

• LOOKING BACK AT A YEAR OF COST CUTTING AND REDUNDANCIES FOR ISLAND EMPLOYERS

The economic climate in 2011 certainly kept Collas Crill's employment department busy; many reputable employers were forced to make redundancies as a cost-cutting exercise.

It is extremely important that Jersey employers are aware of the increasing developments in the islands employment legislation. With the number of employment tribunals on the increase it is essential that employers are fully prepared and not taken by surprise.

More people are looking to the employment tribunal to resolve disputes arising from their employment. 194 applications were received by the Jersey Employment Tribunal between 1 July 2010 and 30 June 2011, an increase of 15% on figures from the previous year.

The increase can partly be attributed to the ongoing difficult economic climate placing pressure on employers to reduce costs and on employees to retain their jobs. Another reason may be the evolution of the tribunal and the law it applies, which is being developed briskly in Jersey.

The tribunal's powers in relation to unfair dismissal awards have also been amended so it has the power to reduce the compensation potentially payable to an employee if that employee has contributed in some way to his or her dismissal.

Last year Collas Crill acted for an employer who defended a claim brought against it for unfair dismissal; although the employee was ultimately successful in her claim, the tribunal took the unprecedented step of reducing her award of compensation by 65% due to her own conduct. The tribunal's approach provided reassurance that an applicant who seeks a hearing to recover amounts which are either over and above what is agreed, or outside the tribunal's jurisdiction, does not necessarily do so risk free.

And over the water, in one of the most high profile cases ever seen before the Guernsey Employment Tribunal, Collas Crill acted for the National Society for the Prevention of Cruelty to Children in successfully defending four claims of unfair dismissal brought by employees it had made redundant during the closure of its Guernsey branch.

Only one claimant succeeded in his claim and that was due to a slight procedural technicality. This case highlighted the importance to employers in both islands of the need to get any redundancy procedure right. Following on from its success Collas Crill has advised many employers on the proper procedure to be followed when making staff redundant; all employers want to avoid facing a future claim brought by a disgruntled employee which could cost the business financially if they get it wrong.

Last year much was made of Jersey and Guernsey's Chief Ministers' suggestion that the islands governments should work more closely together. Our experience is that the private sector has already embraced the need to work together and project a pan-Channel Island image to national and global markets - while at the same time maintaining a competitive individual edge. A number of professions have recognised the strength of building partnerships between Jersey and Guernsey firms and presenting a joined solution while remaining independent jurisdictions and finance sectors.

Collas Crill itself now offers a pan-island employment service to its Jersey and Guernsey clients following the Collas Day / Crill Canavan merger in April last year. Although the economic climate in 2012 is set to pose further challenges, our aim is to continue to ensure that our experience and reputation mean island employers get the advice they need for their businesses to remain sustainable and competitive.

To help local employers ensure all the relevant issues are on their radar, we have established a free monthly subscription-based employment law newsletter. Last year we ran a successful seminar series on topical employment related issues, which attracted an audience of senior management and HR personnel, and we look forward to running another series this spring, based on hot topics and important case studies.

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**FOR MORE INFORMATION,
PLEASE CONTACT:**



EMMA PARR
SENIOR ASSOCIATE
t: +44 (0)1481 734229
e: emma.parr@collascrill.com

Collas Crill **Guernsey**

Gategny Court, PO Box 140,
Gategny Esplanade, St Peter Port,
Guernsey, GY1 4EW
t: +44 (0) 1481 723191
f: +44 (0) 1481 711880
e: guernsey@collascrill.com
w: www.collascrill.com