

---

## 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 in consequence of a review under section 109(1) of the Pension Schemes Act 1993. It specifies 1.7 per cent. as the percentage by which that part of any guaranteed minimum pension attributable to earnings factors for the tax years 1988–89 to 1996–97 and payable by contracted-out, defined benefit occupational pension schemes is to be increased. Under section 109(3) of that Act the percentage to be specified is the actual percentage increase in the general level of prices in the period under review or 3 per cent., whichever is less.

This Order does not impose any new costs on business.