STATUTORY INSTRUMENTS

1977 No. 1321

TERMS AND CONDITIONS OF EMPLOYMENT

The Redundancy Payments (Variation of Rebates) Order 1977

Laid before Parliament in draft

Made - - - - 31*st July* 1977

Coming into Operation 14*th August* 1977

The Secretary of State in exercise of powers conferred on him by section 1(1) and (3) of the Redundancy Rebates Act 1977**(a)** and of all other powers enabling him in that behalf, hereby makes the following Order a draft of which has been laid before Parliament and approved by resolution of each House of Parliament.

Citation and commencement

1. This Order may be cited as the Redundancy Payments (Variation of Rebates) Order 1977 and shall come into operation at the end of the period of fourteen days beginning with the day on which it is made.

Interpretation

2.—(1) The Interpretation Act 1889**(b)** shall apply to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

(2) In this Order, unless the context otherwise requires—

"employee" has the same meaning as in section 25 of the Redundancy Payments Act 1965;

"rebate" has the same meaning as in section 30 of that Act;

"redundancy payment" has the same meaning as in section 1 of that Act;

"the relevant date", in relation to a redundancy payment, means the date which is the relevant date for the purpose of calculating the amount of that payment under Schedule 1 to that Act; and

"the 1965 Act" means the Redundancy Payments Act 1965**(c)** as amended by the Redundancy Rebates Act 1969**(d)**, the Trade Union and Labour Relations Act 1974**(e)** and the Employment Protection Act 1975**(f)**.

Modification of Schedule 5 of the 1965 Act

3. Schedule 5 to the 1965 Act shall have effect as if—

(*a*) in paragraphs 2 and 9 (which provide for a rebate to be calculated by reference to certain fractions of a week's pay) for the words "three-

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(a) 1977 c. 22.
(b) 1889 c. 63.
(c) 1965 c. 62.
(d) 1969 c. 8.
(e) 1974 c. 52.
(f) 1975 c. 71.

quarters", "one-half" and "one-quarter" there were substituted respectively the words "123/200", "41/100" and "41/200"; and

(*b*) in paragraphs 3 and 12 (which provide for a rebate payable in respect of a reduced payment to be one-half of the amount of the payment) for the words "one-half" there were substituted the words "41/100".

Transitional and consequential provisions

4.—(1) Article 3 above shall not have effect in relation to any rebate payable in respect of the whole or part of a redundancy payment if—

(*a*) the relevant date is a date earlier than that on which this Order comes into operation; or

(*b*) the condition in paragraph (*a*) above would be fulfilled but for the operation of subsection (10) of section 3 of the 1965 Act (which postpones the relevant date, as determined under subsection (9) of that section, in certain cases of dismissal where less than the statutory minimum period of notice is given).

(2) Article 3 above shall not have effect in relation to any rebate payable in respect of a payment to an employee on the termination of his contract of employment which is paid—

(*a*) in pursuance of an agreement in respect of which an order under section 11 of the 1965 Act is in operation; or

(*b*) in pursuance of an award made as mentioned in section 12 of that Act in connection with such an agreement,

where, under the agreement in question, the employee's contract is treated for the purposes of the agreement as having been terminated on a date earlier than the date on which this Order comes into operation.

Signed by order of the Secretary of State.

31st July 1977.

Harold Walker,
Minister of State,
Department of Employment.

EXPLANATORY NOTE

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

This Order reduces the amount of rebate payable to an employer from the Redundancy Fund in respect of redundancy and equivalent payments under the Redundancy Payments Act 1965 as amended. The rebate is reduced from 50% to 41% of the corresponding redundancy and equivalent payments.

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