

2016.06.28

10 The Connétable of Grouville of the Chief Minister regarding rates of pay for employees and contractors with regard to the proposed 'living wage': [9522]

Does the States of Jersey directly employ anyone at a rate of pay that is lower than the proposed living wage of £9.40 and has consideration been given to only using subcontractors that pay their employees £9.40 or more?

Senator I.J. Gorst (The Chief Minister):

The standard rate of pay in the public sector starts at £10.78 per hour. This is above the minimum wage and the proposed living wage. Apprentices and some workers under 18 are paid less, but in each case their pay increases quickly to the standard rate or higher. We value our employees and believe that delivering a more efficient public sector does not have to mean low pay. As to subcontractors, we need to deliver value for taxpayers, but we also need to think hard about the proposed living wage when we are outsourcing services as well as the other obligations we place on contractors, and we will do so.

3.10.1 The Connétable of Grouville:

Would the Chief Minister agree that it is likely that should the States decide to use only contractors that pay the living wage it would tend to be cost neutral, as any increase in wage would likely lead to a decrease in income support given to the employee?

Senator I.J. Gorst:

That is the theory and those who support a living wage make that case, but the reality is it is not quite that straightforward. More work will now have to be undertaken in regard to the living wage, which I know the Employment Forum are doing, because families come in many forms and income support is payable to households, not just a single wage earner. It is slightly more complex even though the theory is as the Connétable suggests.

3.10.2 Deputy M.R. Higgins:

Can the Chief Minister confirm that all those who are on zero-hour contracts working for the States, including people at Social Security and elsewhere, are paid above £9.40?

[11:00]

Senator I.J. Gorst:

I can only repeat the answer that I have before me and that is that the standard rate of pay - and that is for all employees other than the caveat I said about apprenticeships and under-18 year-olds - in the public sector starts at £10.78 an hour.

3.10.3 The Connétable of Grouville:

Would the Chief Minister agree that should the Council of Ministers adopt a policy of only using contractors who pay the living wage it would give some comfort to those whose jobs may be outsourced?

Senator I.J. Gorst:

Again, I can see the theory but it is far more complex than that, because there are many issues which need to be considered when delivering outsourcing contracts but, of course, the Constable is right, one of them is appropriate rates of pay.