# FALKLAND ISLANDS

## Minimum Wage (Calculation of Amount Paid) Regulations 2013

**(S.R. & O. No. 16 OF 2013)**

ARRANGEMENT OF PROVISIONS

Regulation

**FALKLAND ISLANDS**

## Minimum Wage (Calculation of Amount Paid) Regulations 2013

*[DATE OF COMMENCEMENT: 1ST DECEMBER 2013]*[i]

I make these regulations under section 15 of the Minimum Wage Ordinance 2013 on the advice of Executive Council.

### 1 Title

These regulations are the Minimum Wage (Calculation of Amount Paid) Regulations 2013.

### 2 Commencement

These regulations come into force on a day appointed by the Governor in a notice published in the Gazette.

### 3 Interpretation

In these regulations-

**"worker's gross earnings"** means, in relation to a pay reference period, the gross amount earned by the worker for eligible work done during the pay reference period (before any deductions are made); and

**"worker's net pay"** means, in relation to a pay reference period, the net amount actually paid to the worker by the employer in respect of the eligible work done during the pay reference period.

### 4 Calculation of amount paid in respect of minimum wage for pay reference period

(1) The amount treated as having been paid to a worker in respect of the minimum wage for eligible work done during a pay reference period is to be calculated using the formula-

$$(N - X) + D + A$$

(2) In the formula "(N - X) + D + A"-

"N" means the worker's net pay for the pay reference period less any amount the worker has paid separately as referred to in paragraph (b) of the definition of “A”;

*[S.R.&O. 21/2025/w.e.f. 01.01.2026.]*

"X" means payments of a kind listed in regulation 5 (payments that are excluded from the calculation of the amount treated as having been paid to a worker in respect of the minimum wage for eligible work done during a pay reference period);

"D" means the total of amounts that-

(a) have been deducted from the worker's gross earning for the pay reference period; and

(b) are of a kind listed in regulation 6.

“**A**” means either —

(a) if accommodation or board (or both) are provided to the worker for free by the employer or a connected person, the lesser of —

(i) 50% of the value of the accommodation or board (or both); or

(ii) 50% of the minimum wage at a 40 hour week;

(b) if, in respect of accommodation or board (or both) provided to the worker by the employer or a connected person, a deduction has been made from the worker’s gross earnings, or the worker has paid separately, the lesser of —

(i) 70% of the deduction or amount paid; or

(ii) 50% of the minimum wage at a 40 hour week.

*[S.R. & O. 21/13/w.e.f. 1/12/13; S.R.&O. 20/2025/w.e.f. 01.01.2026.]*

(3) A deduction that forms part of "D" as a result of applying regulation 6(1)(f)(iv) is to be ignored when calculating "A".

*[S.R. & O. 21/13/w.e.f. 1/12/13.]*

## 5 Excluded payments ("X")

The following payments are excluded from the calculation of amounts treated as having been paid to a worker in respect of the minimum wage for eligible work done during a pay reference period (and are included in the amount "X" in the formulae in regulations 4(1) and 6(1)(a))-

(a) amounts paid by an employer in respect of tips and gratuities received (whether by the worker or a group of workers of which the worker is a member);

(b) advances of wages or salary to which the worker will (or is expected to) become entitled;

(c) payments made by way of loan;

(d) payments made under a staff suggestion scheme;

(e) additional amounts (in excess of the normal rate) paid for working-

(i) overtime;

(ii) on a shift basis;

(iii) at unsocial hours; or

(iv) in dangerous or dirty conditions;

(f) amounts paid as reimbursement for expenses incurred by the worker-

(i) in the course of the worker's duties for the employer;

(ii) for one or more of the following that the worker requires (or is required) to have or use in the course of the worker's duties for the employer

(aa) uniform;

(bb) protective clothing;

(cc) tools;

(dd) equipment; or

(iii) in relation to benefits in kind to which the worker is entitled;

(g) payments made for travel to and from the Falkland Islands at the beginning and end of the employment of a worker recruited from outside the Falkland Islands;

(h) redundancy payments; and

(i) other severance payments made in connection with the termination of an employment (including payments made in lieu of notice).

**6 Allowable deductions ("D")**

(1) The following amounts deducted from the gross amount earned by the worker when calculating the worker's net pay are to be treated as if they were amounts that had been paid to the worker in respect of the minimum wage for eligible work done during a pay reference period (and are included in the amount "D" in the formula in regulation 4(1))-

(a) amounts deducted under-

(i) the Payments on Account of Tax (Employees' Deductions) Regulations 1997, but only in relation to the amount produced by the formula-

$$G - X;$$

*[Revisions w.e.f. 31/07/2017]*

(ii) section 193 of the Taxes Ordinance 1997;

*[Revisions w.e.f. 31/07/2017]*

*[S.R. & O. 21/13/w.e.f. 1/12/13.]*

(b) amounts deducted in respect of the worker's employees' contributions under section 10 of the Retirement Pensions Ordinance 1996;

*[Revisions w.e.f. 31/07/2017]*

(c) amounts deducted to repay one or more of the following-

(i) advances of wages or salary made to the worker;

(ii) accidental overpayments of wages or salary made to the worker;

(iii) loans made to the worker;

(d) amounts deducted in respect of the worker's conduct or work for which the worker is contractually liable (whether the worker is liable solely or jointly with others);

(e) amounts deducted in respect of the payment by the employer on the worker's behalf of charges for which the worker is liable under section 30 of the Stanley Rates Ordinance 1973;

*[Revisions w.e.f. 31/07/2017]*

(f) amounts deducted at the worker's voluntary direction in relation to one or more of the following (which may be for the benefit of the worker or another person)-

(i) pension contributions;

(ii) contributions to a provident fund (or savings scheme);

(iii) voluntary payments on account of tax;

(iv) rent and other costs for housing provided by the Falkland Islands Government (but not for housing that is provided in connection with the worker's work).

*[S.R. & O. 21/13/w.e.f. 1/12/13.]*

(2) In the formula "G – X"-

"G" means the worker's gross earnings; and

"X" means payments of a kind listed in regulation 5 (payments that are excluded from the calculation of the amount treated as having been paid to a worker in respect of the minimum wage for eligible work done during a pay reference period).

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[i] Notice 81 of 28/10/13