

2015.06.16

5.8 Deputy A.D. Lewis of the Chief Minister regarding the Living Wage Foundation:

Once a living wage for Jersey has been calculated and the Living Wage Foundation established in Jersey would the Minister be prepared to recommend to the Council of Ministers that the States of Jersey becomes an accredited member of the Living Wage Foundation and thus ensure that all employees, and in particular the employees of sub-contractors, are paid the living wage?

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

The living wage report that has recently been produced by social security professionals found that Jersey's minimum wage plus income support already satisfies the requirement for a living wage when compared with existing schemes in other jurisdictions. The States of Jersey already pays a fair wage for its employees and its sub-contractors are required by law to pay at least the minimum wage. It would, of course, be premature to agree in advance to sign-up to a scheme that does not yet exist and whose calculations are therefore untested, but Ministers would consider appropriate evidence put before them in due course.

5.8.1 Deputy A.D. Lewis:

When the Department for Social Security presented their recent report on the concept of a living wage the accompanying report from the Economic Adviser was very brief. Would the Minister be prepared to instruct the Economic Adviser to prepare a more in-depth report that provides the information on both the benefits and the economic challenges or tackling low pay?

Senator I.J. Gorst:

The Deputy believed it to be brief. However, I think it covered the salient points and I am not sure there is further work that could be usefully undertaken but I will explore whether there is.

5.8.2 Deputy G.P. Southern:

Will the Chief Minister commit himself to work to achieve the release of the data on which the conclusions of the living wage report were based - released into the public domain from the authority that holds this data - so that Members of the States in particular can examine the basis on which the conclusions of the living wage report are based?

Senator I.J. Gorst:

We have already made those inquiries and requested that we be allowed to do so because it is not our data. The initial response was that we would not be given that permission but I will certainly request that we are given permission to release that third party's data and if not if there is some other form in which some of that could be released, because I accept that it is important.

5.8.3 Deputy A.D. Lewis:

In case the Minister had forgotten the size of the economic report from the adviser, that is it. This is a report that is 40 pages. This is 5 on the economic impact of the living wage in the U.K. I think perhaps the Minister should recommend that more work is done on that. Having said that I would also like to ask: the minimum wage legislation was implemented to prevent extreme exploitation of workers; does the Minister agree that this important piece of social legislation should now evolve to tackle the wider issue of low pay? The challenge today is that so many people in Jersey who earn the minimum wage are still finding themselves subject to in-work poverty and relative poverty.

Senator I.J. Gorst:

I do support the minimum wage and I think the best way to deal with some of the issues currently that the Deputy is rightly raising is through the minimum wage. He talks about the economic report. It may not be lengthy in page numbers but I think the information it contains therein is good and some of the economics are difficult because if we look to the United Kingdom and into

London, the percentage of those helped through the introduction of a living wage has not been very great. So, yes, it has helped those individuals but surely a far better approach is to try to work with the Employment Forum to see quicker increases in the minimum wage.