

MINIMUM WAGE

From **1 October 2010** the national minimum wage is expected to go up from £5.80 per hour to £5.93 for workers aged 21 and over, from £4.83 to £4.92 for 18-20 year olds, and from £3.57 to £3.64 for 16 and 17 year olds who are above school leaving age and are not apprentices. The accommodation offset rate (the amount that can be taken into account for living accommodation) is expected to go up from £4.51 per day (£31.57 per week) to £4.61 per day (£32.27 per week).

The upper age limit for the youth development rate was decreased, so that 21-year olds will from October be entitled to the adult rate rather than the youth rate.

There will be an apprentice minimum wage of £2.50 per hour for apprentices aged under 19, or over 19 and in the first year of their apprenticeship. This will apply to apprentices on traditional contracts of apprenticeship, and employed apprentices on government-supported level 2 and 3 schemes. It will replace the minimum rate of pay of £95 per week that came into effect from 1 August 2009 for apprentices.

Information for employees and employers about all aspects of minimum wage, including an interactive website for workers and employers to find out how the minimum wage applies to them, is available from Business Link via tinyurl.com/yzrcx3a. Information is also available from HM Revenue & Customs via www.hmrc.gov.uk/pay/payroll/day-to-day/nmw.htm, and from the **pay and work rights helpline** at 0800 917 2368, covering minimum wage, working time rights and agency workers' rights.

STATUTORY MATERNITY, PATERNITY AND ADOPTION LEAVE AND PAY

Statutory maternity pay (SMP) is 90% of the woman's weekly earnings for the first six weeks of maternity leave. For the remaining 33 weeks of the 39-week SMP period, SMP is a flat weekly rate or 90% of average weekly earnings, whichever is less. For payment weeks starting on or after **6 April 2010**, the flat rate goes up from £123.06 to £124.88.

Statutory paternity pay and statutory adoption pay are £124.88 per week (increased from £123.06) for weeks starting on or after **6 April 2010** or 90% of the employee's average weekly earnings, whichever is less.

An employer who paid, or was liable to pay, gross class 1 national insurance contributions of £45,000 or less in the individual employee's qualifying tax year can recover 100% of the SMP, SPP or SAP, plus 4.5% compensation. Employers who do not qualify for this small employer relief can recover 92%.

Additional paternity pay and leave

The **Additional Paternity Leave Regulations 2010** give a new right to additional paternity leave (birth) in relation to babies expected on or after **3 April 2011**. To be eligible the person must be the child's father or the husband/civil partner of the mother, must have or expect to have the main responsibility (apart from any responsibility of the mother) for bringing up the child, and must have

been entitled to ordinary paternity leave from the employer (see below). The term 'fathers' as used below therefore refers to anyone eligible for the new leave and pay, regardless of their gender or whether they are actually the father.

Where a couple who are married or civil partners are adopting and one of them is entitled to statutory adoption leave, the other will be entitled to additional paternity leave (adoption) if they were entitled to ordinary paternity leave.

CIPD's very clear factsheet on maternity, paternity and adoption rights is at www.cipd.co.uk/subjects/emplaw/maternity/matpat.htm. Other information is available at www.acas.org.uk, www.tuc.org.uk, and for employers at www.businesslink.gov.uk and employees at www.direct.gov.uk.