

## EXPLANATORY NOTE

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

This Order, which corresponds to an Order (S.I.1996/1054) made by the Secretary of State for Social Security under section 42 of the Pension Schemes Act 1993, specifies with effect from 6th April 1997 the contracted-out percentages to be deducted from primary and secondary Class 1 contributions in respect of members of salary related contracted-out schemes.

A consequential provision alters the percentage specified in paragraph 2(3)(a) of Schedule 3 to the Pension Schemes (Northern Ireland) Act 1993 (priority in bankruptcy, etc: employer's contributions to an occupational pension scheme) for non-contributing earners in relation to a salary related contracted-out scheme.

Section 38 of the Pension Schemes (Northern Ireland) Act 1993, the enabling provision under which this Order is made, was amended by Article 134(3) of the Pensions (Northern Ireland) Order 1995. The Pensions (1995 Order) (Commencement No. 2) Order (Northern Ireland) 1996 (S.R. 1996 No. 91 (C. 4)) provides for the coming into operation of Article 134(3) on 14th March 1996 for the purpose only of authorising the making of orders.