

**2001 No. 1108**

**TERMS AND CONDITIONS OF EMPLOYMENT**

**The National Minimum Wage Regulations 1999  
(Amendment) Regulations 2001**

*Made* - - - - - *20th March 2001*

*Coming into force* - - - *1st May 2001*

Whereas a draft of the following Regulations was laid before Parliament in accordance with section 51(5) of the National Minimum Wage Act 1998(a) and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by sections 3 and 51 of the National Minimum Wage Act 1998, hereby makes the following Regulations:—

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the National Minimum Wage Regulations 1999 (Amendment) Regulations 2001 and shall come into force on 1st May 2001.

(2) In these Regulations, “the principal regulations” means the National Minimum Wage Regulations 1999(b).

**Amendments to the principal regulations**

2. In the definition of “worker” in paragraph (1) of regulation 2 of the principal regulations (general interpretative provisions)(c), after “(3)” insert “,(5)”.

3. In paragraph (5) of regulation 12 of the principal regulations (workers who do not qualify for the national minimum wage), for “worker” substitute “person” and omit “either”.

4. For sub-paragraphs (a) and (b) of paragraph (5) of regulation 12 of the principal regulations substitute—

- “(a) a scheme provided to him under Government arrangements that are not specified in paragraph (3)(b),
- (b) a scheme provided to him under Government arrangements that are specified in paragraph (3)(b), unless the person is a worker within the meaning given by section 54(3) of the Act by virtue of his participation in the scheme, or
- (c) a scheme, not being one provided to him under Government arrangements, funded in whole or in part under the European Social Fund,”.

5. In paragraph (6) of regulation 12 of the principal regulations(d), for the concluding words “arrangements made by the Government” substitute “Government arrangements”.

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(a) 1998 c. 39.

(b) S.I. 1999/584.

(c) The definition of “worker” in regulation 2(1) of the principal regulations was amended by The National Minimum Wage Regulations 1999 (Amendment) Regulations 2000 (S.I. 2000/1989), regulation 2.

(d) Paragraph (6) of regulation 12 of the principal regulations was amended by S.I. 2000/1989.

6. In paragraph (7) of regulation 12 of the principal regulations, for “(b)” substitute “(c)” and for the concluding words “arrangements made by the Government” substitute “Government arrangements”.

**Transitional provision**

7. The amendments to the principal regulations made by these regulations apply in relation to any person from whom they remove the entitlement to the national minimum wage with effect from the first day after the end of the pay reference period for that person that includes 1st May 2001.

20th March 2001

*Alan Johnson,*  
Parliamentary Under-Secretary of State for Competitiveness,  
Department of Trade and Industry

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which amend the National Minimum Wage Regulations 1999 and come into force on 1st May 2001, ensure that all trainees on the Government training schemes to which the Regulations relate are excluded from entitlement to the national minimum wage during the first 12 months of their engagement under a scheme or if they are under 19. They do this by providing for the exclusion to apply not only, as under the National Minimum Wage Regulations 1999 (Amendment) Regulations 2000, where the trainees are workers within the meaning given by section 54(3) of the National Minimum Wage Act 1998 but also where they are to be regarded as workers by virtue of the additions to that definition contained in regulation 2(1) of the 1999 Regulations. The additions relate to agency workers and home workers who are outside the definition of “worker” in section 54(3).

The Regulations contain a transitional provision.

A Regulatory Impact Assessment of the estimated costs and benefits of these Regulations is not required since they do not alter the intended effect of the Regulations which came into force on 1 October 2000, but rather correct a potential anomaly in the previous wording. The intention to make this correction was signalled by the Government during the passage of the previous Regulations through Parliament (ref. Hansard: *National Minimum Wage Regulations 1999 (Amendment) Regulations 2000 debate*, House of Lords, 14 July 2000, col. 524.) A Regulatory Impact Assessment of the costs and benefits of the previous Regulations, which took effect in October 2000, was placed in the Libraries of both Houses of Parliament and is available on the DTI website at [www.dti.gov.uk](http://www.dti.gov.uk). Assessments of the impact of the original 1999 Regulations and the amendments in 2000 are also available from Employment Relations 5(c), Department of Trade and Industry, 1 Victoria Street, London SW1H 0ET.

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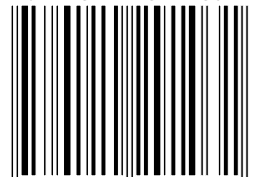
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