

6. Statement by the Chief Minister regarding public sector pay awards

6.1 Senator T.A. Le Sueur (The Chief Minister):

I should like to take this opportunity to inform the States of current developments on the matter of outstanding pay awards for the pay year 2008-2009 in the public sector. The policy this year, as in all years, is that pay awards should be linked directly to the increase in the Jersey Retail Price Index as at March 2008, a quarter historically used in pay negotiations in the public sector. Currently, 4 pay groups, representing some 3,000 public employees, have accepted an award of 3.2 per cent. They have civil servants, police officers, prison officers and head and deputy head teachers. Other groups such as manual workers, nurses, teachers, firemen and paramedics have yet to settle. The States Employment Board, the employer of virtually all employees in the state sector, has recently decided to decline a request for arbitration on the pay award made by the trade union Unite on behalf of the States and parish manual workers. The reasons for this are as follows. Firstly, the offer of 3.2 per cent already made is equal to the relevant increase in the R.P.I. (Retail Price Index) and is consistent with States policy as set out in the States Business Plan. Secondly, other pay groups representing some 3,000 employees have accepted this award. Thirdly, there are other competing demands on States revenues at a time when the Council of Ministers is committed to cutting States spending. Fourthly, this is considered to be a very fair offer given the downturn in the economy and the impact that that has had on jobs and pay in the private sector. Finally, the employer is satisfied that on the basis of evidence it has received, the offer provides in the main very competitive pay and conditions of employment to its workforce, including manual workers. The employer is, therefore, maintaining its offer of 3.2 per cent to manual workers and all other pay groups yet to settle the 2008-2009 pay review.

6.1.1 Deputy G.P. Southern:

Does the Chief Minister then accept that the position of arbitration then is made redundant by the continued refusal of the States Employment Board to enter into arbitration? Surely the whole purpose of arbitration is then when an impasse is reached - and it certainly is because it is a year overdue - that is what it is there for. Why does the Minister support the States Employment Board in this action?

Senator T.A. Le Sueur:

The Board is unanimous that this is the right course of action. It has not been going on for over a year. The review is from June 2008 to May 2009 and the Board believes that a 3.2 per cent offer in the current circumstances is more than reasonable and should be maintained. On that basis, we do not believe that all avenues have been explored. We believe that it is the expectation that union members will want to consider that offer carefully in the light of current conditions.

6.1.2 Deputy G.P. Southern:

Can the Chief Minister outline what dangers he and the States Employment Board see in the possibility of going to arbitration? Why not?

Senator T.A. Le Sueur:

I do not think it is up to myself or the Board to explain its decisions in a situation where you might be subsequently in a negotiating position. You do not expose your hand in advance. My view, as set out in my statement, is there are clearly good and compelling reasons why the Board maintains its current position.

6.1.3 Deputy P.V.F. Le Claire:

Is it satisfactory that the States Employment Board can be the sole deciders in this request for arbitration? Should a decision to arbitrate not be taken by an independent body that the States employees can go to and request arbitration? Given that the Chief Minister has said he believes it is fair to offer 3.2 per cent in the current conditions and all avenues have not yet been explored,

would he not acknowledge that the current condition is one where paramedics are currently on strike in the Island?

Senator T.A. Le Sueur:

Firstly, the dispute among ambulance workers is not germane to this particular situation and, anyway, they are not on strike, they are working to contract, which is rather different. I maintain that the offer of 3.2 per cent is a realistic one and we see no point in going to arbitration when the position is as clear cut as it is. I believe that it is up to all negotiating bodies to act responsibly and if we are unable to reach agreement then we will have to come back to the table. Clearly, that is not the current situation.

6.1.4 Deputy P.V.F. Le Claire:

A supplementary then: if they are not on strike and they are only working to rule, do the current conditions not indicate that sectors that have not reached agreement and have not settled are now starting to work to rule? Does that not give us some concern to sit down with these people and go to arbitration? Do we have to wait until they are all working to rule before that occurs?

Senator T.A. Le Sueur:

I think it is very rash to generalise on one particular group or another. The dispute with the ambulance workers has been going on for far longer than this question of the pay awards and has nothing to do with the pay awards, it is to do with comparability in terms of conditions. That issue has been gone into very thoroughly, not once but twice, and it happens that the results of those independent inquiries do not appear to have satisfied the parties concerned.

6.1.5 Deputy S. Pitman:

As a States Member would the Chief Minister accept a pay rise of 3.2 per cent?

Senator T.A. Le Sueur:

Yes.