CHAPTER 52.

An Act to amend the enactments relating to National Health Insurance; to amend the Widows', Orphans' and Old Age Contributory Pensions Act, 1925, by making provision for the payment of pensions thereunder in respect of the insurance of persons who cease to be insured within twelve months before death or before attaining the age of sixty-five, and by modifying the statutory conditions applicable to such pensions in the case of persons who, after ceasing to be insured, again become insured; to repeal subsection (7) of section forty-four of the said Act; and for purposes connected therewith.

[13th July 1932.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Amendments of s. 3 of principal Act. 14 & 15 Geo. 5. c. 38.

1.—(1) After subsection (1) of section three of the National Health Insurance Act, 1924 (in this Act referred to as "the principal Act"), there shall be inserted the following subsection:—

"(1A) Notwithstanding anything in subsection (1) of this section a person who becomes employed within the meaning of this Act while treated by virtue of any of the provisions of this section as insured shall not, on ceasing to be so employed, become entitled by reason thereof to the extension of insurance conferred by the said subsection (1) unless during the period consisting of the contribution half-year in which he so ceases to be employed and the immediately preceding contribution half-year he was employed within the meaning of this Act during at least eight contribution weeks."

(2) After the thirty-first day of December, nineteen hundred and thirty-three, no reduction (other than such

reductions, if any, as are authorised by or under any provisions of the principal Act not contained in section three thereof) shall be made in the rate of any benefit to which a person is entitled while treated as insured by virtue of subsection (3) of section three of the principal Act, and accordingly in that subsection for the words " subject to this modification " there shall be substituted the words " subject, however, until the " end of the year nineteen hundred and thirty-three to " this modification ".

(3) As from the first day of January, nineteen hundred and thirty-four, subsection (4) of the said section three shall cease to have effect, and accordingly at the beginning thereof there shall be inserted the words " Until the end of the year nineteen hundred and " thirty-three ".

(4) In subsection (5) of the said section three for the words " when he ceased to be employed within the meaning of this Act," there shall be substituted the words "when that subsection became applicable to him," and for the words from " and if he again becomes employed " to the end of the subsection, there shall be substituted the words " and if he again becomes employed within the meaning " of this Act, or becomes a voluntary contributor, he " shall be treated for the purposes of any benefit to " which he had ceased to be entitled as if he had not " previously been insured, subject to this qualification " that, if he so again became employed before the first " day of January, nineteen hundred and thirty-six, he " shall only be so treated until he has been so employed " during twenty-six contribution weeks, whether con- " tinuously or not, and twenty-six contributions have " been paid by or in respect of him."

(5) After subsection (5) of the said section three, there shall be inserted the following subsection :—

> "(5A) Where an insured person to whom subsection (3) of this section applies had not at the date when that subsection became applicable to him attained the age of sixty or had not then been continuously insured for ten years, the provisions of the last preceding subsection (including the proviso thereto) shall apply to him as they apply to the persons therein mentioned:

Provided that—

(*a*) no person shall by virtue of this subsection be treated as insured after the thirty-first day of December, nineteen hundred and thirty-five; and

(*b*) a person whilst so treated as insured shall not be entitled to maternity benefit, and shall not after the thirty-first day of December, nineteen hundred and thirty-three, be entitled to medical benefit or any additional benefits."

(6) For subsection (6) of the said section three there shall be substituted the following subsection :—

"(6) If at the date on which a person ceases to be treated as insured by virtue of any of the foregoing subsections of this section he is incapable of work by reason of some specific disease or bodily or mental disablement, of which notice is or has been given within the prescribed time, he shall until the thirtieth day of June, or the thirty-first day of December, whichever next follows the day on which he ceases to be so incapable of work, be treated as continuing to be insured by virtue, and in accordance with the provisions, of that subsection :

Provided that this subsection shall not apply to a person who ceases to be insured by virtue of subsection (1) of this section but can avail himself of the provisions of subsection (3) thereof, or to a person who was on the thirty-first day of December, nineteen hundred and thirty-five, treated by virtue of the last preceding subsection as insured and ceases on that day to be so treated."

(7) At the end of subsection (6) of the said section three, there shall be inserted the following subsections :—

"(6A) If a person is employed within the meaning of this Act at the date when, if he were not employed, he would cease to be insured, then until the thirtieth day of June, or the thirty-first day of December, whichever next follows the

date on which he ceases to be so employed, he shall, if not otherwise insured, be treated as continuing to be insured by virtue, and in accordance with the provisions, of that subsection of this section which was last applicable to him.

(6B) Where a person who is treated as insured by virtue of any subsection of this section becomes employed within the meaning of this Act, the period for which he is to be treated as insured by virtue of that subsection shall not expire before it would have expired if he had not been so employed, but nothing in this subsection shall be construed as depriving a person of any rights to which he would have been entitled but for the provisions thereof."

(8) The transitory provisions set out in the First Schedule to this Act shall have effect with respect to persons who immediately before the first day of January, nineteen hundred and thirty-three, are insured by virtue of the said section three.

Amendment of provisions with respect to transfer values and reserve values.

2.—(1) An insured person shall on ceasing wholly to be entitled to benefits under the principal Act be treated for the purposes of section forty-six thereof (which relates to the transfer values of persons lapsing from insurance) as having ceased to be an insured person, and if he again becomes employed within the meaning of that Act or becomes a voluntary contributor, he shall for the purposes of section sixty-six thereof (which relates to the crediting of reserve values) be deemed to have then joined an approved society.

(2) Where a person is by virtue of subsection (1) of this section treated for the purposes therein specified as ceasing at the end of the year nineteen hundred and thirty-three to be an insured person, the transfer value to be then carried to the Reserve Suspense Fund in respect of him shall be such reduced transfer value, calculated with a view to compensating his approved society for any extra liability imposed on them in respect of him in the said year by virtue of subsection (5A) of section three of the principal Act, as may be shewn in tables prepared under subsection (2) of section forty-three of that Act.

Rates of sickness and disablement benefits.

3. In section thirteen of the principal Act, for so much of subsection (2) thereof as precedes the proviso there shall be substituted the following provision:—

"(2) The ordinary rate of sickness benefit shall be, in the case of a man, fifteen shillings a week, and, in the case of a woman, ten shillings a week during the subsistence of any marriage and twelve shillings a week at any other time; and the ordinary rate of disablement benefit shall be, in the case of a man, seven shillings and sixpence a week, and, in the case of a woman, five shillings a week during the subsistence of any marriage and six shillings a week at any other time."

Amendments of s. 15 of principal Act.

4.—(1) In section fifteen of the principal Act (which confers power to prescribe reduced rates of benefit where contributions are in arrear) the words in paragraph (*a*) of subsection (1) from "and any regulations" to the end of that paragraph, and subsection (2), shall be omitted, and for subsection (4) there shall be substituted the following subsection:—

"(4) Regulations under this section may provide that, subject to such conditions as may be prescribed, arrears of contributions accruing while a person was insured as an employed contributor during any period in respect of which he proves that he was available for but unable to obtain employment within the meaning of this Act, shall, to such extent as may be prescribed, be left out of account."

(2) The provisions of this section shall have effect with respect to arrears of contributions accruing after the third day of July, nineteen hundred and thirty-two.

Duration of schemes under s. 75 of principal Act.

5. Any scheme made under subsection (1) of section seventy-five of the principal Act which is in operation at the date of the passing of this Act shall cease to have effect on the Sunday preceding the first Monday in January of the year in which the period fixed under subsection (1A) of that section for the duration of the scheme comes to an end.

Provisions as to interpretation.

6.—(1) In subsection (1) of section one hundred and thirty-two of the principal Act after the definition of

" contribution week " the following definitions shall be inserted :—

" ' Contribution half-year ' means one of the following periods, that is to say, a period of twenty-six weeks commencing on the first Monday in any year, or a period commencing on the twenty-seventh Monday in any year and terminating on the day preceding the first Monday in the next year;

' Contribution year ' means a period consisting of two consecutive contribution half-years and commencing on the twenty-seventh Monday in any year."

(2) For subsection (1*a*) of the same section, the following subsection shall be substituted :—

" (1*a*) A person shall not be treated as available for but unable to obtain employment within the meaning of this Act while he is following any occupation from which he derives substantial remuneration or profit:

Provided that, if he is insured under the enactments for the time being in force with respect to unemployment insurance, he may be treated as available for but unable to obtain employment within the meaning of this Act while he is following any occupation the following of which does not prevent him from being deemed to be unemployed for the purposes of those enactments."

(3) Anything required by the Acts relating to National Health Insurance to be done to or by the Government Actuary may be done to or by the Deputy Government Actuary.

(4) The definitions of " contribution year " in section seven of the principal Act and section forty-four of the Widows', Orphans' and Old Age Contributory Pensions Act, 1925, are hereby repealed.

Amendments of Act of 1926. 16 & 17 Geo. 5. c. 9.

7.—(1) If under subsection (1) of section three of the National Health Insurance Act, 1926 (in this Act referred to as " the Act of 1926 ") it is reported to the Government Actuary that a deficiency will be disclosed on the valuation of an approved society or of a branch

of an approved society, the Government Actuary shall proceed to estimate not only the amount by which the financial position of the society or branch has been made worse in consequence of the provisions of that Act but also, as respects the period since the date as at which the last preceding valuation was made or since the third day of July, nineteen hundred and thirty-two, whichever is the later, the amount, if any, by which the provision made in the valuation basis for loss of contributions resulting during that period from unemployment and the value of any sums which, under regulations made after the commencement of this Act under section fifteen of the principal Act, are recovered or recoverable in respect of that period, whether by reduction, postponement or suspension of benefits or by payments made for the purpose of cancelling arrears, together fall short of the arrears of contributions accruing in the said period as calculated in accordance with subsection (3) of the said section fifteen, and his certificate shall specify the total of the said amounts or, if the said total is greater than the amount of the apprehended deficiency, the amount of that deficiency.

(2) In subsection (2) of the said section three, for the words " may, if he thinks proper so to do having regard to all the circumstances of the case " and also for the word " may," where it occurs for the second time, there shall be substituted the word " shall," for the words " and if there is no such balance," there shall be substituted the words " or if there is no such balance," and subsections (3) and (4) of the said section shall be repealed.

(3) Section four of the Act of 1926 shall be repealed:

Provided that out of the sums referred to in the said section there shall under paragraph (*a*) thereof be credited to approved societies in respect of arrears accruing before the fourth day of July, nineteen hundred and thirty-two, such sums as would have been so credited if this Act had not passed.

Minor and consequential amendments of Insurance Acts.

8. The amendments set out in the Second Schedule to this Act (being consequential amendments or amendments of a minor character) shall be made in the sections of the principal Act and the Act of 1926, therein referred to.

Provisions as to widows', orphans' and old age contributory pensions.

9. After the thirty-first day of December, nineteen hundred and thirty-five, the following provisions shall apply in relation to any person who, having been insured by virtue of subsection (3) of section three of the principal Act, has at any time ceased to be insured, but who while insured by virtue of the said subsection was, except when employed within the meaning of the principal Act or incapable of work by reason of some specific disease or bodily or mental disablement of which notice was given within the prescribed time, available for but unable to obtain employment—

(*a*) if he dies within twelve months of ceasing to be insured by virtue of the said subsection (3), a widows' pension and an orphans' pension, and, if he attains within that period the age of sixty-five, an old age pension, shall (whether he has or has not during the said period again become insured) be payable in respect of his insurance in accordance with the provisions of the Widows', Orphans' and Old Age Contributory Pensions Act, 1925, relating respectively to such pensions if such a pension would have been so payable if he had died or, as the case may be, attained the age of sixty-five on the last day when he was insured by virtue of the said subsection; and

(*b*) if when he ceased to be insured by virtue of the said subsection (3) he had been continuously insured during the last five years and had had at least one hundred and four contributions paid in respect of him, then, if, within two years of ceasing to be insured by virtue of the said subsection he again becomes insured and, after remaining continuously insured, dies or attains the age of sixty-five within two hundred and eight weeks from the date on which he so became insured, statutory condition (*a*) mentioned in section five of the said Act of 1925 shall be deemed to be satisfied with respect to him if after the date on which he so became insured he was employed within the meaning of the principal Act during twenty-six contribution weeks, whether continuously or not, and there were paid by, or in respect of, him at least twenty-six contributions exclusive

of any contributions paid after his death, and statutory conditions (*a*), (*b*) and (*c*) mentioned in section eight of the said Act of 1925 shall be deemed to be satisfied with respect to him if after the said date he was so employed during twenty-six contribution weeks, whether continuously or not, and there were paid by or in respect of him at least twenty-six contributions exclusive of any contributions paid after he attained the age of sixty-five or after the end of the twenty-sixth contribution week in which he was so employed after the said date, whichever was the later.

Repeal of s. 44 (7) of 15 & 16 Geo. 5. c. 70.

10.—(1) Subsection (7) of section forty-four of the Widows', Orphans' and Old Age Contributory Pensions Act, 1925, (which subsection relates to the reckoning, for certain purposes, of insurance in Northern Ireland and contributions paid in that country) is hereby repealed.

(2) For the purposes of any financial adjustments to be made under section thirty-three of the said Act, this section shall be deemed to have come into operation on the same date as the reciprocal arrangements first made between Great Britain and Northern Ireland under the said section thirty-three.

Application to Northern Ireland.

11.—(1) This Act, so far as it relates to matters with respect to which the Parliament of Northern Ireland has power to make laws, shall not extend to Northern Ireland unless and until provision to that effect is made either—

(*a*) by an Act of the Parliament of Northern Ireland; or

(*b*) by an Order of the Governor of Northern Ireland in Council made in pursuance of such an Act,

and upon this Act being so extended to Northern Ireland as aforesaid, it shall apply to Northern Ireland subject to such exceptions and adaptations as may be specified in such Act or Order as aforesaid.

(2) The duties of the Joint Committee under subsection (2) of section three of the Act of 1926, with respect to certificates transmitted to them thereunder shall be duties of the Committee with respect also to

certificates transmitted to them under section three of the National Health Insurance Act (Northern Ireland), 1926, as amended by or under this Act.

10 & 11 Geo. 5. c. 67.

(3) For the purposes of section six of the Government of Ireland Act, 1920, this Act shall be deemed to be an Act passed before the appointed day.

Short title, interpretation and commencement.

12.—(1) This Act may be cited as the National Health Insurance and Contributory Pensions Act, 1932, and this Act and the National Health Insurance Acts, 1924 to 1931, may be cited together as the National Health Insurance Acts, 1924 to 1932, and this Act and the Widows', Orphans' and Old Age Contributory Pensions Acts, 1925 to 1931, may be cited together as the Widows', Orphans' and Old Age Contributory Pensions Acts, 1925 to 1932.

(2) References in this Act to the principal Act or to the Act of 1926 shall, unless the context otherwise requires, be construed as references to that Act as amended by any subsequent enactment, including this Act.

(3) This Act shall, save as otherwise expressly provided therein, come into operation on the first day of January, nineteen hundred and thirty-three.

SCHEDULES.

Section 1 (8).

FIRST SCHEDULE.

TRANSITORY PROVISIONS.

1. Any person—

(*a*) who on the thirty-first day of December, nineteen hundred and thirty-two, is incapable of work by reason of some specific disease or bodily or mental disablement of which notice is or has been given within the prescribed time and is on that date under

1ST SCH. —*cont.*

subsection (6) of section three of the principal Act insured in accordance with the provisions of subsection (1) thereof, or

(*b*) who under the said subsection (1) is to be treated as insured until the said thirty-first day of December and is on that date so incapable of work, or

(*c*) who under the said subsection (1) is to be treated as insured until the thirtieth day of June, nineteen hundred and thirty-three, and is on that date so incapable of work,

shall, if he cannot avail himself of the provisions of subsection (3) of the said section three, continue to be treated as insured in accordance with the provisions of the subsection substituted by this Act for subsection (6) of the said section three, but, if he can avail himself of the provisions of the said subsection (3) shall, as from the said thirty-first day of December or the said thirtieth day of June, as the case may be, be treated as if he had immediately after that day become insured by virtue of the said subsection (3) except that, while he continues so incapable of work, he shall not be subject to so much of the said subsection as provides for reductions in the rate of benefit.

2. Subject to the provisions of the last preceding paragraph, any person who immediately before the first day of January, nineteen hundred and thirty-three, is insured by virtue of any subsection of section three of the principal Act which is amended by this Act or for which a subsection is substituted by this Act, shall thereafter be treated as if he had then been insured by virtue of that subsection as so amended or that substituted subsection.

SECOND SCHEDULE.

Section 8.

MINOR AND CONSEQUENTIAL AMENDMENTS.

NATIONAL HEALTH INSURANCE ACT, 1924.

S. 3 - - In subsection (1) there shall be inserted at the beginning the words "Subject to the provisions of the next succeeding subsection."

In paragraph (*b*) of subsection (3) and in paragraph (*a*) of subsection (5) after the words "except when" there shall be inserted the words "employed within the meaning of this Act or",

2ND SCH. —*cont.*

After subsection (8) there shall be inserted the following subsection—

"(9) For the purposes of this section, an insured person who at any time in a contribution week is employed within the meaning of this Act, shall be treated as having been employed throughout that week."

S. 7 - - For subsection (4) there shall be substituted the following subsection :—

"(4) Where an employed contributor by or in respect of whom less than one hundred and four weekly contributions have been paid ceases to be employed within the meaning of this Act, or where the employer of such a contributor ceases to be liable to pay contributions in respect of him, the contributor shall, if he proves to the approved society of which he is a member, or if in the case of a dispute it is decided in manner provided by this Act, that during any period he was either incapable of work or unable to obtain employment within the meaning of this Act, be entitled, within and in respect of the prescribed time, to pay contributions at the employed rate in respect of the said period of incapacity or unemployment."

S. 43 - - In proviso (*c*) to subsection (1) for the words "one year" there shall be substituted the words "two years."

NATIONAL HEALTH INSURANCE ACT, 1926.

S. 3 - - In subsection (1) after the word "has", where that word occurs for the first time, there shall be inserted the words "since the date as at which the last preceding valuation was made".