



FAQs

MINIMUM WAGE ACCOMMODATION OFFSET SURVEY

SEPTEMBER 2024



What is the minimum wage accommodation offset?

It is a regulation that forms part of the National Minimum Wage (2013) Ordinance. It notes that if a minimum wage employee has their accommodation and board costs deducted from their gross salary, it should be applied at 50% of the cost of providing the accommodation to a maximum amount of £90.60 per week.

The minimum wage accommodation offset is there to allow employers to count some, but not all, of the cost of providing accommodation to workers as their wage.

It recognises the need for businesses in the Falklands to provide accommodation for employees and the cost of doing so, whilst ensuring that safeguards are in place for those on minimum wage or low pay.

Who is the consultation seeking views from?

The regulation impacts businesses that provide accommodation for their employees and workers on minimum wage or low pay who privately rent their accommodation from their employer. FIG is particularly keen to hear from these two groups of people.

Information and the feedback survey will be provided in English, Spanish, Tagalog, and Shona to allow for as many people as possible to provide their views.

Why is FIG consulting on this matter?

The regulation has been in place, unchanged, since 2013, and there have been several issues raised in how it works:

Rate – This has been set at the same level for the past 11 years, in which time both the minimum wage and the cost of providing accommodation have increased.

Who the rate applies to – the regulation as written only applies to employees who have their accommodation deducted from their gross salary. It is not applied to employees who pay for their accommodation separately, or to where it is provided for free by their employer.

What the rate covers – the rate currently covers accommodation and board but there is no definition relating to board. Board is also not universally provided by employers and is mostly relevant to MPC, Camp and the Tourism industry.



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What is wrong with how it currently works?

The regulation and the offset have remained unchanged since 2013 over which time the cost of providing accommodation and the minimum wage itself have increased significantly.

Similarly, the way the regulation is written, is leading to inconsistencies in how the regulation is applied. This means that some workers and businesses are finding themselves at a disadvantage.

What changes are being proposed?

No decisions have been taken on how to revise the accommodation offset. The first step in the process is to consult with workers, businesses, and the wider community, following which feedback will be analysed and policy proposals developed.

Any proposed changes to the existing regulation would then be submitted to ExCo for approval.

How can I give my views?

The consultation will be open from the 24th September 2024. There will be an online survey is available at: <https://www.falklands.gov.fk/policy/consultations>

Please note there are different surveys depending if you are an employee or employer.

Paper copies can be collected from the Secretariat building and can be returned to the drop-in box in the Secretariat, or posted to:
Matt Daniel, Policy Department, The Secretariat, Thatcher Drive, Stanley.

There will also be two drop-in sessions held at the following dates/times:

- **Thursday 10 October, 12-1pm, Harbour Lights Cinema Conference Room**
- **Tuesday 15 October, 5-6pm, Harbour Lights Cinema Conference Room**

Should you wish to know more you can contact: Matt Daniel, Policy Advisor (FIG), at  mdaniel@sec.gov.fk