

## **2.6 Deputy T.M. Pitman of the Minister for Social Security regarding contribution cover for those on short-term contracts:**

Given that the contributions of those made redundant through no fault of their own are protected by Social Security, why are such individuals subsequently accepting short-term contracts in trying to improve their chances of re-gaining full-time employment then penalized once these contracts end by losing this contribution protection; further still, how does this encourage people to work rather than exist on benefits?

### **Deputy I.J. Gorst (The Minister for Social Security):**

The Social Security Law allows credits to be awarded to workers who have been made compulsorily redundant. The credits protect the pension and benefit rights of the worker. These credits are only available if the unemployed person is actively seeking work. The credits are designed as a short-term measure to bridge any temporary gaps in an individual's record due to compulsory redundancy. The cost of the credit is born by workers who are in employment. If an individual is offered a short-term contract, but refuse to accept it they would no longer be eligible for unemployed credits as they would be breaking the conditions of actively seeking work set out in the law. Sir, thank you.

### **2.6.1 Deputy T.M. Pitman:**

Supplementary, Sir? I thank the Minister for his answer, but I raised this because of a constituent 30 years in work made redundant in May 2010; who accepted the offer of 12 weeks work in November; who informed the Social Security Department of the change in situation and was told that they were not longer entitled to protection because they had effectively chosen to make themselves unemployed again. Does the Minister not see this is a bit ... it is not in the spirit of what was intended, at the very least?

### **Deputy I.J. Gorst:**

As ever, it is extremely difficult for me to comment on a personal situation which is just relayed to me across the Assembly. I fully see why the law and the regulations are in place as they stand, because at the end of the day credits might sound like a nice ineffective word, but the reality is that those who are employed and making contributions and that tax payer are in actual fact subsidising and providing the funding for those credits. Therefore, credits must very clearly only be awarded to those who are made redundant through no fault of their own. Having said that, the Deputy does raise a good point with regard to very short-term contracts and whether an individual is taking that to enhance their employment opportunity or they are a continual short-term contract worker. In light of that interesting point, I will go away and review the situation. Thank you, Sir.

### **2.6.2 Deputy T.M. Pitman:**

I thank the Minister for that encouraging end to his answer. Could he then just clarify that if my constituent gets in touch with the department, the department will be willing to at least reconsider her situation, which does seem very unfair?

### **Deputy I.J. Gorst:**

As I have said, I cannot comment on that individual case, because I do not know all the details. The Deputy, unfortunately, is pushing me into a position that I cannot give an assurance on. Having said that, of course, should he provide me with the details then of course I will undertake to review it. Sir, thank you.