

# STATES OF JERSEY



## STATES EMPLOYEES: PAY INCREASE FOR 2009/2010 (P.68/2009) – SECOND AMENDMENT

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Lodged au Greffe on 12th June 2009  
by the Connétable of St. Peter

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STATES GREFFE



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- (1) *For the words “across the entire workforce” substitute the words “for all employees with a total basic annual salary (pro-rated for part-time employees) of less than the Jersey average annual earnings, namely £31,200”.*
- (2) *Number the proposition as (a) and insert a new paragraph (b) as follows –*

“(b) to request the Council of Ministers to take the necessary steps to ensure that the increases paid as a result of the proposal in paragraph (a) above are met from compensatory savings in existing departmental budgets from savings that can be identified from items such as other employee benefits, conditions and efficiencies and not be drawn from the funding allocated for the 2009-2010 pay award approved by the States in the Annual Business Plan 2009.”.

CONNÉTABLE OF ST. PETER

## **REPORT**

It is totally incongruous to give public sector employees a pay rise this year that further increases the gap in earnings from similar employees in the private sector.

There are numerous tales in the private sector of wage cuts, let alone wage freezes and in the worst of cases redundancy and for this Government to pay out more tax payer monies from a falling tax take is simply a disastrous policy.

Such a policy is more analogous to the Vivian Nicholson School of Economics whose catchphrase was 'Spend, Spend, Spend' with the end result being bankruptcy just a few years later.

Other than the basic needs of living, spending has been reduced on discretionary purchases and would only put the increased income into savings for those that don't need it and remove funds from the Treasury purse that would better be allocated to the increasing numbers on Income Support.

Whilst it is not the best managerial practice to fail to reward good staff for their efforts nor keep pace with the increases in their basic costs, neither is it good government to ignore the plight of a considerable number of our constituents to the betterment of staff who are already considered to be on 'advantageous terms and conditions' and unlikely to suffer the torment of potential unemployment.

Should the mood of the Government be to make a pay allocation in line with either the original P.68/2009 proposition or its amendment, I believe that it would be entirely appropriate to task the Executive to fund any rises in pay from within existing manpower budgets or staff efficiencies and not from money voted from the States 2009/2010 budget.

There is sufficient evidence that the Public of Jersey are not in the mood to accept a higher cost Public Sector at any time and especially not in these straightened times. It is time for this Chamber to reconnect with our Public's expectations of the Members of this Chamber and demonstrate leadership and empathy with their expectations.

### **Financial and manpower implications**

I am advised by relevant departmental officers that the number of staff affected by this amendment is some 3,515 employees at an overall annual cost to their basic pay of £1.04M this year rising to £1.78M next year. There are no manpower implications.