
EXPLANATORY NOTE

(This note is not part of the Order)

This Order, a draft of which has been laid before and approved by a resolution of each House of Parliament, is made consequent upon the third review made under section 28 of the Social Security Pensions Act 1975 (“the 1975 Act”), following a report by the Government Actuary under that section in relation to the contracted-out percentages under section 27 of the 1975 Act and to changes in the cost to occupational pension schemes of providing guaranteed minimum pensions. The Order decreases, with effect from 6th April 1993, the contracted-out percentages to be deducted from the normal percentage for both primary and secondary Class 1 contributions. Consequential changes are also made to paragraph 2(2) of Schedule 3 to the 1975 Act, (priority in bankruptcy: calculation of employer’s contribution to an occupational pension scheme), by article 3 of this Order.

In accordance with section 28(1) of the 1975 Act a copy of the report by the Government Actuary, and a copy of a report by the Secretary of State for Social Security in the light of the Government Actuary’s report, were both laid before Parliament with the draft Order.

These reports are contained in a Command Paper published by Her Majesty’s Stationery Office (Cm. 1850).