

UPDATE

Ban on exclusivity clauses in zero-hours contracts

Update prepared by Carla Benest (Partner, Jersey)

The use of zero-hours contracts in the Channel Islands continues to be popular despite the often negative attention that they can attract. As we reported on earlier this year, the States of Jersey's Health and Social Security Panel (the Panel) conducted a consultation on the use (and misuse) of such contracts in the Island. Whilst certain of the Panel's findings were positive in relation to the use and benefit of zero-hours arrangements in certain circumstances, it did highlight some failings in the use of zero-hours contracts.

One of the Panel's key findings was in relation to exclusivity clauses in zero-hours contracts which prohibit the employee from taking up work with another employer even though that employee may have no guaranteed hours of work. The Panel recommended that the Minister for Social Security should consider amendments to the Employment (Jersey) Law 2003 so that exclusivity clauses would be abolished. However, the Minister indicated that due to other high priority projects, pursuing an abolition of exclusivity clauses was not likely to be taken forward at this time.

Deputy Sam Mezec felt that the matter required more urgent attention and lodged a proposition recommending that exclusivity clauses be banned within six months. On 16 November 2016, the States voted overwhelmingly in support of the ban. However, the proposal that such ban be implemented within six months was withdrawn by Deputy Mezec. The Minister for Social Security has said that a six month timeframe is not workable and no firm period has yet been set for drafting legislative changes necessary to implement the ban.

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