

STATES OF JERSEY



MINIMUM WAGE: AMENDMENT OF STATES ACT DATED 21ST APRIL 2010

Lodged au Greffe on 8th December 2017
by Deputy S.Y. Mézec of St. Helier

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to amend their Act dated 21st April 2010 on setting the minimum wage level as a percentage of average earnings by substituting for the words “the minimum wage should be set at 45% of average earnings, to be achieved over a period of not less than 5 years and not greater than 15 years from April 2011” the words “the minimum wage should be set at 45% of average earnings by the end of 2020”.

DEPUTY S.Y. MÉZEC OF ST. HELIER

REPORT

Following the publication in July of the report from Oxera which examined the potential impact of raising the Minimum Wage, the Chief Minister published a statement¹ containing the following –

“In considering the report, the Chief Minister, Senator Ian Gorst, said “It is clear that a significantly higher minimum wage could bring both positive and negative consequences, with many employees benefitting and potentially higher consumer spending, but potential job losses and lower incomes for some. Overall, however, this report shows that the States’ aspiration to achieve a minimum wage of 45% of earnings by 2026 is too slow. I therefore want to accelerate the timetable, delivering this change by 2020. This will benefit many workers, and support our overall objectives for our economy, population and society. I will be bringing a proposal to the States later in the month to deliver this.”.

Five months have passed and the Chief Minister has not brought this proposal forward.

During the debate on [P.109/2017](#), the Chief Minister indicated that there was ongoing work consulting with the hospitality and agriculture industries to identify support that can be provided to assist businesses with raising their wages.

In my view, a new target for the minimum wage can be set independently of this work. In fact, with a new target set in stone, the need to accomplish other changes will be forced higher up the agenda.

This proposition is therefore lodged to ensure that the Chief Minister is forced to keep his word on setting a faster timetable for increasing the minimum wage, and that it does not fall off the agenda if the work related to support for businesses proves to be difficult.

Financial and manpower implications

There are no financial or manpower implications for the States arising from this proposition.

¹ <https://www.gov.je/News/2017/Pages/OxeraMinimumWage.aspx>