

Statutory Document No. 2018/0176



*Minimum Wage Act 2001*

## MINIMUM WAGE (YOUNG WORKERS) REGULATIONS 2018

*Approved by Tynwald:*

*Coming into Operation:*

*1 October 2018*

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The Department for Enterprise makes the following Regulations under section 4(2) of the Minimum Wage Act 2001.

### **1 Title**

These Regulations are the Minimum Wage (Young Workers) Regulations 2018.

### **2 Commencement**

If approved by Tynwald<sup>1</sup> these Regulations come into operation on 1 October 2018.

### **3 Interpretation**

In these Regulations –

“**pay reference period**” has the meaning given by regulation 10(1) of the principal Regulations;

“**the principal Regulations**” means the Minimum Wage Regulations 2001<sup>2</sup>; and

“**the upper limit of compulsory school age**” is a person’s 16th birthday, except where on his or her 16th birthday the person is, or has been during any year beginning on the 1st September, a registered pupil at a school in the Island in which case he or she attains the upper limit on the Friday before the last Monday in May in that year.

### **4 Application**

These Regulations apply only in relation to a pay reference period beginning on or after 1 October 2018.

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<sup>1</sup> As required by section 45 of the Minimum Wage Act 2001.

<sup>2</sup> SD 397/01

## 5 Rates of minimum wage for young workers

- (1) The hourly rate of the minimum wage is £5.85 for a worker who has attained the upper limit of compulsory school age but who has not attained the age of 18.
- (2) The hourly rate of the minimum wage is £6.95 for a development worker.
- (3) Paragraphs (1) and (2) do not apply in relation to a worker who, by virtue of regulation 12 of the principal Regulations, does not qualify for the minimum wage.
- (4) In this regulation, “a development worker” is a worker who –
  - (a) has attained the age of 18;
  - (b) is within the first 6 months after the commencement of his or her employment with an employer;
  - (c) has not previously been employed either by that employer or by an associated employer (within the meaning of section 173(7) of the Employment Act 2006) of that employer; and
  - (d) has entered into an agreement with the employer requiring the worker to take part in accredited training on at least 26 days between the commencement of his or her employment or, if later, the day upon which he or she entered into the agreement, and the end of the 6 month period referred to in paragraph (b).
- (5) For the purposes of paragraph (4)(b) a worker does not commence employment with an employer where he or she has previously been employed by another employer and continuity of employment is preserved between the 2 employments by Schedule 5 to the Employment Act 2006 or any other enactment.
- (6) In paragraph (4)(d) “accredited training” means training –
  - (a) provided to a recognised industry standard; and
  - (b) approved by the Department of Education, Sport and Culture.

## 6 Amendment of the principal Regulations

- (1) The principal Regulations are amended as follows.
- (2) In regulation 2(1) (interpretation) –
  - (a) in the definition of “arrangements made by the Government”, for “the Department of Trade and Industry” substitute **“the Treasury**”; and
  - (b) in the appropriate place in the alphabetical list insert the following definitions –
    - (i) **“RQF”** means the Regulated Qualifications Framework for England, Wales and Northern Ireland; and

- (ii) **“SCQF”** means the Scottish Credit and Qualifications Framework of Scotland; **22**.
- (3) In regulation 12(3) (workers who do not qualify for the minimum wage), for “the Department of Trade and Industry” substitute **“the Department of Education, Sport and Culture”** **22**.
- (4) For regulation 12(7) substitute –
- “**(7) For the purposes of paragraph (6), a “higher education course” means –
- (a) in England and Wales and Northern Ireland, a course which is at RQF level 4 or above;
  - (b) in Scotland, a course which is at SCQF level 7 or above; and
  - (c) in the Island, a course recognised as such by the Department of Education, Sport and Culture. **22**.

## 7 Revocation

The Minimum Wage (Young Workers) (No. 2) Regulations 2017<sup>3</sup> are revoked.

MADE 28 JUNE 2018

**LAURENCE SKELLY**  
*Minister for Enterprise*

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<sup>3</sup> SD 2017/0108

*EXPLANATORY NOTE**(This note is not part of the Regulations)*

These Regulations revoke and replace the Minimum Wage (Young Workers) (No. 2) Regulations 2017 and amend the Minimum Wage Regulations 2001. The Regulations make the following changes in respect of any pay reference period beginning on or after 1 October 2018.

The hourly rate of pay for those who have attained the upper limit of compulsory school age (usually 16) but are not yet 18 is increased to £5.85.

There are no longer separately prescribed rates for workers aged 18 to 20 or 21 to 24. Workers in these age bands are now covered by the single hourly rate prescribed in the Minimum Wage (Single Hourly Rate) Regulations 2018 (SD 2018/0175).

The hourly rate of pay for “development workers” in accredited training is increased to £6.95 and the rate is extended to workers aged 18 and above (previously it applied to workers age 21 and above).

The definition of “accredited training” is simplified and the definition of “higher education course” contained in the Minimum Wage Regulations 2001 is updated.

The Regulations also take account of the transfer of training functions from the former Department of Economic Development, now the Department for Enterprise, to the Treasury and the Department of Education, Sport and Culture, which took place in 2017.