

STATES OF JERSEY



Jersey

DRAFT EMPLOYMENT (MINIMUM WAGE) (AMENDMENT No. 16) (JERSEY) REGULATIONS 201-

**Lodged au Greffe on 6th December 2019
by the Minister for Social Security**

STATES GREFFE

REPORT

Background

The Employment Forum has reviewed the minimum wage (and associated rates) and issued its recommendations to the Minister for Social Security (“the Minister”) on 9th October 2019. The Minister notified the States Assembly of the Forum’s recommendations and her decision to accept the recommended rates on 22nd October 2019 ([R.131/2019](#)).

The current rates and proposed rates for 2020 are –

	October 2019	April 2020
Minimum Wage (per hour)	£8.02	£8.32
Trainee Rate Year 1 (per hour)	£6.02	£6.24
Trainee Rate Year 2 (per hour)	£7.02	£7.28
Maximum weekly offset against minimum wage for accommodation	£87.78	£91.12
Maximum weekly offset against minimum wage for accommodation and food	£117.01	£121.46
Maximum weekly offset against trainee rates for accommodation	£65.84	£68.34
Maximum weekly offset against trainee rates for accommodation and food	£87.76	£91.10

The Forum was established in 1999 and its role and responsibilities are set out in the [Employment \(Jersey\) Law 2003](#). The Forum has a statutory duty to consult on the minimum wage and to make recommendations to the Minister regarding any future increases, taking into account the consultation responses, the economy of Jersey and competitiveness.

In accordance with a decision of the Assembly in March 2018, the Forum must also have regard to the States’ aspiration that the minimum wage should be equivalent to 45% of average weekly earnings by 2020, subject to consideration of low-paid jobs, the economy and competitiveness.

Draft Regulations

Regulations relating to the minimum wage may be made under Part 4 of the Employment (Jersey) Law 2003. The [Employment \(Minimum Wage\) \(Jersey\) Regulations 2004](#) ensure that an employer’s ability to offset the cost or value of benefits in kind against the minimum wage is limited to living accommodation, or living accommodation with 3 meals each day. These Regulations also set a maximum value for those benefits in kind for the purpose of calculating whether the appropriate minimum wage or trainee rate has been paid. The proposed rates for 2020 in these respects are set out in the table above.

The Minister will also amend the [Employment \(Minimum Wage\) \(Jersey\) Order 2007](#) to increase the minimum wage and trainee rates, in accordance with the Forum’s recommendations, again as set out in the table above.

Financial and manpower implications

There are no financial or manpower implications for the States arising from the adoption of these draft Regulations.

EXPLANATORY NOTE

The Draft Employment (Minimum Wage) (Amendment No. 16) (Jersey) Regulations 201-, if passed, will from 1st April 2020 increase by 3.81% the limits on the amounts that may be taken into account where an employer provides food or living accommodation to an employee as part of their employment package. The limits were last increased on 1st October 2019.



Jersey

DRAFT EMPLOYMENT (MINIMUM WAGE) (AMENDMENT No. 16) (JERSEY) REGULATIONS 201-

Made [date to be inserted]
Coming into force [date to be inserted]

THE STATES, having consulted with the Employment Forum, make these Regulations under Articles 17 and 104 of the Employment (Jersey) Law 2003¹ –

1 Regulation 9 of the Employment (Minimum Wage) (Jersey) Regulations 2004 replaced

For Regulation 9 of the Employment (Minimum Wage) (Jersey) Regulations 2004² there is substituted –

“9 Limits on amounts that may be taken into account for provision of food and living accommodation

- (1) Where the employer provides food and living accommodation, the amount to which Regulations 7(1)(d) and 8(1)(g) refer is –
 - (a) in the case of an employee who is a trainee, £91.10 per week or £13.01 per day; and
 - (b) in any other case, £121.46 per week or £17.35 per day.
- (2) Where the employer provides living accommodation but does not provide food, the amount to which Regulations 7(1)(d) and 8(1)(g) refer is –
 - (a) in the case of an employee who is a trainee, £68.34 per week or £9.76 per day; and
 - (b) in any other case, £91.12 per week or £13.02 per day.”.

2 Citation and commencement

These Regulations may be cited as the Employment (Minimum Wage) (Amendment No. 16) (Jersey) Regulations 201- and come into force on 1st April 2020.

ENDNOTES

Table of Endnote References

<i>1</i>	<i>chapter 05.255</i>
<i>2</i>	<i>chapter 05.255.45</i>