



## Corporate Services Scrutiny Panel

### Population and Migration

## Witness: Jersey Chamber of Commerce

Friday, 5th July 2019

**Panel:**

Senator K.L. Moore (Chairman)

Deputy S.M. Ahier of St. Helier (Vice-Chairman)

Deputy J.H. Perchard of St. Saviour

Connétable K. Shenton-Stone of St. Martin

Connétable R. Vibert of St. Peter

**Witnesses:**

Mr. M. Norton, Chief Executive Officer, Jersey Chamber of Commerce

Ms. J. Carnegie, President, Jersey Chamber of Commerce

[15:00]

**Deputy J.H. Perchard of St. Saviour:**

Thank you so much for coming in to talk to us this afternoon. We really appreciate it. Before we start, I know you will be familiar with this but would you mind just confirming that you have read the witness notice, or take a moment to read it if you have not, and confirm that you are happy to proceed?

**Chief Executive Officer, Jersey Chamber of Commerce:**

Happy to proceed.

**Deputy J.H. Perchard:**

Lovely, thank you. We will just start with some introductions. I am Deputy Jess Perchard, a member of the Corporate Services Scrutiny Panel and leading on this particular review.

**Senator K.L. Moore (Chairman):**

I am Senator Kristina Moore and I am the chair of the panel.

**Connétable R. Vibert of St. Peter:**

Constable Richard Vibert, a member of the Corporate Services Scrutiny Panel.

**Connétable K. Shenton-Stone of St. Martin:**

Constable Karen Shenton-Stone, a member of the Corporate Services Scrutiny Panel.

**Deputy S.M. Ahier of St. Helier (Vice-Chairman):**

Deputy Steve Ahier, vice-chair.

**Chief Executive Officer, Jersey Chamber of Commerce:**

Murray Norton, Chief Executive Officer of the Jersey Chamber of Commerce.

**President, Jersey Chamber of Commerce:**

I am Jennifer Carnegie, the new President - and I emphasise "new President"; Murray is going to do most of the talking today - of the Chamber of Commerce.

**Scrutiny Officer:**

Simon Spottiswoode, Scrutiny Officer.

**Deputy J.H. Perchard:**

We will start by asking about the extent of your involvement, Murray, with working with the Immigration Policy Development Board.

**Chief Executive Officer, Jersey Chamber of Commerce:**

The Assistant Chief Minister, Constable Chris Taylor of St. John, put a notice out saying that they were looking for people to join that board as lay members outside of those in the political world and the Chamber felt that it would be extremely valuable to have a place on that board representing 550 business organisations. Just under half of the amount of people employed in the Island are employed by organisations who are members of Chamber. The Chamber, as I am sure you know, is the largest independent business organisation in the Island by a long way and if you are representing that breadth of employee workforce then it was really important that we had a say in the way that policy was being developed. My personal history is that I worked as an Assistant

Minister for Economic Development for 4 years previous to that. Part of my work in there was working on the Housing and Work Advisory Group, so I saw, for 3½ years at least, lots of businesses coming in having extreme difficulty in trying to manage expansion, profitability, in some cases staying out of bankruptcy, just by trying to attract a workforce or get permission to employ someone that they needed. There have been difficulties for a long time. I think, if you like, I had a special interest in it, so it was no surprise that Chamber volunteered that I should go and sit on that board. It sits, I think it is fortnightly. It is usually a 2 to 3-hour session. There is a year's worth of that and we are into session 8, I think.

**Senator K.L. Moore:**

May I just ask where you saw the notice advertising for members of the policy development board?

**Chief Executive Officer, Jersey Chamber of Commerce:**

It was an email that went out. I think we were in quite a bit of dialogue with Government as to what they were doing about migration and whether it came back to us or whether it ... if it wanted to. I think there were some conversations that I had had previously that I felt that the Housing and Work Advisory Group ... and I have made this known a couple of times. Perhaps just having political decision-making being made on the Housing and Work Advisory Group, perhaps that would benefit from one or 2 lay members. I had suggested to the Constable of St. John on a couple of occasions that perhaps he should consider one or 2 members from the business world or from business organisations that might have some input on housing and work and I think it would be a little bit more balanced.

**Deputy J.H. Perchard:**

Was Chamber invited and then you applied to be the person for Chamber or was a list of organisations invited and Chamber was selected from the list and then you were selected from within Chamber?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I think Chamber were invited along with others and from that I expressed an interest both internally to Chamber, to the Chamber board, that we should and they said: "Yes, we encourage you to do so." Then I wrote back to the Assistant Chief Minister and said Chamber would be interested and I would be interested in being considered. We were told that it would be the final decision of the Chief Minister as to who they brought on to that board and the terms of reference for that policy development were set before the lay members sat.

**Deputy J.H. Perchard:**

Senator, perhaps we will go to your questions now. It might make more sense than me carrying on.

**Senator K.L. Moore:**

Yes, of course. Do you believe that the composition of the board fairly represents the major industries in Jersey?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I think it is going to be difficult to do so unless you have a very, very large table. I do not mean to be obtuse by saying that but Chamber certainly represents virtually everything outside of the agricultural industry. It is not an industry that Chamber represents although it wants to. It has a few aquaculture and small agricultural industries within it but the agricultural industry, which is affected by migration to a greater extent, albeit one of our smaller industries now, is looked after very much by the National Farmers' Union, so I do not think that they particularly are represented, if I am really honest. Other than that, I think we represent quite a lot. The I.O.D. (Institute of Directors) is represented as well. John Shenton from the I.O.D. sits on that, so there is representation, if you like, from a more concentrated area at the director level.

**Senator K.L. Moore:**

If you had still been an Assistant Minister, would you have perhaps redesigned the format, if I may be so bold?

**Chief Executive Officer, Jersey Chamber of Commerce:**

The Minister for Social Security sits on it, which I think is absolutely right. I think someone from the Chief Minister's Department is absolutely right again. I do not see anyone from Housing there and I think that that is lacking because I think migration has a great deal to do with housing and so I think that Housing could be represented better. Then you have Back-Benchers there and I think ...

**Senator K.L. Moore:**

Remind us who the Back-Bencher is.

**Chief Executive Officer, Jersey Chamber of Commerce:**

We have got Rowland Huelin. Deputy Rowland Huelin is on there. Senator Sarah Ferguson also sits on there and, of course, we do have Deputy John Young as well who sits on there as a Minister.

**Senator K.L. Moore:**

Thank you for reminding me. The Chief Minister and the chair have both said that they cannot compromise on getting this policy right, cannot compromise on time. Would you agree with that? In other words, something so important cannot be rushed.

**Chief Executive Officer, Jersey Chamber of Commerce:**

I agree in the sense that it cannot be rushed to make a kneejerk reaction because it is a very long-term and extraordinarily complex issue. I have now spent the best part of 5 years looking into migration and the issues surrounding jobs and the more complicated it becomes because it is made up of so many different moving parts. That said, from a business perspective, businesses cannot afford to wait. There are businesses that we have spoken to this week, and I am sure Jennifer will add to this, that have said to us: "We are in crisis right now and if you are going to have to wait until 2021 we will be out of business by then because we cannot find people now, and if we cannot find people now, how are we supposed to exist for the next 1½ years until you have a policy that then plays out over the next 4 or 5 years?" Yes, the long term is what we are looking at here but there is also a short term and the short-term feedback that we are getting is that businesses are not getting the permissions or the licences that they were because of the overbearing pressure on population. Even if they do get permissions, they are still not being able to attract people for a variety of reasons, and I am sure we will talk about those, Brexit being one of them, housing being another, the drop in the value of the euro making it less attractive. At the same time, those traditional places that we would have gone to for migrants are staying home because their economies are the fastest growing economies in Europe. So there are lots of small reasons that are creating a perfect storm for business, which is making it very difficult at the moment.

**Senator K.L. Moore:**

The board has said that it is going to present findings and go out to consultation in the autumn of this year with a view to holding a debate in the States in quarter 1 of next year. Are you comfortable with that timetable in light of your comments?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I am comfortable with that happening. It has to be a States debate. I think it is going to take time to collate everything that we are looking at. We are into session 8 already, so it is 8 fortnightly meetings that we have had so far. We have been bombarded by stats, we have been bombarded by a real education, if you like, in what is happening in training, what is happening in social security, what people are allowed and not allowed to have. I thought I was pretty much across it and then you realise you are not because there is an awful lot of information out there. Then we have to try and find something that is suitable to housing, something that is suitable for our infrastructure in the Island and at the same time ensures that businesses stay afloat. What I am worried about is that between now and next March-April when the States have a debate, whatever is decided or acted upon then will not come in until well past this time next year and will not be felt in effect until 2021 when it feeds into the Island Plan. My concern is that we probably need to do some triage on business between now and 2021 and I think that is slightly more urgent.

**Senator K.L. Moore:**

Now that you are 8 meetings in, is there any other comments that you have to make about the board and the way it operates?

**Chief Executive Officer, Jersey Chamber of Commerce:**

That would possibly be very indiscreet of me because I think that the board is working reasonably well. It is early stages and obviously we have a long way to go. I think the frustration from business is we are doing an awful lot of talking while they are doing an awful lot of suffering.

**Senator K.L. Moore:**

Does it perhaps, in your view, represent a diverse cross-section of the community in business?

**Chief Executive Officer, Jersey Chamber of Commerce:**

We do not have much in business in there. We have Chamber and we represent right across the board and we have the I.O.D. representing the Institute of Directors and they mostly come from a professional services background. We have Dr. Michael Oliver and then the rest are politicians. Now, politicians vary, as I am sure you know, in their business experience, those that have and those that have not worked in particular sectors. It is difficult to say. I think that they have got an understanding of the more we have learnt the more we have realised how incredibly difficult it is to come up with a policy that is going to fit everybody.

**Senator K.L. Moore:**

Sorry, when I say "diversity", I mean general diversity within the community in terms of its membership as well as business.

**Chief Executive Officer, Jersey Chamber of Commerce:**

It has not occurred to me that it is not diverse and I think it would have been fairly obvious had it not been. I think it would have stood out fairly clearly to me. I think that it is generationally probably not as diverse as it could be and that concerns me. I count myself in that generation that is probably on the older side and I am looking around to hear the voice of somebody that perhaps is in their 20s or 30s, because I think that is really relevant. You get a lot of people talking about what young people want without being one of those young people, so I think that that is maybe a point that could be made.

**Deputy J.H. Perchard:**

Especially given that the greater weight of the financial pressure of the ageing population will be placed upon the younger cohort, it is probably appropriate to ensure that you seek those views.

Given that you do not have that representation on the board, how do you expect to obtain the voices of those who are younger?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I am looking to our chair and to those that are setting that agenda to ensure that it is on that agenda, and it should be on that agenda.

**Deputy J.H. Perchard:**

Thank you. With your other hat on now, how do you expect the policies put forward by the board to affect the businesses that you represent in Chamber?

**Chief Executive Officer, Jersey Chamber of Commerce:**

It is very difficult in the first place for Chamber to represent Chamber. Chamber represents the finance sector, the business and construction and development sector, retail, supply, transport, tourism, education, skills, I.T. (information technology). All of those different ... we have a committee for each one of those, made up with about 10 people on, all in business in those sectors. There are similarities but there are also marked differences in what they perceive to be the answer to migration and the perceived answer to them having a workforce for them. So the danger is that Chamber, and just speaking on behalf of Chamber, we have a real difficulty in representing all of those views. All we can do is give all of those views and hope that the board in total can represent them as best they can. There will be winners and losers. There are in everything and there will be some that will benefit more than others by whatever policy is decided upon, but one thing is certain that business is crucial to this Island. Without it we have nothing and so we have to support business while at the same time acknowledging that we cannot continue at a rate of population growth that we are at at the moment. It is harnessing and controlling population growth. I will not say you will stop population growth, because I do not think you can. I think it is inevitable that population will grow and the stats say that. Even if you use that magical number of 325, the 325 was designed in order that there was a viable workforce and a manageable slight increase in population. When you have that at 1,000 per year for the last 3 or 4 years then you are looking at a population of another 8 primary schools being built by 2030. That is worrying.

[15:15]

I think business recognises that but at the same time business wants to be able to stay viable and if it cannot find a workforce ... we have already had many instances of businesses saying: "We will have to close down part of our operation, close down one of our days of our week, not operate as much as we could." That is all bottom line that they are not going to make and if they are not viable they are not going to stay in business.

**Deputy J.H. Perchard:**

Have you had contact with your members regarding your involvement with the board?

**Chief Executive Officer, Jersey Chamber of Commerce:**

Yes.

**Deputy J.H. Perchard:**

How has that been received? Have you had any feedback or comments from members?

**Chief Executive Officer, Jersey Chamber of Commerce:**

You can pick up some of that. You have seen it in most of our committee meetings.

**President, Jersey Chamber of Commerce:**

Yes. Murray comes along to each of the committees and we actively talk about it and it is something that, certainly in a lot of those industries where I have spoken to the members, is hot on their agenda. They are really keen to know what is going on, so they are actively asking Murray and looking for updates and feedback all the time.

**Chief Executive Officer, Jersey Chamber of Commerce:**

What we have done since, because I have spoken to most of the committees and said the same thing to 6 or 7 committees, what we have now decided we will do is we will have a subcommittee of all of our committees, so we will have at least one person from every committee, from every sector, and they are joining me in a separate meeting so that we can keep on top of migration and what is happening so it can be fed back to every committee. It is just a network to be able to make sure the information gets up and down. If you have got 70 people on committees it is kind of difficult, so the idea really is that we have one from each sector. We had one meeting this morning which involved retail and transport and tourism, just looking at their issues and their particular concerns, I think would be the best way of putting it, and just understanding the stress they are under so that when I go into a board meeting I can better represent them. I feel like I am taking hundreds of businesses to that board table and that is what I want to be able to do.

**Deputy J.H. Perchard:**

How are you achieving a proportional representation of your businesses in that way?

**Chief Executive Officer, Jersey Chamber of Commerce:**

There is always a danger that the ones that shout loudest are the ones that you represent because they are the ones that give you the hardest time, but I think we very much acknowledge the



businesses we have. Some of those businesses do not have the same stresses and I think the best way to weight it is by the ones that really will be affected the most. I think it would be fair to say that the finance industry in particular has been extremely successful in recruitment, extremely successful in harnessing postgrads and has worked very, very hard and been very smart in doing so. There have been other industries that have been less successful in attracting new people into the industry and I think the hospitality industry is an obvious choice. Retail is probably another. Those industries are finding it very difficult to recruit, (1) because of the competition of other people and (2) because there is nobody available. We have the highest employment we have ever had, which is good news. We have got the lowest unemployment we have ever had, which is good news. The consequences are that there is not a pool of people out there and businesses, if I may say, are being kicked by all sides at the moment, and feel like they are, with some very well-meaning legislation. Family friendly is extraordinarily well-meaning legislation. The Chamber has, and will go on record as saying again, always been in support of good family friendly legislation. If there is nobody to replace somebody when they go on maternity leave, as an example, that leaves a business wide open at the same point where they are in some places paying 20 per cent retail tax, when there is an unfair playing field when it comes to G.S.T. (goods and services tax) de minimis. There are lots of things come into play for a business that will cost that business ... the cost of recruitment for somebody who may be on maternity for 2 months. It is well intended because it is family friendly legislation and it means it is all about the family, but it is the 4 or 5 families that are left at work who will have to absorb that and work extra hours. That is not particularly nice to have to say because you want to support the family and the child first, and I strongly believe in that, but if the business cannot exist because the well-meaning legislation is not practical in real terms, it is another cost to business. Recruitment is a cost. Legislation at any level, if the business is going to pay, is a cost and I am really concerned there is a lot of businesses that are on the brink.

**Deputy J.H. Perchard:**

How do you anticipate or how would you like to see the board take account of the voices of the agricultural industry, given that they are not represented by commerce?

**Chief Executive Officer, Jersey Chamber of Commerce:**

My understanding is that all sectors will get to consult in September. I know I have been saying this to all the sectors that are involved within Chamber, that they will all have an opportunity to sit at that table and to listen to what the board - and I include myself on that - have thought so far and what our direction of travel may be and to sound that out and have that sense checked by those industries. Some of those industries may go: "This is great" and some of those industries may say: "This is exactly where we should not go" and then the board will have to take a view from there.

**The Connétable of St. Peter:**

The businesses you represent have a varying reliance on workers migrating to Jersey. How should future migration policies in Jersey reflect this?

**Chief Executive Officer, Jersey Chamber of Commerce:**

If I knew that, Connétable, we would not need a policy board. I think it is going to be a very difficult juggling act because we have outside pressures. I am going to answer the question the best I can but I am going to highlight some of the difficulties first. Brexit, while it is something we try and almost avoid not saying because we are sick of hearing it, has an enormous impact on how a future workforce will be attracted to Jersey, depending on what happens, whether we have a day one no deal or we end up remaining by some miracle, which I doubt will happen. So you have the uncertainty of Brexit. You have the uncertainty of the euro, which has a real bearing on people's earnings, much more than a minimum wage will although that has a massive bearing, of course, on the employer who will end up paying it. You have got all of these difficulties that are outside of Jersey's control. One of the biggest issues - and you highlighted it recently, Jennifer - is housing. Even if we could find a workforce, and we are hearing it more than ever: "Even if I had all the licences I needed in the world, I still cannot find the workforce, and if I can find the workforce I am going to bring them to Jersey as migrant workers and where am I going to put them?" I heard this morning from a company that has land and has superb accommodation and wants to extend that accommodation and they are short of workers at the moment. They are a third down on what they need, mostly because they cannot accommodate, so they have put in a planning application and planning applications are planning applications and I know they have to go by the rules but there does not seem to be any joined-up when planning turns that down out of hand and they have now got to wait again and go again when they urgently need people now. They, of course, just see planning as part of government and see that government is not talking to each other and saying: "We have got a real problem. We need staff accommodation. How do we alleviate and get over that hurdle so that business can operate, so that it can pay tax, so it can have people here?" So housing is another issue. You cannot just solve migration just by bringing people in because you have got to find them, then you have got to house them, then you have got to know that we have got the infrastructure for them. The biggest problem with migration appears to be at the moment that every year roughly 700 people migrate from being on a 4-year to being on a 5-year and stop being registered to work and become entitled to work. Two-fifths of the people in the tourism industry moved from the tourism industry after 5 years into another sector, so that tells you that people are moving with the currency, the value of having an "entitled to work". One of the things that is being looked at - and it is nothing new because it was in the previous migration policy that never saw the light of day - is the issue, if you like, that slowing down or limiting that migration from 4 years to 5 years could be a way of calming down the overheating of our population, and certainly the major issue is the 700 migration every year. They are people who are already here but they stay and the stickability of people after 5 years ... they are young people, as you pointed out before, they are

people who are coming in as migrants and then they are staying and these people, rightly as anyone has a right to, are enjoying their lives and could well be having children, getting married, settling down. There is a stickability factor over the 5-year period, as the stats will show. Once they do so they become part of the Jersey population, which is wonderful because we have a very diverse and very vibrant population but we also have a population that is increasing beyond our control. We have to limit the population here, we have to still keep a big supply of workforce in here and hope that one does not affect the other and the maths of doing that does tend to point towards having some form of levers to control who can stay and how long. I think that is probably the best answer I can give you at the moment, because we are not even halfway through the policy board.

**The Connétable of St. Peter:**

What other aspects should be considered, such as productivity, in order to find alternatives to current levels of migration?

**Chief Executive Officer, Jersey Chamber of Commerce:**

Productivity?

**President, Jersey Chamber of Commerce:**

Yes, it has been talked about a lot this week. One of the things that I had not really considered that I heard from some of our members this week was that because they cannot get staff ... this particular organisation works in, as he described it, aquaculture, so they are working offshore in the sea, and he said: "We should have a workforce of 35. We have a workforce of 25 and what is happening is the morale of the 25 is getting lower and lower and lower", so the knock-on effect of not being able to get workforce is affecting productivity without doing anything else. I think that is something that needs to be borne in mind. There are some businesses ... I know Jersey Business, for instance, is doing quite a lot of work around productivity, but it is early days. I think there could be more done in that space. We did ask, we did have a conversation about learning and development and training and getting people ready. The chap who has the 25 instead of 35 said: "With the best will in the world, if you trained everybody in Jersey to do my job, nobody would take it." We do have a real problem with local people who are already on Island going into some of these industries and encouraging them to do so. They just do not want to.

**Chief Executive Officer, Jersey Chamber of Commerce:**

It is interesting. I had a conversation with the same gentleman and the same industry. He went to the Housing and Work Advisory Group and said: "Look, I need 35 people and I have got 25. I need some extra permissions." The first thing they said to him at the Housing and Work Advisory Group - and I do not criticise them particularly, they have a very difficult job to do - was: "We could give you some 9-month seasonals." "But I need to manage what I do in my operation 12 months of the year.

That is no good to me because in 9 months' time I am going to come back and say we are 9 months through a year and all of a sudden I have got to stop work now and what I grow is now going to die." That was a problem, so the next offer from the government team was: "We could offer you 28. Would 28 work for you?" He said: "Look, I know my business." The businesses know their business and this was said to me this morning by hoteliers. The businesses know their business and they know how many people. They are not going to employ more people than they need. No businessman is going to do that because it does not make sense. You are only going to employ the amount of people that you need, so they want to run their operations not at a surplus with an extra 10 people more than they need. They are going to run their business as leanly as they can, so I would suggest that Government, politicians, should listen to business a lot more in terms of exactly what they require. I think what we need to probably do, and it goes back to your question, Connétable, before, in terms of an operation is we need to find the ground zero. How many do we need to service the businesses we have now and probably engineer it from that way up and then say if that business needs 35, they need 35 because that is their operation, or do we want that business to close? It needs 35, let us work out how many we need and then let us work out whether they would like those people to stay for one year, 2 years, 3 years, 5 years, for ever, and engineer a policy up from what we need as opposed to having a policy and hope that it fits. It feels like we are measuring the shoes after we have bought them.

**Senator K.L. Moore:**

If we could just return to the point you were making about time-limited licences for people with skills to come and work for business in the Island. Could you just describe to me what you think business's reaction would be if they brought in highly skilled people, as we heard earlier from Jersey Finance, for example, that they only bring in people for the skills that they have to bring when there is a known lack of those particular skills in the Island and then said: "Well, you can come but only for 5 years"?

[15:30]

Would that business (a) be keen to give any further training to develop those skills and (b) what would the likelihood be of their ability to encourage highly skilled and motivated people to come to the Island in that scenario?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I think you will get good and bad from each business. I think one of the difficulties is attracting people widely. It is difficult enough to attract people to Jersey anyway and if you are going to then put a limitation on them and say: "We would like you to come to Jersey, possibly with your family, and we would like you to come and then after that we want you to pay some really, really high rents and then after we have done all of that we are going to kick you back out again in 4 years' time",

that might not be so attractive. On the other hand, I think you have to look at other jurisdictions: Australia has a points system; New Zealand does very similar. They limit their population by having a whole series of levers that mean that they can say: "We are really short of construction workers. We need more of those now. We are very short of ... we are very much ..." and having an array of levers that mean that you can do precise adjustments to your economy, whether the economy speeds up or slows down, that gives you a little bit more viability. Now, it is a little bit more complicated in Jersey because we do not have a great deal of land and we do not have a great deal of housing and we have a limited infrastructure to supply, but I think whether it is limited time work permits or it is some other form of levers, it is certainly something that needs to be looked at. One of the difficulties with work permits that we are hearing particularly from the hospitality industry is that it is very cumbersome and very unwieldy in terms of management. Most of the people who run these businesses do not have time to manage the business to the infinite degree and if you wanted Government to manage that then where is the team that is going to manage a work permit system an awful lot more than you may have had with a regulation of undertaking law that we used to have where you were given ... the businesses would say how many they wanted and they were applied for and if that is what the business needed ... you might need a combination of what was the regulation of undertaking law and some form of levers, maybe within certain sectors, maybe in all sectors. Guernsey has put a work permit system across the whole board. Despite some claims, my personal opinion is that it probably has not worked as well as they would have liked and they have been making adjustments to it since.

**President, Jersey Chamber of Commerce:**

I do not think we should be frightened of that, from my experience. I have lived and worked in a lot of different countries and senior executives do not go for ever. They go to somewhere to try it out for a period of time. A few of them will stay; most will move on because the people that are coming for these appointments are coming for the opportunity to experience something at a given point in their lives. They might be close to retirement and it is their last job. They will have kids in school. They do not want to come for ever. From my experience and having been in that situation and been an expat in lots of different countries and worked with lots of expats, as I would describe them, nobody stays in a job for 5 years anymore, very rarely, even in Jersey and some of the people that we are bringing in at senior level, so I would not be frightened of that. Would it discourage people from applying and coming over? I think the people that are coming will come anyway. I think having a 5-year time limit ... 5 years is such a long time in business and in somebody's career these days that I personally - and it is anecdotal but it is from my experience, which is considerable in the space of working with these kind of people - would not be frightened of it.

**Deputy J.H. Perchard:**

Thank you. That is really helpful.

**Deputy S.M. Ahier:**

If inward migration of over 1,000 people a year was to continue, what effect would this have on the way your members operate?

**Chief Executive Officer, Jersey Chamber of Commerce:**

It will affect them to the degree that I think we will continue with the overheating of our population, firstly, and I think that that will have effects on everyone. We do not have the housing stock, we do not have the school stock, we do not have the infrastructure to cope with a population of 125,000 right now. In order to do so, I think that it will prove very, very challenging for Jersey as a whole. For our individual members - would they be happy with 1,000 people coming per year or migration being limited to 250 - they would be happy with 1,000, clearly, because they would have more people to work within their businesses but I do not think all businesses work within the insular of themselves. I think they do look generally at the Island and the wellbeing of the Island as a whole. I know it has been said, and it was said recently in the States by the Assistant Chief Minister, that it is a balancing act. We have a balancing act to manage our population with the inevitability that it is likely to grow but at the same time we need to manage the expectations of businesses and the consumer. If the consumer does not have the products and the services that it requires ... I am sure we have all experienced trying to get an electrician or a plumber or a decorator. These are all viable services that we all need. If we have 125,000 people living in the Island, we are going to need a lot more plumbers and a lot more electricians, and we do not have enough now, so it just exacerbates the problem. I think that we need to be slightly more selective about the skills. We need to know the skills we require for the glorious life that we all have in this wonderful place and we need to examine what skills we need, which areas do we have shortages and those are the areas we should go after and have the levers to be able to dial them up and dial them down as we need them. Now, you may find some of that in the previous migration policy and you may find some of that in Australia's point system or New Zealand's or in other parts of the world, and I think what we need to do is look at the best bits from everywhere and take some of those.

**Deputy S.M. Ahier:**

What effect would the inward migration have on how the Government of Jersey support your industries?

**Chief Executive Officer, Jersey Chamber of Commerce:**

Sorry, just run that by me again.

**Deputy S.M. Ahier:**

Do you think that a level of 1,000 people per year coming into the Island would have an effect on the Government of Jersey supporting your industries? Would they take a different view of your industries?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I think the Government of Jersey are working very well with us at the moment. I think we have spent certainly the last year, in my experience, working closer with Government to get them to understand us and for us to understand them. I think there is a great deal of misunderstanding on both sides. There is a great deal of misunderstanding in business as to what politicians do, as to how you operate and - I do not mean this to sound patronising - the incredibly difficult job you have to do under the circumstances you have to do it. At the same point, I think that politicians sometimes do not understand what may seem like minor stresses on the outside but when you run a business and your livelihood is at stake and everything you have ever invested is in what you stand in and then you get hit with another cost or another rule or another regulation or another legislation, it can just feel like all you are doing is shelling out and standing there and wondering why you are investing. So I hope that there is a better understanding. One of the big roles that I was given 12 months ago was to ensure that there was a better understanding 2-way, from those making the legislation and from those with the effects of it, so that we both understood each other a lot better. I think Government are listening a lot better than they used to and I think they can only listen more. Business is crucial to Jersey. I cannot imagine Jersey without business, except it would be an extremely peaceful place.

**Deputy S.M. Ahier:**

Earlier you mentioned that businesses are not getting the licences and yet obviously our inward migration figures seem to be incredibly high. There seems to be a disconnect between the 2. Why do you think that is?

**Chief Executive Officer, Jersey Chamber of Commerce:**

I think this is something more recent, the last 6 to 8 months. The anecdotal information that I have got - and I have not got the figures in front of me for social security- was that over the last 4 years there were a great more licences given out than have been given out in the last 12 months. I think the effects that we are seeing of inward migration has happened over that time and I do not see it particularly slowing down. I just think that the amount of people being given licences has meant that some businesses are feeling the squeeze and are having to cope with that.

**The Connétable of St. Martin:**

The most recent migration policy for Jersey was presented to the States in December 2017 and you welcomed its withdrawal in July 2018. Why is that?

**Chief Executive Officer, Jersey Chamber of Commerce:**

Because it needed to be looked at in clarity. I think there were parts of our industries that looked at that and said: "We are not certain that this has been rigorously tested" and I think there was some concern there. I have got to say that that was right at the very, very beginning of my time at Chamber and so I would be speaking - and Jennifer would be as well - on behalf of a completely different set of people who were in Chamber at that time, but looking back at those records at the time, there was concern that the entire piece of work, as was felt by the people at that time, needed to be looked at and, if you will pardon the expression, the tyres needed to be kicked a little bit to make sure that it was suitable for business. But I think that the merits of that system, and there are many merits to that policy that was written at that time, are now being examined by the policy development board and looked at again. I think it does not take too much thinking to realise that if you want to limit or control population and the growth of population but at the same time supply business, there is only one way you can do that because otherwise people come and stay. There has to be a middle ground somewhere where you can allow people to come and go and other people to come and go but the top end population long term does not grow. That might mean if there is a series of skills searches, levers, permits, whatever you want to call it, from the beginning of that there might be an uplift in the amount of people working in the Island because if you think that there is a skills shortage now - and you have only got to look on the gov.je website to see how many vacancies there are, and it is in the hundreds - you realise that if we brought enough people over to fill all the vacancies that people are requiring right now, we are going to have an uplift, but if they do not all stay the long-term migration of 700 per year cumulative with the backfill coming in behind will mean that the population will be better managed over a 10-year period, which is where the problems start to look in the predictions from the Statistics Office. Sorry, Jennifer, I would like to give you a chance to talk here.

**President, Jersey Chamber of Commerce:**

Just a point that may or may not be relevant, I think when you have got businesses who are desperately dependent on bringing migrant workers at the lower end, they do not have an awful lot of levers. They do not have much to play with in terms of money. If they do not get the people they cannot grow, they cannot invest, the businesses go under, and they are all the industries that do not necessarily bring in the wealth to the Island but they do bring in the fact that people want to live here. What we do not want to be is somewhere like Hong Kong where you have got a financial centre and that is about it. You do not have anything else. If you lose your fisheries and your artisan little bakeries and what have you, it becomes a very different place to live. I think we could be doing more as an Island with the companies that do generate the wealth for the Island, who do have some spare cash. If you are bringing in senior people quite a lot, they could do more to bring local people into those positions. If you time limit the amount of time that those people get to spend here - 5, 6, 7 years, whatever it is - and then they have a responsibility and an obligation to train up local people



... I think there is a lot of lip service paid to that at the moment. I do not think people try particularly hard to do that because they seem to allow people to stay or to bring in other folks at that level. I think we have a responsibility to our local population to upskill them and not just constantly replace the top level by other people because our guys do not have the experience. I think we need to make more of making sure they get the experience and these bigger companies with some money have the wherewithal to send these people away to get experience, and I think we should be doing more in that space.

**Chief Executive Officer, Jersey Chamber of Commerce:**

I would agree and add to that. Having come out of a very long meeting this morning on this subject with the hospitality industry, they do feel - and tourism, as I am sure you will know from reading all of the publicity that Visit Jersey puts out - the value that they bring to Jersey in terms of connections, in terms of flights, in terms of way of life, the surplus of restaurants that we have here to go to that you do not get anywhere else ... and there is nowhere else in the world where there is over 200 restaurants for 9 miles by 5 and they are regularly well serviced. If you want all of the way of life that we have, it is not all about high earning and money. It has to be about more than that.

[15:45]

It is about people, it is about humans, it is about a way of life. There is a Jersey way of life and very often it gets mocked and it gets laughed at, but we have a value to life over here that is different to a lot of other places in the world and it is why people come. It is an attractiveness to the Island and there is a danger, as Jennifer said, that if we just focus on one area and go for low footprint, high worth value that we lose a little bit of the soul of Jersey. I think there is a real value in the soul and the care and the countryside and everything else that we have, so I think we have to be very careful. Chamber found it quite distressing when there was a report that was commissioned that looked at the income and expenditure, which looked at the value of people in terms of cold tax of what they paid. I think that it was bandied around very much that for a couple with one child they would have to earn £85,000 to be a positive contributor to the Island. Chamber wrote to the Chief Minister at the time and said that we were deeply distressed that that piece of work could be taken out of context. I think that it is a pretty unsavoury thing because there are people both in public and private sector in work who earn much less than that who are an extraordinarily valuable contribution to the Island, and it should be recognised and it was not recognised in that report. I think we have got to very, very careful when we talk about high and low earners and their value. There is a value at both ends and, as you said, I do not think any of us would really like to see us not have a sea fisheries industry or an agricultural industry or a hospitality industry. I look through the window and see sales of 60 per cent and I worry about our retail industry. These are all industries that need to be

supported, not just by migration but by an understanding that any legislation, however well-meaning it might be, that will impact on them being able to operate is going to be really, really challenging.

**Deputy J.H. Perchard:**

Thank you. We have reached the end of our time. I would like to thank you very much indeed for your contributions. It has been most valuable.

**Chief Executive Officer, Jersey Chamber of Commerce:**

I hope it has been useful.

**Deputy J.H. Perchard:**

It has. Thank you. I will close the meeting.

[15:47]