

2016.02.23

### **3.6 Deputy J.A. Hilton of the Chief Minister regarding the privatisation of aspects of the Department for Infrastructure's service provision:**

Can the Chief Minister confirm that, when the Department for Infrastructure privatises aspects of its service provision, he will not increase the number of registered licences currently granted to the companies awarded the contracts, and will he confirm that the employees of such companies will be subject to the 5-year residency rule?

#### **Senator I.J. Gorst (The Chief Minister):**

Could I ask Senator Routier who is responsible for issuing licences to answer this question please?

#### **Senator P.F. Routier (Assistant Chief Minister - rapporteur):**

I would like to thank the Deputy for the question. No applications or approaches have been made by anyone, including any companies, for additional permissions. Should they be made they will be considered on their merits in the normal manner. I am pleased to have the opportunity to reinforce the Housing and Work Advisory Group's position that there will be no special treatment, and that means any request for registered staff would be refused should entitled people be available.

#### **3.6.1 Deputy J.A. Martin:**

The question is simple, like I put to the Minister for Infrastructure. Will the Minister be working with the Minister for Infrastructure to look before the P.Q.Q.s go out to see how many of these companies already have just registered workers or the majority of registered workers and what pay scale they are on? It is a very simple question. Will the Minister do that and work with the Minister for Infrastructure?

#### **Senator P.F. Routier:**

I would like to reassure the Deputy that I have already made representations to the Minister for Infrastructure and to the department that we will be taking a tough line with regard to employment of people. That we will not be giving any licences. I have seen a draft of what they are intending to send out and there is a section in it which says the employer - it is the way it is worded - is not reliant upon the need for an employment licence to fulfil licences they are tendering for. There is a section in there which specifically talks about they will not expect an employer to be asking for licences. With regard to the wages, that would be something for that department to be dealing with. My responsibility is obviously about licences for employment.

#### **3.6.2 Deputy J.A. Martin:**

Could the Minister then not urge the Minister for Infrastructure to add on to that question, if you are not reliant on an extra registered licence what is your split now? If you have 100 employees, is it 50:50? Is it 60:40? It is a simple question. You need to know where these jobs are going. How many of these companies tendering are already reliant or over-reliant on registered employees, i.e. without 5 years? Can you add that to the question?

#### **Senator P.F. Routier:**

That is the sort of discussion that we have had with the Minister and the department. We will obviously do our utmost to ensure that the wishes of many Members I am sure are held. Certainly the Housing and Work Advisory Group's view right from the outset, when it was talked about that there was a possibility of this move, that we would not be looking upon any licences favourably.

### **3.6.3 Deputy K.C. Lewis:**

Many of the workers at Infrastructure, when they lose their jobs - or as just been said, the current colloquialism is being "moved on" - some will lose their homes, some will never work again, a lot will end up on benefits. The new people coming in will be on minimum wage, zero-hours contracts, no benefits whatsoever, and will probably need a top-up from Social Security. Does the Chief Minister agree this is a completely pointless exercise?

### **Senator P.F. Routier:**

That is not really an issue for my responsibility. But certainly the Deputy has jumped to lots of conclusions with regard to the conditions that the employees will be being offered. I am aware that businesses who come to us for licences are challenged by obviously the employment legislation rules and wage restraints. It is obviously a commercial decision which will be made by the companies but I know that we will not be giving licences for people to be employed within companies.

### **3.6.4 Deputy J.A. Hilton:**

Can the Minister confirm how many vacant registered licences are being currently held by companies that will be tendering for these contracts?

[10:30]

### **Senator P.F. Routier:**

I am obviously unable to give that information on the hoof but certainly I will find out and let the Deputy know.