
DRAFT STATUTORY INSTRUMENTS

2020 No.

**The National Minimum Wage
(Amendment) (No. 2) Regulations 2020**

PART 2

AMENDMENTS TO THE NATIONAL MINIMUM WAGE REGULATIONS 2015

CHAPTER 1

SALARIED HOURS WORK

- 5.** In regulation 21 (the meaning of salaried hours work)—
- (a) for paragraph (2) substitute—
 - “(2) The first condition is that the worker is entitled under their contract to be paid—
 - (a) an annual salary; or
 - (b) an annual salary and one or both of—
 - (i) a performance bonus; and
 - (ii) a salary premium.”;
 - (b) in paragraph (3) after “bonus” insert “or salary premium (or all three)”;
 - (c) for paragraph (4) substitute—
 - “(4) The third condition is that the worker is not entitled under their contract to a payment in respect of the basic hours other than—
 - (a) an annual salary; or
 - (b) an annual salary and one or both of—
 - (i) a performance bonus; and
 - (ii) a salary premium.”;
 - (d) for paragraph (5) substitute—
 - “(5) The fourth condition is that the worker is entitled under their contract to be paid, where practicable and regardless of the number of hours actually worked in a particular week, month or other period, in instalments which—
 - (a) are equal and occur not more often than weekly and not less often than monthly;
or
 - (b) occur monthly and vary but have the result that the worker is entitled to be paid an equal amount in each quarter.”;
- (e) in paragraph (6)—
 - (i) after sub-paragraph (a) insert “(aa) a salary premium is paid”; and
 - (ii) for sub-paragraph (d) substitute—

- “(d) the employment starts or terminates during a week, month or other period provided for in paragraph (5)(a) with the result that the worker is paid a proportionate amount of their annual salary for that week, month or other period.”; and
- (f) after paragraph (8) insert—
 - “(9) A “salary premium” is—
 - (a) an amount of pay which is—
 - (i) in addition to the annual salary; or
 - (ii) an increase in the rate of pay for particular working hours;
 - (b) in respect of the basic hours; and
 - (c) attributable to working—
 - (i) at a particular time of the day;
 - (ii) on a particular day;
 - (iii) at a particular location;
 - (iv) in a particular working environment;
 - (v) within a particular geographical area;
 - (vi) on a particular task; or
 - (vii) subject to a particular responsibility.”.