

STATEMENT ON A MATTER OF OFFICIAL RESPONSIBILITY

10. The Minister for Transport and Technical Services regarding industrial action at Jersey Airport

10.1 Deputy A.J.H. Maclean (The Assistant Minister for Transport and Technical Services):

I would like to inform States' Members of the circumstances surrounding industrial action that has occurred at Jersey Airport today. The airport was partly closed this morning between 0500 and 0900 hours due to a strike action by G4S security staff. The early morning departures to the U.K. were cancelled, amalgamated or delayed. However, some inter-Island flights were able to depart and arrivals were largely unaffected. There is a further threat of similar action this Friday and next Monday if agreement is not reached over staff claims for better pay and conditions from their employer, G4S. After intense negotiations yesterday between G4S management, their staff and Unions, it was understood late yesterday afternoon that an agreement had indeed been reached. G4S management had offered an above inflation pay award of 3.1 per cent and the introduction of sick pay. The introduction of sick pay was seen as a major breakthrough in yesterday's negotiations, as the company does not currently offer this benefit in Jersey or indeed anywhere else in their U.K. network. We understand that the Union had recommended to staff that they accept the offer put to them by their employers G4S. However, at a secret ballot held late last night, G4S staff rejected their Union's recommendation. Staff are understood to be claiming a 21 per cent pay award, additional shift allowance and greater sick pay. To give States' Members some background, G4S - formerly Securicor - were awarded a 5-year contract to supply security services at Jersey Airport in 2003, after a competitive tender process. Jersey Airport and the Island community are effectively victims of a dispute between a private company, G4S and their staff, who are members of the Transport and General Workers Union (T.G.W.U.). Jersey Airport staff have been working very hard to minimise the impact of this industrial action on airlines, related groups, and the travelling public. The spirit of co-operation at this difficult time was demonstrated by the recently retired Josie-Ann who returned to her post this morning at the information desk to assist with the vital customer service effort. Jersey Airport will do all that it can in order to help mitigate disruption to all those affected by this dispute. We called an emergency meeting on Monday with the management of G4S to seek an explanation from them as to why this dispute was allowed to escalate, and to seek their views as to how they intended to resolve it. G4S emphasised their desire to continue discussions with staff and expressed surprise that sudden all-out industrial action had been announced last Friday evening. Yesterday's negotiations proved the willingness of G4S management to enter meaningful negotiations with their staff and Unions but there is now, clearly, further discussions required today to hopefully resolve this dispute. I asked G4S to contact Jersey Advisory and Conciliation Service to act as independent mediators. They agreed to this proposal but subsequently the T.G.W.U. felt that it was not appropriate to allow J.A.C.S to mediate. I am hopeful that the T.G.W.U. may see some benefit in J.A.C.S. involvement from this point onwards. I have made it clear to the management of G4S that we expect them to resolve this dispute quickly and fairly. The position that the airport and the wider Island community find themselves in is completely unacceptable. We cannot allow such circumstances to occur again where a private company's dispute with their staff can close the airport. We will be reviewing the terms of the contract between G4S and Jersey Airport, with a view to ensuring that future contractual arrangements are more robust. We will need to give detailed consideration as to whether airport security services could be fulfilled in house in the future. As part of a broader review of airport operations I have already instructed the Airport Director to fully assess this future option. In the meantime, we will continue to apply the strongest possible pressure on the management of G4S to resolve this dispute with their staff. Finally, I have been keeping Ministerial colleagues, including the Chief Minister, fully informed with developments of this

dispute, and should matters escalate, I will be asking the Economic Development Minister to convene an emergency meeting of the Council of Ministers.

10.1.1 Deputy G.P. Southern:

Could I ask whether the Assistant Minister feels it is appropriate that we, indirectly, as employers of staff at the airport, should be outsourcing our workers to a company which does not pay sick pay? Is this an appropriate position to put the States of Jersey in and in what time scale is he going to review this decision because I feel that this is the States of Jersey, indirectly through the airport, as an employer acting with the worst possible motives and as the worst possible type of employer? I would like to ask him that and furthermore to ask him whether the only route forward is via J.A.C.S., which is a voluntary agreement requiring the assent of both sides in a dispute to progress. My understanding was that we used to be able to use Industrial Relations Officers - the 2 most recent of which are still in the House - in order to not quite bang heads together but to help people to solve disputes of this nature and they were very effective.

The Bailiff:

Deputy, this is a very long question. It is not a speech it is a question.

Deputy G.P. Southern:

And the question was, is it the case that we can no longer involve the Industrial Relations Officers?

Deputy A.J.H. Maclean:

The sick pay issue seems to be an industry standard in the UK whereby the 2 primary operators of security services for mainland airport security are G4S and British Airport Authorities. The sick pay issue is across the entire network, as I understand it. Whether that is appropriate or not, it does appear to be an industry standard. I think it is perfectly reasonable to ask the question and I tend to agree that it possibly is not appropriate but it is an industry standard and so that is where that came in. As far as reviewing the situation with regard to G4S, the contract and the possibility of the airport undertaking its own security services, there are in fact 2 and a half years remaining on the existing contract. The review that will be undertaken, which is part of the wider broader review of airport operations as a whole, will be taken in shorter term but any final decisions will not be implemented clearly until the end of the current contract. With regard to J.A.C.S. and whether there are additional opportunities for mediation, I have in fact spoken to Deputy Breckon, who is still a representative of the Industrial Relations Tribunal. I believe that they in fact have a period of time to run and we are in discussions about his possible involvement in assisting with this dispute, which has been very helpful and I thank him for that.

10.1.2 Senator P.F. Routier:

I was really just inquiring about if the Assistant Minister was aware if there was a particular reason that the Transport and General Workers Union did not feel it was appropriate for J.A.C.S. to mediate.

Deputy A.J.H. Maclean:

No, I am not aware of the reason. We just got the message back that they felt it was inappropriate we did not have an explanation from them on that subject.

10.1.3 Deputy J.J. Huet:

It was reverting back to the sick pay again, Sir. I understood that they do not get sick pay but can we be assured that the employer is paying credits for the employees so as they do get something from social security and they do get their pension rights, obviously. Hopefully they are getting something.

Deputy A.J.H. Maclean:

Yes, as I understand it, they are and they would be able to claim sick benefits through the social security system. In fact, the suggestion and award that was made by the employer, G4S, yesterday was a concession to agree sick pay in the future, which obviously has not been accepted at this stage.

10.1.4 Deputy A. Breckon:

Sir, I am aware I am not able to make a statement but I wonder if I could phrase it in such a way that the Assistant Minister would agree with me if I said that my position is as Industrial Disputes Officer - a position I did not think I still held but apparently the new Law has not received Royal Assent - and would he agree that I received a telephone call on Monday morning from the contractors in the U.K., and a bundle of papers shortly after that, and I have spoken also to the Transport and General Workers Union and offered the services of myself, as Industrial Disputes Officer, to intervene should the need arise to try and alleviate the current deadlock. If the Assistant Minister would agree that that is the situation.

Deputy A.J.H. Maclean:

Yes, Sir, I would.

10.1.5 Deputy J.A. Martin:

Just 2 small points. At 26 the Assistant Minister states that: "We will continue to apply the strongest possible pressure on the management of G4S." Could he elaborate on what this pressure is and what that means. At 22 we talk about: "Airport and wider Island community finds themselves in." It may not be true but I have heard it twice on news reports today that Jersey Post - and I quite understand where they were coming from - were unwilling to cross the picket line and the mail was not collected this morning. Can he update us on this situation, please because this is a very wide Island issue.

Deputy A.J.H. Maclean:

Yes, the Deputy is absolutely correct, Sir. The Jersey Post employees were not prepared to cross the picket line and the mail was retained at the airport until the dispute ended. The dispute ended at 0900 this morning so it has resulted in a delay but not a significant delay with regard to post being delivered and other issues of that nature. As far as pressure is concerned, we have a contract with G4S to provide security services at the airport. I have made a comment in the statement about the robustness of that particular contract and there is in fact a penalty clause in there. The penalty clause is, in my opinion inadequate, it allows for fining of up to £500 per day. As I say it is not particularly adequate, that is one area where we can apply some pressure. Obviously G4S have had a relationship with Jersey Airport for a considerable period of time, and I have to say that the service that they have delivered during that time has been exemplary - very good indeed - and they would be keen I am sure to continue that relationship: it is an extremely valuable contract to them. It has 2 and a half years to run and I think from a commercial perspective that is commercial pressure in itself; the willingness to work with us in order to deliver a satisfactory resolution to this most unsatisfactory dispute.

10.1.5 Senator M.E. Vibert:

Briefly, Sir, I wonder if the Deputy knows how many employees we are talking about and if we know the exact result of the ballot. It seems very strange that when you negotiate with a Union official, who recommends it to members and then it is rejected, because it makes it very difficult for his Union negotiations with that Union official.

Deputy A.J.H. Maclean:

Yes, it is a very good point. I understand that this is the first time in more than 20 years that a recommendation by a Union to its members has been overturned at the ballot. So, that in itself is extremely unusual. There are approximately 40 employees involved. I am aware that the vote was 20 to 14.

10.1.6 Deputy P.N. Troy:

I would like to ask the Assistant Minister, given that flights were delayed several hours today, does that mean that the airport could be open to action from the airlines for any losses that they might incur through the delays?

Deputy A.J.H. Maclean:

We do not believe that there would be any actions from airlines. It is again a very good point. However, the message that this sends out is not particularly constructive at a time when we are trying to develop new routes to new destinations and attract new airlines. We do not really want to be sending out a message that we have industrial action at our airport because it is not very good news for airlines who are trying to conduct their business.

10.1.7 Deputy P.V.F. Le Claire:

May I ask in respect of item 4, if the Assistant Minister could inform Members as to what he means by conditions if he is aware of other issues, or is that just solely to do with pay, remuneration and shift pay, *et cetera*. Item 4 reads: "There is a further threat of a similar strike if agreement is not reached over staff claims for better pay and conditions." I just wonder what those conditions might be if he could illuminate on that point. Also to touch upon whether or not it might be possible for consideration to be given for contingency plans in the future for this type of eventuality. When considering whether or not replacement staff in these circumstances might be trained in-house, is consideration going to be given as to whether or not these replacement staff might themselves be Union members, and whether or not a further contingency might be necessary, given the importance of the finance industry and its needs, for the Home Affairs Minister to be asked whether or not police officers need to be brought in, in these exceptional circumstances. Because it certainly is not, in my view, acceptable for the Island to be brought to a standstill because of a private security firm holding the Island to ransom over its problems. I am sorry, it might be causing...

The Bailiff:

This is question time.

Deputy P.V.F. Le Claire:

Well it is meant to be, Sir, but I am getting so much flak from the Ministers as I am putting my question it is proving difficult to make my point, Sir.

Deputy A.J.H. Maclean:

The conditions that I was referring to are primarily shift allowance and sick pay, those are the 2 primary areas of concern - as far as I understand it - on behalf of the employees. As far as replacement staff or the ability to keep the airport open, we have considered a number of options. Unfortunately, it is extremely difficult. We spoke to G4S at an early stage on Monday about the ability that they might have to bring relief staff in from their network in the U.K. Unfortunately, the network is highly unionised and Members will fully appreciate that should they have brought staff over - if staff had been willing to come over, which is highly unlikely - it would have escalated the situation even further. There is nobody within the Island who is able to provide the service of security to the required levels dictated by the Department of Transport. Security personnel need to be fully accredited to be able to provide that service and even the police are not able to do so. The police can be part of the service but they cannot operate the machinery, so

I am afraid we would be no further forward. This morning Members will note that a number of flights got off inter-Island and some small flights got off. That was facilitated by management, that G4S brought to the Island, to allow us to minimise, as much as we possibly could, the impact of this particular action. It also allowed us to open the airport a lot more quickly after the 9.00 a.m. deadline because under normal circumstances we probably would not have been able to open up until 11.00 a.m. if we were not able to get crew, for example, through security, and the management of G4S facilitated that which was obviously very useful.

Deputy P.V.F. Le Claire:

My question really was not answered, Sir, perhaps because of the disturbance to my right. I was asking in my second question, was consideration going to be given to looking at providing the police with the necessary training so that if an in-house situation was to reoccur, with unionised replacement staff, the police could step in to operate a basic service for the public, or whether or not we are going to allow ourselves to be held ransom by people...

The Bailiff:

All right, Deputy, that is the question. We are out of time now.

Deputy P.V.F. Le Claire:

I would just like to ask, Sir... the Minister for Home Affairs is in hysterics and I am trying to address a serious issue which concerns her department.

Senator W. Kinnard:

Sir, I can deal with this I think, if I have to. I know you do not want me to.

The Bailiff:

Minister, I am sorry, we are out of time for question time. Deputy Le Claire has put a question which he thinks has not been answered. Minister, would you deal with that please?

Deputy A.J.H. Maclean:

Yes, Sir, I would. During the review that will take place in more detail after this dispute has been resolved, we will be looking not just at the current contract that is in place with G4S to ensure that this sort of situation does not arise again, we will also be looking at consideration such as alternative means of keeping the airport open in an event, hopefully an unlikely event, that this should happen again in the future. We will be considering all options to make sure that we are not put in a similar situation again.

Senator F.H. Walker:

Sir, may I just thank the Assistant Minister for the calm and assured way in which he is dealing with this issue and, in particular, the way he and the airport team are doing their best to minimise the disruptions to the public and to keep us all so very well informed.

The Bailiff:

Thank you, Chief Minister.