

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**COMMITTEE *FOR* HOME AFFAIRS**

AMENDMENTS TO POPULATION MANAGEMENT LAW

The States are asked to decide:-

Whether, after consideration of the Policy Letter of the Committee *for* Home Affairs entitled “Amendments to Population Management Law”, dated 23rd October 2017, they are of the opinion:-

1. To approve the removal of the requirement in the population management legislation that the Administrator of Population Management be satisfied, when granting an Open Market Employment Permit (Part B) or an Open Market Employment Permit (Part C) to a person who has previously been resident that –
  - a) The applicant took a recognised break in residence following the cessation of validity of the last Permit previously granted to him (if any), or in any other case,
  - b) The Permit will not permit the applicant to be resident for a continuous period (including residence before the grant of the Permit) exceeding five years.
2. To approve the giving of rights to holders of Short-Term Employment Permits (STEPS) under the population management legislation, who had an established 9 month on/three month off residence pattern as at 3rd April, 2017, to continue that pattern of residence as set out in paragraphs 1.6 and 4.17 of the policy letter.
3. To direct the preparation of such legislation as is necessary to give effect to their above decisions.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**COMMITTEE *FOR* HOME AFFAIRS**

AMENDMENTS TO POPULATION MANAGEMENT LAW

The Presiding Officer  
States of Guernsey  
Royal Court House  
St Peter Port

23<sup>rd</sup> October 2017

Dear Sir

**1      Executive Summary**

- 1.1      On 3<sup>rd</sup> April 2017 the Population Management (Guernsey) Law, 2016 (“the Law”) came into force to replace the Housing Control Law which had existed in various forms since 1948.
- 1.2      The Law has now been in place for a little over six months, which means that employers, individuals and government all have experience of what works well and what may need adjustment in the short-term. Any far-reaching changes will be picked up by the ongoing review being led by the Policy & Resources Committee and Committee *for* Home Affairs, as directed by the States in March 2017<sup>1</sup>.
- 1.3      The new Law was designed to be more flexible and responsive than its predecessor, the Housing (Control of Occupation) (Guernsey) Law, 1994 (“the Housing Control Law”). In support of these aims the independent Population Employment Advisory Panel (PEAP) was set up for the purpose of providing feedback and advice to the Committee *for* Home Affairs (“the Committee”) on employment-related policies and permits.
- 1.4      Whilst the majority of employers have had a positive experience of the new regime and are generally supportive of it, early feedback from the PEAP has

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<sup>1</sup> Billet d’État VII, 2017

highlighted that the new Law is one of a number of factors contributing to current recruitment and retention difficulties in some industries.

- 1.5 Having listened to the concerns raised by the PEAP and the Committee *for* Economic Development, and having considered the solutions proposed by the independent Panel, the Committee has already made changes to existing policies to assist the hospitality industry in the interim ahead of the wider legislative review. For example, it has agreed that those with “grandfather rights” living in properties inscribed in Parts B, C and D of the Open Market Housing Register may circulate around those Open Market dwellings, rather than having to remain resident in properties inscribed in only one Part of the Register.
- 1.6 In addition, the Committee is recommending the States make several amendments to the Law in order to support industries that are experiencing difficulties. Those amendments are as follows:
  - To remove the 5-year limit on residence in live-in staff accommodation inscribed in Parts B and C of the Open Market Housing Register (hotels and care homes)
  - To confer “grandfather rights” on short-term licence holders who had already commenced a residence pattern of 9 months here/3 months away prior to the commencement of the Law, so that they can continue to reside in Guernsey on that basis

## 2 **Background**

- 2.1 Controls on the occupation of housing in Guernsey were first introduced in 1948 in response to a shortage of suitable properties available for occupation by islanders returning after absences necessitated by the War, either on active service or because they had been evacuated.
- 2.2 Between 1948 and 2017 the Housing Control Law was subject to various reviews and amendments. In latter years, it was used as a tool to manage the population in accordance with the strategic objectives set by the States, although it was generally accepted that it was something of a “blunt instrument” when used for this purpose.
- 2.3 Consequently, when the 1994 Law was due for renewal (the Law had a life-span of ten years, renewable by Ordinance) it was agreed that a fundamental review should be carried out.
- 2.4 Following extensive consultation, in January 2012<sup>2</sup> the States approved the principles of a new regime primarily based not on housing control but on

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<sup>2</sup> Billet d’État I, 2012

population management. It was explained that *“the proposals ..... are aimed at influencing the size of the Island’s population over the medium to long term and are designed to be effective whether the States strategic population policy at any point in the future is for the population to rise, fall or to remain static.”*

- 2.5 Given that the Law is simply a tool that responds to the strategic policy direction, it is helpful to understand what that policy direction is at present.
- 2.6 In December 2015<sup>3</sup> the States agreed that *“... instead of absolute population numbers or migration levels, States Policies should be focused on ensuring that the Island’s population is of a size and make-up consistent with achieving the States’ strategic economic, social and environmental objectives.”*
- 2.7 In support of this, they also agreed a new Population Objective in the following terms:

*“That, as far as practicable, Guernsey’s population should, in the long-term, be kept to the lowest level possible to achieve ‘The Statement of Aims’ in this plan.”*

- 2.8 The “plan” referred to above was the States’ Strategic Plan (SSP), which has since been superseded by the Policy & Resource Plan<sup>4</sup>. Notwithstanding this, the Population Objective itself is clear and remains unchanged: long-term population growth should be modest and any long-term increase should be in support of achieving strategic outcomes.

### 3 Introduction

- 3.1 On 3<sup>rd</sup> April 2017 the Population Management (Guernsey) Law, 2016 (“the Law”) came into force to replace the Housing Control Law which had existed in various forms since 1948. The main difference between the systems is their primary drivers. The Housing Control Law focused on the occupation of local market housing in Guernsey, whereas the new Law is focused on managing the size and make-up of the population in accordance with the strategic direction of the States. Housing is a secondary, but nevertheless important, consideration.
- 3.2 During the development of the new Law, it was made clear that one of the objectives of the new regime had to be that both the Law and the supporting policies that sit beneath it were sufficiently flexible to be able to respond to changing economic, social and environmental demands at relatively short notice if required.

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<sup>3</sup> Billet d’État XXIV, 2015

<sup>4</sup> Billet d’État XII, 2017

- 3.3 Recognising that any changes to the regime would need to be supported by evidence from various sources, including industry representatives, a new independent consultative body, the Population Employment Advisory Panel (PEAP) was established to advise the Committee in respect of the policies that should apply to Employment Permits.
- 3.4 Prior to the commencement of the Law, for the first time industry representatives were involved, through the PEAP, in determining the type of Employment Permits that would be granted for different roles. This resulted in a number of posts in areas that traditionally experience recruitment difficulties – for example, but not limited to, care staff and some grades of nursing staff – being given access to Long Term Employment Permits (LTEPs) whereas previously they would have warranted only short-term housing licences.
- 3.5 The relationship with the PEAP has worked well during the early months of the new regime. Feedback has been received recently about recruitment and retention issues in some sectors, most notably the hospitality sector, which relies heavily on guest workers.
- 3.6 All parties accept that the new Law is only one of a number of factors influencing the recruitment and retention of guest workers. Other relevant issues include the UK's decision to exit the EU, which has caused uncertainty for EU citizens already in the UK and, by extension, Guernsey, as well as acting as a deterrent to those seeking work outside their home countries.
- 3.7 The devaluation of the pound against the Euro, also linked to Brexit, is a further significant factor, and the cost of travelling to and from the Island is also cited as a reason why EU job seekers are no longer keen to work in Guernsey.
- 3.8 Whilst some of these issues are largely beyond the control of the States, changes to the Law and to policies that sit beneath it are within the gift of the States.
- 3.9 It is reported that the new rules around Parts B and D of the Open Market (hotels and Houses in Multiple Occupation respectively) and Short-Term Employment Permits (STEPs) are exacerbating recruitment and retention difficulties in the hospitality sector. In particular, the need for existing employees to leave the Island after five years is reportedly problematic, as it is becoming increasingly difficult in current circumstances to replace them.
- 3.10 Some businesses are struggling to fill posts, to the extent that they are considering closure or curtailing services offered, which will have ramifications for the economy both directly and indirectly, as well as impacting on the quality of recreational facilities available to the community.

- 3.11 Perhaps unsurprisingly, there is a degree of tension between the States' desire to manage the population in the long-term and the need for businesses to be able to recruit and retain sufficient staff to ensure that the business remains viable and, in turn, supports the local economy. At present, credible feedback from industry suggests that the balance is not yet quite right. This is not unexpected in the early days of any new regime and, given that one of the advantages of the Population Management regime is its inherent flexibility, the Committee is pleased that it is now possible to demonstrate such flexibility to address the problems that have been reported.

#### **4 Specific issues**

- 4.1 The PEAP has reported the following issues with the new regime, as set out in its letter to the Committee *for* Home affairs, which is appended to this policy letter:

- The need for live-in staff in hotels and care homes to break residence after five years
- The need for residents in Part D Open Market accommodation to break residence after 5 years
- The maximum period of residence under a short-term permit being limited to 5 years

- 4.2 The Committee recognises the important contribution made by the hospitality sector to Guernsey's economy and believes it is appropriate to respond to these concerns in a meaningful way without compromising the underlying purpose of the Law. Therefore it has responded to each of these concerns as set out below.

##### The need for live-in staff in hotels and care homes to break residence after five years

- 4.3 There were concerns that the Housing Control Law allowed guest workers to accrue long periods of residence, to the extent that, despite the fact such residence was not qualifying residence (i.e. did not lead to permanent residence rights) they could end up making application to remain in Guernsey on human rights grounds.
- 4.4 Whilst not all such cases would succeed, the result of any successful applications on these grounds would be that people could end up staying in Guernsey, and thereby increasing long-term population numbers, without any consideration having been given to their contribution to the Island in economic and other ways, and also without any criminal records checks having been carried out at any point pre- or post-arrival.

- 4.5 Generally speaking, any claims of this nature tended to arise after lengthy periods of residence in a variety of circumstances – e.g. staff accommodation, lodging houses, co-habitation, etc. In reality, there are few individuals who have ended up staying in Guernsey permanently **solely** on the basis of residence in live-in staff accommodation. However, at the time of developing the new Law the perceived risks around the ability to accrue long periods of residence in the absence of any checks or assessments were sufficient to bring about the inclusion of provisions in the Law to force breaks in residence for various groups of people including live-in staff in hotels and care homes.
- 4.6 The new Law includes several mechanisms to address some of the perceived risks around long-term residence in staff accommodation. Guest workers seeking to live in such accommodation now undergo criminal records checks. The introduction of restrictions on the length of residence in Houses in Multiple Occupation (HMO's) on Part D of the Register also means that, unlike previously, there are limited options for persons wishing to leave staff accommodation who have no access to local market accommodation in their own right. This means that the ability for people to move around and accrue lengthy residence in a variety of circumstances is curtailed.
- 4.7 Owing to the other changes that have been made, removing the five-year limit on live-in staff in properties inscribed in Parts B and C of the Open Market Housing Register is not considered to pose significant risks in terms of the accrual of rights to access local market housing in the long-term, partly because few people wish to live in such circumstances for long periods. This change would enable live-in staff to remain within the relevant part of the Open Market, either B or C, without restriction on the length of residence.

The need for residents in Part D Open Market to break residence after five years

- 4.8 Under the Housing Control Law only the owner or principal tenant and his/her family could occupy a property inscribed on Part D of the Housing Register without needing a housing licence. All other occupants required licences and the period of residence was therefore dictated by the period of validity of their licences.
- 4.9 As there was no requirement for a householder, it was common for Part D properties – lodging houses, as they were then known – to be occupied by people on short-term housing licences. The maximum consecutive period of residence allowed under a short-term licence was three years. Therefore, long-term residence in a Part D property was not something generally permitted under the Housing Control Law, and so the situation has not changed materially.

- 4.10 However, there were many instances of groups of unrelated people taking advantage of a loophole in the Law to live together in a Part a Open Market property without affecting its Open Market inscription. The result was that they could remain in the property indefinitely if they so wished. It is really this latter group that is under discussion.
- 4.11 Between December 2011 and December 2014 the number of people living in such circumstances rose from 781 to 1,033, which prompted the States to take action to curtail the proliferation of long-term residents who were undergoing few, if any, assessments or checks and, unlike those in staff accommodation, were not necessarily in employment – and therefore economically active – at all.
- 4.12 This loophole was closed following the commencement of the new Law. All properties that remained occupied under such arrangements were transferred to Part D of the Housing Register. Groups of unrelated people can continue to reside in these properties without the need to be employed, but their residence is capped at five years.
- 4.13 In light of the decision to keep long-term population numbers no higher than needed to support the strategic aims of the Policy & Resource Plan, coupled with the need to focus on maintaining an appropriately-sized working population, the Committee is adamant that it would be wrong to reopen a route whereby individuals can live on the Island long-term without necessarily contributing anything in economic or other ways.
- 4.14 Consequently, it does not recommend that the five-year limit on residence in a Part D property is lifted, particularly as the new Law has not yet had time to bed in properly. Nevertheless, it hopes that if the States agree the relaxation of restrictions on residence in live-in staff accommodation, this will help to alleviate the recruitment and retention difficulties reported by hoteliers.

The maximum period of residence under a short-term permit being limited to five years

- 4.15 The maximum consecutive period of residence allowed under a short-term housing licence under the Housing Control Law was three years. Therefore, on the face of it, this was a change for the better. However, this is most likely a concern about residence under the 9m/3m pattern being capped at five years in total.
- 4.16 It was recognised at the time of creating the new Law and the transition provisions that the changes in the Law around STEPs would disrupt established residence patterns for some. This was a reaction to the perceived risk that the repeated pattern of 9m/3m in Guernsey and off-Island respectively ran the risk

of some guest workers building up cases to stay on human rights grounds, as the breaks in residence were not sufficient, particularly as in many cases breaks were treated almost as long vacations, with belongings being left in Guernsey and accommodation retained.

- 4.17 The Committee considers that it would not be desirable at this stage to reinstate the old system, particularly as the new Law is still in its infancy. Nevertheless, the Committee is sympathetic to employers who are experiencing difficulties and suggests a compromise in order to help them in the current situation. Therefore, it is recommended that those who had already established a 9m/3m residence pattern prior to 3rd April 2017 should be allowed to continue it with no cut-off point imposed, although it may be that there comes a time when the employer is no longer able to make a case for a Permit or decides that the 9m/3m residence pattern no longer suits the business. For the avoidance of doubt, the Committee considers that a “pattern” of such residence should be at least three repetitions of the 9m/3m sequence.
- 4.18 This concession would not apply to new residents, who would be able to repeat the pattern five times before reaching a break point. This allows a period of at least five years before the next cohort of short-term Permit holders need to break residence, during which time the wider review of the Law and policies will have been completed and any relevant changes implemented.

## **5 Conclusion**

- 5.1 There was a significant period of time between the new Law being first conceived in 2011 and its coming into force in 2017. In the interim period, unforeseeable events have occurred – most notably Brexit – that have changed the context within which the Law is operating. It is therefore not surprising that some fine-tuning would be helpful at this early stage.
- 5.2 It should, however, be borne in mind that many of the difficulties being experienced by employers in Guernsey are also being experienced in the UK by employers who are recruiting from the same European labour supply. Therefore the Law is not the sole cause of the situation and amendments will not necessarily provide the solution, although it is hoped they will help. Other actions, such as liaison with Skills Guernsey, will also need to take place to ensure that any problems are being addressed from as many angles as possible.
- 5.3 The uncertainties brought about by Brexit will ease as negotiations continue. In this respect the Prime Minister has pledged to confirm to EU citizens already in the UK that “... EU citizens living lawfully in the UK today will be able to stay.”

- 5.4 Given the fluid nature of the situation, the Committee is of the opinion that it would be unwise to make fundamental, far-reaching changes to the Law at this time. Rather, it considers that some smaller changes have the potential to help employers through current difficulties whilst simultaneously providing breathing space to allow a more detailed review of the Law and policies to be undertaken.

## **6 Propositions**

- 6.1 The States are asked to decide whether, after consideration of this policy letter, they are of the opinion:

1. To approve the removal of the requirement in the population management legislation that the Administrator of Population Management be satisfied, when granting an Open Market Employment Permit (Part B) or an Open Market Employment Permit (Part C) to a person who has previously been resident that –
  - c) The applicant took a recognised break in residence following the cessation of validity of the last Permit previously granted to him (if any), or in any other case,
  - d) The Permit will not permit the applicant to be resident for a continuous period (including residence before the grant of the Permit) exceeding five years.
2. To approve the giving of rights to holders of Short-Term Employment Permits (STEPS) under the population management legislation, who had an established 9 month on/three month off residence pattern as at 3rd April, 2017, to continue that pattern of residence as set out in paragraphs 1.6 and 4.17 of the policy letter.
3. To direct the preparation of such legislation as is necessary to give effect to their above decisions.

- 6.2 These Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

## **7 Committee support for Propositions**

- 7.1 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the Propositions above have the unanimous support of the Committee.

Yours faithfully

M M Lowe  
President

R H Graham  
Vice-President  
M P Leadbeater  
V S Oliver  
R G Prow

**Population  
Employment  
Advisory Panel**

**APPENDIX 1**

Population Employment Advisory Panel  
Population Management Office  
Sir Charles Frossard House  
+44 (0) 1481 715790  
population@gov.gg  
www.gov.gg/populationmanagement

Deputy Mary Lowe  
President  
The Committee for Home Affairs  
Sir Charles Frossard House  
La Charroterie  
St Peter Port  
GY1 1FH

29<sup>th</sup> September 2017

Dear Deputy Lowe

Although we are scheduled to meet on a six-monthly basis your committee kindly met with myself and Kenrick Brooks, the representative of the Hospitality Sector early in July. The reason for our request to meet with you and the Committee was to provide early notice of the growing difficulties the hospitality and service sectors were experiencing in recruiting off-Island staff at all levels, not the least those who fall into the STEP category of permit.

During the meeting you requested evidence of the difficulties to help inform any actions you may take.

Since that meeting, Kenrick has liaised extensively with the Industry which has resulting the enclosed signed on behalf of 88 hospitality businesses in Guernsey.

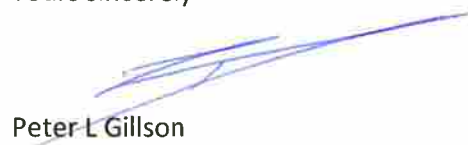
I will not repeat in this letter the contents of their letter, but the fact that 72% of the businesses are operating under capacity due to the staffing shortages is a very sobering statistic. I am sure you will appreciate that for reasons of business confidentiality the letter does not include specific details of the extent to which individual businesses are operating under capacity. For that reason, I suggest that Kenrick accompanies me to our next meeting so he can elaborate on some of the particular cases.

I appreciate that we are due to meet towards the end of October, but I thought it worth providing you with a copy of the letter at this stage to allow time should your Committee or staff wish to contact any of the businesses to discuss further their individual experiences.

Additionally, if the letter does raise questions please revert so that we may be able to address them in time for our October meeting.

Finally, at the request of some of the signatories, a copy will be provided to the Committee for Economic Development.

Yours sincerely



Peter L. Gillson  
Chairman, Population Employment Advisory Panel

 Cc President of the Committee for Economic Development.

**The 88 Hospitality Sector Businesses Operated by the Signatories (Letter to PEAP dated 25<sup>th</sup> September 2017)**

|                                |                              |                            |
|--------------------------------|------------------------------|----------------------------|
| Albion Tavern                  | Auberge Restaurant           | Auberge Du Val Country Inn |
| Barbados Nightclub             | Beaucette Marina Restaurant  | Beetons Chip Shop          |
| Bella Luce Hotel               | Captain's Hotel              | Cabriz Restaurant          |
| China Red Restaurant           | Christies Restaurant         | Cobo Bay Hotel             |
| Coco Mini Brasserie            | Crabby Jacques Restaurant    | Crow's Nest Brasserie      |
| Da Nello Restaurant            | Deerhound Inn                | Dix Neuf Brasserie         |
| Doghouse                       | Dower Cottage                | Duke of Normandie Hotel    |
| Duke of Richmond Hotel         | Fermain Tavern               | Fermain Valley Hotel       |
| Fleur Du Jardin Hotel          | Foresters Arms               | Golden Lion Craft Ale Pub  |
| Guernsey Pearl                 | Hampshire Lodge              | Harbour Lights             |
| Hotel De Havelet               | Hotel Jerbourg               | Houmet Tavern              |
| Imperial Hotel                 | Int'l Bartending School      | Island Coachways           |
| La Barbarie Hotel              | La Fontain Inn               | La Fregate Hotel           |
| La Grande Mare Hotel           | La Villette Hotel            | Laska Cocktail Bar         |
| Le Friquet Hotel               | Le Gouffre Café & Restaurant | Le Nautique Restaurant     |
| L'Eree Bay Hotel               | Le Petit Bistro              | Les Douvres Hotel          |
| Mirror Bar                     | London House Pub             | Longfrie Inn               |
| Moores Hotel                   | Mora Restaurant & Grill      | Octopus Restaurant & Bar   |
| Old Government House Hotel     | Pelican's Café @ Kings       | Petit Bot Tearooms         |
| Pier 17 Restaurant             | Prince of Wales Pub          | Queens Hotel               |
| Red Restaurant                 | Red Onion Bar & Eaterie      | Rockmount Restaurant & Bar |
| Rocquettes Hotel               | Rosso Restaurant             | Ship & Crown Pub           |
| Slaney Restaurant              | Slaughterhouse Bar & Eaterie | St Jacques Tavern          |
| St Pierre Park Hotel           | Suco Catering                | Tinto Restaurant           |
| The Boathouse Brasserie        | The Farmhouse Hotel          | The Jamaica Inn            |
| The Last Post Pub              | The Mariners Inn             | The Pony Inn               |
| The Red Lion Pub               | The Swan Inn                 | Thomas De La Rue Pub       |
| Urban Kitchen Eaterie & Lounge | Venture Inn                  | Villa Restaurant           |
| Wayside Cheer Hotel            | White D'Or Restaurant        | White Hart Pub             |
| Yacht Hotel                    |                              |                            |

25<sup>th</sup> September 2017

Mr Kenrick Brooks  
PEAP Tourism & Hospitality Representative  
Sir Charles Frossard House  
La Charroterie  
St Peter Port  
Guernsey  
GY1 1FH

Dear Kenrick

#### **Re Population Management Regime (PMR)**

The tourism and hospitality sector in Guernsey is currently facing significant and unprecedented challenges with regard to the recruitment and retention of staff, a situation which if left unchecked will have a significant long term negative effect on the sector:

- 52 hospitality establishments operated by the signatories of this letter, (that's 72% of respondents who provided data), have confirmed that they have been unable to run their business at full capacity over the summer due to an absence of staff and have therefore had to turn business away and or close for longer periods than is normal. This position is not economically viable particularly when you consider the "peak tourist season" is already relatively short and this situation will likely lead to business closures in the sector.
- At the end of August the total number of staff vacancies that the signatories to this letter had was 248, (data provided by 68 of the 88 businesses operated by the signatories to this letter). We cannot recall a time when the number of vacancies was at this level.
- Due to the deteriorating levels of staff continuity service standards are beginning to deteriorate. It is probable that as the situation worsens, which it will as current long serving employees are asked to leave Guernsey as they reach the "five year rule", the reputation of the hospitality sector will be irreparably damaged having a lasting negative effect on both the Tourism and Business Sectors of Guernsey PLC. You only need to look at the recent history of Condor Shipping to see the effects that a relatively short period of poor service can have in terms of long term reputational damage.
- A lack of availability of quality staff is having a further negative impact on the sector, with hospitality businesses seeing increased levels of both staff "poaching" and rapid staff movement between businesses for additional pay. Often employers are having to take the staff that are available, however confidentially it should be noted that a significant proportion of these staff would not have been employed in the tourism and hospitality sector in Guernsey two or three years ago, this is notably impacting on the overall product offering of the sector.

Whilst the industry acknowledges that Brexit and the FX rate are playing a part, there is no question in the opinion of the signatories to this letter that the recently introduced PMR in Guernsey is playing a significantly negative part and some early changes are required to the workings of the PMR. This belief is re-enforced when you compare the recruitment situation in Guernsey with that of our sister island Jersey, where recruitment whilst not without some difficulty is most definitely easier with a much better supply of migrant workers wishing to fill vacancies in that jurisdiction, when compared to Guernsey.

Prior to the introduction of the PMR a period of deep uncertainty was created, which triggered many migrant workers to make the decision to leave Guernsey. This was long before the more recent Brexit events, whilst not necessarily leaving at the point of decision, but rather when their current "Right to Work" expired or for that matter when a suitable vacancy arose in another jurisdiction.

Sector operators have lost the count of how many migrant workers have stated that they have are leaving because "Guernsey don't want foreign workers anymore". The introduction of the five year cap, which up until a few days before the PMR came into force, affected 9\3 Permit Workers was a significant factor, whilst corrected at the eleventh hour it is clear the damage had already been done.

All of the above has served to send a clear message to our main Eastern European labour sources, that Guernsey is closed for business and obtaining work permits is too difficult, frankly why would someone fight to get into Guernsey when there are plenty of other jurisdictions welcoming migrant workers with open arms.

Industry's view is that we need to react swiftly to mitigate this problem and the undersigned request that the following actions are implemented by the States of Guernsey as a matter of urgency:

- The "five year rule" is abolished giving migrant workers the opportunity to work in Guernsey for as long as they and their respective employer wish, subject to their position remaining an "in permit" job role. The PMR permit system is we believe fit for purpose and jobs and permit lengths should be controlled based on the needs of Guernsey PLC to maintain a workforce which is commensurate with business needs. So for example bar and waiting staff are current STEP permits and this would likely remain the case, but without the five times one year permit cap per individual employee. We believe that basic economics will suffice to control the length of stay for migrant workers, if there are jobs they will stay and work, if jobs diminish incumbents will move on to other jurisdictions seeking alternative employment. There is little evidence over the past 20 years that the Guernsey population has grown due to migrant workers remaining indefinitely and it is our view that the status quo will continue should the "five year rule" be abolished. This action will provide a significant opportunity for the tourism and hospitality sector to retain exemplary staff for the long term, establish continuity and properly address the issues outlined at the beginning of this letter.
- Implement a speeding up of the immigration process for non EU nationals, as it is clear to industry that we will need to recruit some additional labour from territories such as South Africa and the Philippines. Currently it can take anything from three to six months from a day one application to the new employee arriving in Guernsey. It isn't practical for a vacancy to remain open for that length of time, particularly in a transient industry, when outgoing incumbent notice periods are normally short by nature of the job role.
- At present there are issues with employees with grandfather rights not being able to transfer employment from Open Market D to Open Market B accommodation and they are effectively unable to move from one employer to another. The industry believe that if an employee has accrued grandfather rights, then it is reasonable that they are allowed to move employers should they wish to do so, presently if they cannot move and no longer want to work with their current employer then they have no alternative but to leave Guernsey and seek employment in an alternative jurisdiction. At a time when we are struggling to recruit new staff this current situation is most unhelpful to the hospitality industry and easy movement between Open Market B and D category accommodation should be introduced.

- A number of industry operators are reporting that the 3 day window to make applications for STEP permits is too short, particularly as this includes weekend days. We believe a calendar week (or five working days) would be a more appropriate time limit for STEP applications prior to surcharges being levied.
- The current PMR system does not allow for a simple employee change of address, from one staff house to another owned by the same company. Surely it follows that if the permit is granted for an individual to work for an employer's business, the employer can move them from one staff accommodation to another, just as they can move them to work in any premises that the company owns. The sector request that a simple change of address process under the above circumstances be introduced into the PMR system.

We have grave concerns that if the above issues are not corrected swiftly then the Hospitality sector is likely to contract over the short term, investment will be curtailed and Guernsey faces the real possibility of seeing some of its favourite hospitality venues closing for good. As an industry we are not only an important part of the tourism proposition of Guernsey, but the quality of the pubs, bars, restaurants and hotels significantly helps to underpin the finance sector, the relocation of both high net worth's and new businesses to Guernsey and local people have an enviable portfolio of places in which to eat and drink, probably second to none, all of which is currently at risk.






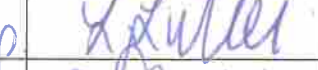
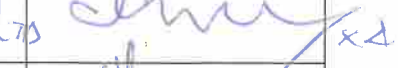









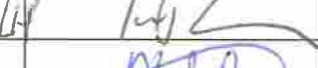







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Yours sincerely

| Name        | Position                                | Premises\Company | Signature   |
|-------------|---|------------------|-------------|
| A. HANDEEN  | General Manager                         | The Olet         | A. Handeen  |
| A. Delane   | Propriete                               | Captaini         | A. Delane   |
| A. COLEMAN  | M.D.                                    | LA BAKERIE       | A. Coleman  |
| J.A. WRIGHT | Propriete                               | LE FRIANET       | J.A. Wright |
| Mark R. G.  | President Club of House. Chamber Office |                  | Mark R. G.  |
| W.D. Pene   | Propriete                               | Quaver College   | W.D. Pene   |

| Name             | Position          | Premises\Company   | Signature   |
|------------------|-------------------|--------------------|---|
| C. LE MOORE      | OPS DIRECTOR      | SARMA HOTELS       |    |
| C. FESTIVO       | C.M.              | HOTEL DE HAULEST   |    |
| HANNAN BOSTON    | MANAGING DIRECTOR | KILNO GARDENS      |    |
| ALAN SILLET      | C.M.              | DUKE OF NORMANBY   |    |
| LUKE WHEADON     | M.D.              | BELLA LUCE LTD     |    |
| Korna Fulton     | G.M. S.S.         | Liberation Group   |    |
| IAN WALKER       | M.D.              | KINGS MILLS LTD    |    |
| RANDY LSON       | M.D.              | GUCRNSG PORE       |    |
| SHAWN MCGAHAN    | GM                | St Paul Park       |    |
| Paula Scambler   | Receptionist      | HOTEL DE HAULEST   |    |
| Norbert Stump    | G.M.              | Duke of Richmond   |   |
| BERTRAND DOUGLAS | GM.               | COCO               |  |
| KIM ASHLAND      | MANAGER<br>OWNER  | BEECHONS CAMP SHOT |  |
| Simon Valente    | M.D.              | La Grande Mare     |  |
| ANTONY GREEN     | owner             | Longfrie Inn       |  |
| IAN ROBERTS      | M.D.              | P.W. RANPAUL LTD   |  |
| Karina Hawkins   | owner             | Foresters Arms     |  |
| David Matheson   | owner             | Lesso/RTS/Kiwito   |  |
| Hannet Teixeira  | Director          | Danella Rest       |  |
| P. Crowley       | Director.         | Laska              |  |
| R. CHANDLER      | Director          | The Chichas Gars   |  |
| P.S. PURTILL     | GM                | Mooras Hotel       |  |
| Andee FORGERA    | M.D.              | MORA RESTAURANT    |  |
| Cyril DUNN       | DIRECTOR          | ALNION             |  |

[illegible]



Grandes Rocques, Castel, Guernsey, GY5 7FX Fax: 253074 Tel: 257290

FAO: Kenrick Brooks

Dear Kenrick

This is to confirm I am in agreement with the second draft of the proposed letter Re Population Management Regime.

It has certainly been a problem especially in the early part of the season to get to a full staff situation due to the reasons outlined in the letter and we had to run on reduced hours during May to July.

We had no vacancies at the end of August but were under staffed until the end of July.

There was a noticeable difference this year in EU staff looking for work here compared with previous years and I do think this was due to the new population Management Regulations and feel this will be worse next year if changes are not made.

If you need other information please do not hesitate to contact me.

My Mobile no is 07781 153295.

Yours faithfully,

Ken Smith

Proprietor (Wayside Cheer Hotel)

- A number of industry **operators** are reporting that the 3 day window to make applications for STEP permits is too short, particularly as this includes weekend days. We believe a calendar **week** (or five working days) would be a more appropriate time limit for STEP applications prior to surcharges being levied.
- The current PMR system does not allow for a simple employee change of address, from one staff house to another owned by the same company. Surely it follows that if the permit is granted for an individual to work for an employer's business, the employer can move them from one staff accommodation to another, just as they can move them to work in any premises that the company owns. The sector request that a simple change of address process under the **above** circumstances be introduced into the PMR system.

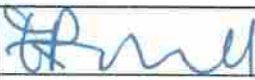
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Yours sincerely

| Name       | Position | Premises\Company             | Signature   |
|------------|----------|------------------------------|---|
| R. Mansell | Director | Petit St<br>Merlin Alice Ltd |  |
|            |          |                              |   |
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| Name       | Position | Premises\Company             | Signature   |

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Yours sincerely

| Name            | Position           | Premises\Company    | Signature         |
|-----------------|--------------------|---------------------|-------------------|
| SAVES<br>SPEERS | GENERAL<br>MANAGER | LE FRIQUET<br>HOTEL | <i>Tom Speers</i> |
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|------------|----------|-------------------|------------|
| Carl Jones | Manager  | La Villette Hotel | Carl Jones |
|            |          |                   |            |
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EMAIL AVAILABLE TO SUPPORT  
THIS SIGNATURE

 REAP.

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|---------------|----------|------------------|---------------|
| Seamus Duggan | Owner    | Pier 17 \ Slaney | Seamus Duggan |
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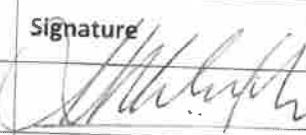
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|------------|-----------------|------------------|---|
| SIMON JURY | GENERAL MANAGER | LA FREGATE       |  |
|            |                 |                  |   |
|            |                 |                  |   |
|            |                 |                  |   |
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