

QUICK FACTS

- What's the difference between the Living Wage and the new "National Living Wage"?



The **Living Wage** is currently **£7.85** in Scotland. It is independently calculated based on what is needed to achieve a low cost, but acceptable standard of living. It is increased every November. This factsheet is intended as a quick and easy to read summary of the differences between the National Minimum Wage, the recently announced "National Living Wage" and the *actual* Living Wage.

MINIMUM WAGE & "NATIONAL LIVING WAGE"	THE LIVING WAGE
The minimum pay per hour that workers are entitled to by law	A voluntary rate that employers can choose to commit to paying.
A range of different rates apply depending on the age of the worker.	The rate is the same for all workers over the age of 18.
Set by the UK Government.	Set by the Living Wage Foundation.
Based on an estimation of the minimum that employers should pay.	Based on the cost of living and the "Minimum Income Standards" required for a basic, but adequate standard of living.
A statutory obligation which employers must meet or face legal challenge.	A movement and a demonstration of best practice and fair work.

From April 2016, a new rate will apply to workers aged 25 and over. The new rate has been branded as the "National Living Wage".

It will start next year at £7.20 per hour. **Despite the name, this new rate is essentially a new Minimum Wage for the over 25s; it is *not* a Living Wage.**

Current Minimum Wage Rates:

21 AND OVER	18 TO 20	UNDER 18	APPRENTICE
£6.50	£5.13	£3.79	£2.73

Minimum Wage Rates from April 2016:

25 AND OVER	21 TO 24	18 TO 20	UNDER 18	APPRENTICE
£7.20	£6.70	£5.30	£3.87	£3.30

The Scottish Living Wage Campaign was formed in 2007 and is a coalition of trade unions, anti-poverty campaigners, voluntary organisations, faith groups and academics.

To find out more about us and the Living Wage please visit our website at: slw.povertyalliance.org



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