three months before the debate on Population Policy, the Chief Minister should request the Chief Statistician to provide his view on when the Register will be statistically viable as a rolling measure of the Island's population. (See 8.10)**
- 4.4 The Chief Minister should advise the States Assembly during the debate on the new Strategic Plan about any increases plans to extend the qualification period for access to work. (See 8.17)**

5. INTRODUCTION

- 5.1 In December 2011, the Statistics Unit published the results of the most recent Census which revealed that the total resident population of Jersey was 97,857.¹ In contrast, the previous Census in 2001 had reported a resident population of 87,186 and therefore we had seen a growth of some 9,100 people between 2001 and 2011 (including the undercount in the two Censuses).² Furthermore, the most recent annual update of the population produced by the Statistics Unit (for the end of 2009) had been 92,500 (5,357 residents short of the Census results).³
- 5.2 The Census results called into question the Population Policy that had been agreed by the States as part of the Strategic Plan 2009 – 2014. The Population Policy had aimed to:
- Maintain the level of the working age population in the Island;
 - Ensure that the Island's population did not exceed 100,000;
 - Limit inward migration over a five-year period to a maximum of 150 heads of household per annum (corresponding to an overall increase of 325 people per annum).⁴
- 5.3 In light of the Census results, the Chief Minister indicated that the Population Policy would be reviewed and renewed during development of the new Strategic Plan. There were questions therefore of what 'Population Policy' the new Strategic Plan would contain and whether it would propose specific limits for total population and inward migration. Following consultation on the draft Strategic Plan, the Council of Ministers has now decided to delay the States debate on immigration and population objectives until more information is available. The new draft Strategic Plan was lodged on 19th March 2012 by the Council of Ministers and will be debated on 1st May 2012. The draft plan confirmed that one of its top priorities was to 'manage population growth and migration' and referred specifically to the recent census results as one of the driving forces behind this decision.⁵
- 5.4 Furthermore, it has been confirmed that the population model would be updated using the new Census information and that realistic targets for population and immigration limits would be brought to the Assembly by July 2013. With regard to this matter, the Statistics Unit has advised that a reconciliation of the 2011 Census with previous population estimates will be completed in June or July 2012 and that a revised population model will not be ready until the end of the year.

¹ Jersey Census 2011, Bulletin 1: Total Population, page 1

² Strategic Plan 2012: Green Paper, Council of Ministers, page 6

³ Jersey's resident Population 2009, Statistics Unit, page 1

⁴ Strategic Plan 2009-2014 (P.52/2009), page 17

⁵ Draft Strategic Plan 2012, Council of Ministers, page 8

- 5.5 The Census results also called into question the ability to control inward migration to the Island. Currently, inward migration is 'controlled' under the Housing (Jersey) Law 1949 and the Regulation of Undertakings and Development (Jersey) Law 1973. However, these laws are due to be replaced by the Control of Housing and Work (Jersey) Law which will work alongside the Register of Names and Addresses (Jersey) Law (population register). The primary legislation was agreed by the States in 2011 and implementation of the new laws is anticipated for July 2012. Approval of subordinate legislation (Regulations agreed by the States and Ministerial Orders) is required before full implementation can occur, however.
- 5.6 The Corporate Services Panel had no difficulty in agreeing that this matter merited review because, not only was there a concern over the Census results, but there were also concerns about the increasing unemployment levels in Jersey. Furthermore, this subject impacts not only population policy, but policy in many different areas. It was agreed at the start of the review that this work would be undertaken most effectively by incorporating two phases of activity. Firstly, in this report we have focused on the census results and the implications thereof for population policy. The 2012 draft Strategic Plan highlighted the control of migration and population as one of its main priorities and it was therefore imperative for the first phase of this work to be presented ahead of the new Strategic Plan debate in May 2012. Secondly, it is our intention to build upon the work undertaken for this report and present a second report on the new population/migration policy ahead of the implementation of the *Control of Housing and Work (Jersey) Law* in July 2012.
- 5.7 The focus of our review to date has therefore been the 2011 Census results; the implications of these results on future policy; the question of population targets and limits; and the issue of control mechanisms. Within these areas it becomes apparent that the following questions should be considered when discussing population policy:
1. Why did the Census results appear to differ from previous population predictions?
 2. What implications do the 2011 Census results have for the Executive's Population and Migration policies?
 3. What population and Migration policies will be included within the new strategic plan?
 4. What changes, if any, will be made to the new migration legislation in light of the 2011 Census results?

6. 2011 CENSUS RESULTS

The Process

- 6.1 The 2011 Jersey Census was held on 27th March 2011 and was carried out on-Island and independently by the Statistics Unit. In order to collect the information needed for the Census the Island was divided into 166 Enumeration districts, with one fieldworker in each district responsible for handing out census questionnaires to all households and checking that all dwellings were included. Each household was asked to return the questionnaires as soon as possible on or after census day. The Census office, which was made up of two Census Managers and ten staff, was then in charge of checking and processing the data collected from the questionnaires as well as validating it against other administrative data sources.⁶
- 6.2 It is understood that this in-house approach provided the Statistics Unit with much greater control over the entire census process and helped to improve the quality of the census data compared to when processing was carried out off-island in 2001. Furthermore, the Chief Statistician explained that the statistical expertise of his team and the local expertise of the fieldworkers were crucial in producing, what he believes to be, a dedicated, accurate and robust census.⁷ This view is supported by both ourselves and our advisor who, within his conclusion, summarised:

“The 2011 Census, conducted in a robust, timely and cost-efficient manner, is an important statistical landmark for Jersey.”⁸

Main Findings

- 6.4 The fact that the results of the 2011 Census attracted a great deal of media attention came as no surprise given that the resulting figures were much higher than anticipated. The total resident population on 27th March 2011 was 97,857, 10,700 higher than what was reported in 2001 (see Paragraph 6.11 with regard to the different treatment of the undercount in the two Censuses) and 5,357 greater than the figure that was estimated by the Statistics Unit at year-end 2009.⁹ These figures made it apparent that the 100,000 population limit, set during the last Strategic Plan, had almost been breached. Interestingly, this did not seem to surprise many of our witnesses. For instance, the Minister for Housing, a member of the

⁶ Transcript of Public Hearing with the Chief Statistician, 16th March 2012, page 6

⁷ Transcript of Public Hearing with the Chief Statistician, 16th March 2012, page 6

⁸ Dr P. Boden, Population and Migration Review (Appendix 1), page 8

⁹ Statistics Unit: Jersey’s Resident Population, 2009

Migration Advisory Group, even went as far as saying that he expected the population to be higher than 100,000 when the census results were published¹⁰.

KEY FINDING**6.5 The 2011 Census results called into question the Population Policy agreed in 2009 and the capacity to control inward migration.**

6.6 In addition to these 'headline' figures, there are a number of other statistics worth mentioning. For example, the public's attention was also captured by a substantial increase in Jersey's working age population. Between 2001 and 2011 the number of residents within the working age bracket increased by 7,338 persons (from 57,015 in 2001 to 64,353 in 2011)¹¹. The significance of this increase is further elucidated by the fact that it accounts for 69 per cent of the total change in Jersey's population over the last decade. Interestingly however, the Statistics Unit also discovered that the dependency ratio (the relationship between those outside the work force to those of working age) has remained steady over the last decade at 52 per cent (similar to the average dependency ratio for the period from 1931 to 2001). In the past, the dependency ratio has been used as a way of measuring the sustainable balance between the working age population and the non-working age population. For example, as well as seeing a significant increase in the size of the labour-force ages since 2001, Jersey has also seen a rise in Jersey residents that are above working age (an increase of 2,784 in 10 years) and therefore the balance has been maintained. Our advisor believes that the dependency ratio has been sustained due to the considerable increase in net inward migration of adults that fall into the working age bracket¹².

6.7 For instance, since 2001 the total net inward migration figure has increased by 6,800, out of which 4,100 were born in countries which have recently joined the European Union¹³. The high percentage increase of net inward migration has had an impact on, not only the total population numbers, but also the working age population¹⁴.

6.8 Although there has been a significant increase in the working age population over the last decade, we have also seen a rise in the unemployment levels. At the time of the Census,

¹⁰ Transcript of hearing with Minister for Housing, 16th March 2012, page 11

¹¹ Jersey Census 2011, Bulletin 1: Total Population, page 3

¹² Dr P. Boden, Population and Migration Review (Appendix 1), page 3

¹³ Includes Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia; Cyprus and Malta; Bulgaria and Romania

¹⁴ Jersey Census 2011, Bulletin 2: Place of birth, ethnicity, length of residency, marital status, page 3

2,534 adults of working age were unemployed and looking for work. Of the unemployed persons, eighty-one per cent had A-H category residential qualifications and nineteen per cent were not qualified.

- 6.9 Furthermore, a staggering fifty-two per cent (1,310) of those people unemployed were born in Jersey¹⁵. The significance of these figures is further highlighted by the fact that unemployment has been identified as a top priority within the 2012 draft Strategic Plan.

Question of disparity

Notwithstanding these results, the important question that now has to be asked is why do the 2011 Census figures differ considerably to those that were predicted back in 2009?

- 6.10 When the Statistics Unit published the first Bulletin of the 2011 Census, they also included an explanation of the factors that contributed to the significant change between the 2001 and 2011 total resident population figures. This subsequently provided the public with some clarification as to why the 2009 year-end estimates were substantially lower than the end results.
- 6.11 According to the Statistics Unit the difference between the 2001 and 2011 Census measures can be attributed to the following three components:
- The 2001 undercount
 - Natural growth (excess of births over deaths)
 - Net Migration (*into* the Island)¹⁶

These components can also help to explain the considerable difference between the 2011 Census and the population figures estimated in 2009.

- 6.12 When the previous Census' total resident population figure was published it did not include the "undercount"¹⁷, which, at the time, followed international practice. It was estimated that this number would be in the region of 840 people. However, when the Statistics Unit recently compared that undercount with administrative data (which had only become available after 2001) the undercount was re-estimated at 1,600¹⁸. As a result of these differing approaches, the gap between the population measures in 2001 and 2011 is less

¹⁵ Jersey Census 2011, Bulletin 4: Employment, page 2 and 3

¹⁶ Jersey Census 2011, Bulletin 1: Total Population, page 3

¹⁷ The "undercount" is the small proportion of households and people from whom a census return was not received.

¹⁸ Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 7

than appears. If indeed the 2001 undercount was included in the 2009 annual update the estimated total resident population would have been 94,100, still far less than the recent Census figure of 97,857.

6.13 Similarly, a significant increase in natural growth made the gap between the 2009 estimate and 2011 results appear far greater. Between 2001 and 2011 natural growth accounted for an increase of 2,300 people, 928 more than in the previous 10 years.

6.14 The Statistics Unit also identified Net Migration as the largest contributor to the change between the 2001 and 2011 Census measures. As mentioned earlier, a sizeable number of 6,800 people have entered the Island, from various parts of the world, since 2001. For instance, one of the biggest changes Jersey has seen over the last decade has been the increase in inward migration of people from Eastern Europe (escalating in 2004 and continuing though to 2008). Interestingly, the sudden growth in net migration in 2004 occurred almost immediately after Eastern European countries joined the European Union in May that year and therefore no longer required work permits when entering EU Countries¹⁹. Furthermore, the inward migration of people from the UK and from outside of Europe has increased during the last 10 years; additionally there has been an almost constant level of inward migration of Portuguese / Madeiran.²⁰

6.15 The explanations that have been provided by the Statistics Unit for the 'higher than expected' results seem comprehensive. However, given the complexities involved when discussing statistics, we asked our expert advisor, Dr Peter Boden, to review the work undertaken by the Unit (his report is attached as an appendix).

6.16 Dr Boden confirmed that the 2011 Jersey Census had been conducted in a robust and efficient manner and even went so far as to commend the Statistics Unit for their exceptional understanding of demographic data²¹. In regards to the 2001 undercount and Net Migration, he summarised:

"People continue to refer to the 92.5k population in 2009. This is misleading as it excludes the 2001 undercount (of approximately 1.6k). It would be more appropriate to refer to the 2009 population, including the undercount (94.1k)"

¹⁹ Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 23

²⁰ Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 13

²¹ Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 43

“Net Migration..is the component of demographic change that is most difficult to measure – as evidenced by the difference between the census results and the most recent year-end population estimate”

6.17 It is important to acknowledge that, whilst the work of the Statistics Unit has proven to be of high quality, further work needs to be completed so they can assure more accurate annual estimates going forward. However, as our advisor has explained Net-Migration is a very hard component to measure. We have been advised by the Unit that a reconciliation of the 2011 Census with previous population estimates will be published around June this year. This will include a full disclosure and discussion of the differences between the Census results and the previous population predictions²², which we believe is necessary before any future debate on the population policy can take place. Another important issue is the methodology that is currently being used for producing estimates. At the moment the Statistical Unit has to rely on a number of different sources²³ to analyse Jersey’s annual migration history. While the reconciliation of the results in June will help to provide us with better annual updates in the future it will not solve the problem of measuring inward and outward migration. Unfortunately, until a more efficient measure is developed, a degree of uncertainty over migration figures will remain.

6.18 From the evidence provided throughout this chapter it is clear that Jersey’s high population numbers are not a result of inadequate statistics but perhaps the failings of our current control mechanisms. This view is also supported by our advisor, who commented:

“Shortcomings in the population estimation methodology are not the reason for any failure to meet policy guidelines as the ‘control’ element resides with the Regulation of Undertakings.”²⁴

KEY FINDING

6.19 The 2011 Census was conducted in an efficient and robust manner and therefore any significant increase in the population figures results from the failings of our current control mechanisms.

²² Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 12

²³ Department of Health and Social Services (pre-school children), Department of Education Sport & Culture (school age children), Manpower Survey (economically active adults) and the 2001 Census (non-economically active adults).

²⁴ Dr P. Boden, Population and Migration Review (Appendix 1), page 7

KEY FINDING

6.20 The reconciliation of the 2011 Census results by the Statistics Unit will help to provide more accurate annual updates. However, it will not resolve the issue of measuring migration to and from the Island and a degree of uncertainty will therefore remain.

7. IMPLICATIONS

- 7.1 The draft Strategic Plan, which was lodged by the Council of Ministers on 19th March 2012, has set out six main priorities that Jersey's government will focus on over the next 3 years. As highlighted earlier, one of these priorities is to manage population growth and migration. With the Strategic Plan debate taking place at the beginning of May this year, we have to wonder what implications the recent Census results have had on the Plan itself and what changes, if any, have been suggested given the views expressed above. In the Draft Strategic Plan it was confirmed that the Council of Ministers would update the population model using the new Census information and bring realistic population targets to the Assembly by 2013. In this regard we were advised by the Statistics Unit that a revised Population Model would not be complete until December this year.
- 7.2 It is important to note here that, during further discussions with the Statistics Unit, we were informed that the decision to update the population model does not in fact reside with the Council of Ministers. The Chief Statistician explained that the initiation and undertaking of such work rests solely with the independent States of Jersey Statistics Unit and subsequently the information contained within the draft Strategic Plan, concerning this matter, is inaccurate. Furthermore, he stressed the importance of highlighting the apolitical nature and professional independence and integrity of the Unit in light of such inaccuracies.

KEY FINDING

- 7.3 The Statistics Unit will not have completed a revised Population Model before December 2012.**

- 7.4 These factors raise many issues. How are we supposed to have a meaningful debate on population and immigration without a new population model in place? Interestingly in 2009, during the previous Corporate Services Panel's review on Population Policy, similar concerns were brought to the attention of the Council of Ministers. The previous Panel believed that it would be inappropriate for a Strategic Plan debate to take place on Population Policy in the absence of established population control mechanisms. Although the recommendation was accepted and a Migration Policy consultation paper was published in June 2009, the final draft legislation was not presented to the States until March 2011²⁵.

²⁵ S.R.3/2009, Corporate Services Scrutiny Panel, Population Policy Report

KEY FINDING

7.5 The current Population Policy was adopted on the basis that new population control mechanisms would be implemented. However, those new mechanisms are still not in place.

7.6 It could be argued, therefore, that the Council of Ministers would be repeating history if they were to hold a major debate on population before all relevant data is available. The Minister for Economic Development also spoke of his concerns:

"I think to have a meaningful debate on population and immigration at this stage, without the model being in place, we would certainly be having that debate blindfolded and I think that would be thoroughly inappropriate."²⁶

7.7 Following this, the Council of Ministers has now made the ultimate decision to delay the Population Policy debate until July 2013. For instance, although it was understood that the Population Policy would be amended and renewed during the development of the 2012 Strategic Plan debate, the decision has now been made to reschedule any discussions regarding Population Policy until the revised population model is in place. The delay of the Population Policy debate is unfortunate given that the subject encompasses other priorities that will be still be discussed during the Strategic Plan Debate i.e. housing, education and employment. As recognised by the Chief Minister:

"Well, I suppose you would say that we are dealing with the issues of the population that is here right through the Strategic Plan, so getting people into work, inward investment. All these things are related to population as well. Resources in the health service, that is related to the number of people obviously in our community and where we are going to need to provide that help. Levels of population, of course, Sarah, is related to housing and the number of houses that we need to provide. As James will be aware, it is related to the education. We have to provide the amount of education, the amount of schools, and it is related to long-term planning. So it is the numbers flowing out of the census and how we are going to manage the population effects right across ..."²⁷

²⁶ Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 17

²⁷ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 43

The current States of Jersey Law, however, stipulates that the Strategic Plan must be lodged by the Council of Ministers within 4 months of their appointment²⁸; hence why the debate is still taking place at the beginning of May this year.

KEY FINDING

- 7.8 There must be a full understanding of the difference between the 2011 Census results and previous population predictions before a debate on the new Population Policy can take place.**
- 7.9 A delay in the debate on population policy is unfortunate given that it impacts upon other policy matters: housing, education, employment, economic growth and infrastructure – all which will be covered in the new Strategic Plan.**

Question of Limits and Targets

- 7.10 The issue of population levels is by no means a new one, and seemingly in the past the subject of population limits and targets has been at the centre of many discussions relating to this subject. The Population Policy review presented to the States on 1st June 2009 highlighted concerns about ‘limiting’ the size of the population and net inward migration. This resulted from the decision to include specific figures in the policy during the previous Strategic Plan debate, in which it was decided that Jersey’s population should not exceed 100,000 and Net Inward Migration should be kept to a maximum of 150 heads of household per annum over a five-year period. In light of the recent Census results it is now apparent that the concerns voiced back in 2009 were justifiable.
- 7.11 There was a common agreement amongst the Ministers that we met at the public hearings that a discussion concerning particular targets during the Strategic Plan debate would be premature. However, the opinions that were voiced regarding the size of the population targets in the future were much more ambiguous.
- 7.12 The Strategic Plan states that the Council of Ministers will bring realistic targets for population and migration to the Assembly by July 2013²⁹, but how are ‘realistic’ targets defined? Despite being only 2,143 people away from exceeding the population limit set back in 2009, the Chief Minister provided the following view when asked about the limit size:

²⁸ States of Jersey Law 2005, Part 4, Article 18 (2)(e)

²⁹ Draft Strategic Plan 2012, Council of Ministers, page 8.

“It is difficult to say. I have, as I am sure Members will know, said that I personally feel that I would like to see population constrained to under 100,000 but it will not just be my decision, it will be a decision of the States Assembly”³⁰.

Furthermore, whilst the Minister for Housing accepted that controlling the population level at 100,000 would be challenging, he did not agree that it would be impossible³¹. Additionally, the Chief Statistician believes that within 7 to 8 years we will have reached the 100,000 mark through natural growth alone (natural growth accounts for 230 per year)³². In the same regard, our advisor suggests that the population would grow at approximately 7,000-8,000 over the next 10 years if the trends of the last five years were to continue³³.

KEY FINDING

7.13 If the current population trends of the last five years were to continue then the population limit of 100,000 that was set by the current Population Policy will be breached in the next 10 years.

7.14 Although the discussions concerning the size of the limit of the population are important and necessary if a target is to be set in July 2013, some believe that the debate should move away from the realm of numbers and statistics and instead focus on the mechanisms that are inevitably going to control the population. No decision has yet been made by the Council of Ministers about whether or not there should be a limit in place. During the public hearing, for example, the Chief Minister spoke of his preference to constrain the population to 100,000. However, we were also informed that there is a general agreement that there should be no target figure. As explained by the Minister for Housing:

“There is a consensus among the Council of Ministers that we do have to control it [population and migration] and I think there is a consensus that possibly we would have no target.”³⁴

³⁰ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 15

³¹ Transcript of Public Hearing with the Housing Minister, 16th March 2012, page 18

³² Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 20

³³ Dr P. Boden, Population and Migration Review (Appendix 1), page 9

³⁴ Transcript of Public Hearing with the Housing Minister, 16th March 2012, page 19

KEY FINDING

7.15 The Council of Ministers has yet to decide on whether the new population policy should include a set population limit. However, one should not be put in place unless there is complete confidence that it can be achieved through appropriate controls and measures

7.16 As the Draft Strategic Plan does not include targets and limits, it is now important to acknowledge the implications that the increase in the population has for Jersey's society and the measures that are going to be taken in the short term to help tackle this issue.

Implications for Jersey's economy

7.17 During the public hearing with the Chief Minister, it was acknowledged that the Census results and the issue of population levels in general not only affect the debate on Population Policy but impact directly on discussions and future policies surrounding employment, housing, education and health services.³⁵

7.18 Amongst other things, the Census results highlighted Jersey's increasing unemployment levels, specifically among locally qualified persons. The Draft Strategic Plan, therefore, includes two particular actions that have been proposed to help tackle this problem in the short term. These are to support the engagement and training of locally qualified people; and to reduce the number of non-locally qualified licences³⁶. While it has been widely accepted that some inward migration is necessary for the growth of Jersey's economy, getting local people into work has been recognised as a greater priority³⁷.

7.19 With regards to the first action, one of the aims is to encourage local people to go for jobs that perhaps, in the past, have not been considered desirable. As explained to us by the Chief Minister:

"...there are jobs in our economy which, perhaps historically, have required levels of inward migration. The challenge is for us to be able to equip the people who are already in our community to undertake those jobs"³⁸.

³⁵ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 43

³⁶ Draft Strategic Plan 2012, Council of Ministers, page 8.

³⁷ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 32

³⁸ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 15

The Minister for Economic Development recognised that some local people may not wish to enter into work they perhaps feel is inappropriate for them or is not at the level that they want³⁹. During the review, the President of the Chamber of Commerce told the Panel that he had experienced this problem first hand when he received no job applications from the local population, when advertising for a new job, but received many from non-local residents⁴⁰.

- 7.20 With regard to the second action, the Economic Development Minister informed us that the 'tightening up' of licences has in fact already begun. For example, 565 non-locally qualified staffing permissions in 2010 and 375 in 2011 were withdrawn from existing licences. Furthermore, 390 non-locally qualified applications were refused in 2010 and a further 334 in 2011⁴¹. The Panel was also informed that the Population Office cannot provide a figure for licences reviewed in 2009-2011 or a breakdown of the non-locally qualified licences removed or approved by sector without considerable analysis. This is somewhat surprising given that all joint staffing licences are expected to be reviewed on a 3 year cycle and one would expect this information to be readily available.

KEY FINDING

- 7.21 Further work on the granting, renewal and removal of licenses by the Population Office is required in order that a full understanding of the employment position in Jersey, and the impact of inward migration, can be developed.**

RECOMMENDATION

- 7.22 The Chief Minister should undertake a fundamental review of the structure of the Population Office and, in particular, examine the compliance and enforcement function and licence allocation.**

- 7.23 Although it is agreed that these initiatives are necessary in light of our present economic situation, we have to question how effective they will be in controlling population levels and why the tightening up of licences was not instigated earlier.

- 7.24 Firstly, changes in the application of legislation are being applied to an existing legislative framework that has been failing for the last 3 years. The Economic Development Minister recognised some weaknesses of the current control mechanisms:

³⁹ Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 7

⁴⁰ Transcript of Public Hearing with the Chamber of Commerce, 16th March 2012, page 12

⁴¹ Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 8

"I think there were some failings in the current system, and I include in that our responsibility through Regulation of Undertakings that do not give us and do not give the department enough ability to, in the past, be able to control these issues in the way that perhaps we would like to have done"⁴²

The fact that implementation of current control mechanisms have been unable to meet our population policy guidelines (migration targets were seemingly exceeded during the Strategic Plan period⁴³) does not inspire much confidence in the new actions proposed by the Council of Ministers. This coupled with the fact that no prosecutions have been made for non-compliance under the Regulation of Undertakings and Development (Jersey) Law 1973⁴⁴ equally raises doubts over the ability of Ministers and their Departments to enforce existing laws.

KEY FINDING

7.25 In order to have managed the population more effectively over the last three years, measures should have been taken earlier to address high levels of inward migration to the Island. Such failings raise questions as to how the measures proposed in the new Strategic Plan will be achieved.

7.26 Secondly, if indeed the new actions are successful in controlling our population, how could this be measured? The Economic Development Minister advised us that his team had already begun work to reduce the levels of net inward migration but he provided no indication of the impact that this had already had on Jersey's population. In the view of our advisor, it would be beneficial to compare the annual updates that are published by the Statistics Unit with the number of locally qualified and non-locally qualified licences that have been allocated. It is believed that this would provide a useful indicator of how effectively the control mechanisms are being used⁴⁵.

KEY FINDING

7.27 There cannot be total confidence in what is being proposed in the Strategic Plan given that the current control mechanisms for population and Migration are failing.

⁴² Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 4

⁴³ Dr P. Boden, Population and Migration Review (Appendix 1), page 7

⁴⁴ Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 13

⁴⁵ Dr P. Boden, Population and Migration Review (Appendix 1), page 7

RECOMMENDATION

7.28 Given that the current control mechanisms are failing, the Chief Minister should ensure that a comparison is undertaken between the annual population updates and the numbers of locally qualified and non-locally qualified licenses that are allocated. Furthermore, these findings should be published in a report and presented to the States.

8. FUTURE CONTROLS

8.1 It was agreed in 2011 that the *Control of Housing and Work (Jersey) Law* and the *Register of Names and Addresses (Jersey) Law* will replace the *Housing (Jersey) Law 1949* and the *Regulations of Undertakings and Development (Jersey) Law 1973* later on this year. We have been advised that the new legislation will allow for greater control and enhanced compliance of future population and immigration levels in a more appropriate way than our current control mechanisms⁴⁶, which is paramount given the present situation. A previous Corporate Services Scrutiny Panel has already provided an extensive overview of the workings and expected benefits of the new legislation⁴⁷. Therefore we will only discuss changes here that have been proposed in light of the 2011 Census results. Furthermore, our next report (the second phase of this review) will assess the new legislative framework in greater detail.

Timetable

8.2 It has been confirmed that the intention is to introduce the new *Control of Housing and Work (Jersey) Law* and *Register of Names and Addresses Law (Jersey)* in July 2012 (12 months after the Laws were approved by the States)⁴⁸. Furthermore, a new population register is to be created that, we have been told, will provide a more accurate measure of the population than the annual updates that we currently receive from the Statistics Unit.

Population register

8.3 The new legislation will introduce a population register that will eventually provide names and addresses of all those residing in the Island. It has been made clear to us that the population register is a fundamental element of the new control mechanisms for population and migration. We have been informed by the Population Office that the register will be up and running and in full working capacity by April 2013. As the Director of the Population Office explained:

“What is important to complete the population register is the returns from businesses because that will inform the register and those will be due at 31st December 2012. We will

⁴⁶ Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 6

⁴⁷ SR9/2011 Corporate Services Scrutiny Panel, Migration: Control of Housing and Work

⁴⁸ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 50

*then need to do some analysis and I estimated last time by April 2013 we will have a figure from the population register for December 2012*⁴⁹

However, before the register can be relied upon as a single method of measuring our population, the Statistics Unit will have to independently validate and calibrate it against the recent Census results and the reconciliation data.

KEY FINDING

8.4 The Statistics Unit will need to validate the Population Register before it can be relied upon as a rolling measure of Jersey's population.

8.5 Originally the States have been informed that the 2011 Census would be used to calibrate a population register that was already mature but due to delays in setting up the population register the Census became a measuring instrument in its own right. In fact, the idea of a population register was first discussed 7 to 8 years ago and we are still yet to see one in place⁵⁰. Although the Population Office seems confident that it can be completed by April 2013, in the view of our advisor, it may take a number of years until the register can provide robust and real time measures of the population that are as comprehensive as the Census⁵¹.

8.6 We believe that further clarity is needed in regards to the exact dates in which the population register can be relied upon. It would be neither appropriate nor effective to hold a debate on population policy without an accurate measuring system in place, particularly if the Council of Ministers was to decide to set limits for population numbers. As discussed earlier on in this report, the timing of this debate is crucial in determining the best outcome for our current situation. Therefore, a decision now has to be made on whether the debate should be delayed any further if there is a chance that the register will not be complete by July 2013.

8.7 It is understood that, in the short-term, before the register is populated and mature, two sets of population statistics will be necessary; those produced by the Population Office and the annual updates from the Statistics Unit⁵². In the view of our advisor, this in itself seems

⁴⁹ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 50

⁵⁰ Transcript of Public Hearing with Chief Statistician, 16th March 2012, page 42

⁵¹ Transcript of Public Hearing with the Minister for Economic Development, 16th March 2012, page 19

⁵² Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 51

problematic⁵³. It could be argued that until we have complete confidence in the accuracy of the register, only one definitive source of information should be relied upon. Furthermore, if the register was to take a couple of years to complete, it is imperative that a longer-term plan is in place. In regards to overall responsibility, we have been advised that the Population Office is in charge of the development of the Population Register. However, it could be argued that the Statistics Unit should have a more active role in the Register's implementation given that it will eventually become a key demographic resource for Jersey⁵⁴.

KEY FINDING

- 8.8 Until the Population Register is populated and mature, two sets of population statistics will be available, thereby increasing the risk of confusion when discussing population policy.**
- 8.9 Until such time as the register is operational and has been validated, any population policy that sets overall population limits is likely to be frustrated and runs the risk of failure.**

RECOMMENDATION

- 8.10 At least three months before the debate on Population Policy, the Chief Minister should ask the Chief Statistician to provide his view on when the Register will statistically viable as a rolling measure of the Island's population.**

Responsibility for population levels

- 8.11 Within the previous Corporate Services Scrutiny Panel's Report – Migration: Control of Housing and Work – attention was given to the proposed change in responsibility for the overall population levels. For example, under the present legislative framework the management of population falls under two Ministers; the Minister for Housing and the Minister for Economic Development⁵⁵. The Population Office, which is part of the Chief Minister's Department, is the operational body in charge of overseeing the implementation of the current Laws. Going forward, however, it has been agreed that the Chief Minister will be responsible for the *Control of Housing and Work (Jersey) Law* and *Register of Names*

⁵³ Dr P. Boden, Population and Migration Review (Appendix 1), page 10

⁵⁴ Dr P. Boden, Population and Migration Review (Appendix 1), page 10

⁵⁵ Transcript of hearing with the Minister for Housing, 16th March 2012, page 4

and Addresses Law (Jersey), with the support of a Work Advisory Group of relevant Ministers.

- 8.12 From the evidence presented throughout this report it is apparent that the current legislation was not successfully managed by those responsible. It is important therefore that, before the new legislation is introduced, consideration is given to the effectiveness of the Chief Minister's Department in overseeing the delivery of the new population and migration control mechanisms. Furthermore, it must be determined whether or not it is appropriate for the Chief Minister to have overall responsibility of population control given his other duties including encouraging economic growth for the Island. Although this discussion falls out of the remit of this report, it will be covered within our next report that will examine the implementation of the *Control of Housing and Work (Jersey) Law* and the *Register of Names and Addresses (Jersey) Law* in greater detail. For now, however, we will move on to consider any changes that have been made to the new legislation since the release of the 2011 Census results.

Changes to the new legislation

- 8.13 During the public hearing with the Chief Minister, we were informed that consideration was being given to a possible extension of the current '5-year rule' i.e. being restricted for the first 5 years of residency to undertake licensed 'unqualified' work positions, to a 10-year qualifying period⁵⁶. This same change, however, was proposed during the consultation period for the new legislation back in 2009 and was rejected on the basis that it would be difficult to achieve and potentially undesirable on a number of levels around loss of rights for existing residents and complexity. Despite this, it has been argued that, because we are now in a different economic climate from when the new legislation was being developed (with higher levels of unemployment), the benefits for increasing the '5-year rule' needs to be reassessed⁵⁷.
- 8.14 No other changes have been proposed by the Council of Ministers for the new legislation since the Census results were released and due to the regulations being lodged on May 29th 2012 it is very unlikely that we will see any changes to the qualifying period before the legislation is introduced.

⁵⁶ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 41

⁵⁷ Transcript of Public Hearing with the Chief Minister, 23rd March 2012, page 46

KEY FINDING

8.15 The Chief Minister has begun to consider whether qualification for access to work should be extended from five years to ten years.

KEY FINDING

8.16 Delivery of the population policy will depend upon the effectiveness of migration controls. There must be clarity as to the responsibility for those controls and accountability for their success.

RECOMMENDATION

8.17 The Chief Minister should advise the States Assembly during the debate on the new Strategic Plan about any increases to the qualification period for access to work.

9. CONCLUSION

- 9.1 We found that the methodology that was used for population estimates did not play any part in the failure to maintain population levels in line with the current policy guidelines. Instead, our migration targets have been exceeded because our current control mechanisms were neither sufficiently managed nor enforced. The Statistics Unit will provide a reconciliation of the 2011 Census in June 2012 and, whilst this will help to provide more accurate annual updates, it will not resolve the issue of measuring migration to and from the Island.
- 9.2 Although the Council of Ministers has decided to delay the Population Policy debate until July 2013, the question of limits and targets still remains prominent and it is important that consideration is given to both their appropriateness and effectiveness. It can be argued that a target should not be put in place unless there is complete confidence that it can be achieved through our control mechanisms. In addition, further clarification is required with regard to the implementation of the Population Register. The exact timetable for the development of the register remains unclear and we are yet to receive a definite indication of when we will be able to rely upon it for an 'accurate' count of the resident population. It is imperative that a debate regarding future population and migration policies, which aims to set overall limits, does not take place without certainty that the population could be measured through the Names and Addresses Register. Furthermore, such crucial discussions should not transpire until the effectiveness of future control mechanisms has been determined.

10. APPENDIX 1 - PANEL MEMBERSHIP AND TERMS OF REFERENCE

10.1 The Corporate Services Scrutiny Panel comprised the following members:

SENATOR S.C. FERGUSON, CHAIRMAN

DEPUTY J.G. REED, VICE-CHAIRMAN

CONNETABLE D.J. MURPHY

DEPUTY S. POWER

DEPUTY R.J. RONDEL

10.2 The Corporate Services Panel appointed Dr Peter Boden as its expert advisor.

Dr Peter Boden is Director of Edge Analytics Ltd and a Visiting Research Fellow at the Centre for Spatial Analysis and Policy, University of Leeds. Peter is a specialist in demographic forecasting. Peter's recent research focus has been the evaluation and improvement of estimates of immigration to local area in the UK. He has been a member of ONS' Expert Panel on migration statistics improvement. Peter is a former Director of GMAP Ltd, having spent 15 years delivering bespoke geographical modelling solutions to a range of businesses that included WHSmiths, Asda, Ford Motor Company, Esso, BP, NS&I and HBOS. In the provision of specialist services in demographic analysis, estimation and forecasting, Peter continues to work with a range of public and private sector organisations in the UK and has extensive experience in the application of a range of research and analytical methods.

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

1. To consider the results of the 2011 Census, with reference to previous estimates of Jersey's population
2. To consider the implications of the 2011 Census results for the Population Policy of the Council of Ministers
3. To examine the measures proposed by the Council of Ministers in the new Strategic Plan in relation to population and migration matters, with particular reference to population targets and net inward migration limits

4. To assess whether accepted recommendations made in *Population Policy* (SR3/2009) have been implemented and to consider whether rejected recommendations should be revisited by the Executive
5. To assess whether accepted recommendations made in *Migration: Control of Housing and Work* (SR9/2011) have been implemented and to consider whether rejected recommendations should be revisited by the Executive
6. To review subordinate legislation arising from the *Control of Housing and Work (Jersey) Law* and the *Register of Names and Addresses (Jersey) Law*, with particular reference to:
 - a) The 2011 Census results
 - b) Whether any changes have arisen since States approval of the primary legislation
7. To consider the role and effectiveness of the Chief Minister's Department in overseeing the delivery and management of migration control mechanisms

11. APPENDIX 2 – EVIDENCE CONSIDERED

The following documents are available to read on the Scrutiny website (www.scrutiny.gov.je) unless received under a confidential agreement.

Documents

1. *Strategic Plan 2009 – 2014* (P.52/2009), Lodged on 8th April 2009 by the Council of Ministers
2. *Strategic Plan: Green Paper* (R.5/2012), Presented to the States on 16th January 2012 by the Council of Ministers.
3. Population Policy (S.R.3/2009), Corporate Services Scrutiny Panel, Presented to the States on 1st June 2009.
4. Migration: Control of Housing and Work (S.R.9/2011), Corporate Services Scrutiny Panel, Presented to the States on 1st July 2011.
5. 2011 Census Bulletins, Statistics Unit
6. Draft Control of Housing and Work (Jersey) Law, Lodged on 15th March 2011 by the Chief Minister
7. Draft Register of Names and Addresses (Jersey) Law, Lodged on 15th March 2011 by the Chief Minister
8. Strategic Plan 2012, lodged on 19th March 2012 by the Council of Ministers
9. States of Jersey Law (2005)

Public Hearings

- | | |
|--|-----------------------------|
| 1. Senator A.J.H. Maclean, Minister for Economic Development | 16 th March 2012 |
| 2. Mr D. Gibaut, Head Statistician, Statistics Unit | 16 th |
| March 2012 | |
| 3. Mr D. Warr, President, Chamber of Commerce | 16 th March 2012 |
| 4. Deputy A.K.F. Green MBE, Minister for Housing | 16 th March 2012 |
| 5. Senator I.J. Gorst, Chief Minister | 23 rd March 2012 |

12. APPENDIX 3 – 2011 CENSUS HEADLINES

The Panel wish to highlight the following as further significant findings from the 2011 Census:

- 12.1 The total residential population of Jersey on 27th March 2011 was 97,857, 10,700 higher than reported in 2001.
 - 12.2 The working age population has increased by 7,338 persons to 64,353.
 - 12.3 There were 52,522 persons of working age who were economically active.
 - 12.4 2001 the total net inward migration figure has increased by 6,800, out of which, 4,100 were born in countries which have recently joined the European Union⁵⁸.
 - 12.5 2534 adults of working age were unemployed and looking for work. Of those, 2052 had a-h residential qualifications and 1,310 were born in Jersey⁵⁹.
 - 12.6 The number of people registered as unemployed and actively seeking work with the Social security department was 1,310
 - 12.7 The dependency ratio for Jersey [the ratio of those outside of working age to those of working age] was 52%. This is similar to the average dependency ratio for the full period 1931-2001 and corresponds to every dependent being supported by slightly less than two persons of working age.
 - 12.8 Between 2001 and 2011 natural growth accounted for an increase of 2,300 people, an average of 230 per annum. The total was 928 more than in the previous 10 years.
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13. APPENDIX 4 – EXPERT ADVISOR’S REPORT



Corporate Services Scrutiny Panel - Population and Migration Review -

March-April 2012

edge analytics

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The authors of this report do not accept liability for any costs or consequential loss involved following the use of the analysis presented here, which is entirely the responsibility of the users of the analysis.

1 Terms of Reference

The Jersey Corporate Services Scrutiny Panel (the Panel) has agreed to undertake a review of matters relating specifically to **population and migration**. Dr Peter Boden of Edge Analytics Ltd (see Appendix) has been asked to assist the review, providing:

- Specialist demographic expertise to assist the Panel in assessing the evidence presented to it
- Advice on further research the Panel might undertake to develop a broad understanding of the issues involved.

The specific terms of reference provided to Edge Analytics are as follows:

1. To consider the results of the 2011 Census, with reference to previous estimates of Jersey's population
2. To consider the implications of the 2011 Census results for the Population Policy of the Council of Ministers
3. To examine the measures proposed by the Council of Ministers in the new Strategic Plan in relation to population and migration matters, with particular reference to population targets and net inward migration limits
4. To assess whether accepted recommendations made in Population Policy (SR3/2009) have been implemented and to consider whether rejected recommendations should be revisited by the Executive
5. To assess whether accepted recommendations made in Migration: Control of Housing and Work (SR9/2011) have been implemented and to consider whether rejected recommendations should be revisited by the Executive
6. To review subordinate legislation arising from the Control of Housing and Work (Jersey) Law and the Register of Names and Addresses (Jersey) Law, with particular reference to:
 - a) The 2011 Census results
 - b) Whether any changes have arisen since States approval of the primary legislation
7. To consider the role and effectiveness of the Chief Minister's Department in overseeing the delivery and management of migration control mechanisms

2 Jersey 2011 Census & Population estimates

2.1 Review Method

This initial phase of the Population and Migration Review has included the analysis of a number of documents (referenced in section 3) plus discussions with Duncan Gibaut, the Head of Jersey's Statistics Unit. The focus has been on the results of the 2011 Census, their relationship with previous year-end population estimates plus some additional comments on the implications for population measurement and control.

2.2 Context

Population 'control' remains an important concept in Jersey. Restrictions on jobs growth through the Regulation of Undertakings and limits on access to accommodation through strict rules on residency qualifications have been the mechanisms by which this control has been implemented. Previous strategic policy statements have identified 'preferred' levels of future population growth, setting targets for annual net inward migration; putting faith in the control mechanisms to ensure these targets are met.

The desire for greater control over growth has increased as the levels of inter-country migration has reached unprecedented levels following the expansion of the European Union in 2004 (Accession 8 countries) and further in 2006 (Bulgaria and Romania). Since 2004, historical migration streams into Jersey have been supplemented with migrants from new destinations. And as the global recession has hit most countries, Jersey's relative affluence has not only continued to attract new economic migrants but has reduced levels of outward migration.

Robust measurement of Jersey's 'resident' population is problematic. With ten years between successive censuses, population estimation is a necessity, with the accuracy of this process diminishing as the time elapsed since the last census increases. Jersey is a relatively small community but, in the absence of a real-time population 'register' and with migration such a key driver of demographic change, definitive enumeration of the population is difficult.

(Note: A similar situation exists in the UK; since 2001, the Office for National Statistics (ONS) has twice revised its mid-year population estimation methodology. The latest revision, in November 2011, introduced a radically different approach to the estimation of international migration, resulting in significant changes to the 2006-2010 population estimates for all local authorities in England and Wales).

2.3 Jersey 2011 Census

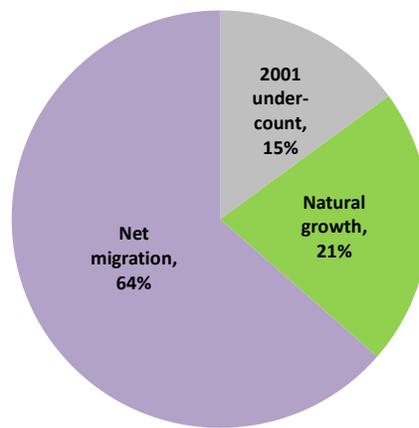
Jersey's 2011 Census was managed and delivered entirely by the Statistics Unit. The in-house approach (with guidance from ONS) has enabled much greater control over the Census process, particularly the processing and validation of census returns and the important follow-up of non-responding households. The local quality assurance processes have improved the quality of census data compared to 2001, when processing was undertaken off-island. In 2001, the Census undercount was originally estimated at 1% of the population (840 people). More recent evidence has revised this undercount to 2%, approximately 1,600 people. In 2011, the undercount has been limited to just 158 households, 0.5% of Jersey's total.

Following 10 years of significant demographic change, the 2011 Census has produced a 'surprising' result, with the resident population counted at 97,857, higher than anticipated given the latest (2009) year-end estimate of 92,5002 and 10,700 higher than the 2001 figure.

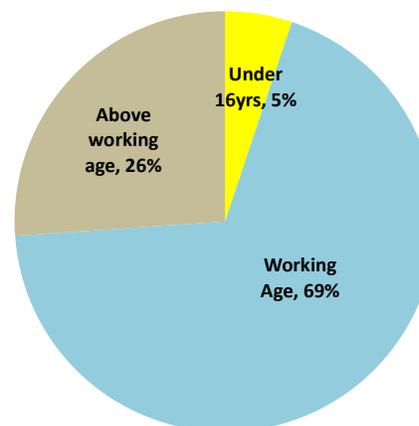
What does the 10,700 tell us about Jersey's changing population? The difference can be attributed to three components: the 2001 undercount, natural growth (the excess of births over deaths) and net migration⁴.

Net migration is the dominant driver of growth in Jersey, with a secondary impact upon birth rates due to the relatively youthful profile of migrants.

In terms of the impact of the 10,700 inter-censal change upon the age-profile of Jersey's population, the increase in the size of the labour-force ages accounts for 69% of the change. Significant 'ageing' of the population has occurred since 2001 but the dependency ratio (the relationship between those outside the workforce to those of working age) has been maintained due to the impact of net inward migration of adults to workforce ages.



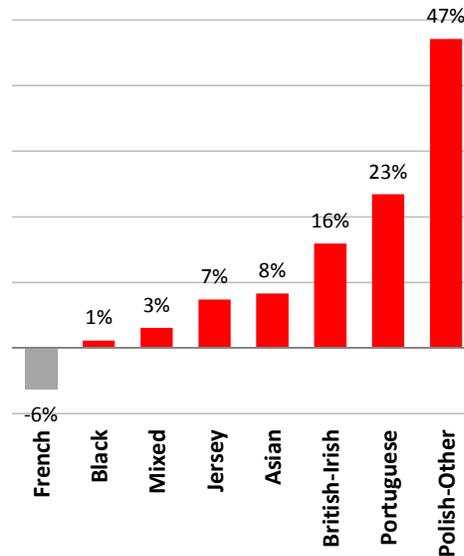
Inter-censal change - components



Inter-censal change – age-group differences

Statistics on self-reported ethnicity suggest that, although the dominant ethnic groups remain 'Jersey' and 'British', the 10,700 inter-censal change highlighting increasing ethnic diversity⁵.

In particular, the established Portuguese community has continued to develop, whilst those classifying themselves as Polish or 'white-Other' make up almost 50% of the differences between the 2001 and 2011 population.



Inter-censal change – ethnicity differences

In summary, the 2011 Jersey Census has been conducted in a robust and efficient manner. Its results suggest considerable demographic change since 2001, taking the form of:

- Continuous population growth driven by net inward migration
- An ageing population supported by maintenance of the labour force ages through migration
- Increasing ethnic diversity

Net migration is the dominant driver of Jersey's growth, yet it is the component of demographic change that is most difficult to measure – as evidenced by the difference between the census results and the most recent year-end population estimate.

2.4 Year-end estimates

The 2011 Census has counted a resident population that is 'higher than expected' given recent year-end estimates. With censuses being 10 years apart the 'recalibration' of inter-censal estimates and the associated methodology used to calculate them, is a key component of post-Census analysis (this is consistent with the ONS approach). The Jersey Statistics Unit will be completing this task during 2012.

The methodology used to produce successive year-end estimates is detailed in a Statistics Unit publication¹. The following analysis has been produced following review of this document and following discussion with the Head of Jersey's Statistics Unit.

In summary, a year-end population estimate is produced by taking account of the number of births and deaths that have occurred in the preceding 12 months, plus the 'net' impact of migration (inward less outward) over the same period. Birth and death statistics are routinely and accurately recorded in vital statistics registers. The greatest barrier to the production of an accurate population estimate is the quality of data available on inward and outward migration flows.

There is no single source of data on migration to and from Jersey. A number of different sources are required to piece together Jersey's annual migration history:

- Pre-school children (Department of Health & Social Services)
- School-age children (Department of Education Sport & Culture)
- Economically active adults (Manpower Survey)
- Non-economically active adults (2001 Census)

The DHSS and DESC sources are administrative datasets and therefore provide timely and accurate statistics on Jersey children, including inward and outward migrants.

The Manpower Survey is a 6-monthly census, recording the total number of locally-qualified (LQ) and non-locally qualified (NQ) employees present in all public and private sector organisations. It is a robust and comprehensive survey but it is not designed to directly capture 'migrants', either inward or outward. Annual migration totals are estimated by comparing the 'change' in employee numbers between successive Manpower Surveys. An important issue with this calculation is that it does not provide an indication of the number of workers who have made the transition from NQ to LQ during the year – an important element of migration statistics. This transition assumption has been derived (modelled) from other census/survey information. It is now apparent that this assumption is out-of-date and is inconsistent with the level and pattern of migration to and from Jersey; it is the main reason for the discrepancy between the census result and the most recent year-end population estimate. There are two key factors driving the change in this rate of NQ-LQ transition:

- A higher level of inward migration since 2006
- More people 'staying', resulting in lower outward migration

Jersey has become a more attractive destination due to the existence of established 'migrant' communities and due to the relative buoyancy of the Jersey economy. At the same time, its economic attractiveness will have contributed to lower levels of outward (return) migration.

The final component of the migrant 'count' is the non-economically adults. Neither administrative sources nor the Manpower Survey capture data on this sub-population, so 2001 Census information has been used to 'attach' additional migrants to the children and economically active migrants recorded elsewhere. Because of the NQ-LQ transition issue identified above, any undercount in the Manpower Survey migrant estimates will be reflected in this calculation of non-economically active migrants. This has also contributed to the discrepancy between the Census and the year-end population estimates. The 2011 Census will provide an important update on the assumptions used to estimate the size and profile of these non-economically active migrants relative to the other sub-groups.

The Jersey Statistics Unit is fully aware of each of the issues discussed above and will be developing a revised population estimation methodology that takes account of changing migration dynamics and makes full use of updated Census evidence³. With Census undercount now a relatively minor issue and with annual birth and death statistics accurately recorded, the 'quality' of future population estimates will be determined by how well migration histories can be drawn together and estimated from the variety of administrative, census and survey sources available.

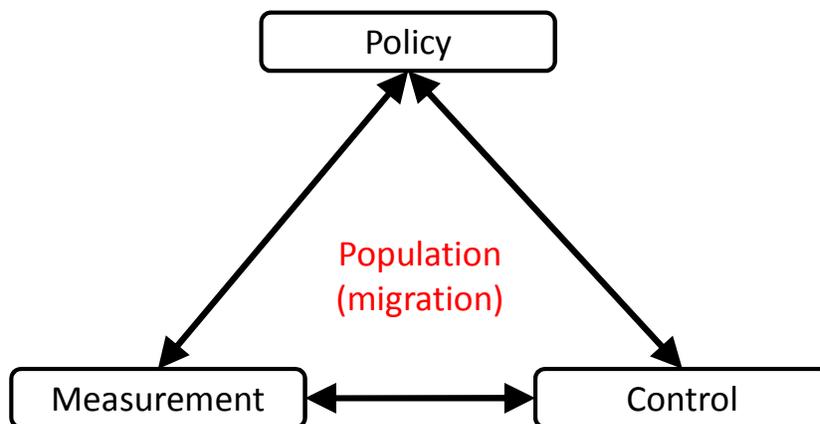
2.5 Control mechanisms

There has often been some confusion between migration 'measurement' and migration 'control'. Migration measurement and population estimation are the responsibility of the Jersey Statistics Unit, using the variety of data sources and methodologies it has at its disposal. Migration control, as the key component of Population (Migration) Policy, is the responsibility of the States Population Office. In summary, the mechanism of control takes the following form:

In order to control the number of jobs available in Jersey, and therefore to control the growth of the population, the States of Jersey has established the Regulation of Undertakings and Development (Jersey) Law 1973. Under this Law, no person shall commence a new undertaking or increase the number of persons engaged in an undertaking, unless a licence has been granted to do so by the Minister for Economic Development. An organisation typically has a three-year joint staffing licence, to include a specified number of staff who can be engaged, some of whom may be NQ. An employer is free to manage staff numbers within the terms of the licence and is free to apply for additional staff at any time. Prior to the expiry of a licence, staffing requirements are reviewed and a new staffing licence may be issued.

Jersey's most recent Strategic Plan (2009-2014) identified an imperative for, 'A clear maximum target for inward migration – along with a robust method of managing long-term population levels – (to) enable effective forecasting and planning to strike a balance between protecting our environment and economic necessity'. Population Policy has sought to maintain the level of the working age population in the Island, to ensure the total population does not exceed 100k and to maintain net inward migration at 150-200 households per annum (approximately 325-430 people) over the long-term^{8,9}.

Given the latest census *measurement* of population and migration, it is uncertain how effective the control mechanisms have been in meeting the policy guidelines; migration targets have been exceeded during the Strategic Plan period. Shortcomings in the population estimation methodology are not the reason for any failure to meet policy guidelines as the 'control' element resides within the Regulation of Undertakings. It is not clear whether this has been or can be used as an effective lever for population (migration) control in Jersey.



Whilst statistics on population and migration are routinely published by the Statistics Office, it would be useful to compare these data with NQ/LQ licences that have been allocated in line with Regulation of Undertakings legislation. This would provide a useful indicator of how effectively the control mechanism is being used to achieve the policy objective.

2.6 Summary comments

The 2011 Census, conducted in a robust, timely and cost-efficient manner, is an important statistical landmark for Jersey. It provides an updated profile of the Island's population following a decade of unprecedented demographic change. It also provides an opportunity for previous population estimates and methodologies to be reviewed, providing the basis for future annual statistical releases.

The age and ethnicity profile of the Island is changing. Established migrant communities have expanded and new migrant communities have developed since EU expansion in 2004. Jersey remains an attractive economic destination and updates to the rules on residential qualification have led to important changes in migration dynamics; increased inward migration and reduced outward migration. Whilst the size of the labour force is expanding, the elderly population is also growing. The movement of the large 40-55 year-old cohorts into retirement age will accentuate the latter over the next 25 years.

Given the nature of demographic growth over the last 5-years, updated population projections with a 25-year time horizon, are likely to show continuous growth, as they are typically based on a continuation of the most recent trends (in migration) and will incorporate the unavoidable consequences of population ageing.

Net migration will remain the dominant driver of Jersey's population growth and, in the absence of a fully-functioning Population Register, will remain the most difficult component to measure accurately. EU migrants have freedom of movement to and from Jersey; those from outside the EU are subject to visa restrictions. The Regulation of Undertakings legislation is designed to 'control' net inward migration through the job licencing process, in theory for all types of migrants. In practice it appears that the control mechanism, either by default or by design has not met previously-defined policy targets. This has implications for any revisions to the Population Policy, the identification of specific 'targets' for growth and to the way in which more regular 'reporting' against policy targets is presented.

3 Scrutiny Panel Review Meetings – 16th March 2012

The following series of comments follow the Scrutiny Panel review meetings that took place on Friday 16th March and include reading of the transcripts of those meetings – including those at which I was not in attendance.

1. There is important work to be done on the review of the methodology for producing population estimates for 2012 onwards. It is important that Jersey has a more accurate annual estimate going forward (as the new Population Register develops).
2. People continue to refer to the 92.5K population in 2009. This is misleading as it excludes the 2001 undercount (of approximately 1.6k). It would be more appropriate to refer to the 2009 population, including the undercount (94.1k).
3. There is also work to be done on new population ‘projections’, but don’t be surprised that a new ‘trend’ projection will suggest continued growth at approximately 7-8k over the next ten years (based upon a relatively crude calculation of what would happen if the trends of the last five years are to continue).
4. There was an important recognition from the Minister for Economic Development that existing ‘systems’ have made population/migration ‘control’ difficult, if not impossible. No enforcement has been applied to attempt to achieve previous targets for population growth and inward migration. Targets have been set, yet regularly exceeded.
5. The Minister also made it clear that the ‘new’ mechanisms to be introduced to control/employment/housing would be more effective and population/migration control would be possible.
6. I believe that setting explicit population/migration targets is unwise given that they are almost inevitably not going to be met. Future debate on the value of the targets is likely to ensure that they are relatively ‘low’, making it even more unlikely that they can be achieved. Targets should only be set if there is confidence that they can be achieved through appropriate control mechanisms. Better to have an appropriate policy for employment/housing control which is designed to ‘limit’ growth, without the additional target on population/migration.

7. Implementation of the Population Register has been identified as a key component of the 'monitoring' of future population/migration policy. The precise timetable for development of the Register remains unclear and an indication of what point it is likely to be a 'live' and 'accurate' count of the resident population. Existing methods will be relied upon until it is fully functioning, which is unlikely to be until the end of 2013/early 2014 following reconciliation against other sources and following a successful trial run of its operation as a 'live' population register?
8. There is clearly a lot of background work that is going on towards the development of the Population Register, integrating various administrative datasets and ultimately adding an up-to-date record of all employees from the employer survey later in the year. The development of the Population Register is the responsibility of the Population Office. Is this activity deliberately being kept apart from the activities of the Statistics Unit? Would it not make more sense for the Statistics Unit to be a more active part of the development of the Register – a key demographic resource for Jersey?
9. There seemed to a little confusion over future responsibility for the Population Office and the management and use of the new mechanisms, including the register. It would be wise to establish who is responsible for the publication of Jersey's demographic statistics in the future; will it be the Statistics Unit or the Population Office. I think, in the short-to-medium term there may be two sets of population statistics available, depending upon which source is used. This would create unnecessary uncertainty and debate. It would be advisable to use the Statistics Unit as the definitive source of all demographic information until there is complete confidence in the accuracy of the Register as a definitive count of the population.
10. There was some good discussion with the Chair of the Chamber of Commerce and he made useful comments on the need to enforce regulations if they are to have an effect, plus the fact it may be too simplistic to expect (new) mechanisms to be able to 'control' population and inward migration. He pointed out that Jersey's economy will continue to remain attractive, relative to other countries, and therefore will continue to attract growth through inward migration. Importantly, he identified the importance of 'housing availability' as a limit on growth, possibly without the explicit identification of population/migration totals.

4 Scrutiny Panel Review Meetings – 23rd March 2012

The following comments result from reading of the Scrutiny Panel's discussion with the Chief Minister on 23rd March 2012.

11. It appears that there remains a determination to establish some form of policy on future population/migration. Whilst the new control mechanisms should be given chance to establish themselves and for their effectiveness to be monitored, I still maintain that setting a population limit is likely to fail. The Chief Minister referred to the new control mechanisms as a 'tap that can be turned on or off' – better to refer to it as a system for 'regulating'.
12. Failure to meet a population target is likely because:
 - a. Following what is likely to be extensive consultation, the target will be set at a low level
 - b. The population is ageing and even without net inward migration, population growth over the next ten years is likely to be considerable
13. A range of alternative forecasts of future population growth will be important evidence for evaluating what the likely growth in population might be. These will include:
 - a. Trend projection (continuation of the last five years)
 - b. Net-nil migration (net migration of zero but natural change)
 - c. Policy forecasts (growth constrained to fixed job or housing totals)

For scenario 'a', it is clear that if the growth of the last five years is continued, then population is likely to increase by 6-8k over 10 years.

Scenario 'b' will be important to establish the effect of population growth without any impact of migration. This has important implications upon the age-profile of the population.

Scenario 'c' might take a number of forms, but any 'constraints' that are placed on jobs or housing need to be reflected in the resulting age-profile of the population. Controlling the size of the labour force, accelerates the growth in the dependency ratio.

14. With regard to controlling jobs, there must be a large number of gardeners, housekeepers, cleaners etc. who operate in an unlicensed manner in Jersey? Presumably, the impact of greater integration of administrative data sources could result in significant disruption of this component of the economy, due to greater scrutiny of contact with various States systems?

15. The timing of the development of the population register is clearly an important issue. 'Emigration' is a very important component, difficult to measure within an administrative system that doesn't require de-registration. Administrative registers tend to suffer from list 'inflation' as a result, so this will need to be considered as the population totals from the register become the basis of Jersey's definitive count of the resident population.

5 Reference Documents

The following documents have been considered during the review process:

1. Statistics Unit: Methodology to produce an annual estimate of Jersey's resident population
2. Statistics Unit: Jersey's Resident Population 2009
3. Council of Ministers Report: Measurement of Jersey's Resident Population (9th February 2012)
4. Jersey Census 2011 Bulletin 1: Total Population
5. Jersey Census 2011 Bulletin 2: Place of birth, ethnicity, length of residency, marital status
6. Jersey Census 2011 Bulletin 3: Households and housing
7. Jersey Census 2011 Bulletin 4: Employment
8. Jersey Strategic Plan, Section 5: Promote sustainable population levels
9. Migration Policy (tbc)

6 Appendix – Edge Analytics

Edge Analytics provides expertise in geographical modelling and research with a specialism in demographic analysis and population forecasting. This expertise is based upon 20 years’ experience in the application of modelling methods to support investment, planning and policy development in the public and private sector, both in the UK and internationally.

Edge Analytics is contracted by the Local Government Association (LGA) to support and develop the POPGROUP suite of demographic forecasting models used by local planners across the UK.

Edge Analytics’ projects typically provide the evidence base on which the ‘demand’ for local services (housing, education, health care, transport infrastructure etc.) is to be planned and provided. Local authority projects completed during 2010-2012 include the following:

<i>Buckinghamshire Council</i>	<i>Manchester City Council</i>
<i>Calderdale Council</i>	<i>North Northamptonshire Council</i>
<i>Cardiff Council</i>	<i>North Yorkshire Councils</i>
<i>Carmarthenshire Council</i>	<i>Nottinghamshire County & Nottingham City Councils</i>
<i>Cornwall Council</i>	<i>Purbeck District Council</i>
<i>Craven Council</i>	<i>Richmondshire Council</i>
<i>Derby City and Derbyshire County Councils</i>	<i>South Gloucestershire Council</i>
<i>Greater Essex councils (24 in total)</i>	<i>South West Councils</i>
<i>Herefordshire Council</i>	<i>West Northamptonshire Council</i>
<i>Leeds City Council</i>	<i>Wiltshire Council</i>
<i>Lincolnshire Councils</i>	<i>RB Windsor & Maidenhead</i>
<i>Liverpool City Council</i>	<i>Worcestershire Councils</i>

Dr Peter Boden is Director of Edge Analytics Ltd and a Visiting Research Fellow at the Centre for Spatial Analysis and Policy, University of Leeds. Peter is a specialist in demographic forecasting. Peter’s recent research focus has been the evaluation and improvement of estimates of immigration to local area in the UK. He has been a member of ONS’ Expert Panel on migration statistics improvement. Peter is a former Director of GMAP Ltd, having spent 15 years delivering bespoke geographical modelling solutions to a range of businesses that included WHSmiths, Asda, Ford Motor Company, Esso, BP, NS&I and HBOS. In the provision of specialist services in demographic analysis, estimation and forecasting, Peter continues to work with a range of public and private sector organisations in the UK and has extensive experience in the application of a range of research and analytical methods.