

NERA Guide to **Minimum Pay Rates**

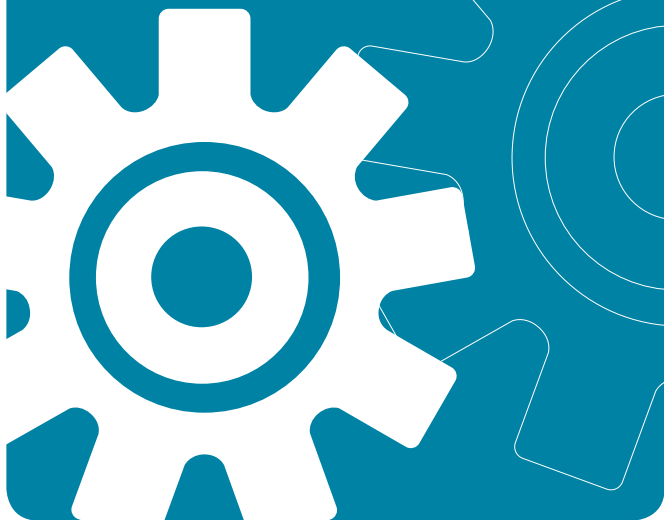


NERA
National Employment Rights Authority

Different minimum pay rates - what you need to know

Most people are familiar with the National Minimum Wage rate of €8.65 per hour for experienced adult workers but there are a number of other rates, which are either more or less than this rate.

In this guide you can find details of how the type of business, the age, experience or qualifications of the employee and the training provided can affect the minimum hourly rate that employees can or must, be paid. The age-related, inexperienced worker or training rates may be of particular interest to those thinking of taking on new employees or seasonal student workers, or those starting out in a career.



National Minimum Wage

The National Minimum Wage ranges from €6.06 to €8.65 per hour as set out in the table opposite.

Employers are permitted to pay employees who are under 18, first-time job entrants, or those undergoing structured training, specified rates below €8.65. For training rates to apply, the training must be split into three equal parts of not less than one month and not more than twelve months each. Pay rates increase for each third of the training as set out in the table opposite. There are a number of other conditions that must also be met. In particular, the training must,

- * Have set out in writing its title and purpose, objectives and an outline plan of its duration and approach
- * Be assessed by means of a recognised certification procedure on completion
- * Be paid for by the employer
- * Be related to improving work performance
- * Be a minimum of three months
- * Require the worker to be away from day to day operational duties at least 10% of the time

Full criteria are outlined in Statutory Instrument No. 99 of 2000, National Minimum Wage Act, 2000 (Prescribed Courses of Study or Training) Regulations, 2000.

It should be noted that the Protection of Young Persons (Employment) Act, 1996 sets out certain rules in relation to employing people under 18. A Guide on these rules is available from Workplace Relations.

National Minimum Wage Rates

Worker to whom the Rate Applies

Under 18

Over 18 and in the first year after the date of first employment

Over 18 and in the second year after the date of first employment

Over 18 and in the first third of a structured training programme

Over 18 and in the second third of a structured training programme

Over 18 and in the final third of a structured training programme

Experienced Adult Worker - only employment experience acquired after age 18 is taken into account

Named experienced adult workers whose employer has successfully applied to the Labour Court for a once-off, temporary derogation from the National Minimum Wage on inability to pay grounds

Gross Rate Per Hour

€6.06

€6.92

€7.79

€6.49

€6.92

€7.79

€8.65

The Labour Court may grant a temporary exemption to the adult experienced rate. In such cases the Labour Court decides the rate per hour.

Exceptions to the Minimum Wage

There are two categories of workers to whom the minimum wage does not apply:

- * Apprentices (other than apprentice hairdressers) as set out in Statutory Instrument No. 168 of 1997
- * Employees who are close relatives of the employer

Industries that have their own minimum wage

In some industries, employees are entitled to other rights and a different minimum wage than the National Minimum Wage.

Employment Regulation Orders (EROs) and Registered Employment Agreements (REAs) enable employers and employee representatives from certain sectors or enterprises collectively to reach legally binding agreements on pay and conditions of employment. Once an REA has been registered with the Labour Court, or an ERO published as a Statutory Instrument, the minimum rates of pay in the REA or ERO become legally binding on all employers and employees who operate in these sectors.

Industries where certain employees have a rate different than the National Minimum Wage include:

- * Aerated Waters and Wholesale Bottling
- * Agriculture
- * Catering
- * Construction
- * Contract Cleaning
- * Drapery
- * Electrical Contracting
- * Hairdressing
- * Handkerchief and Household Piece Goods
- * Hotels
- * Law Clerks
- * Mushrooms
- * Printing
- * Provender Milling
- * Retail Grocery
- * Security Industry
- * Shirtmaking
- * Tailoring
- * Women's Clothing

Employers and employees in these industries can check the rates on the Labour Court website www.labourcourt.ie or contact Workplace Relations Customer Services.

Contact Details

The National Minimum Wage rate changes from time to time. This guide was produced in July 2011 and the minimum rates listed have been in force since 1st of July 2011. The current rate and further information including a more detailed guide is available from www.workplacerelations.ie.

For more information on Minimum Pay Rates and other Employment Rights, please contact Workplace Relations Customer Services.

Workplace Relations Customer Services
Department of Jobs, Enterprise and Innovation
O'Brien Road, Carlow.

Telephone: (059) 917 8990

Lo-Call 1890 80 80 90

Fax: (059) 917 8909

Website: www.workplacerelations.ie

Callers should note that the rates charged for the use of 1890 (Lo-Call) numbers may vary among different service providers.

This guide is not intended to be a complete or authoritative statement of the law.

The Department of Enterprise, Trade and Innovation

An Roinn Post, Fiontar agus Nuálaíochta

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