STATUTORY INSTRUMENTS

1979 No. 954

EUROPEAN COMMUNITIES

The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1979

Laid before Parliament in draft

Made - - - - *27th July* 1979

Coming into Operation *5th August* 1979

Whereas the Commission of the European Communities have agreed to provide non-repayable aid towards the payment to or for the benefit of workers in the steel industry in the United Kingdom of such allowances and other payments as are provided for in Article 56(2) of the Treaty establishing the European Coal and Steel Community signed at Paris on 18th April 1951, as amended(a), (hereinafter referrred to as "the ECSC Treaty"), the provision of which aid is conditional upon payment by the Government of the United Kingdom of a contribution to those payments of not less than the amount of that aid:

Now therefore the Secretary of State, being the designated Minister under the European Communities (Designation) Order 1972(b), in exercise of his powers under section 2(2) of the European Communities Act 1972(c) and all other powers in that behalf enabling him, hereby makes the following regulations:—

Citation and commencement

1. These regulations may be cited as the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1979 and shall come into operation on 5th August 1979.

Application of the Scheme

2. The Scheme set out in Schedule I to these Regulations (hereinafter referred to as "the Scheme") shall apply to those classes of persons prescribed therein.

Revocation and Transitional Provisions

3.—(1) The Regulations described in Schedule II are revoked to the extent specified in the third column of that Schedule, except that payments may be made in accordance with them in respect of the week of eligibility of a steel employee which is current on the coming into operation of the Scheme.

(a) O.J. No. 33, 16.5.60, p. 781/60. (b) S.I. 1972/1811.
(c) 1972 c. 68.

(2) The first week in respect of which payments may be made under the Scheme to a steel employee who is eligible to receive a payment under paragraph (1) above shall be the first completed week of eligibility commencing after the week referred to in that paragraph.

(3) Article 14 of the Scheme shall not apply to the previous earnings of a steel employee for the relevant period (as defined in Article 3 (3)(c)) where that period falls either in whole or in part before the date on which these Regulations come into operation.

Michael Marshall,
Parliamentary Under Secretary of State
Department of Industry.

27th July 1979.

SCHEDULE I

Regulation 2

IRON AND STEEL EMPLOYEES RE-ADAPTATION BENEFITS SCHEME

Interpretation

1. In the Scheme, unless the context otherwise requires—

"earnings-related supplement" means earnings-related supplement payable under section 14(7) or 22(4) of the Social Security Act 1975(a) or payments equivalent to such earnings-related supplement payable under the provisions of the Employment and Training Act 1973(b);

"full-time employment" means employment in which the employee is normally required to work for not less than 16 hours in each week;

"injury benefit" means injury benefit payable under Part II, Chapter IV or V, of the Social Security Act 1975;

"invalidity benefit" means invalidity benefit payable under Chapter I of Part II of the Social Security Act 1975;

"non-contributory invalidity pension" means a non-contributory invalidity pension payable under section 36 of the Social Security Act 1975;

"other employment" includes employment by the same employer at a different place;

"redundant employee" means a steel employee who has been dismissed by his employer within the meaning of Part VI of the Employment Protection (Consolidation) Act 1978(c) and whose dismissal is attributable wholly or mainly to a relevant event;

"relevant amount" means an amount equal to 90% of the maximum weekly rate of earnings-related supplement ascertained from time to time in accordance with paragraph 3(1)(*a*) of Schedule 6 to the Social Security Act 1975;

"relevant course of training" means a course of training—

(*a*) conducted under arrangements made under the provisions of the Employment and Training Act 1973; or

(*b*) approved by the Iron and Steel Industry Training Board, and being a course of training conducted by or on behalf of a steel company; or

(*c*) approved by the Secretary of State and the Commission of the European Communities for the purposes of the Scheme.

(a) 1975 c. 14.
(b) 1973 c. 50.
(c) 1978 c. 44.

"relevant date" means, in the case of a transferred employee, the date on which he was transferred and, in the case of a redundant employee, has the same meaning as in section 90(1) of the Employment Protection (Consolidation) Act 1978;

"relevant event" means any permanent discontinuance or curtailment of, or change in, the activities of a steel company taking place on or after 1st January 1973 and occasioned by fundamental changes, not directly connected with the establishment of the common market, in market conditions for the steel industry which is accepted by the Commission of the European Communities as justifying payments under paragraph 2 of Article 56 (as amended) of the ECSC Treaty;

"relevant income tax year" means the last complete income tax year before the relevant date;

"self-employed person" means a person who is gainfully employed for not less than 16 hours in each week in the United Kingdom otherwise than under a contract of service, and otherwise than in an office (including elective office) with emoluments chargeable to income tax under Schedule E, whether or not he is also so employed;

"sickness benefit" means sickness benefit payable under section 14(1)(*b*) of the Social Security Act 1975;

"special hardship allowance" means an increase of disablement pension payable under section 60 of the Social Security Act 1975;

"steel company" means any body corporate engaged in the production of steel as defined in Annex I to the ECSC Treaty or in the production of coke for steel making;

"steel employee" means an employee who immediately prior to the relevant date was wholly or mainly engaged in the course of his employment in the United Kingdom in activities connected with the production of steel as so defined or in the production of coke for steel making;

"transferred employee" means a steel employee transferred to other employment with the same steel company or with an associated employer (within the meaning of section 153(4) of the Employment Protection (Consolidation) Act 1978) as a result of a relevant event;

"unemployment benefit" means unemployment benefit payable under section 14(1)(*a*) of the Social Security Act 1975;

"unemployed person" means a person who is unemployed and is registered for employment or who would be so registered if he were not certified as incapable of work as a result of sickness or injury;

"week" means, in relation to employment by a steel company, a period of seven days beginning at 06.00 hours on a Sunday.

Eligibility for payment

2. Any steel employee who has been in the full-time employment of the same steel company for the 52 weeks immediately preceding the relevant date and who—

(*a*) has become a redundant employee or a transferred employee; and

(*b*) has not on the relevant date attained the age of 65 or, if a woman, the age of 60; and

(*c*) did not commence employment at the works of that steel company where he was last employed within 52 weeks of the commencement of the relevant event at that works as a result of which he became a redundant or transferred employee,

shall be eligible for payments under the Scheme, and is hereinafter referred to as "an eligible steel employee".

Supplementation of current earnings

3.—(1) Subject to the following provisions of the Scheme, the Secretary of State may, subject to paragraphs (4) and (5) of this Article, during the period specified in paragraph (2) of this Article, make a weekly payment as a supplement to the current earnings of any eligible steel employee who is engaged in other full-time employment or is a self-employed person, equal to the amount (if any) by which his current earnings in that week fall short of 90% of his previous earnings.

(2) The period referred to in paragraph (1) is—

(*a*) in the case of a man under the age of 55 or a woman under the age of 50 on the relevant date, the 78 weeks after that date;

(*b*) in the case of a man aged 55 or over but under the age of 60 or a woman aged 50 or over but under the age of 55 on the relevant date, the 104 weeks after that date; and

(*c*) in the case of a man aged 60 or over but under the age of 65 or a woman aged 55 or over but under the age of 60 on the relevant date, the 130 weeks after that date.

(3) For the purposes of paragraph (1)—

(*a*) "earnings" include bonus and shift work payments and overtime payments made in any case where the employee is under his contract of employment required to work overtime and the payment is in respect of overtime so worked but do not include any other payments for over-time working, or payments related to particular working conditions; and where an employee's earnings in any week are affected by unpaid absence, by certified absence from work by reason of injury or ill health for which sickness benefit is payable by his employer, or by any reduction in the normal rate of production from whatever cause, his earnings shall be such amount as the Secretary of State considers that employee would have earned if he had been normally employed in that week;

(*b*) "current earnings" means in relation to any week—

(i) in the case of a transferred employee or a redundant employee who enters into further employment with a steel company (whether or not he also becomes a self-employed person) and who has been in such transferred or further employment for the previous 13 weeks, the average amount of his weekly earnings in those 13 weeks from whatever source;

(ii) in any other case, the average amount of the employee's weekly earnings in other employment (or as a self-employed person, or both) during the previous 4 weeks or, in relation to his first 4 weeks of employment, his average weekly earnings in those weeks;

(*c*) "previous earnings" means—

(i) the average of the employee's weekly earnings from employment by a steel company for the relevant period referred to below, or

(ii) if he underwent retraining which affected his earnings in that period, the average of his earnings from employment by a steel company for each of the weeks within that period in which he was normally employed and, for the weeks in which he was not normally employed, such amount as the Secretary of State considers he would have earned, had he been so employed in those weeks;

and for this purpose the relevant period is the period of 13 weeks immediately preceding the fourth week before the relevant date.

(4) Where for any week a steel employee receives payment of any one or more of the benefits specified in Article 13(1) and the aggregate of that payment, his current earnings and any payment for which he would otherwise be eligible under this Article exceeds 90% of his previous earnings, the amount which he would otherwise be eligible to receive under this Article shall be abated by the amount of such excess.

(5) (*a*) Where a steel employee is in receipt of—

(i) a pension in respect of his employment with a steel company, or

(ii) periodic payments of compensation from his employer in respect of his loss of earnings occasioned by the relevant event, or

(iii) compensation under the Iron and Steel (Compensation to Employees) Regulations 1968**(a)**,

the amount payable under paragraph (1) shall be abated so as to ensure that the aggregate amount of that payment, any payment specified earlier in this sub-paragraph, his current earnings and any benefits specified in Article 13(1) which he receives, does not exceed the amount of his previous earnings.

(*b*) Where the pension or compensation payments described in sub-paragraph (*a*) are not paid weekly, they shall be deemed to accrue from week to week.

Payments to unemployed men under 55 and unemployed women under 50

4.—(1) Subject to the following provisions of the Scheme, the Secretary of State may pay the amount specified in paragraph (4) of this Article to any eligible steel employee fulfilling the conditions specified in paragraph (2), in respect of any week during whichever one of the periods specified in sub-paragraphs (*a*), (*b*) and (*c*) of paragraph (3) applies to him:

Provided that where such employee ceases to be unemployed during that period, nothing in this paragraph shall authorise any payment to him in respect of the week in which he commences full-time employment or in respect of any subsequent week in which he is so employed.

(2) The conditions referred to in paragraph (1) are that the said employee—

(*a*) was on the relevant date under the age of 55 or, if a woman, under the age of 50; and

(*b*) is an unemployed person; and

(*c*) if a married woman, is not prevented from obtaining unemployment or sickness benefit or maternity allowance solely because she has elected to pay primary Class 1 contributions at the reduced rate in accordance with the Social Security (Contributions) Regulations 1979**(b)**.

(3) Subject to the provisions of Article 11(1), the period referred to in paragraph (1) is—

(*a*) in the case of a steel employee whose entitlement to earnings-related supplement began before the relevant date and as a consequence subsists for less than 26 weeks thereafter, a period (which need not be comprised of consecutive weeks) of unemployment subsequent to the relevant date, beginning with the third week of unemployment after that in which his entitlement to earnings-related supplement expires and ending with the 54th week of unemployment subsequent to the relevant date;

(*b*) in the case of a steel employee who has no entitlement to earnings-related supplement on the relevant date (either because his entitlement to such supplement is exhausted or because his earnings in the relevant income tax year did not reach the qualifying level for payment of such supplement), a period of 52 weeks of unemployment (which weeks need not be consecutive) subsequent to the relevant date, beginning with the 3rd and ending with the 54th week of such unemployment;

(*c*) in the case of any other steel employee, a period of 26 weeks of unemployment (which weeks need not be consecutive) subsequent to the relevant date, beginning with the first week of unemployment following that in which his entitlement to earnings-related supplement expires and ending with the 26th week of such unemployment.

(a) S.I. 1968/1170 as amended by S.I. 1971/2026.
(b) S.I. 1979/591.

(4) Subject to paragraphs (6) and (7), the amount of any payment under paragraph (1) shall be, where the steel employee:

(*a*) was entitled to earnings-related supplement at a rate equal to or greater than the relevant amount per week in respect of the last week before his entitlement to that supplement was exhausted subsequent to the relevant date, an amount equal to that weekly rate;

(*b*) was entitled to earnings-related supplement at a rate of less than the relevant amount per week in respect of the last such week, the relevant amount;

(*c*) had no entitlement to earnings-related supplement on the relevant date (either because his entitlement to such supplement was exhausted or because his earnings in the relevant income tax year did not reach the qualifying level for payment of such supplement), the relevant amount.

(5) In addition to payments under paragraph (1), the Secretary of State may, subject to paragraphs (6) and (7), pay to any eligible steel employee, fulfilling the conditions specified in paragraph (2), in respect of any week during his first 28 weeks of unemployment subsequent to the relevant date in which that employee receives a payment of earnings-related supplement of less than the relevant amount, an amount equal to that by which the supplement which he receives falls short of the relevant amount.

(6) Where, as the result of a period of employment which began after the relevant date, a steel employee establishes a new entitlement to earnings-related supplement, no payment shall be made to him under paragraph (1) or (5) of this Article in respect of any subsequent week of unemployment which would cause the aggregate of that payment and the weekly rate of earnings-related supplement to which he has established such new entitlement to exceed the relevant amount or the weekly rate of any earnings related supplement to which he was entitled on the relevant date, if that rate was greater than the relevant amount.

(7) Where for any week a steel employee receives payment of the benefit specified in Article 13(1)(iii) of the Scheme, the amount of any payment for which he would otherwise be eligible under this Article shall be abated by the amount of that benefit.

Payments to unemployed men of 55 or over and women of 50 or over

5.—(1) Subject to the following provisions of the Scheme, the Secretary of State may pay the amount specified in paragraph (4) of this Article to any eligible steel employee fulfilling the conditions specified in paragraph (2) in respect of any week during the period specified in paragraph (3):

Provided that where such employee ceases to be unemployed in any week, nothing in this paragraph shall authorise any payment to him in respect of the week in which he commences full-time employment or in respect of any subsequent week in which he is so employed.

(2) The conditions referred to in paragraph (1) are that the said employee:

(*a*) had on the relevant date attained the age of 55 or, if a woman, the age of 50; and

(*b*) is an unemployed person; and

(*c*) if a married woman, is not prevented from obtaining unemployment or sickness benefit solely because she has elected to pay primary Class 1 contributions at the reduced rate in accordance with the Social Security (Contributions) Regulations 1979.

(3) Subject to the provisions of Article 8(5), 10 and 11(1), the period referred to in paragraph (1) is a period of 78 weeks of unemployment (which weeks need not be consecutive) subsequent to the relevant date, beginning with the 29th week of such unemployment.

(4) Subject to paragraphs (5) and (8) of this Article, the amount of the payment referred to in paragraph (1) shall be:

(*a*) for the first 52 weeks of the period specified in paragraph (3), an amount equal to 90% of the steel employee's previous earnings (as defined in Article 3(3)(*c*)), and

(*b*) for the next 26 weeks of that period an amount equal to 80% of the steel employee's previous earnings (as so defined).

(5) Where a steel employee is in receipt of:

(*a*) a pension in respect of his employment with a steel company, or

(*b*) compensation under the Iron and Steel (Compensation to Employees) Regulations 1968,

the amount payable under paragraph (4) shall be abated so as to ensure that the aggregate amount of that payment, any such pension or compensation and any benefits specified in Article 13(1) which he receives does not exceed the amount of his previous earnings (as defined in Article 3(3)(*c*)).

(6) In addition to payments under paragraph (1), the Secretary of State may, subject to paragraphs (7) and (8), pay to any eligible steel employee fulfilling the conditions specified in paragraph (2) in respect of the first 28 weeks of unemployment subsequent to the relevant date:

(*a*) in the case of a steel employee who had no entitlement to earnings-related supplement on the relevant date (either because his entitlement to such supplement is exhausted or because his earnings in the relevant income tax year did not reach the qualifying level for payment of such supplement), the relevant amount for each week of those 28 weeks, save for the first two such weeks;

(*b*) in the case of a steel employee whose entitlement to earnings-related supplement began before the relevant date and as a consequence subsists for less than 26 weeks during the period of 28 weeks specified in this paragraph, an amount equal to the weekly rate of such supplement to which the employee was entitled in respect of the last week before his entitlement to that supplement was exhausted or the relevant amount, whichever is the greater, for each week in that period after the week in which the said employee's entitlement to earnings-related supplement expired other than the first two weeks after that week;

(*c*) in the case of a steel employee who is in receipt of earnings-related supplement at a weekly rate of less than the relevant amount, for each week during that period of 28 weeks in which he receives payment of that supplement an amount equal to that by which the supplement he receives falls short of the relevant amount.

(7) Where, as the result of a period of employment which began after the relevant date, a steel employee establishes a new entitlement to earnings-related supplement, no payment shall be made to him under paragraph (6) of this Article in respect of any subsequent week of unemployment which would cause the aggregate of that payment and the weekly rate of earnings-related supplement to which he has established such new entitlement to exceed the relevant amount, or the weekly rate of any earnings-related supplement to which he was entitled on the relevant date, if that rate was greater than the relevant amount.

(8) Any payments to a steel employee for any week under paragraph (1) shall be abated by an amount equal to the aggregate amount of any of the benefits specified in Article 13(1) to which the employee is entitled for that week.

(9) Where for any week a steel employee receives payment of the benefit specified in Article 13(1)(iii) of the Scheme, the amount of any payment for which he would otherwise be eligible under paragraph (6) of this Article shall be abated by the amount of that benefit.

Payments to unemployed married women

6.—(1) Subject to the provisions of the Scheme, the Secretary of State may, subject to paragraphs (2) and (3) of this Article, in respect of any week specified in the following table, pay the amount so specified in relation to any married woman who, being an eligible steel employee, is an unemployed person in that week but is not eligible for unemployment or sickness benefit or maternity allowance solely because she has elected to pay primary Class 1 contributions at the reduced rate in accordance with the Social Security (Contributions) Regulations 1979.

Age of woman	Weeks for which payments may be made	Amount of weekly payment
Under 50 on the relevant date	Any week in a period of 52 weeks of unemployment (which weeks need not be consecutive) beginning with the third week of unemployment following that in which she first became an unemployed person after the relevant date.	The relevant amount.
50 or over on the relevant date	Any week in a period of 26 weeks of unemployment (which weeks need not be consecutive) beginning with the third week of unemployment following that in which she first became an unemployed person after the relevant date.	The relevant amount.
	Any week in a period of 52 weeks of unemployment (which weeks need not be consecutive) beginning immediately after the expiry of the 26 weeks of unemployment prescribed above.	90% of her previous earnings (as defined in Article 3(3)(*c*)), less, in respect of any week in which she would (if she had paid primary Class 1 contributions in accordance with section 4(3) of the Social Security Act 1975) have been entitled to receive unemployment or sickness benefit, the rate of unemployment or sickness benefit specified in Part I of Schedule 4 to the Social Security Act 1975.
	Any week in a period of 26 weeks of unemployment (which weeks need not be consecutive) beginning immediately after the expiry of the 52 weeks of unemployment prescribed above.	80% of her previous earnings (as defined in Article 3(3)(*c*)), less, in respect of any week in which she would (if she had paid primary Class 1 contributions in accordance with section 4(3) of the Social

Age of woman	Weeks for which payments may be made	Amount of weekly payment
50 or over on the relevant date—*continued*		Security Act 1975) have been entitled to receive unemployment or sickness benefit, the rate of unemployment or sickness benefit specified in Part I of Schedule 4 to the Social Security Act 1975.

(2) Where any such married woman is in receipt of a pension in respect of her employment with a steel company or compensation under the Iron and Steel (Compensation to Employees) Regulations 1968, the amount payable under paragraph (1) shall be abated so as to ensure that the aggregate amount of such pension or compensation (or both) and that payment does not exceed the amount of her previous earnings (as defined in Article 3(3)(*c*)).

(3) Where for any week any such married woman receives payment of any one or more of the benefits specified in paragraphs (iv), (v) and (vii) of Article 13(1), the amount of any payment for which she would otherwise be eligible under paragraph (1) of this Article and which is related to the amount of her previous earnings shall be abated by the amount or the aggregate amount of such benefits.

Pension Option

7.—(1) Subject to the provisions of the Scheme, an eligible steel employee aged 55 or over but under the age of 65 on the relevant date (or, if a woman, aged 50 or over but under the age of 60 on that date) who, having become an unemployed person on that date, has not entered into other employment or accepted a payment under any other Article hereof may, in lieu of accepting payments under Article 5 or Article 6 of the Scheme, and after obtaining from his employer the particulars referred to in paragraph (6) of this Article, request the Secretary of State to agree to pay into the pension fund of the steel company by which he was employed immediately prior to the relevant date a capital sum for the purchase of additional benefits, or, where the Secretary of State is satisfied that no suitable pension fund exists for that purpose, to apply that sum to purchase an annuity.

(2) Notwithstanding the provisions of paragraph (1), the Secretary of State may entertain a request under that paragraph in any case in which he is satisfied that the employee entered into other employment, failed to register as an unemployed person, or accepted a payment under any other Article hereof, not being fully aware of the provisions of paragraph (1) and may, where the employee has accepted such a payment, make his agreement conditional upon repayment of that payment.

(3) Where the Secretary of State has agreed with an employee that he will make a capital payment or provide an annuity in accordance with this Article, that employee shall not, subject to the provisions of Article 11(2), be eligible for a payment under any other Article hereof.

(4) The amount of the capital payment under this Article shall, except in the case of a man who will attain the age of 65 or a woman who will attain the age of 60 within 106 weeks after the relevant date, be the sum of:

90% of his previous earnings (as defined in Article 3(3)(*c*)) for 52 weeks, and

80% of his previous earnings (as so defined) for 26 weeks,

less 24 weeks unemployment benefit at the rate to which he is entitled for the first week of entitlement after the relevant date, or if he was entitled to sickness benefit, invalidity benefit, non-contributory invalidity pension or injury benefit in that week, to which he would otherwise have been entitled:

Provided that:

(*a*) in any case where a request has been entertained under paragraph (2), the rate of unemployment benefit at which this deduction shall be made shall be the rate to which he would have been entitled for the first week of entitlement after the relevant date, had he registered as an unemployed person on that date; and

(*b*) in calculating the amount of the said capital payment in the case of an employee who is in receipt of a pension in respect of his employment with a steel company or compensation under the Iron and Steel (Compensation to Employees) Regulations 1968, the sums specified in this paragraph as a percentage of previous earnings shall be abated so as to ensure that the weekly aggregate of those sums, that pension and that compensation does not exceed the amount of his previous earnings.

(5) In the case of a man who attains the age of 65 or a woman who attains the age of 60 within 106 weeks after the relevant date, the capital payment shall be calculated in accordance with paragraph (4) but shall be abated by an amount equal to the sum of the weekly payments under Article 5(4)(*a*) and (*b*) which, but for the provisions of Article 10 and paragraph (3) of this Article, he would have been eligible to receive as an unemployed person during those whole weeks which fall between the date on which he attains the age of 65 (or in the case of a woman the age of 60), and the 107th week after the relevant date.

(6) Any eligible steel employee who proposes to make a request to the Secretary of State under paragraph (1) of this Article shall, within 4 weeks after the relevant date, apply to his employer for particulars of the additional benefits or annuity which would be payable under this Article, and no such request shall be made to the Secretary of State after the expiry of two weeks from the date on which those particulars are received by that employee.

Payments during re-training

8.—(1) Where the Secretary of State is satisfied that a steel employee in the employment of a steel company who:

(*a*) is undergoing a relevant course of training, and

(*b*) will by the relevant date have been an employee of that company for 52 weeks,

will become a transferred or redundant employee at any time during the period beginning on the date on which his course of training began and ending 26 weeks after the date on which it will end, the Secretary of State may, subject to the provisions of the Scheme, pay him, in respect of any week of his course of training, an amount equal to his previous earnings less the aggregate of the following:

(i) one thirteenth of the total amount deducted in respect of income tax from the employee's weekly earnings in the thirteen weeks immediately before the date on which his course of training began;

(ii) the amount of any benefit specified in Article 13(1) to which he may be entitled for that week;

(iii) the gross amount of any pay or training allowance to which he may be entitled for that week;

(iv) the amount of any pension in respect of his employment with a steel company to which he may be entitled for that week; and

(v) the amount of any compensation under the Iron and Steel (Compensation to Employees) Regulations 1968, to which he may be entitled for that week.

(2) (*a*) Subject to the provisions of the Scheme, the Secretary of State may make a weekly payment to any eligible steel employee who after the relevant date is undergoing a relevant course of training and to whom a payment is not made for that week under the preceding provisions of the Scheme.

(*b*) the amount of any weekly payment under this paragraph shall be equal to the previous earnings of the employee concerned less the aggregate of the following:

(i) one thirteenth of the total amount deducted in respect of income tax from the employee's weekly earnings in the thirteen weeks immediately preceding the fourth week before the relevant date; and

(ii) the amounts specified in paragraph 1(ii) to (v).

(3) An employee shall not be eligible for payments under this Article for a total of more than 52 weeks; and for the purpose of computing that total he shall be treated as eligible for payments in respect of a week notwithstanding that a payment does not fall to be made to him for that week under this Article because the deductions to be made from his previous earnings in computing the amount of the payment for which he is eligible exceed those earnings.

(4) In this Article the expression "previous earnings" has the meaning assigned to it by Article 3(3)(*c*) and for the purpose of the application of that definition in relation to paragraph (1) (and only for that purpose) an employee shall be deemed to have been given notice of redundancy on the date when the course of training began.

(5) Where an employee has received payments under paragraph (1), the period for which he is eligible for weekly payments under any other Article shall be abated by the number of weeks for which he was eligible for payment under paragraph (1) of this Article: Provided that where, pursuant to Article 5(4) or 6(1), payments may be made at different rates during that period, the abatement shall, so far as possible, be made from weeks in which payment may be made at a lower rate.

(6) Where any person (including any Government Department) has incurred expenses in providing a relevant course of training for eligible steel employees, the Secretary of State may pay to that person such contributions towards those expenses as he sees fit.

(7) Where a steel employee is undergoing a relevant course of training and would be eligible for a payment under this Article in respect of it but for the fact that the course in question lasts for less than one week, the Secretary of State may pay him, in respect of that course, that proportion of the weekly amount which could be paid if the course lasted for more than one week which the duration of the course bears to one week.

Travelling, resettlement and removal grants for transferred employees

9.—(1) The Secretary of State may, during the periods specified in Article 3(2), pay to any eligible steel employee who, being a transferred employee, incurs additional expenditure exceeding £1 per week in travelling to a new place of employment such sum not exceeding £5 per week by way of contribution to that additional expenditure as the Secretary of State considers appropriate.

(2) The Secretary of State may pay to any eligible steel employee who, being a transferred employee, is employed at a place in Great Britain which is not within reasonable daily travelling distance from his home at the time when he became a transferred employee such sums by way of contribution to any costs occasioned by the change in the location of his employment as the Secretary of State considers appropriate:

Provided that no payment shall be made under this paragraph to any employee eligible for benefits under any scheme for the payment of travelling, resettlement and removal grants or allowances to transferred workers administered by or on behalf of the Manpower Services Commission or the Secretary of State under Section 2 of the Employment and Training Act 1973.

Duration of Benefit

10. A steel employee shall not be eligible for a weekly payment under the Scheme for any week after that in which, if a man, he attained the age of 65 or, if a woman, she attained the age of 60.

Payments where there has been a change in circumstances

11.—(1) The receipt by any steel employee of payments under any of the preceding Articles of the Scheme shall not prejudice his eligibility to receive further payments under that Article, or payments under any other Article, if he becomes eligible for such payments by reason of a change in his circumstances:

Provided that no payment shall be made under the Scheme in respect of any week after the expiry of:

(*a*) in the case of a man under the age of 55 or a woman under the age of 50 on the relevant date, 78 weeks from that date;

(*b*) in the case of a man aged 55 or over but under the age of 60 or a woman aged 50 or over but under the age of 55 on the relevant date, 106 weeks from that date; and

(*c*) in the case of a man aged 60 or over but under the age of 65 or a woman aged 55 or over but under the age of 60 on the relevant date, 130 weeks from that date.

(2) A steel employee who, having become a redundant or transferred employee as the result of a relevant event, subsequently again becomes a redundant or transferred employee as a result of a further relevant event shall be eligible for payments under the Scheme in respect of that further relevant event:

Provided that he shall not be so eligible:

(*a*) in respect of any week in the period during which he is eligible for payments under the Scheme by reference to the previous relevant event:

(*b*) if the further relevant event occurred at any time within the period during which he was eligible for benefits under the Scheme (or any Scheme replaced hereby) as a result of the previous relevant event or within 52 weeks after the end of that period, and was attributable to circumstances which were subsisting or could reasonably have been foreseen at the time when he previously became a transferred employee, or having become a redundant employee, again took up employment with a steel company.

Cost of living adjustment to benefits

12.—(1) Where a weekly payment under any of the preceding Articles of the Scheme which is related to its recipient's previous earnings is made in respect of a week falling within the second period of 52 weeks following the relevant date, the Secretary of State may pay to the recipient of that weekly payment such additional weekly sum as he may think appropriate to take account of changes in the cost of living during the period of 52 weeks commencing on the relevant date.

(2) Where any such weekly payment is made in respect of a week commencing after the expiry of a period of 104 weeks after the relevant date, the Secretary of State may pay to the recipient of that weekly payment such additional weekly sum as he may think appropriate to take account of changes in the cost of living during that period of 104 weeks.

Abatement of payments

13.—(1) The benefits referred to in Articles 3(4) and (5), 5(5) and (8) and 8(1) are—

(i) sickness benefit and earnings-related supplement;

(ii) invalidity benefit;

(iii) supplementary allowance payable in excess of the amount which the Supplementary Benefits Commission determine would have been paid, had the payments under the Scheme been made before the amount of supplementary allowance was determined;

(iv) any increase in or new award of special hardship allowance awarded after the relevant date;

(v) injury benefit awarded after the relevant date;

(vi) unemployment benefit and earnings-related supplement;

(vii) non-contributory invalidity pension;

(viii) maternity allowance and earnings-related supplement.

(2) In this paragraph, "the Supplementary Benefits Commission" has the same meaning as in section 27 of the Supplementary Benefits Act 1976(a) and "supplementary allowance" means supplementary allowance payable under Part I of that Act.

Limit on previous earnings for calculating benefits

14.—(1) In any case where previous earnings (as defined in Article 3(3)(*c*)) exceed the maximum level, they shall be deemed to be equal to that level for the purpose of calculating the amount of any payment under the Scheme which is determined by reference to the level of previous earnings.

(2) The maximum level for the purpose of paragraph (1) above is twice the limit (in force on the last day of the period referred to in Article 3(3)(*c*)) imposed by paragraph 8(1)(*c*) of Schedule 14 to the Employment Protection (Consolidation) Act 1978 on the amount of a week's pay for the purpose of calculating a redundancy payment under that Act.

Rounding off of benefits

15.—(1) Weekly payments calculated by reference to the relevant amount shall be rounded up to the next complete fifty pence.

(2) Other weekly payments payable under the Scheme shall be rounded up to the nearest penny.

Time for payment and claiming of payments

16.—(1) A steel employee shall not be eligible for a payment under the Scheme for any week unless that payment is claimed within 8 weeks after the date on which he became eligible therefor:

Provided that the Secretary of State may admit a claim not so made if he is satisfied that the delay in claiming was not attributable to the fault of that employee.

(2) Sums payable to a steel employee under the Scheme may be paid in arrear.

Reduction of payments

17.—(1) Where a steel employee—

(*a*) is unemployed and not registered for employment and is not certified as incapable of work by reason of sickness or injury on any day in a week to which he is eligible for a payment under Article 4, 5 or 6; or

(*b*) is disallowed unemployment benefit or is disqualified under section 20(1) of the Social Security Act 1975 for any such day,

any such payment for that week shall be abated by 1/6th for each day in that week.

(a) 1976 c. 71.

(2) Where a steel employee is absent from work without pay and without the consent of his employer (other than by reason of having been certified as incapable of work as a result of sickness or injury) on any day or from any shift in a week for which he is eligible for a payment under Article 3, that payment shall be abated by the fraction $\frac{a}{w}$ where "a" is the number of days or shifts in that week on which the said employee is absent as aforesaid and "w" is the number of days or shifts in that week on which he would have worked had he not been so absent.

(3) Where a redundant or transferred employee who obtains other full-time employment leaves that employment and the Secretary of State is satisfied that he did so in consequence of misconduct or without just cause, that employee shall not, for such period as the Secretary of State considers appropriate, be eligible for any weekly payment under the Scheme by reference to the same relevant event in relation to any week after the week in which he so left that employment.

18. No payment under the Scheme shall be made to a steel employee in respect of any week during which he is not ordinarily resident in the United Kingdom, the Channel Islands, or the Isle of Man.

SCHEDULE II

Regulation 3

Column 1 Regulations revoked	Column 2 References	Column 3 Extent of Revocation
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1974	S.I. 1974/908	The whole regulations
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1976	S.I. 1976/1265	The whole regulations
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1978	S.I. 1978/1122	The whole regulations except for regulation 3

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations consolidate with amendments the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1974, the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1976, and the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1978 (1974/908; 1976/1265; 1978/1122). The Scheme provides for the payment of benefits to certain steel workers who are made redundant or transferred to new work at lower rates of pay as a result of events which fall within the terms of Article 56(2) of the ECSC Treaty.

The principal amendments—

(1) impose a limit on the amount of previous earnings of a steel worker which may be taken into account for determining the amount of certain payments under the scheme (Article 14);

(2) permit weekly payments to unemployed steel workers (the amounts of which are tied to the maximum rate of earnings-related supplement payable under the Social Security Act 1975) to be adjusted in accordance with changes in that maximum rate (Articles 1 and 4 to 6);

(3) reduce the number of working hours which constitutes full-time employment from 21 to 16 (Article 1);

(4) adjust the criteria for determining the costs occasioned by a change in location of a steel worker's employment to which the Secretary of State may contribute (Article 9(2)).

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