STATES OF JERSEY



DRAFT EMPLOYMENT AND DISCRIMINATION (JERSEY) AMENDMENT LAW 202- (P.78/2024): AMENDMENT

Lodged au Greffe on 14th January 2025 by Deputy M.R. Ferey of St. Saviour Earliest date for debate: 4th February 2025

STATES GREFFE

2024 P.78/2024 Amd.

DRAFT EMPLOYMENT AND DISCRIMINATION (JERSEY) AMENDMENT LAW 202-(P.78/2024): AMENDMENT

PAGE 11, ARTICLE 8 -

In paragraph (2), in inserted paragraphs (1A)(a) and (1B) for "£50,000" substitute "£30,000".

DEPUTY M.R. FEREY OF ST. SAVIOUR



P.78/2024 Amd. Page 2

REPORT

Firstly, to clarify that this amendment is in no way connected with my role as vice-chair of the States Employment Board. I have taken advice from the Law Officer's Department and there are no conflicts of interest in my bringing this amendment.

Also, this amendment is not an attempt to diminish the progress of enhancing rights and freedoms for employees. It's also not designed to undermine the great work of the Employment Forum, but that doesn't mean that we shouldn't reconsider the recommendation they have made.¹

This amendment seeks to curb the proposed increase to the maximum limit for compensation awards in relation to employment-related discrimination claims from £50,000 to £30,000. Currently Article 42 of the <u>Discrimination (Jersey) Law 2013</u> mandates compensation in an amount not exceeding £10,000, considering that an inflation-linked rise over the period 2013 to 2024 would increase the maximum sum from £10k to £15,057.99 (a 50.6% increase) the proposed sum of £50,000 or 52 weeks' pay, whichever is greater, is excessive (being a 400% increase). In contrast, this amendment's proposal of a £30,000 compensation claim limit is a more realistic sum which aligns with the jurisdiction of the <u>Petty Debts Court</u>. I therefore cannot see any justification for a 400% increase in the maximum claim from £10,000 to £50,000 at a time when businesses and charities are facing many other rising costs which could ultimately affect their economic well-being.

In my view, a £50,000 maximum award could be a barrier to employment as employers who are considering taking on staff with differences may be deterred from doing so as the cost of getting it wrong could be financially catastrophic to the business or charity. Far better then, to have an increase which is aligned to the jurisdiction of the Petty Debts Court, which is the correct benchmark, as this was the rational for setting the original maximum compensation sum in 2013 when the jurisdiction of the Petty Debts Court was £10,000. Any increase should continue in this vein.

It is also important to remember that this sum is per alleged breach of the law so, if there were three breaches by an employer this could result in a £150,000 claim against them, with the potential addition of legal costs this could easily exceed £200,000. In addition, unfair dismissal claims for discrimination are a day-one right so there is no 1-year qualifying period before a claim can be brought. This means an employee could make a compensation claim of £50,000 or 52 weeks' pay, no matter their length of service.

Our discrimination law, in relation to disability, takes elements from both medical and social models², as opposed to the United Kingdom's <u>Equality Act 2010</u> which follows the medical model of disability³. Therefore, some cases of discrimination are far more nuanced than would be apparent in the United Kingdom.

Financial and staff implications

There are no financial or staff implications arising from this proposition.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.

² <u>Introduction to the Social and Medical Models of Disability</u> / Parliamentary and Health Service Ombudsman



P.78/2024 Amd. Page 3

¹ Consultation Exercise on The Levels Of Compensation Awards for Breaches of the Employment and Discrimination Laws: Report and Recommendations of the Jersey Employment Forum, June 2024

² Draft Discrimination (Disability) (Jersey) Regulations 201- (P.20/2018), p.9