

3.5 Deputy G.P. Southern of the Minister for Social Security regarding the use of zero-hours contracts in the economy:

As the Minister with responsibility for investigating the extent and appropriateness of the use of zero-hours contracts in the economy, has he examined the employment practices of the Royal Bank of Scotland and, if not, will he do so as a priority and report his findings to the Assembly?

Senator F. du H. Le Gresley (The Minister for Social Security):

The States committed in P.100/2013 to measure the use of zero-hours contracts through various surveys on the understanding that it will take until the end of 2014 to get some robust information. The outcomes will allow us to consider what, if any, further action should be taken in regard to the use of zero-hours contracts generally. My responsibility for investigating the use of zero-hours contracts does not commit me to routinely inspect and report to the States on the practices of individual employers. I have to say that I think it is unfortunate that the Deputy has brought a question about a specific business to a public forum when it might have been more appropriate to discuss the issue with me or at least an officer of my department. If the department receives a complaint about the employment practices of a particular business, officers will consider whether to undertake an inspection of that business but would not bring their conclusions to the Assembly. Members of the States are welcome to discuss issues with myself or officers of the department and should encourage individuals to raise concerns with J.A.C.S. (Jersey Advisory and Conciliatory Service) or to bring evidence to the department in confidence, if they wish.

3.5.1 Deputy G.P. Southern:

Is the Minister content with the fact that the practice of this particular bank is that they require applicants to apply through an agency, they remain on zero-hours contracts with that agency during and up to the first 18 months of their employment and they receive lower pay rates than staff doing equivalent work and they have no entitlement to sick-pay or paid holidays?

Senator F. du H. Le Gresley:

I did make the point that I do not know what the employment practices of this particular company are and it would be unreasonable for me to respond to questions about which I do not have the information.

3.5.2 Senator S.C. Ferguson:

Guernsey has virtually no zero-hours contracts, whatever the industry, and it appears to be a difference in the way the employment law is formulated.

[15:30]

Has the Minister done any work to examine the difference between the employment laws to see why Guernsey has so few zero-hours contracts?

Senator F. du H. Le Gresley:

This is an issue that the Senator did raise with me a few weeks ago. I did ask officers to investigate and the fact is that Guernsey has not revised their employment law to comply with current accepted practice with regard to employment contracts and, if we were to change our law to match Guernsey, we would be going backwards not forwards.

3.5.3 Deputy M.R. Higgins:

I found that last statement remarkable; I would have thought that zero-hours contracts were a backward step rather than a forward step. Could the Minister tell me whether he has had any discussions with his colleagues to see whether the use of these zero-hours contracts through agencies to companies are getting around the new population policy and that people are coming in, who would not otherwise, has to be allowed within the Island?

Senator F. du H. Le Gresley:

The responsibilities of the office of the Minister for Social Security does not extend to the Control of Housing and Work Law, so it would be difficult for me to comment on that particular question.

The Bailiff:

Minister, if I may say so, I very nearly ruled it out of order. Senator Ferguson.

Senator S.C. Ferguson:

Yes, can I have the supplementary, I did not quite get round to it. In fact, has the Minister taken advice from H.M. Attorney General about the difference in law between Jersey and Guernsey because my information from legal sources is that his information is incorrect?

Senator F. du H. Le Gresley:

No.

3.5.4 Deputy G.P. Southern:

Is the Minister content that the information I have just given him about the practice at Royal Bank of Scotland is current practice in the Island in the finance sector today?

Senator F. du H. Le Gresley:

The Deputy referred to earlier about a finance company employing staff through an agency. I would suggest that many businesses make that decision and there is not anything wrong with that if that is the work that they require people to do. It is not likely to lead to a permanent contract; it is temporary, filling in posts while people are on holiday or maternity leave. It is quite in order and not against employment law to use staff employed through an agency who remain the employee of the agency, not of the employing company.

3.5.5 Deputy G.P. Southern:

A final supplementary, if I may. Does he believe it is appropriate to use such zero-hours contracts and agency workers to maintain 9.00 to 5.00 hours throughout the first 18 months of somebody's work with a particular company in the Island because that is the practice? It is not about temporary workers, it is about those employees, 9.00 to 5.00, almost 40 hours a week, 48 weeks in the year, and that is the practice going on at R.B.S. (Royal Bank of Scotland) now.

Senator F. du H. Le Gresley:

If a person is employed on a zero-hours contract or fixed contract which involves regular hours, the employee has all the rights of the protection under employment law, including the right to bring claims of unfair dismissal after 6 months, holiday pay, to give notice, and also employers have to fulfil the obligations with respect to redundancy payments after a certain period. So there is protection if there are regular hours worked.