

2018.02.20

**1 Deputy J.M. Maçon of St. Saviour of the Minister for Social Security regarding consultation with the business community in respect of family friendly employment rights: [OQ.27/2018]**

I believe the Assistant Minister is taking this one so I will try and get the pronouns rights. Further to the Employment Forum's review of family friendly employment rights and given that 27 of the 331 respondents to the Forum's consultation were employers, is it the Minister's assessment that this was a representative sample of the business community?

[9:45]

Will the Assistant Minister explain how small businesses were proactively engaged before the department lodged their proposals on maternity and paternity rights?

**Deputy G.J. Truscott of St. Brelade (Assistant Minister for Social Security - rapporteur):**

I thank the Deputy for his question. The Minister and I are both confident that the Employment Forum undertook this consultation to its usual high standard and that a balanced recommendation has been presented to take into account the views of local businesses as well as employees and parents. In addition to the 27 responses from individual employers, which were from a range of sectors, I am pleased to reassure Members that the views of local employers were also represented in the consultation by employer associations that provided written responses and attended the Forum stakeholder meetings. The Forum's report explains that these included the Jersey Chamber of Commerce representing 550 businesses, I.o.D. (Institute of Directors) Jersey representing more than 650 business members, the Jersey Hospitality Association representing about 400 industry partners and the Jersey Farmers Union representing about 100 members. The Forum's role is to take into account the views of a wide range of stakeholders and other relevant evidence, as the Forum itself has explained. The Forum reaches its recommendations not by being persuaded by the most forcefully expressed consistent or recurring responses but by taking a balanced approach to the evidence and the information that was available from many sources. In addition, there is a balance within the Forum itself with members representing both employers and employees. I am confident that this structure and process have led to a balanced set of recommendations.

**3.1.1 Deputy J.M. Maçon:**

I thank the Assistant Minister for his response. However I have been contacted by several small business owners who said that they were not even aware that the consultation process had occurred and therefore had not contributed. I wonder whether the Assistant Minister, as it is not in the report, would be able to give a breakdown of those 27 companies explaining the sectors and size of businesses that responded to the consultation. For example, it might be much easier for a finance company to support the forthcoming recommendations where maybe a different smaller company may not, but we do not know at this moment because that breakdown was not provided within the report. Will the Assistant Minister provide that breakdown?

**Deputy G.J. Truscott:**

I understand. I have not got the precise breakdown of that but it is just generally from a diverse - I was told - range of businesses. So it would be from small businesses, large businesses, right across the board and spectrum of businesses in Jersey. The whole process was very well advertised back ... the consultation started in January 2017 and ran for 3 months. It was extensively advertised via social media, via the radio, via T.V. (television), and online as well. I think really robustly it was well advertised and, as I say, it was well attended by business people locally.

### **3.1.2 Senator S.C. Ferguson:**

As the Deputy knows, over 80 per cent of our businesses are in fact small businesses. I know of cases where someone has been employed only to declare within a week that they were pregnant. Now what safeguards are you going to provide for an employer who takes on somebody in good faith only to find that they are going off on maternity leave very shortly? What safeguards are there for the employer?

### **The Deputy Bailiff:**

Senator, I do not think that is within the parameters of this question, which relates to the strength of the sample that has been obtained and I do not think I can permit that within the context of this question.

### **3.1.3 Deputy M. Tadier of St. Brelade:**

Has the Assistant Minister and the department given thought to the impact that will be had on small businesses and should it be a States contribution that is paid as this benefit rather than one by the employer?

### **Deputy G.J. Truscott:**

Yes, we have considered just about everything, to be honest with you. I think if local businesses or the Government was to get involved in this we would have to be looking at a significant increase in contributions. In the U.K. (United Kingdom), for example, the Government does pick up this type of maternity and maternity bill but employer's rates are at 13.5 per cent for contributions whereas over here obviously they are at 6.5 per cent currently.

### **3.1.4 Deputy M. Tadier:**

Is it not the case that the department cannot have it both ways? We cannot promote what is looking towards being perhaps a gold-plated maternity system without funding it properly in some way? So is it not the case that while comparisons may be made with the U.K. there is of course a cap so that the very wealthiest earners in Jersey do not pay higher contributions? Rather than increasing the basic rate the cap is something that could be looked at in order to fund a universal benefit of this kind?

### **Deputy G.J. Truscott:**

I have finally seen the light where the question is coming from later on, so thank you for explaining that. I think currently the proposals that the Minister is putting forward to the change in Employment Law is balanced and measured, and I am a small employer and I have no hesitation whatsoever for paying 6 weeks' pay for a loyal member of staff that wants to go and take maternity leave. I have no hesitation whatsoever. It is totally affordable from my point of view. I could, if I wanted, take the £209.53 as a reduction in that pay, but not that I would.

### **3.1.5 Deputy G.P. Southern of St. Helier:**

Is it not the case that there is little point in extending the period of the maternity leave or paternity leave from 18 to 26 weeks unless you extend their eligibility for receiving benefit for maternity allowance during that period? That is the way and only costs £1.5 million. Does the Assistant Minister not agree?

### **Deputy G.J. Truscott:**

I do not want to get particularly drawn into the ... we are going to have a debate in 4 weeks' time on the proposals and I do not particularly want to get involved in this type of thing because, at the end

of the day, if members want to weaken or strengthen the Minister's proposals that is their political prerogative and their democratic right. I think what we are talking about in here today is whether the process of the Employment Forum is robust, and I do believe it was. I just maybe have your opinion on that, Sir.

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

The Assistant Minister again has failed to answer the question but can he explain why that sum of money, £1.5 million to extend maternity allowance, has not been considered? When he talks about the wide survey that has been done, is it not the case that I have had to defer my proposition in order that some results are coming forward forthcoming from another survey to be done on family friendly policies by his department?

### **Deputy G.J. Truscott:**

The Deputy knows full well that we are undertaking a full survey of various contributions and how things are going to go forward into the future. That particular result we are waiting for - there has been the extensive public consultation - will not be known until the end of March. That is why the Minister did ask you to defer your further question later on until after March, until the results are in. So until the results are in I am not prepared to give an answer to the Deputy's question.

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

Sir, the Assistant Minister just refused to answer my question. Is he allowed to do that?

### **The Deputy Bailiff:**

The Minister is entitled to say he is not in a position to answer a question at this time for reasons; that is an answer to the question even if it is not the information that you are seeking.

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

I think the phrase used, Hansard will say: "That is why I will not answer your question."

### **The Deputy Bailiff:**

I think the Minister said: "I am not prepared to answer your question" to be precise, but there we are.

### **3.1.7 Deputy S.Y. Mézec of St. Helier:**

Could I ask the Assistant Minister just how much take-up he thinks there is going to be of this increased parental leave when such a large proportion of it is going to be unpaid?

### **Deputy G.J. Truscott:**

Again, Deputy Mézec, I have not got a figure. I would hope as many mothers feel they could take up this particular ...

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

Rich ones.

### **Deputy G.J. Truscott:**

I do not have the figure, I am afraid, but it is something that ... this is about the family going forward. This is about an important period, which I am sure you do not deny. I know where you are coming from but I have not got the figures. But I do hope as many mothers can take up this as possible.

### **3.1.8 Deputy S.Y. Mézec:**

If it is all about the family then it needs to be accessible by as many families as possible, not just the very wealthy who currently, under the proposal, will be the only families who will be able to take up this full parental leave. So could he give a guarantee to this Assembly that work is going to be done to make sure that the poorest families in our society, the ones that need the most support in this area, will get that support and that he is looking at all potential funding mechanisms to make sure that it is paid and that they can take the full benefit of this, and not leaving it to just be something that only the wealthiest families can benefit from?

**Deputy G.J. Truscott:**

I will give you my assurance. We look at everything really, and I can rule nothing in and rule nothing out. We will look at everything and you have the ability with the 3 ...

**The Deputy Bailiff:**

If you could address your answers through the Chair.

**Deputy G.J. Truscott:**

Sorry, Sir, I do apologise. The Deputy has the democratic right. As I say, we have coming up on 20th March the Minister's proposal. He has every right to try and strengthen or weaken the proposals that we are putting forward.

**3.1.9 Deputy J.A. Martin of St. Helier:**

It is welcome that there is a little bit extra for some families who can afford it. My question is to a reply the Assistant Minister made and he said: "We have looked at businesses who pay" and then initially then that would be the state, but that would raise employer's contributions to something like the U.K., around 13 per cent. Does the Minister not understand that there are some big, massive multi-million turnovers in some of these companies and that is where they should be looking at, then the pot could subsidise the smaller companies that will be struggling and their families will not be taking the time off because they cannot afford it? Does he not think there is a lot more work to be done and the States should be contributing with the very rich firms that have large, large, large turnovers?

**Deputy G.J. Truscott:**

I do agree with the Deputy, absolutely. As I say, we have got the M.T.F.P. (Medium Term Financial Plan) 3 coming up in 2019. It is something that the department will be looking at, at all the contributions that we currently offer. Some could be weak and some could be strengthened. That is why we have gone to public consultation and, as I say, we have got Members here that are obviously... all of us are here for the family friendly rights that the Minister is quite rightly promoting. She is very proud to bring those to the States on the 20th, and as I say, it is down to Members if they want to bring in their revised propositions then please do.

**3.1.10 Deputy J.M. Maçon:**

In which case, can I ask the Assistant Minister that all States Members, should they want to bring amendments to the Minister's proposition... that they will receive the full co-operation and support of the department in bringing those amendments forward?

**Deputy G.J. Truscott:**

Absolutely.