



Isle of Man Chamber of Commerce

Chamber's views on the Council of Ministers' 'Inward Migration Incentives & Disincentives' report and related issues

The Isle of Man Chamber of Commerce supports Government's efforts to ensure sustainable economic growth, and we welcome the opportunity to provide feedback on the proposed inward migration incentives and disincentives outlined in the recent report.

While we recognise the critical need for these measures, our membership has highlighted several concerns and suggestions that we believe will help refine the approach and ensure the long-term success of the island's economic strategy. In July 2024, the Council of Ministers published a [report titled 'Inward Migration Incentives & Disincentives'](#).

Read on for Chamber's view about the contents of the report:

The target of creating 5,000 new jobs and achieving a GDP of £10billion by 2032 are ambitious to say the least, and there is a widespread view in the business and wider community that these targets are not realistic. There is also a strong consensus within the business community that inward migration must be more closely aligned with the Island's economic needs and sectoral skill gaps.

A significant concern is the lack of comprehensive data to support the proposed incentives and disincentives. The development of a robust data collection and management system to track the demographics, skill sets, and economic contributions of new migrants is essential. Linking with the Skills Board and utilising Labour Market Information (LMI) will be crucial to ensure the right skill sets are being encouraged to migrate to the island.

We acknowledge the focus on retaining young professionals and graduates; however, the proposed incentives need to be more comprehensive to effectively address the underlying factors contributing to the high outward migration of young talent. This could be achieved by expanding the student loan forgiveness scheme to encompass a broader range of professions. This also aligns with the development of the local economy. Enhancing the island's cultural and social infrastructure could make the Isle of Man a more attractive and vibrant place for young professionals to live and work.

We believe the current state of infrastructure, particularly in housing, healthcare, and education, is insufficient to support a significant increase in population. Without addressing these foundational issues, the proposed incentives may fail to achieve the desired outcomes. Acceleration in investment in housing development and healthcare services is needed to meet the needs of both existing and new residents.



Isle of Man Chamber of Commerce

When the report was published, we wrote to our members to ask them to share their thoughts, particularly regarding whether these proposals will attract economically active individuals with the transferable skills necessary to support the long-term growth of our economy. Below is a general summary of the sentiment received from our members, which is largely critical of the current strategy, with many feeling that the proposed population growth targets are unrealistic without addressing fundamental issues.

Visa processing issues

- Long delays in visa processing (up to a year) are seen as a significant barrier to attracting new residents.
- The lack of government assistance and the need for upfront legal fees add to the problem.

Economically active vs inactive residents

- Emphasis on attracting economically active individuals with transferable skills.
- Concerns over economically inactive residents accessing healthcare and other services without contribution.

Housing and cost of living

- Housing affordability and availability are major issues.
- Suggestions include capping rental prices and preventing non-residents from purchasing properties solely for rental purposes.

Youth retention and student incentives

- Strong support for forgiving student loans for those returning to the island after studying elsewhere.
- Need to create more opportunities and a better quality of life for young people to retain them.

Healthcare and infrastructure

- Critical feedback on the healthcare system and the need for improvements.
- Suggestions to support an ageing population and improve flexible working policies.

Economic strategy criticism

- Doubts over the feasibility of increasing the population to 100,000.
- Focus should be on the current strengths and addressing existing problems like mental health and healthcare services.

Transport and connectivity

- High cost and unreliability of transport to and from the island are seen as deterrents for both residents and newcomers.

Suggestions for incentives

- Subsidising recruitment and relocation costs for businesses.
- Offering student loan forgiveness tied to local employment.
- Simplifying the immigration process and providing housing incentives for new residents.



Isle of Man Chamber of Commerce

Public perception and communication

- We need better communication and more transparency from the government regarding immigration policies and benefits.

Conclusion

While we support the government's efforts to tackle the Island's demographic and economic challenges – and recognise the need to fund affordable public services we believe a collaborative approach is essential to ensure the successful implementation of these policies. The Isle of Man Chamber of Commerce is keen to work closely with the government to refine these proposals and develop a strategy that not only attracts new residents but also supports the sustainable growth and prosperity of the island. As always, Chamber welcomes the opportunity to continue our dialogue with Isle of Man Government about these important issues and explore further how we can work together to achieve the best outcomes for the Island.