

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P.SOUTHERN OF ST HELIER
ANSWER TO BE TABLED ON TUESDAY 9th SEPTEMBER 2014**

Question

In the light of the findings of the Resolution Foundation that in the UK the number of young workers (aged 21 to 30) on low pay, defined as less than two-thirds of the median hourly wage, has risen to almost one in three (29%) what equivalent figures does the Minister have for young Jersey workers in poverty and, if none, will he agree to investigate this issue and report back to the States with his findings?

Does the Minister agree that in the light of the findings in the Jersey/UK comparison of the cost of living study from the Statistics Unit that the cost of living in Jersey is 20% greater than the UK, that our minimum wage is currently set far below a level which would eliminate in-work poverty and will he commission a major review of the minimum wage level, and if not why not?

Answer

The 2014/2015 Household Income Distribution Survey is currently being undertaken by the States of Jersey Statistics Unit. That data will enable analyses to be undertaken of income for different household types, including analysis by age and relative low income.

It is not the purpose of the minimum wage to address issues of poverty. The policy objectives of the minimum wage include to set a minimum standard for pay in the employment relationship and to remove the worst cases of low pay whilst taking into account business realities and supporting a competitive economy. In accordance with the Department's 2014 business plan, work is underway to investigate the possible introduction of a living wage for Jersey and it is intended to produce an interim report on this by the end of 2014.

As the Minister stated in a response to a similar question from Deputy Southern on 18 March 2014, the level at which the minimum wage is set is determined on an annual basis, following the recommendations of the Employment Forum. The Minister does not intend to undertake his own minimum wage review. The Forum will take into account the available statistics and economic advice, including the 'Jersey-UK Relative Consumer Price Levels for Goods and Services' report for 2013. The Forum will make its recommendation to the Minister later this month which will be presented as a Report to the States.