



**IN THE STATES OF THE ISLAND OF GUERNSEY
ON THE 21ST OCTOBER, 2022**

**The States resolved as follows concerning Billet d'État No XVIII
dated 4th October, 2022**

COMMITTEE FOR HOME AFFAIRS

**POPULATION AND IMMIGRATION POLICY REVIEW
P.2022/81**

V. After consideration of the Policy Letter entitled 'Population & Immigration Policy Review', dated 5th September 2022:

1. To note the objective findings of the Review, and the evidence presented in sections 5 and 6 of this Policy Letter, that suggests an average net migration level of +300 per year over the next thirty years is required to sustain the Island's workforce at its 2020 level, and to agree that the economic competitiveness of the Island should be supported through the strategic population objective that:

"The States of Guernsey will assume, for the purpose of planning future infrastructure and service provision, that net migration will average up to +300 per year over the next thirty years. This assumption will support the capacity of the Island's workforce so that it remains a desirable and competitive jurisdiction, and will ensure that the Island can meet the needs of the economy with the necessary housing and infrastructure."

- 1A. That the Policy & Resources Committee shall coordinate an investigation into measures to optimise the economic participation of Guernsey's resident population and to increase, wherever possible, the productivity of the island's workforce. Such an investigation to involve other relevant committees and to include:

[i] Possible measures to encourage older islanders to continue to be economically active, or to increase the level of their economic activity, such measures to include, but not be limited to, fiscal/financial incentives.

[ii] Creating a work steam in the next iteration of the Government Work Plan aimed at increasing access to affordable childcare in order to promote greater economic participation by parents.

[iii] Consideration of what, if anything, the States could do to encourage the use of mechanisation, robotics, automation and artificial intelligence in order to improve the island's economic output as a factor of the size of its workforce.

[iiii] Consideration of what, if any, changes to the education [including adult education] and training provided in Guernsey might be desirable to achieve the outcomes referred to in this proposition.

Such an investigation to take fully into account, and dovetail with, the ongoing work being done by the committees for Economic Development and Education, Sport & Culture on developing Guernsey's Human Capital.

2. To agree that the strategic population objective shall be reviewed by the Committee *for* Home Affairs, in consultation with stakeholder committees, no later than December 31st, 2027.
3. To rescind Resolutions 3 and 4 of Billet d'État XXIV of 2015 ("Maintaining Guernsey's Working Population") and its accompanying strategic population objective.
4. To direct the Committee *for the* Environment & Infrastructure to include, in the work on market interventions that will be made by the States of Guernsey in respect of housing, specific reference to enabling the delivery of general housing units and stock, as well as social and key worker housing units and stock before the end of 2023.
- 4a. To direct the Committee for the Environment & Infrastructure to carry out the work necessary to assess the level of investment and/or resources that will be necessary for the States or States-owned trading assets to invest in infrastructure (including but not limited to road, electricity and water infrastructure) to support the strategic population objective and report its findings to the States in Q2 2023 in order to inform long-term planning, and to direct the Policy & Resources Committee to make available the resources necessary to undertake this work.
5. To note that the Human Capital Development Plan will be published by Q2 2023, and to direct the Committee *for* Economic Development and the Committee *for* Education, Sport & Culture to ensure that the Plan supports the relevant aspects and recommendations of this Review.
6. To direct the Committee *for* Employment & Social Security to consider any recommendations in the areas of workforce participation where contributions and benefits may assist future outcomes, and to return to the States with any proposals before the end of 2023.

7. To direct the Policy & Resources Committee to lead a review of the options for any bespoke arrangements that ensure those who are new to a community, and who may only be staying and working in that community for a fixed period rather than on a permanent basis, access public services in a fair and transparent way, and to report its conclusions and make any recommendations to the States before the end of 2023 and in conjunction with the Committee for Health & Social Care, to examine through suitable external advice whether there is scope for reducing the costs to the tax payer of any increased population's access to health and social care services via a commercially provided compulsory health insurance scheme, and to report back to the States of Deliberation thereon not later than the second half of 2023.
8. To direct the Policy & Resources Committee to review whether any greater flexibility or benefits in kind could be applied to finance sector roles that are directly linked to Guernsey meeting its economic substance requirements, in order to include any new arrangements as part of the 2024 Budget Report.
9. To note the Committee *for* Home Affairs' intention to make any necessary policy changes to the Employment Permit Policy and the Immigration Work Permit Policy in line with the steps set out in paragraph 7.6 of this Policy Letter.
10. To agree that the Population Management (Guernsey) Law, 2016, shall be amended to provide that:
 - a) Short-Term Employment Permits may continue to be granted for a period of up to one year and may be renewed upon expiry by the Administrator until the holder reaches up to three years' consecutive residency;
 - b) An individual who has previously lived in Guernsey on the basis of a Short-Term Employment Permit for up to three consecutive years may be issued with a further Short-Term Employment Permit provided they have taken a "recognised break in residency", as defined under the Law; and
 - c) Medium-Term Employment Permits are removed from the Law.
11. To note the intention of the Committee *for* Home Affairs to develop and implement an improved end-to-end service through the merging, where appropriate, of Population Management and Immigration at the policy and operational level, and to further note that there may be consequential amendments to the Immigration Rules and resource requirements, including a minor capital funding request, to facilitate this and Proposition 7.
12. To note that one of the principal duties of government is to maintain the safety and security of the Island and its residents, and the ongoing roles and coordination of the Population Management and Immigration regimes in contributing to this duty will be continually reviewed by the Committee *for* Home Affairs.

13. To direct the Committee *for* Home Affairs to conduct a review of the routes to Permanent Residency under Sections 3 and 6 of the Population Management (Guernsey) Law, 2016, particularly in respect of so-called 'birth-right privilege', and to report its conclusions and make any recommendations to the States before the end of the current political term.
14. To note that the Committee *for the* Environment & Infrastructure is in the process of developing proposals for an Open Market inscriptions policy and the Open Market Transfer Register, and will seek to make any necessary recommendations to the States before the end of 2023.
15. To agree that Section 8 of the Population Management (Guernsey) Law, 2016, should be amended to make clear that Open Market householders may accommodate Seasonal Employment Permit holders.
16. To note that the Committee *for* Home Affairs considers it essential for the Population Management regime to apply as a level playing field for all business entities across Guernsey and Herm, and that it intends to consider, following the necessary consultation and engagement, how Herm can be included within the Population Management (Guernsey) Law, 2016, reporting back to the States by the end of 2023.
17. To rescind Resolution 2 of Billet d'État VII of 2017 ("The Population Management (Guernsey) Law, 2016 (Commencement) Ordinance, 2017").
18. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.

POLICY & RESOURCES COMMITTEE

REVISION OF THE DOUBLE TAXATION AGREEMENTS MADE WITH POLAND AND QATAR P.2022/76

- VI. After consideration of the Policy Letter entitled "Revision of the Double Taxation Arrangements made with Poland and Qatar", dated 23 August 2022:
 1. To declare that:
 - (a) The "Protocol Amending the Agreement between the States of Guernsey and the Republic of Poland for the Avoidance of Double Taxation with respect to certain Income of Individuals signed in London on 8th October, 2013" and the "Protocol Amending the Agreement between the Government of Guernsey and the Government of the State of Qatar for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income", signed by Guernsey on 19 May 2022 and 21 June 2022 respectively, have been made with the government of another territory with a view to affording relief from double

taxation in relation to income tax and any tax of a similar character imposed by the laws of those territories; and

- (b) it is expedient that the double taxation agreements that Guernsey has with Poland and Qatar, signed on 8 October 2013 and 22 February 2013 respectively, as so amended, should have effect, with the consequence that those Agreements shall have effect in relation to income tax in accordance with section 172(1) of the Income Tax Law, notwithstanding anything contained in the Income Tax Law, or any other enactment.

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

CONTRIBUTORY BENEFIT AND CONTRIBUTION RATES FOR 2023 P.2022/80

- VII. After consideration of the Policy Letter entitled 'Contributory Benefit and Contribution Rates for 2023', dated 12th September 2022:
1. To set the contributions limits and rates as set out in Tables 5-7 of the Policy Letter, from 1st January 2023.
 2. To set the standard rates of contributory social insurance benefits as set out in Table 8 of the Policy Letter, from 2nd January 2023.
 3. To agree that the Social Insurance (Guernsey) Law, 1978 and any necessary legislation under it ("the Law") is amended to make any necessary provision to give the Director of the Revenue Service powers to issue civil sanctions, including civil enforcement, information notices and civil penalty notices, in relation to breaches of requirements under the Law relating to social insurance contributions; and provide for appropriate rights of appeal to the Guernsey Revenue Service Tribunal against decisions of the Director of the Revenue Service in relation to such civil sanctions, as further detailed in paragraphs 3.29 to 3.38 of the Policy Letter.
 4. To set the contribution (co-payment) required to be made by the claimant of care benefit, under the Long-term care Insurance Scheme, at £306.46 per week, from 2nd January 2023.
 5. To set the weekly long-term care benefit at the rates set out in Table 13 of the Policy Letter, from 2nd January 2023.
 6. To set the weekly respite care benefit at the rates set out in Table 14 of the Policy Letter, from 2nd January 2023.
 7. To note that the Committee *for* Employment & Social Security intends to investigate the long-term financial implications of a 'double lock' uprating policy, whereby increases to the States Pension and all other contributory benefits, except Long-Term Care benefit, would either be equal to RPIX plus one third of the real increase in

median earnings, or to RPIX, whichever is highest, and to report back to the States in the Committee's Policy Letter on contributory benefits and contribution rates for 2024.

8. To direct the Committee *for* Employment & Social Security to investigate further the option of reducing the maximum age of a child in respect of whom a family allowance credit is awarded from 16 to five, and to report back to the States in the Committee's Policy Letter on contributory benefits and contribution rates for 2024.
9. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.

POLICY & RESOURCES COMMITTEE

MINIMUM STANDARDS FOR ACCOUNTANCY FIRMS P.2022/82

- VIII. After consideration of the Policy Letter entitled "*Minimum Standards for Accountancy Firms, Etc*", dated 12th September 2022:
 1. To agree that a framework for a minimum standards test for firms of accountants, auditors, insolvency practitioners and tax advisers and its administration by the Guernsey Registry be established in accordance with the recommendations set out in this Policy Letter, including a requirement that staff providing professional advice and services are appropriately qualified.
 2. To direct the preparation of such legislation as may be necessary to give effect to the above.

POLICY & RESOURCES COMMITTEE

SCHEDULE FOR FUTURE STATES' BUSINESS P.2022/83

- XII. After consideration of the Schedule for Future States' Business, which sets out items for consideration at the Ordinary States Meeting on 23rd November 2022, to approve the Schedule.

S.M.D. ROSS
STATES' GREFFIER