National Minimum Wage rate reminder for summer staff

Students and seasonal staff are being reminded by HM Revenue and Customs (HMRC) to check that they are being paid the National Minimum Wage (NMW).

All workers are legally entitled to be paid the NMW. This includes temporary seasonal staff, who often work short-term contracts in bars, hotels, shops and warehouses over the summer.

In the 2020 to 2021 tax year, HMRC helped 155,000 workers across the UK to recover more than £16 million in pay which was due to them. HMRC is reminding workers to check their hourly rate of pay, and to also check any deductions or unpaid working time.

One person who has benefitted from HMRC's enforcement of the NMW is Amber, a marketing apprentice. She was concerned that she was not being paid correctly, so contacted HMRC online. HMRC looked into Amber's concerns and spoke with her employer. Amber was being underpaid and she received £1,900 in back pay.

The National Minimum Wage hourly rates from 1 April 2021 are:

- £8.91 age 23 or over (National Living Wage)
- £8.36 age 21 to 22
- £6.56 age 18 to 20
- £4.62 age under 18
- £4.30 apprentice

Steve Timewell, Director Individuals and Small Business Compliance, HMRC, said:

We want to ensure that seasonal workers and students are being paid what they are entitled to and, as the economy reopens, help employers if they are unsure of the rules.

Workers should check their hourly rate and look out for any deductions or unpaid working time which would reduce their pay. It could take them below the minimum wage.

HMRC investigates every complaint made about the minimum wage, so whether you are selling sun cream, giving a hotel room a clean, or serving a strawberry smoothie, if you think you are being short-changed you should get in touch.

Anyone not being paid what they are entitled to <u>can complain via GOV.UK</u>. If they want to speak with someone they should phone the Acas Pay and Work Rights Helpline on 0300 123 1100, who may transfer the call to HMRC.

Employers can also contact the Acas Helpline for free help and advice or visit GOV.UK to find out more.

More information about the <u>National Minimum Wage</u>, including who is eligible, is available via GOV.UK. You can also <u>check your pay</u> via the campaign page.

You are entitled to the apprentice rate if you are an apprentice aged:

- under 19
- 19 or over and in the first year of your apprenticeship

If you are 19 or over and have completed the first year of your current apprenticeship, you are entitled to the minimum wage for your age

The 2 most common causes of minimum wage underpayment are deductions and unpaid working time. Examples include:

- expenses for tools or equipment needed for the job
- cost of uniform or clothing connected with the job
- travelling time between work locations
- training time

Employers who do not pay the NMW can be publicly 'named and shamed' and those who blatantly fail to comply can face criminal prosecution.