



JERSEY Chamber of Commerce

Minimum Wage Members' Survey

Report of Findings | October 2026

Introduction

Following its recent news release on the impact of minimum wage increases, Jersey Chamber of Commerce has completed a review of responses received through its membership survey.

The survey attracted approximately 142 employer responses from across Jersey's economy, including hospitality, retail, construction, financial and professional services, property, transport, technology, agriculture, care, charities and the public sector.

The survey sought to understand how recent minimum wage increases have affected employers, their workforce, recruitment decisions, business costs and future investment. The findings reflect the experiences of participating organisations and should not be treated as statistically representative of every Jersey employer.

1. The Pace of Minimum Wage Increases

One of the clearest findings is that employers' concerns are not necessarily directed at the principle of a minimum wage, but at the pace at which it has increased.

Many respondents recognise the importance of fair remuneration and supporting employees with the cost of living. However, those expressing concerns frequently questioned whether recent increases have sufficiently reflected economic conditions, productivity, sector circumstances and businesses' ability to absorb additional costs.

The responses indicate a desire for a more predictable and evidence based approach to future wage setting.

2. Impact Across Business Sectors

The greatest concerns were reported by employers in hospitality, retail, agriculture and care. These sectors commonly share relatively high proportions of minimum wage employees, labour intensive operations, seasonal employment patterns and limited opportunities to absorb additional costs.

Hospitality and retail respondents, in particular, described significant operational pressures arising from increased payroll expenditure. The findings demonstrate that the impact differs across Jersey's economy.

3. Entry Level Employment and Opportunities for Young People

A particularly consistent concern relates to the potential reduction in employment opportunities for young people and those entering the workforce.

Employers reported that increasing employment costs have influenced decisions about recruiting school leavers, students, apprentices, trainees and seasonal workers. Several indicated that they had reduced or discontinued weekend, holiday and other entry level recruitment.

"We have taken on countless 16 and 18 year old school leavers over the last 50 years of operation, but that route is now firmly closed."

"We are not recruiting Saturday or weekend students because they are simply too expensive."

"As a company we won't be taking on any further apprentices."

These responses raise concerns about longer term workforce development, skills acquisition and first employment opportunities.

4. How Businesses Have Responded

Reported responses to rising wage costs included absorbing costs through reduced profits, increasing customer prices, reducing headcount, leaving vacancies unfilled, delaying recruitment, reducing student and seasonal roles, postponing investment, investing in automation, reducing owner or director remuneration and restructuring staffing arrangements.

"The present system has led to a 50% cut in some of my employees' hours."

"The last time our company registered a profit was 3 years ago."

These individual experiences illustrate pressures described by some participating businesses, rather than outcomes across all employers.

5. Pay Compression and Wider Salary Costs

A recurring concern, particularly among medium and larger employers, was the effect of minimum wage increases on established pay structures.

Respondents reported that entry level salaries have moved closer to those of experienced employees, creating pressure to increase pay across other grades to maintain differentials. Consequently, the overall cost can extend beyond employees directly receiving the statutory rate.

6. Future Employment and Workforce Development

Employers expressed concerns about the longer term effects on apprenticeships, trainee positions, seasonal employment, student work and work experience.

These concerns are relevant to Jersey's need to develop its domestic workforce and support young people entering employment. They highlight the importance of considering both immediate benefits for existing workers and potential effects on future job opportunities.

7. Employer Views on Future Minimum Wage Policy

Respondents frequently favoured greater moderation and predictability in future increases. Suggestions included maintaining the current rate of £13.59, limiting increases to RPI, adopting increases below inflation or allowing a period of stability while recent changes are assessed.

These responses do not establish a single preferred approach across all employers, but indicate concern about continuing the recent pace of increases without further assessment.

8. Support for an Independent Review

A significant theme was support for a formal, independent assessment of minimum wage policy, including employment levels, business costs, living standards, productivity, competitiveness, youth employment, pay compression and sector differences.

Respondents also expressed interest in alternative wage setting arrangements and a broader evidence base for future decisions.

9. Differential Rates and Employment Categories

Respondents expressed support for examining differentiated wage arrangements for younger employees in full time education, apprentices, trainees, part time students, seasonal employees and those gaining work experience.

Further assessment would be necessary to establish the economic, legal and social implications of any such arrangements.

10. Conclusions

The approximately 142 employer responses provide a substantial body of feedback on the practical effects of recent minimum wage increases. While respondents acknowledge the importance of fair pay, concerns centre on the pace of increases, operating costs, profitability, pay compression, recruitment and entry level opportunities.

The effects vary between sectors, with labour intensive industries reporting particular pressures.

Jersey Chamber of Commerce believes these findings reinforce the case for a comprehensive, independent and evidence based review of minimum wage policy, balancing living standards, productivity, business competitiveness and employment opportunities.

The findings will inform Chamber's continuing engagement with Government and other stakeholders.