STATUTORY INSTRUMENTS

1982 No. 1118

SHIPBUILDING INDUSTRY

Shipbuilding (Redundancy Payments Scheme) (Northern Ireland) (Amendment) Order 1982

Laid before Parliament in draft

Made - - -	30*th July* 1982
Coming into Operation	31*st July* 1982

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, in exercise of the powers conferred upon me by sections 1 and 2 of the Shipbuilding (Redundancy Payments) Act 1978(**a**) and for the purposes mentioned in section 1(1) of that Act, I hereby make the following Order:—

1. This Order may be cited as the Shipbuilding (Redundancy Payments Scheme) (Northern Ireland) (Amendment) Order 1982 and shall come into operation on the day after it is made.

2. The Shipbuilding Redundancy Payments (Northern Ireland) Scheme set out in Schedule 2 to the Shipbuilding (Redundancy Payments Scheme) (Northern Ireland) Order 1981(**b**) shall, in relation to a person whose relevant date (as defined in Article 1(1) of that Scheme) falls on or after the date on which this Order comes into force, be amended as follows:—

(1) In Article 1(1)—

(*a*) for the definition of "appropriate multiplier" there shall be substituted:—

'"appropriate multiplier" in relation to any person—

(*a*) except in Articles 6 and 7, means the figure specified in column 2 of Appendix 2 opposite the number in column 1 equal to the number of complete years in the period ending on the relevant date in which that person was at all times in qualifying employment;

(**a**) 1978 c.11; section 2(4) was amended by section 2 of the Shipbuilding Act 1982 (c.4).
(**b**) S.I. 1981/924.

(*b*) in Article 6, means the figure specified in column 3 of Appendix 2 opposite the number in column 1 equal to the number of complete years in that period;

(*c*) in Article 7, has the meaning assigned by paragraph (2) of that Article;';

(*b*) after the definition of "full-time employment" there shall be inserted the following definition:—

'"mobile offshore installation" means any installation which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation and can move by water from place to place without major dismantling or modification, whether or not it has its own motive power;';

(*c*) for the definition of "previous earnings" there shall be substituted:—

'"previous earnings" in relation to any person means a week's pay of that person calculated in accordance with Part II of Schedule 2 to the Industrial Relations (Northern Ireland) Order 1976(**a**) as that Schedule has effect on the date which, in his case, is the relevant date, for the calculation of a week's pay for the purposes of Schedule 3 to the Contracts of Employment and Redundancy Payments Act (Northern Ireland) 1965(**b**), except that—

(*a*) for the limit to the amount of a week's pay in paragraph 5 of Schedule 3 there shall be substituted a limit of one and a half times the amount of the limit which would otherwise have applied on the relevant date, and

(*b*) for all purposes other than Article 8, in calculating a week's pay of any person, payments made to him under Article 8 in respect of any week shall be treated as having been payable to him by his employer under the contract of employment in force on the relevant date;';

(*d*) in the definition of "qualifying activities" there shall be added at the end of paragraph (*a*) the words "or mobile offshore installations";

(*e*) in the definition of "unemployed person" there shall be added at the end of paragraph (*b*) the following sub-paragraph:—

"(viii) his receiving in respect of that day a payment (whether or not a payment made in pursuance of a legally enforceable obligation) in lieu either of notice or of the remuneration which he would have received for that day had his employment not been terminated;".

(2) In Article 2(1), for the word "six" there shall be substituted the word "eight".

(**a**) S.I. 1976/1043 (N.I.16). (**b**) 1965 c.19 (N.I.).

(3) For Article 3, there shall be substituted—

"Lump-sum payments

3. The Northern Ireland company shall pay—

(*a*) to every eligible employee who is dismissed and who on the relevant date is not over the age of 62 (if a man) or 57 (if a woman) whichever is the greater of—

(i) the aggregate of his age amount and the amount of his adjusted previous earnings; or

(ii) £500;

(*b*) to every eligible employee who is dismissed and who on the relevant date is over the age of 62 (if a man) or 57 (if a woman) whichever is the greater of—

(i) an amount calculated in accordance with the following formula:

$$\frac{£1000 + a - b\,(£500 + a)}{24}$$

where—

"a" is the amount of his adjusted previous earnings; "b" is 24 or, if it be lower than 24, the number of calendar months by which his age on the relevant date exceeds 62 (if a man) or 57 (if a woman), part of a month of his age for this purpose being ignored; or

(ii) £750.".

(4) In Article 4—

(*a*) in paragraphs (2)(*a*) and (3)(*a*), for the sum "£1,040", in both places where it occurs, there shall be substituted the sum "£2,080";

(*b*) in paragraph (2)(*b*), for the number "10" there shall be substituted "20";

(*c*) in paragraph (3)(*b*), for the sum "£10", in both places where it occurs, there shall be substituted the sum of "£20"; and

(*d*) paragraph (5) shall be omitted.

(5) In Article 7(2)—

(*a*) before the words "Appendix 2", in the first place where they occur, there shall be inserted the words "column 1 of", and

(*b*) for the words "the right-hand column" there shall be substituted the words "column 3".

(6) In Article 11—

(*a*) for paragraph (2), there shall be substituted:—

"(2) Notwithstanding anything in paragraph (1) above—

(*a*) no deduction shall be made of the amount of any payment for which an eligible employee is entitled under the pension scheme of the Northern Ireland company as having effect on 6th April 1982;

(*b*) no deduction shall be made in respect of a payment to an eligible employee (whether or not a payment made in pursuance of a legally enforceable obligation) in lieu either of notice or of the remuneration which he would have received had his employment not been terminated, in so far as that payment does not exceed 13 times the amount of a week's pay of that person calculated in accordance with paragraph (4) below, less any amounts payable in respect of the period before the date of termination under the contract of employment in force at that date.";

(*b*) at the end there shall be added:—

"(4) For the purposes of paragraph (2)(*b*) above, a "week's pay" of any person means a week's pay of that person calculated in accordance with Part II of Schedule 2 to the Industrial Relations (Northern Ireland) Order 1976 as that Schedule has effect on the date which, in his case, is the relevant date for the calculation of a week's pay for the purposes of Schedule 3 to the Contracts of Employment and Redundancy Payments Act (Northern Ireland) 1965 except that the limit to the amount of a week's pay in paragraph 5 of Schedule 3 shall not apply.".

(7) For the table in Appendix 1, there shall be substituted the table in Schedule 1 to this Order.

(8) For the table in Appendix 2, there shall be substituted the table in Schedule 2 to this Order.

James Prior,
One of Her Majesty's Principal Secretaries of State.

Northern Ireland Office.
30th July 1982.

SCHEDULE 1

AGE TABLE

Age in full years	Payment
	£
30	—
31	50
32	100
33	150
34	200
35	250
36	300
37	350
38	400
39	450
40	500
41	500
42	500
43	500
44	500
45	500
46	500
47	500
48	500
49	500
50	500
51	750
52	750
53	750
54	750
55	750
56	1000
57	1000
58	1000
59	1000
60	1000
61	1000
62	1000
63	1000
64	1000

SCHEDULE 2

LENGTH OF SERVICE TABLE

Column 1 Length of Service (Years)	Column 2 Multiplier (Weeks of Pay)	Column 3 Multiplier (Article 6)
25	40	40
24	40	38
23	40	36
22	40	34
21	40	32
20	40	30
19	38	28
18	36	26
17	34	24
16	32	22
15	30	20
14	28	18.5
13	26	17
12	24	15.5
11	22	14
10	20	12.5
9	18	11
8	16	9.5
7	14	8
6	12	6.5
5	10	5
4	8	4
3	6	3
2	4	2
1	2	1

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order amends the Scheme set out in the Shipbuilding (Redundancy Payments Scheme) (Northern Ireland) Order 1981 which provides for the payment of benefits to certain shipbuilding and ancillary employees in Northern Ireland who are made redundant or transferred to less well-paid employment.

The changes apply to employees whose relevant date (as defined in Article 1(1) of the Scheme) fall on or after the date on which this Order comes into force. The principal changes are:—

(*a*) the Scheme is extended for a further two years, to cover employees who are made redundant or transferred on or before 30th June 1985 (Article 2(2) of the Order);

(*b*) new tables are incorporated in the Scheme for the purpose of determining the "age amount" and the "appropriate multiplier" (and hence the "adjusted previous earnings") of an employee for the purpose of calculating benefits under the Scheme (Article 2(7) and 2(8) of the Order). The value of the appropriate multiplier will, however, remain unchanged for the purpose of determining any liability of an eligible employee to make a repayment if he is subsequently re-employed by a qualifying company (Article 6 of the Scheme) and for the purposes of Article 7 of the Scheme (which contains provisions supplemental to Article 6);

(*c*) the limit on a week's pay, for the purpose of determining the "previous earnings" of an employee, is to be one and a half times the amount of the limit applicable from time to time under paragraph 5 of Schedule 3 to the Contracts of Employment and Redundancy Payments Act (Northern Ireland) 1965, instead of being equal to that limit as was previously the case (Article 2(1)(*c*) of the Order);

(*d*) the definition of "qualifying activities" in Article 1(1) of the Scheme is amended by Article 2(1)(*d*) to include the construction (etc.) of "mobile offshore installations". A definition of that expression is inserted by Article 2(1)(*b*) of the Order;

(*e*) the definition of "unemployed person" is widened (Article 2(1)(*e*));

(*f*) Article 3 of the Scheme is amended so that all eligible employees will be entitled to lump-sum payments calculated by reference to age and length of service. Men aged 62 or under and women aged 57 or under will receive minimum payments of £500. Men over 62 and women over 57 will receive minimum payments of £750. Previously, employees under 40 received only a fixed sum of £300. These lump-sum payments will no longer be subject to abatement, as defined in Article 3(2) of the Scheme (Article 2(3) of the Order);

(*g*) the provisions of the Scheme for making periodical payments are amended. Formerly, where the adjusted previous earnings of any employee (which represents the maximum aggregate amount of his periodical payments) did not exceed £1,040, payments were made at the rate of £10 per week (subject to abatement in respect of his earnings in that

week). The effect of Article 2(4) of the Order is to raise those amounts to £2,080 and £20 respectively. Article 2(4)(*d*) also omits from the Scheme the provision whereby an employee was excluded from the entitlement to periodical payments when the aggregate of his age amount and twice his adjusted previous earnings did not exceed £300;

(*h*) Article 11 of the Scheme (which provides for deductions to be made from Scheme benefits in respect of payments made to employees by the Northern Ireland company under the pension scheme operated by that company) is amended by Article 2(6) of the Order so as to ensure that certain payments in lieu of notice or in lieu of remuneration which would have been payable if employment had not been terminated, do not give rise to deductions under Article 11.

The pension scheme of the Northern Ireland company may be inspected during normal working hours at the offices of Harland and Wolff Ltd at Queen's Island, Belfast.

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