National Minimum Wage Rate Recommendations from 1 October 2014

We recommend that the adult rate of the National Minimum Wage be increased by 3 per cent, or 19 pence, to £6.50 an hour.

We recommend an increase of 2 per cent in the Youth Development Rate to £5.13 an hour and in the 16-17 Year Old Rate to £3.79 an hour.

We recommend an increase in the Apprentice Rate of 2 per cent, or 5 pence, to £2.73 an hour.

The Government has accepted these recommendations.

Do you know that?

By October 2014 the adult rate of the NMW will have increased by over 80% since its introduction at £3.60 an hour in April 1999.

Under 21 yr olds hold 5% of total UK jobs, but account for 15% of minimum wage jobs.

Do you know that?

The NMW has increased faster than average earnings from October 2007 to October 2013.

Average weekly earnings have increased 11% from October 2007 to October 2013.

The NMW has increased 14% from October 2007 to October 2013.

Evolution of the National Minimum Wage

Adult rate			Youth Development Rate			16-17 Year Old Rate			Apprentice Rate		
Rate	Increase		Rate Increase		ase	Rate	Increase		Rate	Increase	
£	pence	%	£	pence	%	£	pence	%	£	pence	%
6.50	19	3.0	5.13	10	2.0	3.79	7	1.9	2.73	5	1.9
6.31	12	1.9	5.03	5	1.0	3.72	4	1.0	2.68	3	1.0
6.19	11	1.8	4.98	0	0.0	3.68	0	0.0	2.65	5	1.9
6.08	15	2.5	4.98	6	1.2	3.68	4	1.1	2.60	10	4.0
5.93	13	2.2	4.92	9	1.9	3.64	7	2.0	2.50		
5.80	7	1.2	4.83	6	1.3	3.57	4	1.1			
5.73	21	3.8	4.77	17	3.7	3.53	13	3.8			
5.52	17	3.2	4.60	15	3.4	3.40	10	3.0			
5.35	30	5.9	4.45	20	4.7	3.30	30	10.0			
5.05	20	4.1	4.25	15	3.7	3.00	-	-			
4.85	35	7.8	4.10	30	7.9	3.00					
4.50	30	7.1	3.80	20	5.6						
4.20	10	2.4	3.60	10	2.9						
4.10	40	10. 8	3.50	30	9.4						
3.70	10	2.8	3.20	-	-						
3.60	-	_	3.20	20	6.7						· · · · · · · · · · · · · · · · · · ·
3.60			3.00								

Minimum Wage Jobs

There are around 1.3 million minimum wage jobs* in the UK which is around 5.1% of the UK workforce.

Minimum wage jobs account for 9.8 % of jobs in Northern Ireland, close to 6.4% of jobs in Wales, and about 5% of jobs in England and 4.3% jobs Scotland.

There is significant variation within the English regions, where the proportion of minimum wage jobs ranges from 2.9% in London to 7.0% in the North East.

*Read p22 of our report for our definition of a minimum wage job.

Do you know that?

70,05

There are around 1.3 million UK workers covered by the national minimum wage.

Women account for 59% of minimum wage jobs.

David Norgrove, Chair of the Low Pay Commission:

"We believe that the first step towards restoring the real value of the minimum wage can now be taken, and we will aim to restore this providing the economy and earnings take the upward path that is widely expected. We are also mindful of the challenges faced by employers and particularly small businesses.

"We believe our recommendations for October 2014 balance the needs of low-paid workers against these challenges and are appropriate to strengthen the economy".





Evidence gathering is key to making wage rate recommendations. During 2013

Over 40 stakeholder meetings were held

40 meetings across the UK took place with employees and businesses

61 written consultations responses were received.

