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Increase to minimum wage rates

Service area / Employment, Pensions and Incentives Location / Jersey Date / April 2017

New minimum wage rates came into force in Jersey on 1 April 2017.

Employees who are above compulsory school age are now entitled to receive a minimum wage of £7.18 per hour. The current trainee rate for "approved training" has also increased as follows:

- Year one £5.39 per hour; and
- Year two £6.28 per hour.

The statutory maximum figures which can be offset per week for "accommodation" or "accommodation and food" provided by an employer are now:

- £78.58 per week for "accommodation"; and
- £104.76 per week for "accommodation and food".

Minimum wage rates in Guernsey were also increased at the beginning of the year. Since 1 January 2017, the minimum wage rate has been £7.20 per hour for those aged 18 years or over and £6.50 per hour for young persons (ie. 16 and 17 year olds).

The statutory maximum figures which can be offset per week for "accommodation" or "accommodation and food" provided by an employer in Guernsey were also increased and now stand at:

- £66.00 per week for "accommodation"; and
- £95.00 per week for "accommodation and food".

Both Islands have previously voted against introducing a UK style "national living wage" offering a premium rate to those aged 25 and above. The rates in the Channel Islands are less than the UK's "national living wage" rate (currently £7.50 per hour). In Jersey, the minimum wage rate is 2p lower than in Guernsey. However, this year has seen the biggest annual percentage increase to the Jersey rate (3%) since 2009.

Employment (Amendment no.10) (Jersey) Law 2016

In Jersey, the remainder of the amendments brought about by Employment (Amendment No.10) (Jersey) Law 2016 also come into force on 1 April 2017.

As a result, protection for Armed Forces Reservists and a number of other miscellaneous changes have been introduced. These are summarised below:

- **Protection for reservists** –The following provisions have been introduced to protect the employment rights of reservists:
 - a. A right to return to the same job or an equivalent job after a period of reserve service
 - b. A requirement for the reservist to notify the employer of their intention to return to work
 - c. Protection of the reservists continuous employment
 - d. Protection against unfair dismissal from day 1 of their employment where the reason or principal reason for a dismissal is, or is connected with, the employee's membership of a reserve force
 - e. Provision for an employer to fairly dismiss an employee who was contracted to temporarily replace a reservist

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- Compensation for failure to provide certain particulars Amendment No.10 gives the Tribunal the power to award compensation of up to 4 weeks' pay where an employer has failed to comply with certain provisions of the Employment (Jersey) Law 2003. For instance, where the employer has failed to:
 - a. Provide written terms of employment
 - b. Provide written pay slips
 - c. Comply with statutory rest requirements

This will not change the existing arrangements, for example, there will still be capacity for the Law Officers' Department to prosecute employees failing to comply with such provisions. Any fine imposed will be in addition to compensation awarded at the Tribunal.



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