

**3.14 Deputy G.P. Southern of the Chief Minister regarding measures to meet the targets of delivering £70 million in ‘people savings’ and of re-establishing a partnership with public sector representatives: [1(127)]**

Given the refusal of the majority of public sector unions to engage with the States Employment Board over modernisation until their outstanding pay claim is settled, what measures, if any, does the Chief Minister have under consideration in order to meet his targets of delivering £70 million in people savings and of re-establishing a partnership approach with public sector representatives?

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

A meeting has been set up with the Joint Council to hear the employers’ proposals on how to bring the 2015/16 public sector pay review to a close. This does need of course now to be resolved before the unions re-engage on workforce modernisation, post their decision during the previous States sitting. Quite separate from this we strive to work in partnership with the unions to meet our M.T.F.P.2 targets and this will continue so that we can achieve the sustainable public finances that are so critical to our future success.

**3.14.1 Deputy G.P. Southern:**

Supplementary, if I may. Does the Chief Minister consider that the task of the States Employment Board has been made more difficult by the pre-emptive reduction in teachers’ salaries forced through by the Minister for Education?

**Senator I.J. Gorst:**

No, I do not. There is a conversation taking place on a trilateral basis, I think the Education Department, members of the Human Resources Department and the unions in that regard and no doubt we are going to have quite a long debate about whether that was the right approach to take or not. But there are all sorts of good reasons why States Employment Board agree with the Minister for Education and agree with the position taken by this Assembly in approving the M.T.F.P.2 that the change is appropriate.

**3.14.2 Senator S.C. Ferguson:**

Can the Chief Minister explain, in his capacity as chairman of the States Employment Board, why the undertakings given by the S.E.B. (States Employment Board) to the unions prior to the 2014 elections were reneged on?

**Senator I.J. Gorst:**

I am not aware of any undertakings that have been reneged on.

**The Deputy Bailiff:**

Can you clarify, please, Senator?

**Senator S.C. Ferguson:**

My understanding was that there were certain undertakings with regard to the next salary round which were given particularly to Prospect which then were ignored once the new S.E.B. took its place.

**The Deputy Bailiff:**

But can you specify what an undertaking was?

**Senator S.C. Ferguson:**

I regret I have not got the papers on me at the moment.

**The Deputy Bailiff:**

Does that mean anything to you, Chief Minister? Very well.

**Senator I.J. Gorst:**

The States Employment Board would argue strongly that that is not the case. In 2014 States employees had a 4 per cent pay rise. As part of that pay rise was the agreement to engage in workforce modernisation so I leave Members to draw the conclusion about who has withdrawn from workforce modernisation post that 4 per cent pay rise.

**3.14.3 Senator S.C. Ferguson:**

Supplementary. Yes, but did the Minister not supply an employment representative to speak to Prospect and the joint unions without a mandate from the States Employment Board to reach agreement?

**Senator I.J. Gorst:**

No, the reverse is the case; that officers take and meet, on behalf of the States Employment Board, union representatives and they understand their mandate prior to meeting. Sometimes that mandate is a difficult mandate to deliver because we are working within the bounds that the Council of Ministers proposed to this Assembly but this Assembly then approved.

**3.14.4 Deputy M.R. Higgins:**

I wonder if the Chief Minister would clarify his figures of a 4 per cent wage award given for the year that he mentioned. But how many years before that did they not receive a penny or below inflation wage increases? Please put it in context, figures on their own mean nothing.

**The Deputy Bailiff:**

I am sorry, what was the question?

**Deputy M.R. Higgins:**

I am asking him to put the figure, the 4 per cent figure in context and explain how many years the workforce were not given a pay rise or were given below inflation pay rises before that particular award.

**Senator I.J. Gorst:**

The Deputy knows that there has been pay constraint for a number of years. I think the year, and I cannot just recall accurately off the top of my head, there was certainly a year where there was no pay rise, there was a year where there was a nonconsolidated pay rise. So of course it is against a backdrop of pay restraint and pay restraint continues to be delivered and negotiated. But that does not mean, as the Deputy is trying to suggest, that in 2014 there was not a pay rise of 4 per cent because there was.

**3.14.5 Deputy S.Y. Mézec:**

Does the Chief Minister not accept that the actions that he, and indeed this Assembly, have taken since 2014 have negated the chances of there ever really being any meaningful negotiation and that the restrictions that have been placed by things like the M.T.F.P. have meant that the workers simply feel that there is no chance of any proper collective bargaining as a result of that?

**Senator I.J. Gorst:**

No, I do not accept that because the States Employment Board only, I think it was back in November now, met with union representatives right across the unions, apart from Prospect

who refuse to engage in the workforce modernisation despite the agreement prior to the pay increase, and we together agreed that there were changes that needed to be delivered to workforce modernisation before it could get over the line. We subsequently met with those union representatives and it was only during the course of the last States sitting where there was a vote of no confidence in the States Employment Board that the unions took the decision, which was kindly communicated by Reform Jersey members to this Assembly, that the unions took the decision to withdraw from workforce modernisation. That is where we find ourselves, that is where the States Employment Board want to re-engage with the union representatives to complete the pay award for 2015/16 so that we can move forward importantly with workforce modernisation.

**3.14.6 Deputy S.Y. Mézec:**

Supplementary. Of course the unions withdrawing from the negotiations had nothing to do with that vote of no confidence that was brought in this Assembly and was down to the fact that they feel that the negotiations they are involved in are completely meaningless. So to that end, would the Chief Minister, if he is even listening - which I suspect he is not - if the Chief Minister is listening, would he be prepared to meet with the heads of these trade unions to be able to talk through their concerns and find a conciliatory way forward that bears in mind the things that they are worried about so that they will come back to the table and achieve what we all hope they achieve which is a meaningful agreement that works in everybody's interests?

**Senator I.J. Gorst:**

The Deputy should know from his communications that States Employment Board, in the last 3 or probably 4 months now, have met twice with the union representatives and the heads of the union representatives apart from, as I say, Prospect, in order to move workforce modernisation forward. We left that meeting agreeing that the further detail of the extra resource that States Employment Board were prepared to put into workforce modernisation would be worked on by officers and by those union representatives. Of course we would be prepared to meet with them again to understand now what new concerns they may have with regard to workforce modernisation and equally officials will be meeting with union representatives to try and finalise the 2015/16 pay negotiations as well.

**3.14.7 Deputy G.P. Southern:**

Does the Chief Minister recognise that the effect of what this House agreed to in terms of teachers' salaries is an across the board cut in teachers' salaries?

[11:30]

**Senator I.J. Gorst:**

The Members, I say opposite, often accuse Ministers of using inappropriate words. It is difficult to interpret the question that the Deputy has just asked me which was that teachers' salaries have been cut when he knows that no existing teacher's salary has been cut. What is being proposed is a reduction - if you want to use the word "cut" you can use the word "cut" - in future teachers' salaries. Let us at least be open about what is being proposed and by whom and what the benefits are as well as, as the Deputy suggests, the negative consequences of any change because I believe, as does the Minister for Education, that there are greater opportunities in the changes that he is proposing than in the current regime.