

**Response to a Question Pursuant to Rule 14
of the Rules of Procedures of the States of Deliberation and their Committees**

Subject: Point of Entry Permits for Visiting Tradespeople

States Member: Deputy Lester Queripel

Date Received: 21 June 2021

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Date of reply: 9 July 2021

Questions and Responses

Q1. During the States debate of April this year Deputy Inder, I asked you in your capacity as President of Economic Development, about the possibility of introducing a Point of Entry Permit system for visiting trades people, otherwise known as the 'white van man'. You responded by informing me that your committee had recently discussed the issue and you had dismissed it on the grounds that you all considered it to be anti-competitive and much too bureaucratic. So bearing that in mind, the question I now ask is did your committee not consider the fact that introducing such a permit system wouldn't actually BE anti-competitive, on the grounds that having a permit system in place wouldn't close the market to the 'white van man' as you appear to think, but instead simply ensure that a permit would have to be applied for, obtained and displayed on arrival here in the island, before the 'white van man' could actually start work on a project? If you and your committee didn't consider that fact, then can you please tell me why you didn't?

Response to Question 1

On the 27th April 2021 the Committee for Economic Development considered matters relating to off-island traders and concluded that there was not a requirement for any form of permit system at the current time. There is no consistent or quantitative evidence that visiting traders are detrimentally impacting trade sectors for either on-island traders or customers.

Q2. If such a permit system were in place, then there would be a far greater likelihood of relevant contributions and taxes being paid into our system here on island, on monies earned by the 'white van man' whilst working here and also a far greater likelihood of all the rules and regulations eg: waste, accommodation, Health and Safety, accreditations etc, that local trades have to comply with, being adhered to by

having a register of visiting trades who are here on island at any one time. Therefore, would you not agree that far from being anti-competitive, having a permit system in place would ensure a level playing field and greater compliance with all of the numerous rules and regulations I refer to above? If you don't agree then could you please explain why you don't agree.

Response to Question 2

Due to the double taxation agreement and reciprocal social security arrangements in place with the UK, for periods less than 90 days, no liability is incurred to pay tax and social security in Guernsey for employees of UK businesses carrying out business in Guernsey.

Q3a. Do you accept that the States public purse is losing out on revenue and that added value is being lost to our local economy, due to our not having a Point of Entry permit system in place?

Response to Question 3(a)

Designing, implementing and administering a permit system will cost the taxpayer money and potentially add unnecessary red tape to doing business in the island.

Please see the answer to question 2

Q3b. If you don't accept that that is case, then can you please explain how you have arrived at that conclusion?

Response to Question 3(b)

Please see the answer to question 2

Q4. Has any actual research been done, a cost benefit analysis for example, by the current Economic Development committee, or its predecessors Commerce and Employment, to explore the issue of introducing a Point of Entry permit system for the 'white van man', taking into account that this matter relates directly to the local economy, local businesses, employment and skills?

Response to Question 4

This matter was investigated extensively in 2013/14 when the number of non-local traders on the island was perceived to be a problem. There has been no research conducted since this Committee was formed.

Q5. If the answer to Question 4 is 'Yes' then can you please tell me what conclusions were reached and why?

Response to Question 5

The conclusion from the work undertaken in 2013/14 was that the impact on the local construction was likely to be small and did not warrant further action.

Q6. If the answer to Question 4 is 'No' then bearing in mind the negative implications on States revenues and the local economy by our not having such a permit system in place, do you not agree with me that the work referred to in Question 4, needs to be done by Economic Development?

Response to Question 6

Work was conducted in 2013/14. The conclusion from the work undertaken in 2013/14 was that the impact on the local construction was likely to be small and did not warrant further action. This Committee is not intending to conduct any more research in this area.

Q7. As I referred to in Question 1, as well as being considered to be anti competitive, the committee said it would be too bureaucratic to introduce a Point of Entry permit system for the 'white van man', so can you please explain to me how and why your committee came to that conclusion?

Response to Question 7

Any new system of licensing will be bureaucratic and will cost money to implement and administer. The Committee considers this to be a particular concern if the system is put in place to address a small-scale problem that has not been evidenced.