

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
QUESTION SUBMITTED ON MONDAY 8th MARCH 2021
ANSWER TO BE TABLED ON MONDAY 15th MARCH 2021**

Question

Will the Minister advise members of any evidence supporting her statement made as part of her response to OQ.48/2021, that increasing minimum wage in Jersey has meant that “some of the industries ... have gone out of business or they have stopped doing things that they didn’t do and then they do not employ as many staff”?

Answer

In its recommendation on minimum wage rates for 2020, issued on 9 October 2019, the Employment Forum noted that one part of my direction to it was to consult on what measures businesses had taken to adjust to the 6.9% increase in the minimum wage, which was implemented in two stages, in April and October 2019.

A link to the Employment Forum’s 2019 report and recommendation is here:

<https://www.gov.je/SiteCollectionDocuments/Working%20in%20Jersey/Minimum%20Wage%20Recommendation%20Oct19.pdf>

In its report, the Forum noted the fact that businesses had referred more in the 2019 survey to strategies to reduce costs than in previous years. The survey showed that 36% of employers had taken specific measures to adjust to the 2019 increase, including reducing the number of staff, reducing working hours and increasing prices for customers.