

Changes to Jersey employment law – coming into force on 25 July 2025

Service area / Employment, Pensions and Incentives Legal jurisdiction / Jersey Date / July 2025

In June 2024, the Employment Forum (which is the statutory employment law consultation body in Jersey) produced a report and recommendations on the compensation awards regime in Jersey. The Minister for Social Security accepted the recommendations and the States Assembly passed the Employment and Discrimination (Jersey) Amendment Law 202- on 22 April 2025 (the Amendment Law). Royal Assent was given to the Amendment Law at a Privy Council meeting on 9 July 2025, and it was registered by Jersey's Royal Court on 18 July 2025.

The Amendment Law will be coming into force today – **25 July 2025** and ancillary orders in respect of costs and tribunal awards will come into force on the same date.

To recap, the Amendment Law makes the following changes:

- The compensation cap for findings of unfair dismissal range from four weeks' pay for employees with one year's service to 36 weeks' pay for employees with 15 years' service or more. In addition, the employment tribunal should have a discretion to award an uplift in award of up to 25% where the employers conduct has been particularly bad (although we would note that the law is silent on when this will be triggered and instead provides a broad discretion).
- The compensation cap for discrimination claims will increase to whichever is **lesser** of £30,000 or 52 weeks' pay, of which up to £30,000 may be awarded for hurt and distress.
- The compensation cap for breaches of most statutory employment rights to be increased from four weeks' to eight weeks' pay.
- The compensation cap for breaches of an employee's contractual rights should increase from £10,000 to £30,000.

• The Amendment Law introduces a right to written reasons for dismissal – and those reasons should be signed by the employer. This will operate in very much the same manner as the UK version under the Employment Rights Act 1996, except that it will be a **day one right** and the employee will **not** need to make a request. Accordingly, letters giving notice will need to specify (at least at a high level) the reasons for dismissal. UK case law suggests that employees should provide enough information to allow the employee and any third party to understand why they have been dismissed.

JACS have published guidance to the effect that the changes will apply to any existing and future tribunal claims – 25 July 2025 Compensation Awards | JACS.

Should you have any questions, please do get in touch with our Jersey employment team.

OFFSHORE LAW SPECIALISTS



FIND US

Carey Olsen Jersey LLP 47 Esplanade St Helier Jersey JE1 0BD Channel Islands

T +44 (0)1534 888900

E jerseyco@careyolsen.com



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Visit our employment, pensions and incentives team at careyolsen.com



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