



➤ HOW TO CALCULATE AN APPRENTICE WAGE RATE

An apprentice is eligible for an increase in wages at different times in the year:

1. Industry wage (*currently July*)
2. National Minimum/Living Wage (NMW or NLW) (*currently April*)
3. Anniversary of their apprenticeship (*a year from the commencement* of their apprenticeship when entering 2nd, 3rd or 4th year*)
4. Apprentice's birthday (*becoming a year older may trigger the NMW or NLW rate*)

**the commencement date is as stated on the SNIJIB Training and Registration Agreement*

➤ WAGE READY RECKONER

The apprentice must receive the higher of either the NMW/NLW or the SNIJIB wage rate applicable for their year of apprenticeship (see ready reckoner below).

APPRENTICE WAGE				
Incorporating the national minimum/ living wage <u>and</u> the SNIJIB rates**				
Age	1 st Year	2 nd Year	3 rd Year	4 th Year
16	£3.55	n/a	n/a	n/a
17	£3.55	£5.30	n/a	n/a
18	£3.55	£5.30	£6.43	n/a
19	£3.55	£5.60	£6.43	£8.29
20	£3.55	£5.60	£6.43	£8.29
21	£3.55	£7.05	£7.05	£8.29
22	£3.55	£7.05	£7.05	£8.29
23	£3.55	£7.05	£7.05	£8.29
24	£3.55	£7.05	£7.05	£8.29
25	£3.55	£7.50	£7.50	£8.29
26+	£3.55	£7.50	£7.50	£8.29

** Effective from 3 July 2017 in light of the SNIJIB wage rise. The next NMW and NLW will take effect from April 2018

➤ NATIONAL MINIMUM WAGE & NATIONAL LIVING WAGE FOR APPRENTICE PLUMBERS

- ✓ 1st Step: Consider whether an apprentice is in their 1st Year or is 18 years or younger

Apprentices who are in their first 12 months of their apprenticeship: £3.50 (this may increase on 01/04/18).

- ✓ 2nd Step: If not in 1st year, match the apprentice's age to the NMW / NLW rates

The Apprentice NMW rate for apprentices who are 18 years and under: £3.50 (this may increase on 01/04/18).

The NMW rate for **apprentice** workers applies for those aged 19-20 years: £5.60 (this may increase 01/04/18).

The NMW rate for apprentice workers applies for those aged 21-24 years: £7.05 (this may increase 01/04/18).

The NLW rate for apprentice workers applies for those aged 25 years and over: £7.50 (this may increase 01/04/18).

The apprentice must receive the NMW / NLW or the SNIJIB wage rate applicable for their year of apprenticeship (**the higher of the two must be paid**- see ready reckoner above).

Employer obligations:

- Failing to pay the NMW / NLW will result in HMRC issuing a notice of underpayment which encompasses:
 - A penalty to the Secretary of State set at **200%** of the total underpayment. Serious cases will be triable in the Sheriff Court.
 - Wage arrears. The calculation of arrears is carried out using current NMW / NLW rates. Where an employee worked in both age bands during their employment the calculation of arrears is calculated using the current rate for the bands the employee served.
- Employers who fail to produce records to a worker on request may be subject to a complaint sent from the worker to an Employment Tribunal which can impose a penalty for failure to produce the required records;
- Where a Tribunal or Civil Court is making a decision on a NMW / NLW case the burden will always be on the employer to prove that the NMW / NLW has been paid.
- It is a criminal offence to refuse to pay the NMW / NLW, obstruct compliance officers or not keep proper records.
- It is against the law to dismiss a worker because of NMW / NLW. To do so would incur a claim of unfair dismissal.