

4.11 Deputy M. Tadier of the Minister for Social Security regarding the implications for the Minister's department of a U.K. employment ruling on 28th October 2016 on the employment status of Uber drivers; [1(335)]

Further to a U.K. Employment Tribunal ruling of 28th October 2016 that Uber drivers were employed and not self-employed and, therefore, need to be paid a national living wage, what implications, if any, has this had for the Minister's department?

Deputy S.J. Pinel (The Minister for Social Security):

The Minister has noted the U.K. tribunal decision with interest and officers of the department are keeping a track of progress in the Uber case. This U.K. Employment Tribunal decision has had no direct implications on my department because Uber does not operate in Jersey and the decision is related specifically to the circumstances in the U.K. case.

4.11.1 Deputy M. Tadier:

Has the Minister sought to identify businesses in Jersey whose operating model may be akin to the Uber model and, more specifically, for whom the tribunal ruling in its different parts would potentially be applicable to those businesses and, if not, why not?

Deputy S.J. Pinel:

I am not quite sure which businesses in Jersey the Deputy is referring to. Perhaps he could inform me.

4.11.2 Deputy M. Tadier:

I think the point is that that is for the Minister to determine. She said she has noted the ruling in the U.K. in October and it is surely not my job, although I am sure privately I could direct her in the direction of some companies that might need to be looked at. Surely it is of interest to her department to make sure if only for the fact that there is a risk that such companies would not be paying the minimum wage in reality and that their contracts may be inappropriate. So would she, again, undertake to do that research, to talk to J.A.C.S. and perhaps the Employment Tribunal to identify which companies might fall under this category?

Deputy S.J. Pinel:

I think I said that in my opening remarks that the officers in the department were keeping track of the case in the U.K. - there has only been one - and Uber does not operate in Jersey so it is a totally different set of circumstances. The Jersey tribunal will be keeping track of it as well, so everything the Deputy has asked for is in hand. It is being taken care of.

4.11.3 Deputy S.Y. Mézec:

I think this question is more about the concept of bogus self-employment where people are, to all intents and purposes, employed but for some reason are treated as self-employed and have to take on all the liabilities and higher social security rates that comes along with that. Does the Minister have any evidence of what extent bogus self-employment exists in Jersey and, if not, is she prepared to look into it to see if it is a problem in Jersey that needs to be tackled?

Deputy S.J. Pinel:

Yes, as I said previously, we are constantly on the case and there have only been a small number of cases in Jersey and the Jersey Employment and Discrimination Tribunal relating to self-employed status, none of which were similar to the Uber case. There is very different legislation in Jersey. We do not have the term "workers" which the U.K. employment law does. It is different legislation over here anyway.

4.11.4 Deputy M. Tadier:

Part of the reason I asked the question is, of course, because it is germane to her department potentially. It has been said that the Citizens Advice Bureau in the U.K. identified as many as almost half a million people who could be falsely classified as self-employed and that costs the Social Security Department or their equivalent over £300 million a year. So I think it would be useful for the department if for no other reason to identify whether such abuses do occur in Jersey to make sure the correct contributions are being paid. Does the Minister agree with that sentiment?

Deputy S.J. Pinel:

Yes, I absolutely concur with that sentiment and it is the foremost part of the second part of the review that Social Security is undertaking starting now into self-employment