

Press release: Low Pay Commission report on non-compliance with the minimum wage

The Low Pay Commission has always had a strong interest in compliance with the minimum wage rates it recommends. There is, after all, little point in having a minimum wage if workers do not receive the correct rate.

With more workers than ever paid the minimum wage or close to it, more people are at risk of being underpaid. Our analysis finds that up to 1 in 5 people who should be paid at least the minimum wage may in fact receive less. This equates to between 305,000 and 580,000 workers at its highest point, though it is a difficult thing to measure.

The LPC welcomes the recent increases in funding for HMRC's enforcement of the minimum wage, and recognises the progress it has made. However, we also think there is more the Government could do to identify non-compliance and stop it happening in the first place. In our report we lay out recommendations for ways the Government could go further.