Goodbye to minimum salary?

It was the winter of 1795 when Samuel Whitbread, scion of the great brewing family, first tried to introduce legislation to allow Magistrates to enforce a minimum wage wherever they felt it was needed. It was not to be. In the House of Commons, Whitbread’s attempts at social reform were comprehensively demolished by the Prime Minister, William Pitt. Relying on the economic teachings of Adam Smith, Pitt the Younger decried Whitbread’s Bill as an unwise and futile interference in the laws of supply and demand.

Introducing the National Minimum Wage Bill to the House of Commons 200 years later in 1997, Margaret Beckett declared that the legislation would end once and for all ‘the scandal of poverty pay’. The Bill was passed and Whitbread’s vision finally came to fruition.

Against this historical background the proposal of the Solicitors Regulation Authority (SRA) to abolish the minimum salary for trainee solicitors (£18,590 in Central London and £16,650 elsewhere) seemed all the more astonishing. If given effect the proposal would have paved the way for trainees to be paid as apprentices at £2.60 an hour.

In May 2012, following consultation, the SRA opted instead for a slightly watered down and more politically palatable alternative of ‘partial deregulation’: from September 2014 firms need not pay trainees more than the national minimum wage. The opaque policy statement accompanying the announcement expressed the view that ‘setting a minimum salary level for trainees above the national minimum wage main rate for employees was not in the public interest’.

The change is not as drastic as was feared but it is still misguided. The timing of the decision is poor. Many legal aid firms and Law Centres are already struggling to keep the lights on. As the cuts contained in the Legal Aid, Sentencing and Punishment of Offenders Bill take effect, their situations will become more precarious. The likelihood is that it is these firms who will opt to pay trainees at the minimum wage. The result is that those who do the most socially valuable work will receive the least reward. For many aspiring solicitors, legal aid work will simply be out of the question. It seems ironic that trainee legal aid solicitors may be one of the few sectors of the population still eligible for legal aid.

Scraping the minimum salary would constitute a huge step backward for the legal profession. The SRA’s figures show that women and black and ethnic minority trainees are the most likely to be paid the minimum salary. The inference can be drawn that it will be these individuals who will be hardest hit by the change. The legal profession is by no means as diverse as it should be but it has come a long way in the last 40 years. In her book Eve Was Framed, Baroness Kennedy described how, qualifying as a lawyer in the 1970s, she was ritually humiliated by ‘blustering lawyers’.

Margaret Beckett said the National Minimum Wage would end, once and for all, the scandal of low pay. The SRA has other ideas...

Young Legal Aid Lawyers
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27: Sir Nicholas Bratza, the British President of the European Court of Human Rights warns senior politicians against using ‘emotion and exaggeration’ to criticise the court. In an article in The Independent Bratza responded to increasing hostility from Tory frontbenchers.