

STATEMENT BY THE GSLP/LIBERAL OPPOSITION

155/2008

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The Minister for Employment Louis Montiel has introduced a regulation on the 4th December which reduces the potential size of the payment for persons who are found to be unfairly dismissed by the industrial tribunal.

The law until now has been that a person who is dismissed unfairly will automatically be granted a basic award of not less than £2200 even if there has been no loss of income following their unfair dismissal as a result of their having found alternative employment.

The law laid down the minimum payable but did not fix a maximum for the basic award. Given this situation, TGWU policy at tribunals when Mr Montiel was District Officer, was to argue that the tribunal had the discretion to award the higher sum and was successful in achieving this.

This power has now been removed from the tribunal by making the £2200 the fixed amount that has to be awarded thereby depriving an unfairly dismissed employee the opportunity of arguing for a higher

amount and removing from the tribunal the flexibility to go above £2200 if it felt it was justified.

There have been a number of cases where the tribunal has awarded a higher amount for the basic award ie £3300 accepting the argument that the level of the sum of £2200, which was introduced many years ago, should be reviewed to reflect the loss of purchasing power through inflation over the years and thereby maintain the real value of the original sum. In fact, the requirement that it should be no less than £2200 has been there since 9 April 1992.

If Mr Montiel wanted to change the law to remove this discretion from the tribunals, which the Opposition is against, the very least he should have done was to make the fixed sum at least the £3300, which has been awarded already in a number of cases, and make this the new fixed sum instead of going back to the original figure of £2200 which has been there for the last sixteen years.

ENDS