

2015.05.12

### **3.4 Deputy G.P. Southern of the Minister for Social Security regarding zero-hours contracts:**

Can the Minister state why the report *Zero-Hours Contracts: response to P.100/2013 as amended* (R.52/2015) has not dealt with paragraph (c) of the proposition and fails to address the impact of zero-hours contracts on employees, consult with stakeholders and examine the extent of any misuse of these contracts

#### **Deputy S.J. Pinel of St. Clement (The Minister for Social Security):**

The proposition adopted by the States required first and foremost an investigation into the extent to which zero-hours contracts are used in different sectors. The report provides this information as well as other useful information that we did not have access to before. Following detailed analysis it has been possible to provide statistics for the first time on the employment sectors that are using zero-hours contracts, as well as the age and nationality of individuals working under these contracts. The scope of this report did not include a stand-alone consultation exercise. Rather the Social Security Department worked with the Statistics Unit to include specific questions about zero-hours contracts in the Jersey Annual Social Survey for 2014. The structure of the social survey ensures that a statistically valid random selection of adult population is asked to provide their views on the various questions. The questions explored both the advantages and the disadvantages of zero-hours contracts. The responses from J.A.S.S. (Jersey Annual Social Survey) showed that three-quarters of people on zero-hours contracts were satisfied with being on such a contract. Having taken account of the results of the analysis, and the views expressed through the social survey, the action that I have taken is to support J.A.C.S. (Jersey Advisory Conciliation Service) in the publication of a new guide to help employers understand when a zero-hours contract is appropriate, and when a different kind of contract would be preferable. We have already heard that people are finding the new guide useful. J.A.C.S. also proactively helps small businesses through their outreach service by advising employers on the appropriate alternatives for zero-hours contracts.

#### **The Deputy Bailiff:**

Could I just remind Ministers and those answering questions that the time allocated for an answer should be one minute and 30 seconds.

#### **Deputy S.J. Pinel:**

I just have one sentence left. The Deputy refers to ...

#### **3.4.1 Deputy G.P. Southern:**

Can I just remind Members of what exactly paragraph (c) requested: "Subject to the outcome of consultation with stakeholders." There was no consultation with stakeholders, with the union side or the employer side. "To bring forward for approval such draft legislation as is deemed necessary to restrict any proven misuse of zero-hours contracts." Well if you do not look for any misuse of zero-hours contracts you do not find any proof of misuse, and they did not look. So why, because the Minister in her lengthy answer could not address the question ... why did the Minister not address specifically the items in paragraph (c), as she was asked to do so?

#### **Deputy S.J. Pinel:**

The report may not give Deputy Southern and Reform Jersey the answer that they want to hear, i.e. that we will ban zero-hours contracts, but it took a lot of time and effort in combination with other departments to prepare this data and it provides useful information that we did not have access to before.

#### **3.4.2 Deputy M.R. Higgins:**

I find the Minister's responses unbelievable considering the States asked for something and she did not deliver. The actual question is ... she says that the data was gathered through the social survey. Can she tell us the size of that survey and the percentages of people who found them acceptable and not acceptable?

**Deputy S.J. Pinel:**

The Jersey Annual Social Survey results showed that 76 per cent of people were either very satisfied or satisfied with zero contracts; many of them stating in the survey that the flexibility that the contracts allowed suited their work patterns, i.e. as carers or parents.

**3.4.3 Deputy M.R. Higgins:**

Can the Minister tell us the size of the sample? How many people were asked the question? How many people responded? Then how many were 75 per cent and 25 per cent?

**Deputy S.J. Pinel:**

That is in the zero-hours contract report, which the Deputy will have.

**Deputy M.R. Higgins:**

Will the Minister please repeat it so the public can hear?

**The Deputy Bailiff:**

The Minister has answered, Deputy.

**3.4.4 Deputy J.A. Martin:**

Whichever way you fall on the side of zero-hours contracts is the Minister absolutely confident that families who are absolutely living on these contracts, maybe it was the 2 parents or one parent working, that her department is agile and flexible enough when the work is not there, and they are not waiting weeks to have their money, which they need for rent and food, to be given to them because these are the queries and the things I hear against zero-hours contract? They are good when they work and people are working. When they do not work they are waiting for their money from the Minister's department. Is she confident that this is not the case?

**Deputy S.J. Pinel:**

Yes, I am confident that nobody will fall through the loop. We have at least 400 people on income support at the moment who are in part-time work, which quite a few of these will include zero-hours contracts, and the income support will cover any deficit in their household income that is missing.

**3.4.5 Deputy M. Tadier:**

Does the Minister accept that if 3 in 4 say they are satisfied with zero-hours contracts - even though that needs to be taken with a pinch of salt - does she also accept that one in 4 therefore, which is 25 per cent of the workforce that were asked, on zero-hours contracts are not happy with them and that is a significant figure?

**Deputy S.J. Pinel:**

Yes, I agree with the Deputy; 25 per cent is a significant figure. The 25 per cent from the report were not satisfied entirely with zero-hours contracts because it made it very difficult for them to acquire a mortgage or realise a reliable pay packet which will enable them to do this.

**3.4.6 Deputy M. Tadier:**

If I can just add: obviously I think the document is useful but it is only part of what was asked of the Minister. Will she undertake to fulfil the next part, which she was asked by this Assembly - not

by Reform Jersey but by the Assembly - who agreed on that to take the next steps to find out where there is proof of misuse of zero-hours contracts to bring in any necessary legislation?

[10:15]

**Deputy S.J. Pinel:**

To answer the Deputy's question last first. We would wish to see how this guide, combined with J.A.C.S. interaction with it, and advice on it with an outreach branch of J.A.C.S., is going to help small businesses deal with all of this, and to help people on the zero-hours contracts, or any contract for that matter. There is no further funding at all. This has taken a considerable amount of the department's time to achieve this and we would wish to see how the practice guide, which has already been gratefully received by quite a lot, see how this works out before we undertake to commit to any more resources to undertake further review of this and/or instigate legislation.

**3.4.7 Deputy S.Y. Mézec:**

Firstly, a point of correction to something the Minister said previously. It is not Reform Jersey policy to ban zero-hours contracts. It is to stop abuse of them. I am chairman of the party, I speak on behalf of the party. She should not attempt to represent our policies ...

**The Deputy Bailiff:**

Could you ask a question please, Deputy? This is question time not statement time.

**Deputy S.Y. Mézec:**

I have been misrepresented so I think I am allowed a right of reply. The question is: one in 10 workers in Jersey is on a zero-hours contract as opposed to one in 50 in the U.K. (United Kingdom). My question to the Minister is: what is it about Jersey's economy and what is it about the ways that this Government is trying to grow the economy where these contracts are being made far more frequent than they are in another jurisdiction? If she does not know the answer to that, because her department has not done what it was asked to, will she endeavour to do that work in the future to find out the reason why these contracts are being used in this way?

**Deputy S.J. Pinel:**

I apologise to the Deputy if there was any misunderstanding. I just understand that the Reform Jersey, and many others, are concerned about the potential abuse of zero-hours contracts. There is no evidence through J.A.C.S. there is any abuse of these. There have been people going to J.A.C.S. for inquiries and help in it but there is no evidence as to what the inquiries might be about because obviously they are of a personal nature.

**3.4.8 Deputy G.P. Southern:**

Which is why the original proposition, as amended by Senator Le Gresley, was designed to ask the very question: what is the extent of any abuse that might take place, any misuse of zero-hours contracts? The Minister has adopted the Nelson approach and closed both eyes, stuck her fingers in her ears because she does not want to know the answer to that in case ... why not? Why did the Minister not ...

**The Deputy Bailiff:**

Can we have a question please?

**Deputy G.P. Southern:**

Why did the Minister not examine this particular question as instructed by Senator Le Gresley's amendment?

**Deputy S.J. Pinel:**

It has been examined insofar as we can do this. We do not have any more resources to employ an independent review. Perhaps the Deputy would like Scrutiny to undertake it.

**The Deputy Bailiff:**

Could I just stay to Members, sometimes people feel very strongly about things that people have said or imagine to have been said. This is question time and it really should be limited to asking questions and answering them. [**Approbation**]