

Low Pay Commission Remit 2011-12

The Government supports the National Minimum Wage. The Low Pay Commission is asked to evaluate and make recommendations in the areas set out below, taking account of the economic and labour market context, including pensions reform.

Specifically, the Low Pay Commission is asked to:-

1. Monitor, evaluate and review the levels of each of the different minimum wage rates, with particular reference to previously identified groups and sectors, and make recommendations for October 2012.
2. Review the labour market position of young people, including those in apprenticeships and internships.
3. Consider whether NMW regulations can be made even simpler and easier to administer. This might include the removal, simplification or consolidation of any elements of the NMW.

In addition, as part of the simplification agenda, the LPC is asked to consider the implications of the proposed abolition of the Agricultural Wages Board for England and Wales, pending the outcomes of legislative process and consultation.

4. Consider the best way to give business greater clarity on future levels of the NMW, including the option of two-year recommendations, and implement the chosen solution as part of the 2012 report. Also, consider whether any of the other recommendations could be introduced more promptly.

TIMING

The Low Pay Commission is asked to report to the Prime Minister and the Secretary of State for Business, Innovation and Skills by the end of February 2012.