

2019.11.12

5 Deputy R.J. Ward of the Chief Minister regarding the allocation of funds for public sector pay rises: (OQ.278/2019)

What allocation has been made in the Government Plan for public sector pay rises from 2021 onwards?

Senator J.A.N. Le Fondré (The Chief Minister):

The proposed Government Plan presently includes provision for pay growth at 3.1 per cent. However, reference percentage for pay is September R.P.I. (retail price index) usually, which, as Members will recall, is lower at 2.7. Accordingly, an Amendment is being brought today, which will update figures based on these changes and also based on the revised forecast and income. Pay awards fundings held within the reserves for centrally held items, as part of the Government Plan, along with allocations of pension and social security increases to get to the answer, particularly for 2021 to 2023, this presently amounts to a total of £163 million. That is in addition to the figure for 2020. The figure has not yet been allocated and is subject to a pay strategy being developed and agreed by the States Employment Board.

3.5.1 Deputy R.J. Ward:

Given the time of unprecedented change in public services, the requirement for so many workers to work so differently and be part of Team Jersey, would it not be the best thing to do to guarantee at least inflation pay rises to show genuine value for our workforce from day one and support them in the ongoing change that they face?

Senator J.A.N. Le Fondré:

As the Deputy, I am sure will be aware, pay negotiations are always subject to discussion, negotiation and so on with the trade unions. Therefore, it would not be appropriate for me to be committing to something that we have not yet discussed with the unions. The proposal on pay going forward is that we will consider ... we have a new Director of H.R. (human relations). He is putting together, at the request of the States Employment Board, a pay strategy, which will be looked at by S.E.B. (States Employment Board) in quarter one and once we have then agreed that and there are some ongoing discussions with the unions, then we will set that strategy in play and then that will form the basis of the negotiations. Until such time, I am certainly not making any commitments one way or another.

3.5.2 Deputy K.G. Pamplin:

I am curious about the timing of this and the relevance of the question, because the actions of the recent months are still lingering in our memories. What lessons have been learnt from that and can the Chief Minister reassure us what engagement with all the staff is taking place, so that we do not find ourselves in a similar situation?

Senator J.A.N. Le Fondré:

To split that question into 2: one matter, just to be clear, is that ultimately most pay groups have settled in an agreed settlement. I think there is only one pay group that did not, which was the Civil Service Union. Obviously, we have tried, but overall, unfortunately, we had to implement the pay arrangements and that is where we have been. There has not been too much pushback from that thus far. In terms of discussions with staff, the Deputy may recall that we did get some flak from writing to staff on, I think, 2 occasions. Generally, the rule on these is that we try and negotiate with

the unions first and then, obviously, depending on where we go, depending on communications, we have taken the option to write to staff in the past. One of the issues that there will be, we are looking to try and approach matters in a slightly different way. Most of the pay negotiations that have been agreed and/or implemented have already covered 2020. There are some slight exceptions. That means we now have some time to be on the front foot, hopefully and then start having those discussions properly in advance of the end of the negotiations, rather than always in arrears. We are stating the facts and we are trying to change things. The negotiations are always complicated in this area. We know that it is not all about pay. It can be about differentials, it can be about the working week, it can be about career progression and that is something we want to try and look at as part of the pay strategy and then see where we go forward.

3.5.3 Deputy G.P. Southern:

To what extent is any pay rise, or pay inflation, built into the Government Plan? To what extent is that dependent on staffing numbers? Can he say whether the 6,900 currently given as an estimate for 2020 is down, or raised, on 2019 figures?

Senator J.A.N. Le Fondré:

I do not have the inflation to hand, but I will endeavour to find out.

3.5.4 Deputy R.J. Ward:

I am very pleased to hear the Chief Minister talk about being on the front foot in pay negotiations. That would be really nice to see. Would it not have been prudent, intelligent and sensible, therefore, to allocate a minimum of inflation R.P.I. pay rises, so that it is available to those who are negotiating, rather than, as usual, them having their hands tied?

Senator J.A.N. Le Fondré:

I think I have already dealt with that in my first part of the answer. There is a provision in there, based on the present inflation estimates.