

STATES OF JERSEY



GENDER PAY AND INCOME RATIO CONSULTATION (P.64/2024) – COMMENTS

**Presented to the States on 18 October 2024
by the Chief Minister
Earliest date for debate: 22 October 2024**

STATES GREFFE

COMMENTS

The proposition would require the Chief Minister to consult with non-public sector entities regarding gender pay reporting but does not specify the terms or subject of that consultation.

If the intention is to facilitate mandatory reporting, then the case against [P.13/2024](#) ('Pay Gap Reporting') outlined in the Chief Minister's comments remain ([P.13/2024\(Com.\)](#) refers). These are briefly summarised as -

- differences in underlying legislative structures between Jersey and larger jurisdictions would mean either significantly increasing the scope and cost of the project (to create an equivalent to the Equality and Human Rights Commission) or creating a fundamentally different system where failure to report was a crime;
- differences in average company size in Jersey casting the net over far smaller companies than the UK and other jurisdictions require; and
- issues in timing, as businesses are experiencing an increased cost burden and higher levels of uncertainty in recent years.

If the intention is to consult on the development of a voluntary non-legislative system of reporting, then this is already in hand.

The Chief Minister has affirmed in principle the commitment made by the previous Council of Ministers in response to Recommendation 11 of [S.R.6/2022](#) ('Jersey's Gender Pay Gap (Follow-Up) Report: Response of the Chief Minister'). However, the former Chief Minister's response agrees that mandatory reporting legislation will follow the consultation, which the incumbent Chief Minister and Council of Ministers do not accept.

Currently, discussions are ongoing with partners in the private sector including the Diversity Network, with the intention of working together to bring forward guidance to set out expectations for reporting, and to provide a single universal framework for businesses to work from.

The expectation is to provide government backing to private sector innovation to develop a product that is usable and relevant to Jersey and working with the private sector to generate a self-sustaining support network to assist companies to develop the knowledge and processes to report effectively. Wider consultation with businesses will take place on the basis of that framework.

The Council of Ministers is of the view that this is a proportionate and reasonable approach which will allow local companies to demonstrate best practice while avoiding the pitfalls of copying a mandatory reporting system designed for much larger jurisdictions.

For these reasons, this proposition should be rejected.