HOW TO CALCULATE AN APPRENTICE WAGE RATE

Your apprentice is eligible for an increase in wages at different times in the year. This can be triggered by:

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

APPRENTICE WAGE READY RECKONER

You can use the current online ready reckoner below when your apprentice triggers any of the 4 above. Your apprentice must receive the higher of either the NMW/NLW or the SNIJIB wage rate applicable for their year of apprenticeship.

<table>
<thead>
<tr>
<th>Age</th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
<th>4th Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>£3.90</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>17</td>
<td>£3.90</td>
<td>£5.41</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>18</td>
<td>£3.90</td>
<td>£5.41</td>
<td>£6.56</td>
<td>n/a</td>
</tr>
<tr>
<td>19</td>
<td>£3.90</td>
<td>£6.15</td>
<td>£6.56</td>
<td>£8.46</td>
</tr>
<tr>
<td>20</td>
<td>£3.90</td>
<td>£6.15</td>
<td>£6.56</td>
<td>£8.46</td>
</tr>
<tr>
<td>21</td>
<td>£3.90</td>
<td>£7.70</td>
<td>£7.70</td>
<td>£8.46</td>
</tr>
<tr>
<td>22</td>
<td>£3.90</td>
<td>£7.70</td>
<td>£7.70</td>
<td>£8.46</td>
</tr>
<tr>
<td>23</td>
<td>£3.90</td>
<td>£7.70</td>
<td>£7.70</td>
<td>£8.46</td>
</tr>
<tr>
<td>24</td>
<td>£3.90</td>
<td>£7.70</td>
<td>£7.70</td>
<td>£8.46</td>
</tr>
<tr>
<td>25</td>
<td>£3.90</td>
<td>£8.21</td>
<td>£8.21</td>
<td>£8.46</td>
</tr>
<tr>
<td>26+</td>
<td>£3.90</td>
<td>£8.21</td>
<td>£8.21</td>
<td>£8.46</td>
</tr>
</tbody>
</table>

** Effective from 1 April 2019 in light of the NMW and NLW rise. The next SNIJIB wage rise will take effect from July 2019.**
Explaining the minimum wages for Apprentice plumbers

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).

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: £3.70 (this may increase on 01/04/19).
If the SNIJIB wage rate is higher it should be paid.

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: £3.90 (this may increase on 01/04/20).
If the SNIJIB wage rate is higher it should be paid.

The NMW rate for apprentice workers applies for those aged 19-20 years: £6.15 (this may increase on 01/04/20).
If the SNIJIB wage rate is higher it should be paid.

The NMW rate for apprentice workers applies for those aged 21-24 years: £7.70 (this may increase on 01/04/20).
If the SNIJIB wage rate is higher it should be paid.

The NLW rate for apprentice workers applies for those aged 25 years and over: £8.21 (this may increase 01/04/20). If the SNIJIB wage rate is higher it should be paid.

Be aware of your 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.