

## EXPLANATORY NOTE

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

This Order revises, from 6th April 2018, the limits applying to certain awards of industrial tribunals, the Fair Employment Tribunal or Labour Relations Agency statutory arbitration, and other amounts payable under employment legislation, as specified in the Schedule to the Order. Under Article 33 of the Employment Relations (Northern Ireland) Order 1999 (“the 1999 Order”), if the retail prices index (RPI) for September of a year is higher (or lower) than the index for the previous September, the Department is required to change the limits, by Order, by the amounts of the increase or decrease (rounded as specified in Article 33(3) of the 1999 Order as amended). The Employment Rights (Increase of Limits) Order (Northern Ireland) 2018 (the No. 1 Order) increased limits in accordance with the increase in RPI from September 2015 and September 2016. This Order subsequently revokes the No. 1 Order and reflects the further increase in the index of 3.9% from September 2016 to September 2017.

The increases apply where the event giving rise to the entitlement to compensation or other payments occurs on or after 6th April 2018. Limits previously in operation under the Employment Rights (Increase of Limits) Order (Northern Ireland) 2016 (S.R. 2016 No. 37) are preserved by Article 4 of the Order in relation to cases where the relevant event was before that date.

An impact assessment is not required because the 1999 Order provides for indexation according to a pre-determined formula (i.e. RPI).

**Changes to legislation:**

There are currently no known outstanding effects for the The Employment Rights (Increase of Limits) (No. 2) Order (Northern Ireland) 2018.