Submission from the Jersey Chamber of Commerce
Employment & Skills Committee

Family-Friendly Employment Law Review

The Jersey Chamber of Commerce welcomes the opportunity to contribute to the Health and Social Security Scrutiny Panel's review of the family-friendly amendments to Jersey's Employment Law. As the largest employer representative body on the Island, Chamber has recently undertaken a survey of members to assess the practical impact of the legislation.

Survey Methodology

- 45 businesses responded across multiple sectors, including finance, retail, hospitality, construction, health and professional services.
- Respondents ranged from small charities and SMEs to large employers.

Headline Findings:

- 71% of businesses reported increased costs, primarily linked to paid parental leave and administration.
- 67% said workload was harder to manage during staff absences.
- 62% needed to restructure staffing or operations to cover parental leave.
- 53% struggled with managing extended absences of up to 52 weeks.
- 40% reported a rise in flexible working requests leading to administrative or scheduling challenges.
- Only 18% of businesses reported no significant impact.

Benefits Noted

Some businesses highlighted improved employee morale and work-life balance. A minority reported positive impacts such as improved work-life balance or productivity from flexible working requests, and six employers said they had seen improved satisfaction among staff.

Challenges and Unintended Consequences

Feedback strongly indicates a disproportionate impact on smaller employers and charities:

- *"It is very difficult for a small business or a charity to be down a member of the team but still having to cover their wages and then to pay a further person to cover their role."*
- *"The law does not distinguish between small and large companies. Large corporate companies are a lot better suited for a staff member to take 52 weeks off versus a small company."*

Other concerns raised included:

- Cost pressures leading to price increases, with some businesses reporting inflationary effects passed on to consumers.

- Administrative burden, particularly for those without internal HR teams, who must rely on external support at additional cost.
- Staffing shortages where suitable cover cannot be found, with existing staff often absorbing the additional workload.
- Some reports of perceived abuse of entitlements and unrealistic expectations for equivalent benefits from those not eligible.

Conclusion and Recommendations

Chamber recognises and supports the principle of family-friendly policies and the importance of enabling parents to balance work and family life. Our members value the wellbeing of their employees and understand the benefits of supportive workplace practices.

However, our survey evidence demonstrates that the current framework is already placing significant strain on many employers, particularly SMEs and charities who cannot absorb the additional financial and operational pressures in the same way as larger organisations. Businesses report challenges with funding extended periods of leave, finding suitable cover, and managing increased administrative responsibilities.

On this basis, Chamber recommends that the Panel consider:

1. **No further extensions without support –** recognising that the amendments already in place are stretching the capacity of many employers. Any future changes should only proceed alongside either:
    - appropriate financial support to help businesses meet the costs; or
    - a differentiated approach that acknowledges the greater relative impact on smaller organisations.
2. **Targeted assistance for small employers –** whether through grants, subsidies, or other forms of Government support, to ensure SMEs and charities can continue to operate sustainably while meeting statutory obligations.
3. **Improved guidance and practical tools –** to help businesses manage flexible working requests, cover for extended absences, and the provision of breastfeeding facilities in a workable and consistent manner.
4. **Ongoing monitoring of impacts –** particularly around cost pressures leading to price increases, strain on existing staff, and difficulties in recruitment or retention, so that adjustments can be made where unintended consequences are identified.

Chamber urges the Panel to preserve the spirit and intent of family-friendly legislation while ensuring it remains workable and sustainable across the full spectrum of Jersey employers. Without such consideration, there is a risk of placing disproportionate burdens on the very businesses that provide vital employment opportunities across the Island.

Anna Norton
Chair of the Employment & Skills Committee

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