

2005 No. 2019

TERMS AND CONDITIONS OF EMPLOYMENT

**The National Minimum Wage Regulations 1999 (Amendment)
Regulations 2005**

Made - - - - - *18th July 2005*

Coming into force - - - - - *1st October 2005*

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 upon him by sections 1(3)(b), 2, 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 2005 and shall come into force on 1st October 2005.

(2) In these Regulations, the “Principal Regulations” means the National Minimum Wage Regulations 1999(c), and “pay reference period” has the meaning assigned to that expression by regulation 10 of the Principal Regulations.

Amendments to the Principal Regulations

2. In regulation 11(d) of the Principal Regulations (the rate of the national minimum wage), for “£4.85” substitute “£5.05”.

3. After paragraph (12) of Regulation 12 of the Principal Regulations (workers who do not qualify for the national minimum wage), insert—

“(13) A worker who is participating in the second phase of the European Community Leonardo da Vinci programme (established pursuant to Council Decision 99/382/EC)(e), does not qualify for the national minimum wage in respect of work done for his employer as part of that scheme.”

4. In regulation 13 of the Principal Regulations (workers who qualify for the national minimum wage at a different rate)—

(a) 1998 c.39.

(b) See section 55 of the National Minimum Wage Act 1998 (c. 39) for the definition of “prescribe”.

(c) S.I. 1999/584.

(d) Regulation 11 was amended, and the amount increased, by S.I. 2000/1989, S.I. 2001/2763, S.I. 2002/1999, S.I. 2003/1923 and S.I. 2004/1930.

(e) OJ No. L 146, 11.6.99, p.33.

- (a) in paragraph (1)(a), for “£4.10” substitute “£4.25”; and
- (b) in paragraph (2)(b), for “£4.10” substitute “£4.25”.

5. In regulation 36(1) of the Principal Regulations (amount permitted to be taken into account where living accommodation is provided), for “£3.75” substitute “£3.90”(c).

Transitional Provision

6. The amendment to the Principal Regulations made by regulation 3 does not apply in relation to any pay reference period beginning before 1st October 2005.

Revocation Provision

7. Regulation 2, regulation 5 and paragraphs (a) and (c) of regulation 4 of The National Minimum Wage Regulations 1999 (Amendment) (No.2) Regulations 2004(d) are hereby revoked.

18th July 2005

Gerry Sutcliffe
Parliamentary Under-Secretary of State for
Employment Relations and Consumers
Department of Trade and Industry

(a) Regulation 13(1) was amended, and the amount increased, by S.I. 2000/1411, S.I. 2001/2763, S.I. 2002/1999, S.I. 2003/1923 and S.I. 2004/1930.
(b) Regulation 13(2) was amended, and the amount increased, by S.I. 2001/2763, S.I. 2002/1999, S.I. 2003/1923 and S.I. 2004/1930.
(c) Regulation 36(1) was substituted by S.I. 2003/1923. The amount referred to was increased by S.I. 2004/1930.
(d) S.I. 2004/1930.

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations amend the National Minimum Wage Regulations 1999 and come into force on 1st October 2005. They increase the principal rate of the national minimum wage from £4.85 to £5.05 per hour. They also increase to £4.25 per hour the rate to be paid to those workers (primarily aged between 18 and 21) who currently qualify for the national minimum wage at the rate of £4.10 per hour. The hourly rate for workers aged below 18 who have ceased to be of compulsory school age is unchanged by these Regulations.

In addition, the Regulations amend the per day value of accommodation amount, which amount is applicable where an employer provides a worker with accommodation. The amendment increases the amount from £3.75 to £3.90 for each day that accommodation is provided.

The Regulations also provide that workers participating in the second phase of the Leonardo da Vinci Programme, a specific European Community scheme intended to provide its participants with vocational training, do not qualify for the national minimum wage.

The Regulations contain a transitional provision and a revocation provision. The latter revokes previous provisions which increased the principal hourly rate of the national minimum wage; the rate to be paid to those who qualified for the national minimum wage at a different rate; and the daily value of accommodation amount.

A Regulatory Impact Assessment of the estimated costs and benefits of the rate increases has been placed in the libraries of both Houses of Parliament. Copies are available to the public from The Employment Relations Directorate, Partnership Branch, Department of Trade and Industry, 1 Victoria Street, London SW1H 0ET and on the DTI website at www.dti.gov.uk.

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