

## Regulation of Undertakings Employment Licences at 31 December 2005

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

The figures reported are based on licence information reported up to and including 31 December 2005. The figures for 2006-2008 are those projected under the continuation of three-year joint licences granted before the end of December 2005.

It should be noted that not all businesses will have recruited staff up to their approved level of staffing.

### **Section 1) Three-year Joint Licences**

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

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

Year	Cumulative three-year joint licences	Total staff approved	% non-locally qualified
1998	163	13,539	24.9
1999	605	29,415	22.7
2000	831	32,237	22.5
2001	929	34,950	22.1
2002	1,038	36,088	21.6
2003	1,093	36,256	21.1
2004	1,137	37,004	20.5
2005	1,242	38,259	19.7
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2006	1,242	38,246	19.6
2007	1,242	38,247	19.5
2008	1,242	38,246	19.5

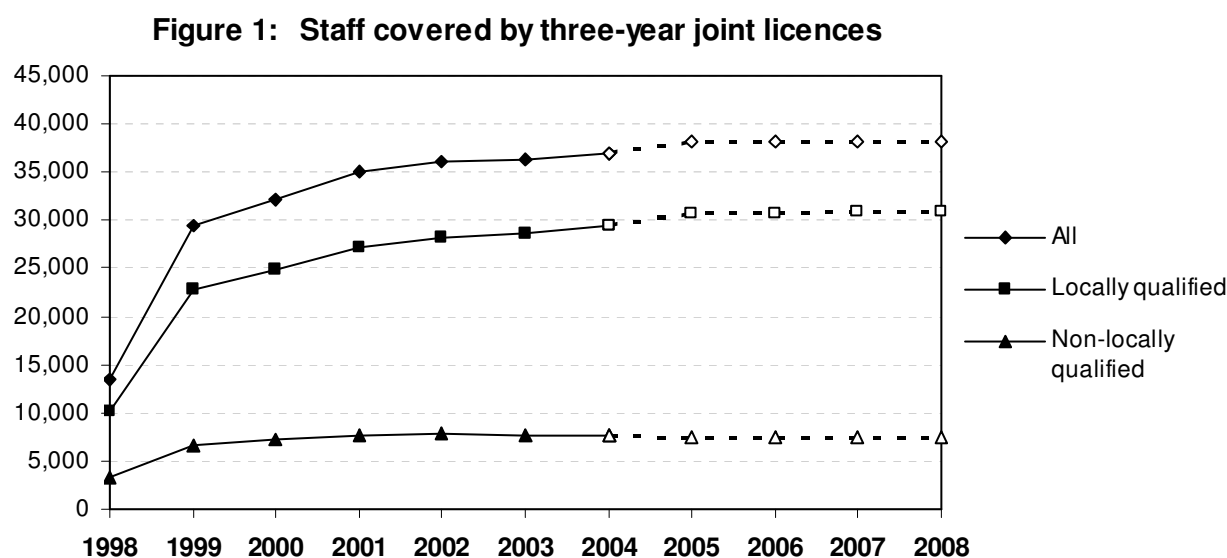
*(The figures for 2006-2008 are projections under three-year joint licences granted before the end of December 2005).*

The increase in the number of authorised staff between 1998 and 2005 is primarily due to the rise in the number of companies covered by three-year licences during this period, but also incorporates an

element of permitted expansion. Approximately three-quarters of total private sector staffing (including vacancies) now come under the auspices of three-year joint licences.

During 2005 the net number (new licences less those expired) of three-year joint licences increased by over a 100. The corresponding net change in permitted staffing during this period was 1,255, corresponding to an increase of more than 3% from the total at December 2004. Almost a third of this increase in approved staffing was in the area of fulfilment\*.

Figure 1 shows total staff numbers and those for locally qualified and non-locally qualified persons as approved by three-year joint staffing licences covering the period 1998 to 2008.



*(Dotted lines indicate projections under three-year joint licences granted before the end of December 2005).*

The net increase in staffing was due to:

- established undertakings coming under the auspices of three-year joint licences for the first time;
- approved expansion (less reduction) of undertakings already with three-year joint licences;
- amalgamation of undertakings already with three-year joint licences, which could involve either permitted expansion or reduction in staffing;
- expiry of three-year joint licences for undertakings which had ceased trading.

## Sectoral Analysis

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

The large increase in approved staffing for the Import/Export sector was due to permitted expansion of an existing undertaking conducting fulfilment activities.

Following the reduction observed in 2004, the total number of staff approved in Banking/Finance returned to the previously higher level of 2003.

Other significant changes between 2004 and 2005 were the result of re-classifications.

\* “fulfilment” relates to the distribution of goods ordered remotely, e.g. by mail-order, telephone, the internet.

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

<b>RUDL Sector</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Retail	5,020	5,412	5,559	5,560	5,560	5,560
Building / Construction	2,732	2,703	2,850	2,846	2,846	2,846
Hotels / Guest Houses	2,467	2,547	2,572	2,566	2,566	2,566
Restaurants / Catering	3,231	3,313	3,240	3,239	3,239	3,239
Banking / Finance	9,419	9,286	9,404	9,399	9,399	9,399
Other Offices / IT Business	4,211	4,342	4,455	4,470	4,470	4,470
Import / Export	605	740	1,195	1,195	1,195	1,195
Garages / Manufacturing	888	949	776	776	776	776
Agencies	266	267	295	282	282	282
Transport / Haulage	1,050	999	1,189	1,189	1,189	1,189
Marine	71	116	118	118	118	118
Services	4,316	4,434	4,642	4,642	4,642	4,641
Other	1,980	1,896	1,964	1,964	1,965	1,965
<b>Total</b>	<b>36,256</b>	<b>37,004</b>	<b>38,259</b>	<b>38,246</b>	<b>38,247</b>	<b>38,246</b>

(Figures for 2006-2008 are projections under three-year joint licences granted before the end of December 2005).

As Table 3 shows, the proportion of staffing approved for the non-locally qualified has decreased from 1 in 4 in 1998 to about 1 in 5 by 2005 and is projected to decrease marginally over the next three years.

**Table 3: Three-year joint licences: percentage of staffing approved for non-locally qualified persons by sector.**

<b>RUDL Sector</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Retail	20.4	18.9	19.4	19.3	19.3	19.2
Building / Construction	17.9	16.3	14.2	14.2	14.1	14.1
Hotels / Guest Houses	49.3	47.8	48.2	48.0	47.9	47.9
Restaurants / Catering	40.0	42.5	43.1	43.1	43.0	43.0
Banking / Finance	15.6	14.9	14.4	14.4	14.3	14.3
Other Offices / IT Business	15.1	14.9	13.3	13.2	12.9	12.9
Import / Export	15.0	12.7	8.4	8.4	8.4	8.4
Garages / Manufacturing	16.2	17.2	16.8	16.0	16.0	16.0
Agencies	18.8	19.1	16.6	17.0	16.7	16.7
Transport / Haulage	11.9	10.9	9.9	9.3	8.9	8.9
Marine	9.9	12.9	11.9	11.9	11.9	11.9
Services	14.0	13.0	11.9	11.8	11.8	11.8
Other	25.8	24.5	25.1	24.9	24.7	24.7
<b>Total</b>	<b>21.1</b>	<b>20.5</b>	<b>19.7</b>	<b>19.6</b>	<b>19.5</b>	<b>19.5</b>

(Figures for 2006-2008 are projections under three-year joint licences granted before the end of December 2005).

There was considerable variation across RUDL sectors in the proportion of posts approved for non-locally qualified staff. For example, at 31 December 2005 such staffing accounted for about:

- half of the total approved in Hotels/Guest Houses;
- two-fifths of that in Restaurants/Catering;
- 1 in 5 in Retail;
- 1 in 7 in Building/Construction
- 1 in 7 in Banking/Finance;
- 1 in 8 in Marine;
- 1 in 10 in Transport/Haulage.

The decrease in the percentage of non-locally qualified staff approved from 2005 onwards in the Import/Export sector results from the large increase in the number of locally qualified staff approved for fulfilment.

## **Section 2) New and Existing Undertakings** **without three-year joint licences**

Companies without three-year joint licences comprise new undertakings and existing undertakings requesting additional staff. Figures reported are for all of calendar 2005.

### **New undertakings**

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

**Table 4: New undertakings: applications, refusals and approved licences (2005).**

	Number of licences	Staff				
		Total staff	Locally qualified	Non-locally qualified	Seasonal	Contract
<b>Applications</b>	738	1,689	1,537	113	18	21
<b>Refusals</b>	43	132	44	88	0	0
<b>Approved</b>	<b>695</b>	<b>1,557</b>	<b>1,493</b>	<b>25</b>	<b>18</b>	<b>21</b>

For approved licences, only 1.6% of the total number of permanent staff<sup>1</sup> was authorised for non-locally qualified persons. The corresponding figure for 2004 was 4.3 %.

The number of licences approved for new undertakings in 2005 was similar to that in the previous year (695 in 2005 compared to 704 in 2004). The total number of approved staff number for such undertakings was 2% higher in 2005 (1,557 compared to 1,525).

As Table 5 shows, the Retail and Service sectors had the greatest number of staff approved for new undertakings, each accounting for almost a quarter of the total. Building/Construction accounted for a further sixth.

<sup>1</sup> For the purposes of this report, permanent staff excludes those on seasonal or short-term contracts

**Table 5: New undertakings: approved licences by sector (2005).**

RUDL Sector	Number of approved licences	Staff				
		Total staff	Locally qualified	Non-locally qualified	Seasonal	Contract
Retail	169	362	344	6	9	3
Building / Construction	108	273	270	2	0	1
Hotels / Guest Houses	4	4	4	0	0	0
Restaurants / Catering	33	104	94	6	3	1
Banking / Finance	47	53	52	0	0	1
Other Offices / IT Business	100	188	168	5	0	15
Import / Export	9	35	35	0	0	0
Garages / Manufacturing	12	22	22	0	0	0
Agencies	12	21	20	1	0	0
Transport / Haulage	20	67	65	2	0	0
Marine	5	14	12	0	2	0
Services	162	387	385	2	0	0
Other	14	27	22	1	4	0
<b>Total</b>	<b>695</b>	<b>1,557</b>	<b>1,493</b>	<b>25</b>	<b>18</b>	<b>21</b>

### Existing undertakings

Table 6 shows the total number of applications for additional staff by existing undertakings which had not entered into three-year joint licences.

**Table 6: Existing undertakings: applications, refusals and approved (2005).**

	Number of licences	Staff				
		Total staff	Locally qualified	Non-locally qualified	Seasonal	Contract
<b>Applications</b>	288	1,411	388	221	27	775
<b>Refusals</b>	28	208	0	208	0	0
<b>Approved</b>	<b>260</b>	<b>1,203</b>	<b>388</b>	<b>13</b>	<b>27</b>	<b>775</b>

No application requesting additional locally-qualified persons was refused. Approvals for non-locally qualified persons constituted about 3% of all additional permanent staff.

Two-thirds of all approved additional staffing was seasonal or contract. More than 600 additional contract staff were approved in the last six months of 2005, over 95% of which were in the Building/construction sector.

Approximately 86% of the total number of refused additional non-locally qualified staff was from one application in the area of fulfilment.

The total number of approved additional staff in 2005 was 13% higher than in 2004 (1,063). However, 2005 saw 29% more contract staff approved but 13% less permanent staff than 2004.

**Table 7: Existing undertakings: approved licences by sector (2005).**

RUDL Sector	Number of approved licences	Permanent Staff			Seasonal	Contract
		Total staff	Locally qualified	Non-locally qualified		
Retail	26	127	99	2	3	23
Building / Construction	113	831	90	1	5	735
Hotels / Guest Houses	1	1	1	0	0	0
Restaurants / Catering	5	10	10	0	0	0
Banking / Finance	9	15	14	0	0	1
Other Offices / IT Business	40	79	65	5	0	9
Import / Export	1	1	1	0	0	0
Garages / Manufacturing	1	1	1	0	0	0
Agencies	2	3	3	0	0	0
Transport / Haulage	16	34	29	0	5	0
Marine	0	0	0	0	0	0
Services	43	96	71	4	14	7
Other	3	5	4	1	0	0
<b>Total</b>	<b>260</b>	<b>1,203</b>	<b>388</b>	<b>13</b>	<b>27</b>	<b>775</b>

The Building/Construction sector accounted for 95% of all approved additional contract staff and for more than a fifth of the total number of approved additional permanent staff.

## Notes

- The definition of “**locally qualified**” as applied under the *Regulation of Undertakings and Development (Jersey) Law, 1973 as amended* includes all persons in the following categories:
  - residentially qualified persons falling within any of the Housing Regulations excluding Regulation (l) and Regulation (m);
  - persons resident for the whole of the past consecutive 5 years;
  - the spouses of (i) or (ii) above;
  - the children under 18 years (or if students under 25 years) of those in (i), (ii) or (iii) above.

- This report on employment licences, previously published every six months, will now be produced annually. The next publication will report on licences granted up to the end of 2006.

*Statistics Unit*

*1 February 2006*