STATUTORY INSTRUMENTS

# 1978 No. 1122

# EUROPEAN COMMUNITIES

## The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1978

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| *Made* - - - - | 1*st August* 1978 |
| *Laid before Parliament* | 4*th August* 1978 |
| *Coming into Operation* | 27*th August* 1978 |

The Secretary of State, being the designated Minister under the European Communities (Designation) Order 1972**(a)**, in exercise of his powers under section 2(2) of the European Communities Act 1972**(b)**, hereby makes the following Regulations:—

*Citation, commencement and interpretation*

**1.**—(1) These Regulations may be cited as the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1978 and shall come into operation on 27th August 1978.

(2) The Interpretation Act 1889**(c)** shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

(3) In these Regulations "the Scheme" means the Scheme set out in the Schedule to the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1974**(d)** as amended by the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1976**(e)**.

*Amendment of the Scheme*

**2.**—(1) The Scheme shall be further amended in accordance with the provisions of paragraphs (2) and (3) below.

(2) For paragraphs (1), (2) and (2A) of Article 8 there shall be substituted the following paragraphs:—

"(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

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**(a)** S.I. 1972/1811.
**(b)** 1972 c. 68.
**(c)** 1889 c. 63.
**(d)** S.I. 1974/908.
**(e)** S.I. 1976/1265.

26 weeks after the date on which it will end, the Secretary of State may, subject to the provisions of this 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 12(2)(*a*) 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, as amended, to which he may be entitled for that week.

(2) (*a*) Subject to the provisions of this 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 provision of this 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) Paragraph (8) of Article 8 shall be deleted.

*Transitional Provisions*

**3.** Where at the coming into operation of these Regulations a steel employee is engaged in a course of training rendering him eligible for payments under Article 8 of the Scheme in its original form or as previously amended, the amendments made to the Scheme by these Regulations shall not apply to that steel employee during the period of his attendance at that course.

*Gerald Kaufman*,
Department of Industry

1st August 1978

## EXPLANATORY NOTE

*(This Note is not part of the Regulations.)*

These Regulations further amend the Scheme established by the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1974 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 term of Article 56(2) of the ECSC Treaty.

The amendments provide for a new method of calculation of payments made under the Scheme during retraining, based on previous earnings but with a deduction for income tax deducted from those earnings.

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