

3.11 Deputy G.P. Southern of the Chief Minister regarding an arbitration process for the 2015/2016 pay dispute with civil service representatives:

At last I have got a smile on my face. It is warming up a bit. Will the Chief Minister inform Members whether the States Employment Board has refused to accept arbitration to resolve the 2015/2016 pay dispute with civil service representatives and, if so, explain why, and will he further state what action, if any, will be taken to ensure that a productive process for pay talks is put in place for 2017?

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

States Employment Board officers met with civil service union representatives at the Jersey Advisory and Conciliation Service as part of the pay and negotiations for 2015/2016. The meeting at J.A.C.S. (Jersey Advisory and Conciliation Service) was part of the agreed dispute procedure which is still in progress. During the meeting the S.E.B. (States Employment Board) were asked to consider binding arbitration as a possible outcome to the negotiations. Officers made it clear that given that binding arbitration could reach an outcome outside the budgeted mandate for pay in 2015/2016 it was not appropriate to consider as the extra costs might need to be provided for by either a reduction in jobs or an impact on services which was not an acceptable outcome. There is an agreed framework process for pay negotiations signed by all leading unions when they accepted the 2012 to 2014 pay award, which included a 4 per cent pay award for continuing involvement in workforce modernisation.

3.11.1 Deputy G.P. Southern:

The Minister states that S.E.B. refused to accept binding arbitration because it might exceed the limits they had been set. Is it not the Chief Minister's opinion that situation is likely to happen again should we accept the Medium Term Financial Plan, which suggests a substantial reduction in the pay for newly qualified teachers. Will they not be faced with the same situation where this House possibly instructs them that there is a limit, that £500,000 less for those workers and will have exactly the same situation, a complete breakdown in the situation and an absence of proper negotiation? Does the Chief Minister not think that is the risk?

Senator I.J. Gorst:

I hope it is not. There is pay restraint in the M.T.F.P. and there are some changes to the way the workforce would be remunerated but there is money set aside and we will hope to deliver pay awards within those parameters. I have got to say, of course, there are a number of amendments that if they were accepted might lead to the outcome that the Deputy is suggesting.

3.11.2 Deputy G.P. Southern:

Is it not the case that rather than negotiate in good faith the S.E.B. is showing its true colours and insisting on forcing through, in the face of a lack of agreement, imposing pay restraint on various groups of workers in the Island?

Senator I.J. Gorst:

There is no doubt that the parameter being set, and which was set, is challenging but that is what Members of this Assembly want us to do in order to ensure that the growth of the cost of government does not continue to increase. We had a briefing only at lunchtime from a Scrutiny Panel suggesting that we were not controlling the growth in the cost of government enough. But there is, as I said in my opening response, an agreed framework process and I hope that that will during 2017 allow us to reach amicable agreement.