Rebecca Evans AC/AM
Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd



Ein cyf/Our ref MA/L/LG/0276/20

Elin Jones AM
Presiding Officer
National Assembly for Wales

30 March 2020

The Agricultural Wages (Wales) Order 2020

In accordance with section 11A(4) of the Statutory Instruments Act 1946, as inserted by Sch.10 para 3 of the Government of Wales Act 2006, I am notifying you that this Statutory Instrument (SI) will come into force less than 21 days from the date of laying. The Explanatory Memorandum for this Order is attached for your information.

Background

The Agricultural Advisory Panel for Wales (the Panel) was established under the Agricultural Sector (Wales) Act 2014 on 1 April 2016. The Panel's remit includes reviewing wages and other employment conditions and support skills and career development in the agricultural sector.

At present, agricultural workers in Wales are subject to the rates specified by the Agricultural Wages (Wales) Order 2019 (2019 Order). The order came into force on 1 April 2019 and was the fourth wages order made under the 2014 Act.

The Panel agreed to increase the agricultural minimum wage rates and consulted on the proposals in the autumn of 2019. The Panel's intention was to have the new Order in force on 1 April, the same date the UK National Living Wage (NLW) and National Minimum Wage (NMW) increases will take effect.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

<u>Correspondence.Rebecca.Evans@gov.wales</u> <u>Gohebiaeth.Rebecca.Evans@llyw.cymru</u>

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

However, there was a two month delay in announcing the NMW/NLW as a result of the UK general election. The Panel reconvened to consider the proposed agricultural minimum wage rates in light of the announcement and subsequently submitted a revised Order.

In accordance with section 4(1)(b) of the 2014 Act, the revised Order was referred back to the Panel by Officials for further consideration of a number of minor technical drafting issues. The final draft Order was submitted by the Panel to Lesley Griffiths AM, Minister for Energy, Environment and Rural Affairs, for approval on 20 March 2020, much later than anticipated.

Until the Agricultural Wages (Wales) Order 2020 comes into force, agricultural workers in Wales will continue to be subject to the 2019 Order. To minimise disruption and ensure workers are paid in accordance with the AMW rates agreed by the Panel, it is proposed the Order will not adhere to the 21 day convention to enable it to come into force on 1 April.

Not adhering to the 21 day convention is considered necessary and justifiable in light of the unavoidable circumstances that have delayed the process. I also believe reducing any further delay in bringing uplifted agricultural wage rates into force is justified on the basis it will minimise the length of time agricultural workers covered by the AMW are disadvantaged in relation to their pay awards and make compliance easier for agricultural employers.

An Explanatory Memorandum has been prepared and this has been laid, together with the Regulations, in Table Office.

A copy of this letter has gone to Mick Antoniw AM, Chair of the Legislation, Justice and Constitution Committee, Sian Wilkins, Head of Chamber and Committee Services and Julian Luke, Head of Policy and Legislation Committee Service.

Rebecca Evans AC/AM

Rebeica Evans.

Y Gweinidog Cyllid a'r Trefnydd Minister for Finance and Trefnydd