1987 No. 138

SOCIAL SECURITY

The Social Security (Earnings Factor) (Amendment No. 2) Regulations (Northern Ireland) 1987

Made	*26th March 1987*
Coming into operation . .	*6th April 1987*

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by section 13(5) of the Social Security (Northern Ireland) Act 1975(**a**), Article 37(3) of the Social Security Pensions (Northern Ireland) Order 1975(**b**) and Article 84(1) of the Social Security (Northern Ireland) Order 1986(**c**) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Social Security (Earnings Factor) (Amendment No. 2) Regulations (Northern Ireland) 1987 and shall come into operation on 6th April 1987.

(2) In these regulations "the principal regulations" means the Social Security (Earnings Factor) Regulations (Northern Ireland) 1979(**d**).

(3) The Interpretation Act 1978(**e**) shall apply to these regulations as it applies to an Act of the United Kingdom Parliament.

Amendment of the principal regulations

2.—(1) The principal regulations shall be amended in accordance with paragraphs (2) to (4) of this regulation.

(2) In regulation 1 (citation, commencement and interpretation)—

(*a*) in paragraph (2) the definition of "contributions" shall be omitted; and

(*b*) after paragraph (2) there shall be added—

"(3) In these regulations references to contributions of any class are to contributions actually of that class notwithstanding that for the purposes of any benefit they may be treated as or be deemed to be contributions of another class.".

(3) In regulation 2 (ascertainment of earnings factors) for "contributions" there shall be substituted "earnings or Class 2 or Class 3 contributions".

(a) 1975 c. 15; section 13(5) was amended by paragraph 4 of Schedule 3 to the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5)) and paragraph 1(4) of Schedule 8 to the Social Security (Northern Ireland) Order 1986

(b) S.I. 1975/1503 (N.I. 15)

(c) S.I. 1986/1888 (N.I. 18)

(d) S.R. 1979 No. 193, amended by S.R. 1985 No. 263 and S.R. 1987 No. 115

(e) 1978 c. 30

(4) In Part I of Schedule 1 (Class 1 contributions)—

(*a*) in paragraph 1(1) heads (*e*) and (*f*) shall be omitted;

(*b*) for paragraph 2 there shall be substituted—

"2.—(1) A person's earnings factor derived in respect of the year commencing on 6th April 1987 or any subsequent year from—

(*a*) those of his earnings in respect of such year upon which Class 1 contributions have been paid or treated as paid, and

(*b*) earnings with which he has been credited in respect of such year,

shall be equal to the amount of those actual and credited earnings.

(2) Any earnings factor ascertained under sub-paragraph (1) above shall be rounded down to the nearest whole pound.";

(*c*) for paragraph 3 there shall be substituted—

"3. Where, in respect of the year commencing on 6th April 1987, or any subsequent year, a person's earnings upon which Class 1 contributions have been paid or treated as paid are, or are to be, recorded as separate sums in the records of the Department of Health and Social Security, the earnings factor derived from those earnings shall be equal to the aggregate of the amounts ascertained by rounding down each sum separately to the nearest whole pound.";

(*d*) paragraphs 4 and 5 shall be omitted;

(*e*) for paragraph 6 there shall be substituted—

"6. Where a person has actual earnings in respect of the year commencing on 6th April 1987, or any subsequent year, upon which Class 1 contributions have been paid or treated as paid and, but for this paragraph, the ascertainment of any earnings factor of his in respect of such year by the application of paragraph 2 or 3 above would have the effect that—

(*a*) his earnings factor derived from those earnings, or

(*b*) the aggregate of his earnings factors derived from those earnings, and any earnings credited in respect of the same year, together with any derived from Class 2 or Class 3 contributions paid or credited in that year,

would fall short of—

(i) the qualifying earnings factor, by an amount not exceeding £50,

(ii) the standard level, by an amount not exceeding £50, or

(iii) one-half of the standard level, by an amount not exceeding £25,

the amount of that earnings factor as so ascertained shall, for the purpose of section 13(2)(*a*) of the Act, be increased by the amount of the shortfall, and the amount resulting shall be rounded up to the next whole pound.";

(*f*) for paragraph 7 there shall be substituted—

"7.—(1) A person's earnings factor derived in respect of the year commencing on 6th April 1987, or any subsequent year, from those of his earnings in contracted-out employment upon which contracted-out