

**NATIONAL MINIMUM WAGE**

**Government response to the  
Low Pay Commission's  
2011 report**

APRIL 2011

## NATIONAL MINIMUM WAGE – GOVERNMENT RESPONSE TO THE 2011 LOW PAY COMMISSION REPORT

The main recommendations put forward by the Low Pay Commission concern the rates of the National Minimum Wage.

The Commission have recommended that the adult hourly rate of the National Minimum Wage should increase from £5.93 to £6.08. The Commission have recommended increasing the Youth Development Rate which covers workers aged 18-20 years old from £4.92 to £4.98. They have recommended that the rate for 16-17 year olds moves from £3.64 to £3.68. They recommend that the apprentice rate increases from £2.50 to £2.60. It is recommended that these changes take place in October 2011.

The Commission has also recommended that the accommodation offset increases from the current £4.61 to £4.73 in October 2011.

The Government **accepts** these recommendations.

## **Government's response to individual recommendations in the Low Pay Commission's 2011 report**

### National Minimum Wage Rates

**We recommend that the adult rate of the National Minimum Wage be increased by 15p to £6.08 an hour from 1 October 2011.**

**We recommend that the Youth Development Rate be increased by 6p to £4.98 an hour and that the 16-17 year old rate be increased by 4p to £3.68 an hour from 1 October 2011.**

**We recommend that the apprentice rate be increased by 10p to £2.60 an hour from 1 October 2011.**

**We recommend that the accommodation offset should increase from £4.61 to £4.73 per day from 1 October 2011.**

ACCEPT

### Social Care

**We recommend that the commissioning policies of local authorities and the NHS should reflect the actual costs of care including the National Minimum Wage.**

ACCEPT

### Compliance

**We recommend that the Government takes steps to raise awareness of the rules applying to payment of the National Minimum Wage for those undertaking internships, all other forms of work experience, and volunteering opportunities. In addition, we recommend that these rules are effectively enforced by HM Revenue & Customs (HMRC) using its investigative powers.**

ACCEPT

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