

National Minimum Wage Guide

The National Minimum Wage (NMW) in the UK is the minimum amount that employers must pay their workers for each hour worked. It is a legal requirement and was first introduced on 1 April 1999 by the Labour government to:

- Combat poverty and inequality
- Protect workers from exploitation
- Improve living standards
- Reduce wage inequality
- Promote economic growth and productivity
- Create a more sustainable labour market

The introduction of the NMW was a landmark moment in UK labour policy, and it has been gradually increased over the years to reflect rising living costs and changes in the economy.

Employers must regularly check if the wages they pay meet or exceed the NMW rates. Failure to pay the NMW could result in legal action, fines and the requirement to pay workers back pay (with interest).

Who is entitled to the NMW?

In the UK, most workers are entitled to the National Minimum Wage but there are some exceptions and conditions based on age and employment status. Here's an overview of who is entitled:

1. **Age-Based Entitlement:** the NMW varies depending on the worker's age. Please see below for the current rates.
2. **Type of Employment:** the NMW applies to most types of employment, including:
 - **Full-time and part-time workers:** Anyone working full-time or part-time is entitled to the NMW, as long as they meet the age requirements.
 - **Zero-hour contracts:** Workers on zero-hour contracts are also entitled to the NMW, as long as they meet the age criteria.
 - **Temporary or casual workers:** These workers, if they meet the age and other conditions, are entitled to the NMW.
 - **Freelancers and agency workers:** Freelancers or workers employed through agencies are entitled to the NMW if they are classed as employees or workers under UK employment law.

3. **Exemptions:** while the NMW covers a broad range of workers, there are some specific exemptions or conditions that might apply:

- **Self-employed individuals:** People who are genuinely self-employed are not entitled to the NMW. However, if an individual is working under a contract that is more like employment than self-employment, they may still be entitled.
- **Workers on certain work-based training schemes:** Some specific training schemes, like work experience placements, may not be covered by the NMW if they meet certain criteria.
- **Family workers:** In some cases, people who work for a family member in a family-owned business may not be entitled to the NMW, depending on the nature of the work.

4. **Interns and Volunteers:**

- **Interns:** If an intern is considered a "worker" (meaning they have a contract or are working for payment, a benefit in kind, or in exchange for something), they may be entitled to the NMW. However, if they are purely volunteering, they would not be entitled.
- **Volunteers:** Volunteers who are not receiving pay or any other significant benefit are not entitled to the NMW.

5. **Work Experience and Certain Training:**

Some people who are on work experience or training schemes may not be entitled to the NMW, but this depends on the specific circumstances. If someone is working as part of a formal qualification or training program and is not receiving any pay or is only being reimbursed for expenses, they might not be entitled to the NMW.

6. **Care Workers and Domestic Workers:**

Workers employed in certain domestic roles, such as live-in care workers, might have unique rules regarding NMW entitlement, especially if they are provided with free accommodation or meals. It depends on their specific arrangement.

In Summary:

Most workers in the UK, including those on part-time, temporary, or zero-hour contracts, are entitled to the NMW, as long as they meet the age and employment requirements. Self-employed individuals, volunteers, and people on certain training schemes might be exceptions.

If you believe you're being paid below the NMW, you can report this to the **HM Revenue & Customs (HMRC)**, and they can investigate and enforce the payment of the correct wage.

CURRENT RATES

As of 5 April 2025, the NMW rates are below:

- **National Living Wage (NLW):** Workers aged **21 and over** are entitled to the National Living Wage, which is the highest minimum rate at **£12.21 per hour**.
- **Workers aged 18–20:** These workers receive a lower rate of the NMW of **£10.00 per hour**.
- **Workers aged 16-17:** These workers are entitled to the NMW for their age group, which is generally the lowest at **£7.55 per hour**.
- **Apprentices:** If an apprentice is **under 19** or in their **first year** of an apprenticeship, they are entitled to the apprentice rate of **£7.55 per hour**. After the first year or if aged 19 or over, they are entitled to the appropriate age-based NMW.