

### **3.12 Deputy G.P. Southern of the Chief Minister regarding the impact of governmental public sector pay policies: [1(653)]**

Following the adoption of his Government's policy of wage freezes and restraints since 2009 for public sector workers, which resulted in real terms loss in earnings of 7.5 per cent, will the Chief Minister advise whether his modernisation offer will leave those employees on average a further 7 per cent worse off in real terms, meaning a real terms loss of 15 per cent in earnings from 2009 to 2020?

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

Public sector workers have not experienced a real terms loss in earnings of 7.5 per cent since 2009. Furthermore they are not expected to experience a 7 per cent real terms loss as a result of workforce modernisation. Instead we are seeking to proceed on a reasonable and affordable path, which delivers a fairer, more sustainable and more flexible approach to our workforce.

#### **3.12.1 Deputy G.P. Southern:**

Straightforward denial of clear facts. Is it not the case that his department's financial forecasting body has said that the inflation is likely to be 3 per cent or above for the next 4 years and is it not the case that the average percentage award brought about by modernisation is 5.4 per cent? 5.4 per cent as against 12 per cent, is that not... or does he deny that black is black? Is it not the case that is at least a 7 per cent cut in real terms?

#### **Senator I.J. Gorst:**

I think this is probably the fourth, if not the fifth time, that Deputy Southern and I have argued on these percentage figures across the Assembly. If he would like to show his workings or come and we will compare statistical numbers, then I am more than happy to do that and it might be more productive than just arguing across the floor of the Assembly because the figures he quotes are not the figures that I have been provided with.

#### **3.12.2 Deputy M. Tadier:**

Perhaps the Chief Minister can give us the figures that he has been provided with now in a public domain so that the public can hear, including the employees affected.

#### **Senator I.J. Gorst:**

I am quite happy to do that. I do of course accept, as I have accepted previously, that there is a real terms loss since 2009 - but not the 7.5 per cent - a 4 per cent loss. When it comes to the workforce modernisation, there are many public servants who keep our Island running, like ambulance staff, nurses, youth workers and manual workers, who will see an increase in their pay of between 7 and 22 per cent.

#### **3.12.3 Deputy M. Tadier:**

Could the Chief Minister state how he arrived at the 4 per cent? Is that an average across the board; is it a median, is it a mean, could he explain further about the 4 per cent figure, which is at variance with our 7.5 figure?

#### **Senator I.J. Gorst:**

That is the reason that I made the offer that I did earlier that there are a number of underlying numbers that arise to the differential in numbers and it might be useful for us to have that conversation and then we can stop arguing about numbers and we can accept a number, which I think will make the point the Deputy is trying to get out, he is just trying to use a different number.

#### **3.12.4 Deputy M.R. Higgins of St. Helier:**

Will the Chief Minister tell the Assembly whether he feels he has a workforce with high morale, when they have already lost 4 per cent according to his own figures, and 7.5 per cent of the figures just explained here? How can he have a workforce with high morale and work with him to modernise the workforce when what is being contemplated are even further cuts?

**Senator I.J. Gorst:**

£47 million extra is not a cut and many employees, as I have said, front line staff, something that the Deputy asking the question, the Deputy who has just done the follow-up question, I would have thought would be supporting. It is largely civil servants and officials that will see much lower wage growth over the period of modernisation, but front line staff will see in some cases substantial increases. I would have thought both of those Members would be supporting that rather than being critical of it.

**3.12.5 Deputy M.R. Higgins:**

The Chief Minister is waffling as usual. The fact is that they have been pursuing for a while a policy of trying to reduce the pay of certain States groups because they believe that they are overpaid. In fact even in my own time in the public sector it was going on then. Will the Chief Minister not confirm that they are pursuing this policy, not only because they do believe some pay groups are paid too much, and will he identify them and say how much he wants to get their pay down?

**Senator I.J. Gorst:**

The Deputy knows that part of this programme is about equal pay for equal value, and those areas that I have just described will see quite substantial pay increases. Those are people on the front line; they should receive substantial pay increases. I know that the Deputy and the original mover of this question would like to paint us as uncaring, everybody getting the same, cuts, cuts, cuts, and yet they know that is absolutely not true; more money for health, more money for health employees, more money for people on the front line. Let us have a conversation about the numbers, quite prepared to do that.

**Deputy M.R. Higgins:**

A point of clarification, our Chief Minister mentioned he believes equal pay for equal work. Does he agree that women should be paid exactly the same as men?

**The Bailiff:**

That is not a point of clarification; that is a further question, and we come to the Deputy of St. John.

**3.12.6 The Deputy of St. John:**

If the Chief Ministers figure is 4 per cent and not 7.5 per cent and his figures for the modernisation offer are an uplift of 7 to 22 per cent for certain workers, could he advise what the real terms loss is in earnings from 2009 to 2020 if any at all?

**Senator I.J. Gorst:**

I do not have all those detailed figures with me but I would be quite happy to provide those to the Deputy.

**3.12.7 Deputy G.P. Southern:**

Can the Minister offer an explanation of why, when his own figures given some 2 months ago about the pay awards for public sector workers revealed a figure of 7.5 per cent below inflation between 2009 and today, and that his own figures suggest that the percentage average change

in the modernisation programme is 5.4 per cent as against some 12 per cent in inflation, how come he arrives at any other figure than 15 per cent change in real terms downwards for public sector workers? That is the case, is it not?

[16:00]

**Senator I.J. Gorst:**

The Deputy knows I cannot accept his figures. I do not have my calculator with me this afternoon and the detailed tables, but I am of course, as ever... I enjoy doing that sort of thing, quite prepared to sit with him and we can do the calculations and agree on a number.