STATUTORY INSTRUMENTS

1980 No. 1912

IRON AND STEEL

The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1980

Made - - - -	*10th December* 1980
Laid before Parliament	*11th December* 1980
Coming into Operation	*4th January* 1981

Whereas the Commission of the European Communites 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(a), 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), hereby makes the following Regulations:—

1. These Regulations may be cited as the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1980 and shall come into operation on 4th January 1981.

2. The Scheme set out in Schedule 1 to the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1979(d) is hereby amended—

(*a*) in Article 1, by the omission of the definition of "relevant amount";

(*b*) in Article 2, by the omission of paragraph (*c*) and the word "and" preceding it;

(*c*) in Article 3—

(i) in paragraph (1), by the omission of the words "or is a self-employed person";

(ii) in paragraph (2), by the insertion after the words "in paragraph (1)" of the words "of this Article and in paragraph (1) of each of articles 3A and 3B";

(iii) in paragraph (3)(*b*)(i), by the omission of the words "(whether or not he also becomes a self-employed person)" and "from whatever source"; and

(a) Article 56(2) is set out in O.J. No. 33, 16.5.60, p. 781/60.
(b) S.I. 1972/1811. (c) 1972 c. 68. (d) S.I. 1979/954.

(iv) in paragraph (3)(*b*)(ii), by the omission of the words "(or as a self-employed person, or both)";

(*d*) by the insertion, after Article 3, of the following Articles—

"Supplementation of current earnings of self-employed steel employees

3A.—(1) Subject to the following provisions of the Scheme, the Secretary of State may, during the period specified in Article 3(2), pay, in respect of the relevant period described in paragraph (2) of this Article, the amount specified in paragraph (3) of this Article as a supplement to the current earnings of any eligible steel employee who is a self-employed person and who is not engaged in other employment.

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

(*a*) the period of 26 weeks commencing with the first week after the relevant date in respect of which he is a self-employed person;

(*b*) any subsequent such period commencing with the first week after any previous relevant period in respect of which he is a self-employed person; and

(*c*) a period of less than 26 weeks commencing with the first week after the relevant date or any previous relevant period, whichever is the later, in respect of which he is a self-employed person and expiring when the applicable period specified in Article 3(2) expires: provided that for the purposes of paragraph (4) of this Article and of Article 3B(3) any such period of less than 26 weeks shall not expire as provided above but last for 26 weeks.

(3) Subject to paragraphs (5), (6) and (7), the amount of any payment under paragraph (1) shall be an amount equal to the amount (if any) by which the employee's current earnings for the number of weeks in respect of which he is a self-employed person during the relevant period fall short of 90% of his previous earnings (as defined in Article 3(3)(*c*))for that number of weeks.

(4) For the purposes of this Article, "current earnings" means in relation to any week the average amount of the employee's weekly earnings as a self-employed person during the weeks in respect of which he is a self-employed person during the relevant period.

(5) Where for any week in respect of which he is a self-employed person a steel employee receives payment of any one or more of the benefits specified in Article 13(1) and the aggregate of that payment, any payment for which he would otherwise be eligible under this Article divided by the number of weeks in respect of which he is a self-employed person during the relevant period, and his current earnings 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.

(6) (*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,

the amount payable under paragraph (1) shall be abated so as to ensure that in respect of each week during the relevant period in respect of which he is a self-employed person the aggregate amount of that payment divided by the number of weeks in respect of which he is a self-employed person during the relevant period, 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.

(7) Where a steel employee is eligible for any payment under this Article, the Secretary of State may make him a weekly payment of £16 on account, and the amount payable under paragraph (1) shall be abated by the aggregate amount of any such payments on account made during the relevant period.

(8) The Secretary of State may make his agreement to make any payments on account under paragraph (7) conditional upon the steel employee's agreeing to repay the amount (if any) by which the aggregate of any such payments made during the relevant period exceeds any payment for which he would otherwise be eligible under this Article in respect of that period.

Supplementation of current earnings of steel employees who are both self-employed and engaged in employment.

3B.—(1) Subject to the following provisions of the Scheme, the Secretary of State may, during the period specified in Article 3(2), pay, in respect of the relevant period described in Article 3A(2), the amount specified in paragraph (2) of this Article as a supplement to the current earnings of any eligible steel employee who is a self-employed person and who is engaged in other employment.

(2) Subject to paragraphs (4) and (5), the amount of any payment under paragraph (1) shall be an amount equal to the amount (if any) by which the aggregate of the employee's current earnings for the weeks in respect of which he is both a self-employed person and engaged in other employment during the relevant period fall short of 90% of his previous earnings (as defined in Article 3(3)(*c*)) for that number of weeks.

(3) For the purposes of this Article, "current earnings" means, in relation to any week in respect of which the employee is both a self-employed person and engaged in other employment, the aggregate of—

(*a*) the average amount of his weekly earnings as a self-employed person during the weeks in respect of which he is a self-employed person during the relevant period; and

(*b*) his current earnings as defined in Article 3(3).

(4) Where for any week in respect of which he is both a self-employed person and engaged in other employment a steel employee receives payment of any one or more of the benefits specified in Article 13(1) and the aggregate of that payment, any payment for which he would otherwise be eligible under this Article divided by the number of weeks in respect of which he is both a self-employed person and engaged in other employment during the relevant period, and his current earnings 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,

the amount payable under paragraph (1) shall be abated so as to ensure that in respect of each week during the relevant period in respect of which he is both a self-employed person and engaged in other employment the aggregate amount of that payment divided by the number of weeks in respect of which he is both a self-employed person and engaged in other employment during the relevant period, 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."

(*e*) in Article 4—

(i) in paragraph (1), by the substitution for the words "the amount specified in paragraph (4) of this Article" of the words "£16";

(ii) by the deletion of paragraph (4);

(iii) in paragraph (5), by the substitution for the words "the relevant amount" wherever they appear of the words "£16"; and

(iv) in paragraph (6), by the substitution for the words from "the relevant amount or the weekly rate" to the end of the words "£16";

(*f*) in Article 5—

(i) in paragraph (6), by the substitution for the words "paragraphs (7) and (8)" of the words "paragraphs (7) and (9)";

(ii) in paragraph (6)(*a*) and (*c*), by the substitution for the words "the relevant amount" wherever they appear of the words "£16";

(iii) in paragraph (6)(*b*), by the substitution for the words from "an amount equal to" to "whichever is the greater," of the words "£16";

(iv) in paragraph (7), by the substitution for the words from "the relevant amount, or the weekly rate" to the end of the words "£16";

(*g*) in Article 6(1), by the substitution for the words "The relevant amount" wherever they appear of the words "£16";

(*h*) in Article 8, by the insertion after paragraph (7) of the following paragraph—

"(8) The Secretary of State may pay to any steel employee who, being eligible for a payment under this Article,

(*a*) incurs expenditure in travelling to his place of training such sum not exceeding £45 per week by way of contribution to that expenditure as the Secretary of State considers appropriate; or

(*b*) is undergoing his course of training at a place in Great Britain which is not within reasonable daily travelling distance from his home at the time when he became so eligible,

(i) such sum not exceeding £45 per week by way of contribution to any costs occasioned by the location of his place of training as the Secretary of State considers appropriate; and

(ii) in respect of each consecutive period of 2 months for which the course in question lasts, such sum by way of contribution to any expenditure incurred by the steel employee in travelling to his home and back to his place of training on any one occasion 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 and lodging grants or allowances to workers undergoing courses of training 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."; and

(*i*) by the substitution for Article 15 of the following Article—

"15. Weekly payments payable under the Scheme shall be rounded up to the nearest penny.".

3.—(1) The amendments made by these Regulations shall not have effect in the case of any steel employee until the first week in respect of which he is eligible for a payment under the said Scheme and which commences after the coming into operation of these Regulations.

(2) The Amendment made by Regulation 2(*b*) of these Regulations shall not have effect in the case of any steel employee who became a redundant employee or a transferred employee before the coming into operation of these Regulations.

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

10th December 1980.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1979, which provide 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.

Many of the payments made under the 1979 Regulations are calculated by reference to the "relevant amount", which was defined as 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 (c.14). From 4th January 1981, when section 4(1) of the Social Security (No. 2) Act 1980 (c.39) comes into force, the maximum weekly rate of earnings-related supplement will be reduced. These Regulations by substituting £16 for the relevant amount, permit payments to most unemployed redundant steel workers to continue to be made at the same level as heretofore (Regulation 2(*a*) and (*e*)(i) to (iii)).

The other principal amendments—

(1) reduce the weekly payments which may be made to any unemployed man or woman who was entitled to earnings-related supplement at a rate greater than the relevant amount per week from an amount equal to that weekly rate to £16 (Regulation 2(*e*)(iv) and (*f*)(iii) and (iv));

(2) provide a new method of calculation of payments under the Scheme to supplement the current earnings of steel employees who—

(*a*) become self-employed persons; or

(*b*) both become self-employed persons and engage in other employment

(new Articles 3A and 3B in Regulation 2(*d*)); and

(3) provide for the payment of contributions to the travelling or residential costs of steel employees undergoing a course of training (Regulation 2(*h*)).

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