

2016.06.28

17 Deputy S.Y. Mézec of the Minister for Treasury and Resources regarding measures taken in 2015 to reduce the wage bill of the States of Jersey: [9536]

What measures were taken in 2015 to reduce the wage bill of the States of Jersey?

Senator A.J.H. Maclean (The Minister for Treasury and Resources):

This Assembly has undertaken to balance budgets by 2019 as part of the M.T.F.P. 2016 to 2019, and that inevitably means a requirement to reduce staff costs. The Council of Ministers is committed to delivering this through efficiencies, restructuring and savings and departments worked hard in 2015 to deliver the first round of these savings and implement restructuring that will ultimately reduce the States' wage bill. A number of measures were taken in 2015 to reduce the wage bill, including active vacancy management, an initial voluntary release scheme and pay restraint. The initial voluntary redundancy scheme paid out £5 million to 105 members of staff in 2015, achieving recurring savings of £4.2 million.

3.17.1 Deputy S.Y. Mézec:

The figures that were published in the States accounts recently showed that, despite the number of full-time employees that the States has going down by around 2 per cent, the average wage paid in the Economic Development Department has gone up by 46 per cent, the average wage in the Chief Minister's Department up by 21 per cent. Is this a sign that the Government is simply getting rid of low-paid workers *en masse*, rather than targeting people at the top, which is what many members of the public think they should be doing?

Senator A.J.H. Maclean:

No, not at all, in fact, the Deputy is entirely misinformed in having that impression. It is very easy to pick on one or 2 departments and, in particular, departments that have focused on growing our economy and growing our income line. Yes, there is going to be investment in those areas and yes that is going to involve more staff at times but, overall, let us be frank about this, what are we seeing? We are seeing 139 less staff in 2015 than in 2014, we are seeing 22 less staff earning in excess of £100,000, staff salaries and wages decreased by £18 million between 2014 and 2015. We are making progress, baseline expenditure of department is coming down, or at least flatlined in the period between 2014 and 2015, and will continue as we move forwards.