

# EXPLAINING UK WAGE RATES

## THE MINIMUM WAGE

Government minimum  
for under 23s

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What is it?

£9.18

Is it the law

Statutory

What age group is covered?

21 and older

How is it set?

Negotiated settlement based  
on recommendations from  
businesses and trade unions

Is there a London weighting?

No London weighting

## NATIONAL LIVING WAGE

Government minimum  
for over 23s

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What is it?

£9.50

Is it the law

Statutory

What age group is covered?

23 and older

How is it set?

A % of medium earnings, it aims  
to reach 66% of median earnings  
by 2024

Is there a London weighting?

No London weighting

## REAL LIVING WAGE

The only wage rate based on  
what people need to live

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What is it?

£10.90 across the UK, £11.95 in London

Is it the law

Voluntary

What age group is covered?

18 and older

How is it set?

Calculation made according to the  
cost of living, based on a basket of  
household goods and services

Is there a London weighting?

Yes - separate higher rate for London

#LIVINGWAGE