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THE LABOUR LAW (2011 REVISION)

THE LABOUR (NATIONAL MINIMUM BASIC WAGE) ORDER, 2016

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The Cabinet, in exercise of the powers conferred by section 20 of the Labour Law (2011 Revision), makes the following Order -

1. This Order may be cited as the Labour (National Minimum Basic Wage) Order, 2016 and shall come into force on 1st March, 2016.

Citation and commencement

2. (1) Subject to subparagraph (2), the National Minimum Basic Wage payable to employees shall be \$6 (Cayman Islands Dollars) per hour gross and shall be applicable to every hour worked within either the standard work week or the standard work day depending on the defined pay period.

National Minimum Basic Wage

(2) The National Minimum Basic Wage payable to a service employee of an employer that has in place a scheme for the distribution of gratuities approved in writing by the Director in accordance with section 37 shall be \$4.50 (Cayman Islands Dollars) per hour gross and shall be applicable to every hour worked within either the standard work week or the standard work day depending on the defined pay period.

Computation

- 3. (1) No more than 25 per cent of the National Minimum Basic Wage of a household domestic who lives in the private home of the employer may be comprised of payment in kind in the form of accommodation and utilities and, for the purposes of the computation of the wages, that is to say, no more than \$1.50 (Cayman Islands Dollars) per hour may be allocated towards meeting the National Minimum Basic Wage of that employee under this Law.
- (2) No more than 25 per cent of the National Minimum Basic Wage of an employee who works on a commission basis may be comprised of commission payments and, for the purposes of the computation of that employee's wages, that is to say, no more than \$1.50 (Cayman Islands Dollars) per hour may be allocated

from the commission earned by the employee and put towards meeting the National Minimum Basic Wage of that employee under this Law.

- (3) The inclusion of commissions in the computation of the wages of an employee who works on a commission basis shall not prevent that employee from receiving all commissions earned.
- (4) Where benefits in kind or commissions are included in the computation of wages, this inclusion shall be in respect of each defined pay period.
- (5) No employee, including service employees, household domestics living in the private home of the employer and employees who work on a commission basis shall receive less than the respective National Minimum Basic Wage when the computation of sick leave, vacation leave, maternity leave or any other applicable leave is carried out by the employer.
- (6) For the avoidance of doubt, the employer of a household domestic who lives in the employer's private home may, for the purposes of computing the wages, continue to allocate benefits in kind in the form of accommodations and utilities during periods of sick leave, vacation leave, maternity leave or any other applicable leave towards meeting the National Minimum Basic Wage of that employee under this Law.

Made in Cabinet the 9th day of February, 2016.

Kim Bullings

Clerk of the Cabinet.