

1988 No. 538

EUROPEAN COMMUNITIES

The European Communities (Iron and Steel Employees
Re-adaptation Benefits Scheme) (No. 2)
Regulations 1988

<i>Made</i> - - - -	<i>17th March 1988</i>
<i>Laid before Parliament</i>	<i>18th March 1988</i>
<i>Coming into force</i>	<i>10th April 1988</i>

Whereas the Commission of the European Communities have agreed to provide non-repayable aid towards the payment to or for the benefit of workers in the steel industry in the United Kingdom of such allowances and other payments as are provided for in Article 56(2) of the ECSC Treaty(a), the provision of which aid is conditional upon payment by the Government of the United Kingdom of a contribution to those payments of not less than the amount of that aid:

Now, therefore, the Secretary of State, being the designated Minister under the European Communities (Designation) Order 1972(b), in exercise of his powers under section 2(2) of the European Communities Act 1972(c) and all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation and commencement

1. These Regulations may be cited as the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (No. 2) Regulations 1988 and shall come into force on 10th April 1988.

Application of the Scheme

2. The Scheme set out in Schedule 1 to these Regulations (hereinafter referred to as “the Scheme”) shall apply to those classes of persons prescribed therein.

Revocation and Transitional Provisions

3.—(1) Subject to the following provisions of this Regulation, the Regulations described in Schedule 2 are hereby revoked.

(2) In respect of the week of eligibility of a steel employee which is current on the coming into force of the Scheme, payments may be made in accordance with the Regulations referred to in Part I of Schedule 2 and hereby revoked.

(3) The first week in respect of which payments may be made under the Scheme to a steel employee who is eligible to receive a payment under paragraph (2) above shall be the first completed week of eligibility commencing after the week referred to above.

(a) Paragraph 2 of Article 56 was inserted by amendment (OJ No 33, 16.5.1960, p. 781/60). (b) S.I. 1972/1811, Article 2. (c) 1972 c. 68.

(4) For the avoidance of doubt it is hereby declared that payments may be made in accordance with the Regulations referred to in Part I of Schedule 2 and hereby revoked in respect of completed weeks of eligibility occurring before the coming into force hereof.

17th March 1988

Robert Atkins
Parliamentary Under Secretary of State,
Department of Trade and Industry

SCHEDULE 1

Regulation 2

IRON AND STEEL EMPLOYEES RE-ADAPTATION BENEFITS SCHEME

Interpretation

1. In this Scheme, unless the context otherwise requires:-

“the 1973 Act” means the Employment and Training Act 1973(a);

“the 1975 Act” means the Social Security Act 1975(b);

“the 1978 Act” means the Employment Protection (Consolidation) Act 1978(c);

“the 1982 Act” means the Social Security and Housing Benefits Act 1982(d);

“the 1986 Act” means the Social Security Act 1986(e);

“adjudication officer” has the same meaning as in paragraph 1 of Schedule 8 to the Health and Social Services and Social Security Adjudications Act 1983(f);

“disablement pension” means disablement pension payable under section 57 of the 1975 Act, and includes reduced earnings allowance payable under section 59A of that Act(g);

“earnings”, in relation to a person engaged in employment, include bonus and shift work payments and overtime payments made in any case where the employee is under his contract of employment required to work overtime and the payment is in respect of overtime so worked but do not include any other payments for overtime working, or payments related to particular working conditions; and where an employee’s earnings in any week are affected by unpaid absence, by absence from work by reason of injury or ill-health, or by any reduction in the normal rate of production from whatever cause, his earnings shall be such amount as the Secretary of State considers that employee would have earned if he had been normally employed in that week;

“full time employment” means employment which normally involves employment for 16 hours or more in each week;

“income support” means income support payable under Part II of the 1986 Act;

“invalidity pension” means an invalidity pension payable under section 15(h) of the 1975 Act, and includes-

(a) any invalidity allowance payable under section 16 of the 1975 Act;

(b) any additional pension payable under sections 6 and 14 of the Social Security Pensions Act 1975(i) (“the Pensions Act”); and

(c) a widow’s or widower’s invalidity pension, payable under section 15 or 16 of the Pensions Act respectively;

“maternity allowance” means maternity allowance payable under section 22 of the 1975 Act;

“other employment” includes employment by the same employer at a different place;

(a) 1973 c. 50. (b) 1975 c. 14. (c) 1978 c. 44. (d) 1982 c. 24. (e) 1986 c. 50. (f) 1983 c. 41. (g) Section 57 was amended by paragraph 3 of Schedule 3 to the 1986 Act, and section 59A was inserted by paragraph 5 of that Schedule. (h) Section 15 was modified in its application to certain cases by paragraph 5 of Schedule 2 to the 1982 Act. (i) 1975 c. 60; section 6 was modified in its application to certain cases by section 18 of the 1986 Act.

“the period of eligibility” means the period after the relevant date specified in the table below:—

	<i>Men</i>	<i>Women</i>	<i>Period</i>
Aged	Under 55	Under 50	78 weeks
Aged	55 – 59	50 – 54	104 weeks
Aged	60 – 64	55 – 59	130 weeks

“previous earnings” means:—

- (a) the average of the employee’s weekly earnings from employment by a steel company for the period of 13 weeks immediately preceding the fourth week before the relevant date, or
- (b) if he underwent retraining which affected his earnings in the said period, the average of his earnings from employment by a steel company for each of the weeks within that period in which he was normally employed and, for the weeks in which he was not normally employed, such amount as the Secretary of State considers he would have earned, had he been so employed:

Provided that, in any case where previous earnings exceed the maximum level, that is to say, twice the limit (in force on the last day of the said period) imposed by paragraph 8(1)(c) of Schedule 14 to the 1978 Act on the amount of a week’s pay for the purpose of calculating a redundancy payment under that Act, they shall be deemed to be equal to the maximum level;

“redundant employee” means a steel employee who has been dismissed by his employer within the meaning of Part VI of the 1978 Act and whose dismissal is attributable wholly or mainly to a relevant event;

“relevant course of training” means a course of training—

- (a) conducted under arrangements made under the provisions of the 1973 Act; or
- (b) approved by the Iron and Steel Industry Training Board, and being a course of training conducted by or on behalf of a steel company; or
- (c) approved by the Secretary of State and the Commission of the European Communities for the purposes of the Scheme;

“relevant date”—

- (a) means in the case of a transferred employee, the date on which he was transferred;
- (b) in the case of a redundant employee, has the same meaning as in section 90(1), or, as the case may require, section 90(3), of the 1978 Act;

“relevant event” means any permanent discontinuance or curtailment of, or change in, the activities of a steel company, occasioned by fundamental changes, not directly connected with the establishment of the common market, in market conditions for the steel industry, which is accepted by the Commission of the European Communities as justifying payments under Article 56(2) of the ECSC Treaty;

“relevant income tax year” means the last complete income tax year before the relevant date;

“relevant married woman” means a married woman who has elected to pay primary Class I contributions at the reduced rate in accordance with the Social Security (Contributions) Regulations 1979(a), and “election” shall be construed accordingly;

“self-employed person” means a person who is gainfully employed for not less than 16 hours in each week in the United Kingdom otherwise than—

- (a) under a contract of service; or
- (b) in an office (including elective office) with emoluments chargeable to income tax under Schedule E,
whether or not he is also so employed;

(a) S.I. 1979/591, as amended by S.I. 1982/1739 and 1983/496. There are other amendments not relevant for the purposes of these Regulations.

“severe disablement allowance” means severe disablement allowance payable under section 36(a) of the 1975 Act;

“sickness benefit” means sickness benefit payable under section 14(1)(b) of the 1975 Act(b);

“statutory maternity pay” means statutory maternity pay payable under section 46 of the 1986 Act;

“statutory sick pay” means statutory sick pay payable under Part I of the 1982 Act;

“steel company” means any body corporate engaged in the production of steel as defined in Annex I to the ECSC Treaty or in the production of coke for steel making;

“steel employee” means an employee who immediately prior to the relevant date (or, in a case where section 90(3) of the 1978 Act applies, immediately prior to dismissal) was wholly or mainly engaged in the course of his employment in the United Kingdom in activities connected with the production of steel as so defined or in the production of coke for steel making;

“transferred employee” means a steel employee transferred to other employment with the same steel company or with an associated employer (within the meaning of section 153(4) of the 1978 Act) as a result of a relevant event;

“unemployment benefit” means unemployment benefit payable under section 14(1)(a) of the 1975 Act;

“unemployed person” means a person who is unemployed and is available to be employed or would be so available if he were not stated to be incapable of work –

(a) by a doctor’s statement given in accordance with Regulation 2 of the Social Security (Medical Evidence) Regulations 1976(c); or

(b) in respect of a spell of incapacity (within the meaning of Regulation 5 of those Regulations) that lasts for less than 8 days or any of the first 7 days of a longer spell of incapacity, by himself in a self-certificate given pursuant to that regulation;

“week” means, in relation to employment by a steel company, a period of seven days beginning at 06.00 hours on a Sunday.

Eligibility for payment

2.—(1) Any steel employee who has been in the full-time employment in the United Kingdom of the same steel company for the 52 weeks immediately preceding the relevant date and who –

(a) has become a redundant employee or a transferred employee; and

(b) has not on the relevant date attained, if a man, the age of 65 or, if a woman, the age of 60,

shall be eligible for payments under the Scheme, and is hereinafter referred to as “an eligible steel employee”.

(2) A steel employee shall not be eligible for a payment under the Scheme for any week after that in which, if a man, he attained the age of 65 or, if a woman, she attained the age of 60.

(3) No payment under the Scheme shall be made to a steel employee in respect of any week during which he is not ordinarily resident in the United Kingdom, the Channel Islands, or the Isle of Man.

(4) For the purposes of paragraph 1 above, a steel employee shall be regarded as having been in the employment of a steel company in any week if that week counts as a week of employment with that steel company under paragraphs 11(3), 17(2) and (3), and 18 of Schedule 13 to the 1978 Act.

Supplementation of current earnings

3.—(1) Subject to the following provisions of the Scheme, the Secretary of State may, during the period of eligibility, make a weekly payment as a supplement to the current earnings of any eligible steel employee who is engaged in other full-time employment equal to the amount (if any) by which his current earnings in that week fall short of 90% of his previous earnings.

(a) Section 36 was substituted by section 11 of the Health and Social Security Act 1984 (c. 48). (b) Section 14 of the 1975 Act was amended in relation to sickness benefit by section 39(3) of the 1982 Act, and is subject to section 50A of the 1975 Act, which was inserted by section 39(4) of the 1982 Act.

(c) S.I. 1976/615, as amended by S.I. 1982/699, regulation 2, and S.I. 1987/409, regulation 2 to 4. There are other amendments not relevant for the purposes of this Scheme.

(2) Subject to the following provisions of the Scheme, the Secretary of State may, during the period of eligibility, pay, in respect of a relevant period, as a supplement to the current earnings of an eligible steel employee who is a self-employed person (whether or not he is engaged in other employment for part or all of that period) the amount (if any) by which his current earnings for the number of weeks for which he is a self-employed person during the relevant period fall short of 90% of his previous earnings for that number of weeks.

(3) Where a self-employed person who in any week is not engaged in other employment is eligible for a payment under paragraph (2) above, the Secretary of State may make him a weekly payment of £16 on account, and the amount payable under paragraph (2) shall be abated by the aggregate amount of any such payments on account made during the relevant period.

(4) The Secretary of State may make his agreement to make any payments on account under paragraph (3) above conditional upon the steel employee's agreeing to repay the amount (if any) by which the aggregate of any such payments made during the relevant period exceeds any payment for which he would otherwise be eligible under paragraph (2) in respect of that period.

(5) In this Article –

“current earnings” in relation to any week means –

- (a) in relation to a person engaged in full-time employment–
 - (i) in the case of a transferred employee or a redundant employee who enters into further employment with a steel company and who has been in such transferred or further employment for the previous 13 weeks, the average amount of his weekly earnings in those weeks;
 - (ii) in any other case, the average amount of the employee's weekly earnings in other employment during the previous 4 weeks or, in relation to his first 4 weeks of employment, his average weekly earnings in those weeks;
- (b) in relation to a self-employed person who is not engaged in other employment, the average amount of his weekly earnings as a self-employed person (“the relevant amount”), during the weeks in respect of which he is a self-employed person and not engaged in other employment during the relevant period;
- (c) in relation to a self-employed person who is engaged in other employment, the aggregate of the amounts described in –
 - (i) sub-paragraph (i) or (ii), as the case may be, of paragraph (a); and
 - (ii) the relevant amount, in respect of the weeks in which he is also engaged in other employment during the relevant period;

“the relevant period” in relation to a self-employed person (whether or not he is also engaged in employment) means –

- (a) the period of 26 weeks commencing with the first week after the relevant date in respect of which he is a self-employed person;
- (b) any subsequent such period commencing with the first week after any previous relevant period in respect of which he is a self-employed person;
- (c) a period of less than 26 weeks commencing with the first week after the relevant date or any previous relevant period, whichever is the later, in respect of which he is a self-employed person and expiring when the period of eligibility expires: provided that for the purposes of the calculation of that person's current earnings, any such period of less than 26 weeks shall not expire as provided above but shall last for 26 weeks.

Payments to unemployed men under 55 and women under 50

4.—(1) Subject to the provisions of the Scheme, the Secretary of State may pay £16 to any eligible steel employee fulfilling the conditions specified in paragraph (2), in respect of any week during the period specified in paragraph (3).

(2) The conditions referred to in paragraph (1) are that the said employee –

- (a) was on the relevant date, if a man, under the age of 55 or, if a woman, under the age of 50; and
- (b) is an unemployed person.

(3) Subject to Article 9(1), the period referred to in paragraph (1) is a period of 52 weeks of unemployment (which weeks need not be consecutive) subject to the relevant date, beginning with the first (and ending with the 52nd) week of such unemployment.

Payments to unemployed men of 55 or over and women of 50 or over

5.—(1) Subject to the provisions of the Scheme, the Secretary of State may pay the amount specified in paragraph (4) of this Article to any eligible steel employee fulfilling the conditions specified in paragraph (2) in respect of any week during the period specified in paragraph (3).

(2) The conditions referred to in paragraph (1) are that the said employee:

- (a) had on the relevant date attained, if a man, the age of 55 or, if a woman, the age of 50; and
- (b) is an unemployed person.

(3) Subject to Articles 2(2), 7(5) and 9(1), the period referred to in paragraph (1) is a period of 78 weeks of unemployment (which weeks need not be consecutive) subsequent to the relevant date, beginning with the 27th week of such unemployment.

(4) The amount of the payment referred to in paragraph (1) shall be:

- (a) for the first 52 weeks of the period specified in paragraph (3), an amount equal to 90% of the steel employee's previous earnings; and
- (b) for the next 26 weeks of that period an amount equal to 80% of the steel employee's previous earnings.

(5) In addition to payments under paragraph (1), the Secretary of State may pay £16 to any eligible steel employee fulfilling the conditions specified in paragraph (2) in respect of any week during the first 26 weeks of unemployment subsequent to the relevant date.

Pension Option

6.—(1) Subject to the provisions of the Scheme, an eligible steel employee aged on the relevant date –

- (a) 55 or over but under 65, if a man;
- (b) 50 or over but under 60, if a woman,

who, having become an unemployed person in the United Kingdom on that date, has not entered into other employment or accepted a payment under any other Article hereof may, in lieu of accepting payments under Article 5 of the Scheme, and after obtaining from his employer the particulars referred to in paragraph (6) of this Article, request the Secretary of State to agree to pay into the pension fund of the steel company by which he was employed immediately prior to the relevant date a capital sum for the purchase of additional benefits, or, where the Secretary of State is satisfied that no suitable pension fund exists for that purpose, to apply that sum to purchase an annuity.

(2) Notwithstanding the provisions of paragraph (1), the Secretary of State may entertain a request under that paragraph in any case in which he is satisfied that the employee entered into other employment, or accepted a payment under any other Article hereof, not being fully aware of the provisions of paragraph (1) and may, where the employee has accepted such a payment, make his agreement conditional upon repayment of that payment.

(3) Where the Secretary of State has agreed with an employee that he will make a capital payment or provide an annuity in accordance with this Article, that employee shall not, subject to the provisions of Article 9(2), be eligible for a payment under any other Article hereof.

(4) The amount of the capital payment under this Article shall, except in the case of a man who will attain the age of 65 or a woman who will attain the age of 60 within 104 weeks after the relevant date, be the sum of:

- 90% of his previous earnings for 52 weeks, and
- 80% of his previous earnings for 26 weeks,

less 26 weeks unemployment benefit at the rate to which he is entitled for the first week of entitlement after the relevant date, or if he was entitled to invalidity pension, severe disablement allowance or sickness benefit in that week, to which he would otherwise have been entitled:

Provided that –

- (a) in any case where a request has been entertained under paragraph (2), the rate of unemployment benefit at which this deduction shall be made shall be the rate to which he would have been entitled for the first week of entitlement after the relevant date had he been available to be employed on that date;

- (b) in the case of a relevant married woman, there shall be deducted the amount of unemployment benefit to which she would have been entitled but for her election;
- (c) in calculating the amount of the said capital payment in the case of an employee who is in receipt of a pension in respect of his employment with a steel company or compensation under the Iron and Steel (Compensation to Employees) Regulations 1968(a), the sums specified in this paragraph as a percentage of previous earnings shall be abated so as to ensure that the weekly aggregate of those sums, that pension and that compensation does not exceed the amount of his previous earnings;
- (d) in calculating the rate of unemployment benefit to which a person is, or would be entitled for the first week after the relevant date, any abatement under section 5 (abatement of unemployment benefit on account of payments of occupational pension) of the Social Security (No. 2) Act 1980(b) shall, in a case where that date falls after 23rd August 1981, be disregarded.

(5) In the case of a man who attains the age of 65 or a woman who attains the age of 60 within 104 weeks after the relevant date, the capital payment shall be calculated in accordance with paragraph (4) but shall be abated by an amount equal to the sum of the weekly payments under Article 5(4)(a) and (b) which, but for the provisions of Article 2(2) and paragraph (3) of this Article, he would have been eligible to receive as an unemployed person during those whole weeks which fall between the date on which he attains the age of 65 (or in the case of a woman the age of 60), and the 105th week after the relevant date.

(6) Any eligible steel employee who proposes to make a request to the Secretary of State under paragraph (1) of this Article shall, within four weeks after the relevant date, apply to his employer for particulars of the additional benefits or annuity which would be payable under this Article, and no such request shall be made to the Secretary of State after the expiry of four weeks from the date on which those particulars are received by that employee.

Payments during re-training

7.—(1) Where the Secretary of State is satisfied that a steel employee in the employment of a steel company who:

(a) is undergoing a relevant course of training; and

(b) will by the relevant date have been an employee of that company for 52 weeks, will become a transferred or redundant employee at any time during the period beginning on the date on which his course of training began and ending 26 weeks after the date on which it will end, the Secretary of State may, subject to the provisions of the Scheme, pay him, in respect of any week of his course of training, an amount equal to his previous earnings.

(2) For the purpose of the application of the definition of "previous earnings" to paragraph (1) above (and only for that purpose) an employee shall be deemed to have been given notice of redundancy on the date when the course of training began.

(3) (a) Subject to the provisions of the Scheme, the Secretary of State may make a weekly payment to any eligible steel employee who after the relevant date is undergoing a relevant course of training and to whom a payment is not made for that week under the preceding provisions of the Scheme.

(b) The amount of any weekly payment under this paragraph shall be equal to the previous earnings of the employee concerned.

(4) An employee shall not be eligible for payments under this Article for a total of more than 52 weeks; and for the purpose of computing that total he shall be treated as eligible for payments in respect of a week notwithstanding that a payment does not fall to be made to him for that week under this Article because the deductions to be made under Article 11 from his previous earnings in computing the amount of the payment for which he is eligible exceed those earnings.

(5) Where an employee has received payments under paragraph (1), the period for which he is eligible for weekly payments under any other Article shall be abated by the number of weeks for which he was eligible for payment under paragraph (1) of this Article:

Provided that where, pursuant to Article 5(4), payments may be made at different rates during that period, the abatement shall, so far as possible, be made from weeks in which payment may be made at a lower rate.

(6) Where any person (including any Government Department) has incurred expenses in providing a relevant course of training for eligible steel employees, the Secretary of State may pay to that person such contributions towards those expenses as he sees fit.

(a) S.I. 1968/1170, as amended by S.I. 1971/2026. (b) 1980 c. 39.

(7) Where a steel employee is undergoing a relevant course of training and would be eligible for payment under this Article in respect of it but for the fact that the course in question lasts for less than one week, the Secretary of State may pay him, in respect of that course, that proportion of the weekly amount which could be paid if the course lasted for more than one week which the duration of the course bears to one week.

(8) The Secretary of State may pay to any steel employee who, being eligible for a payment under this Article,

- (a) incurs expenditure travelling to his place of training such sum not exceeding £45 per week by way of contribution to that expenditure as the Secretary of State considers appropriate; and
- (b) is undergoing his course of training at a place which is not within reasonable daily travelling distance from his home at the time when he became so eligible,
 - (i) such sum not exceeding £45 per week by way of contribution to any costs occasioned by the location of his place of training as the Secretary of State considers appropriate; and
 - (ii) in respect of each consecutive period of two months for which the course in question lasts, such sum by way of contribution to any expenditure incurred by the steel employee in travelling to his home and back to his place of training on any one occasion as the Secretary of State considers appropriate:

Provided that no payment shall be made under this paragraph to any employee eligible for benefits under any scheme for the payment of travelling and lodging grants or allowances to workers undergoing courses of training administered by or on behalf of the Manpower Services Commission or the Secretary of State under any provision of the 1973 Act.

Travelling, resettlement and removal grants for transferred employees

8.—(1) The Secretary of State may, during the period of eligibility, pay to any eligible steel employee who, being a transferred employee, incurs additional expenditure exceeding £1 per week in travelling to a new place of employment such sum not exceeding £5 per week by way of contribution to that additional expenditure as the Secretary of State considers appropriate.

(2) The Secretary of State may pay to any eligible steel employee who, being a transferred employee, is employed at a place in the United Kingdom which is not within reasonable daily travelling distance of his home at the time when he became a transferred employee such sums by way of contribution to any costs occasioned by the change in the location of his employment as the Secretary of State considers appropriate.

(3) No payment shall be made under this Article to any employee eligible for benefits under any scheme for the payment of travelling, resettlement and removal grants or allowances to transferred workers administered by or on behalf of the Manpower Services Commission or the Secretary of State under any provision of the 1973 Act.

Payments where there has been a change in circumstances

9.—(1) The receipt by any steel employee of payments under any of the preceding Articles of the Scheme shall not prejudice his eligibility to receive further payments under that Article, or payments under any other Article, if he becomes eligible for such payments by reason of a change in his circumstances:

Provided that no payment shall be made under the Scheme in respect of any week after the expiry of the period after the relevant date specified in the table below –

	<i>Men</i>	<i>Women</i>	<i>Period</i>
Aged on the relevant date	Under 55	Under 50	78 weeks
" "	55 – 59	50 – 54	104 weeks
" "	60 – 64	55 – 59	130 weeks

(2) A steel employee who, having become a redundant or transferred employee as the result of a relevant event, subsequently again becomes a redundant or transferred employee as a result of a further relevant event shall be eligible for payments under the Scheme in respect of that further relevant event:

Provided that he shall not be so eligible –

- (a) in respect of any period during which he is eligible for payments under the Scheme by reference to the previous relevant event;
- (b) if the further relevant event occurred at any time within the period during which he was eligible for benefits under the Scheme (or any Scheme replaced hereby) as a result of the previous relevant event or within 52 weeks after the end of that period, and was attributable to circumstances which were subsisting or could reasonably have been foreseen at the time when he previously became a transferred employee, or having become a redundant employee, again took up employment with a steel company.

Cost of living adjustment to benefits

10.—(1) Where a weekly payment under any of the preceding Articles of the Scheme which is related to its recipient's previous earnings is made in respect of a week falling within the second period of 52 weeks following the relevant date, the Secretary of State may pay to the recipient of that weekly payment such additional weekly sum as he may think appropriate to take account of changes in the cost of living during the period of 52 weeks commencing on the relevant date.

(2) Where any such weekly payment is made in respect of a week commencing after the expiry of a period of 104 weeks after the relevant date, the Secretary of State may pay to the recipient of that weekly payment such additional weekly sum as he may think appropriate to take account of changes in the cost of living during that period of 104 weeks.

Abatement of weekly payments

11.—(1) Subject to paragraphs (9) and (10), where a steel employee is for any week in receipt of any of the benefits referred to in paragraph (2) or the payments referred to in paragraph (3), the amount of any weekly payment for which he would otherwise be eligible under this Scheme shall be abated as provided for in paragraphs (4) to (8).

(2) The benefits referred to in paragraph (1) are –

- (i) disablement pension;
- (ii) income support payable in excess of the amount which an adjudication officer determines would have been paid, had the payments under the Scheme been made before the amount of income support was determined;
- (iii) invalidity pension;
- (iv) maternity allowance;
- (v) severe disablement allowance;
- (vi) sickness benefit;
- (vii) statutory maternity pay;
- (viii) statutory sick pay;
- (ix) unemployment benefit.

(3) The payments referred to in paragraph (1) are –

- (a) a pension in respect of his employment with a steel company;
- (b) periodic payments of compensation from his employer in respect of his loss of earnings occasioned by the relevant event;
- (c) compensation under the Iron and Steel (Compensation to Employees) Regulations 1968.

(4) Where a steel employee would otherwise be eligible under Article 3(1) or (2) to receive the amount payable thereunder, that amount shall be abated so that –

- (a) the aggregate of:–
 - (i) such amount;
 - (ii) his current earnings; and
 - (iii) the sum of any of the benefits referred to in paragraph (2) which he received;

does not exceed 90% of his previous earnings; and

- (b) the aggregate of the amounts referred to in sub-paragraph (a)(i) to (iii) above and paragraph (3) do not exceed the amount of his previous earnings.

(5) Where a steel employee would otherwise be eligible to receive the amount of £16 under Article 4 or 5(5), that amount shall be abated by the amount referred to in paragraph 2(ii).

(6) Where a steel employee would otherwise be eligible to receive the amount referred to in Article 5(4), that amount shall be abated –

- (a) by the sum of any of the benefits referred to in paragraph (2) which he receives; and
- (b) so that the aggregate of the said amount, the said sum, and any payments referred to in paragraph 3(a) and (c) does not exceed the amount of his previous earnings.

(7) Where a steel employee would otherwise be eligible to receive the amount referred to in Article 7(1), that amount shall be abated by the aggregate of –

- (i) one thirteenth of the total amount deducted in respect of income tax from the employee's weekly earnings in the thirteen weeks immediately before the date on which his course of training began;
- (ii) the sum of any of the benefits referred to in paragraph (2) which he receives;
- (iii) the gross amount of any pay or training allowance which he receives in respect of that week;
- (iv) the payments referred to in paragraph 3(a) and (c).

(8) Where a steel employee would otherwise be eligible to receive the amount referred to in Article 7(3), that amount shall be abated by the aggregate of –

- (a) one thirteenth of the total amount deducted in respect of income tax from the total of the employee's previous earnings in the thirteen weeks immediately preceding the fourth week before the relevant date; and
- (b) the amounts specified in paragraph 7(ii) to (iv).

(9) Where any benefit or payment referred to in paragraph (2) or (3) is not paid weekly, it shall be deemed to accrue from week to week.

(10) Where a relevant married woman is not eligible to receive a benefit referred to in paragraph (2) on the ground only of her election, the amount which she would otherwise be eligible to receive under this Scheme shall be abated by the amount of such benefit which she would have been eligible to receive, but for her election.

Reduction of payments

12.—(1) Where a steel employee –

- (a) on any day in a week for which he is eligible for a payment under Articles 4 or 5, although unemployed, is not available for work and is not stated to be incapable of work in accordance with the provisions of the Social Security (Medical Evidence) Regulations 1976; or
- (b) is disallowed unemployment benefit or is disqualified under section 20(1) of the 1975 Act for such day,

any such payment for that week shall be abated by one sixth for each such day in that week.

(2) Where a steel employee is absent from work without pay and without the consent of his employer (other than by reason of having been stated to be incapable of work as mentioned in paragraph (1)(a) above) on any day or from any shift in a week for which he is eligible for a payment under Article 3(1), that payment shall be abated by the fraction a/w where "a" is the number of days or shifts in that week on which the said employee is absent as aforesaid and "w" is the number of days or shifts in that week on which he would have worked had he not been so absent.

(3) Where a redundant or transferred employee who obtains other full-time employment leaves that employment and the Secretary of State is satisfied that he did so in consequence of misconduct or without just cause, that employee shall not, for such period as the Secretary of State considers appropriate, be eligible for any weekly payment under the Scheme by reference to the same relevant event in relation to any week after the week in which he so left that employment.

Rounding off of benefits

13. Weekly payments under the Scheme shall be rounded up to the nearest penny.

Time for payment and claiming of payments

14.—(1) A steel employee shall not be eligible for a payment under the Scheme for any week unless that payment is claimed within eight weeks after the date on which he became eligible therefor:

Provided that the Secretary of State may admit a claim not so made if he is satisfied that the delay in claiming was not attributable to the fault of that employee.

- (2) Sums payable to a steel employee under the Scheme may be paid in arrear.

SCHEDULE 2

Regulation 3

<i>Column 1 Regulations revoked</i>	<i>Column 2 References</i>
PART I	
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1979	S.I. 1979/954
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1980	S.I. 1980/1912
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1981	S.I. 1981/1102
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1981	S.I. 1981/1776
The European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) (Amendment) Regulations 1982	S.I. 1982/1045
PART II	
The European Communities (Iron and Steel Employees re-adaptation Benefits Scheme) Regulations 1988	S.I. 1988/525

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations replace the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1985 (S.I. 1988/525) and consolidate with amendments the European Communities (Iron and Steel Employees Re-adaptation Benefits Scheme) Regulations 1979 (S.I. 1979 954) and amending Regulations thereto (S.I. 1980/1912, 1981/1102, 1776 and 1982/1045).

In addition to drafting amendments the consolidation makes provision to accommodate the changes in social security legislation enacted by the Social Security Act 1986.