

Government Circular No. 20/61 (Amended)
G.O. Reference No. S.2803/55 and S.2803/49

NATIONAL INSURANCE (ISLE OF MAN) ACT, 1961

Notice of intention to apply to contract certain
Officers of the Isle of Man Electricity Board out
of the State Graduated Pension Scheme.

(Regulation 3 of the National Insurance (Isle of Man) (Non-participation - Certificates) Regulations, 1961, and paragraph 3 of the National Insurance (Isle of Man) (Non-Participation - Boards of Tynwald) Order, 1961).

This notice is addressed to all officers of the Isle of Man Electricity Board whose employment qualifies them for superannuation benefits under the Superannuation (Officers of Boards) (Isle of Man Electricity Board) Scheme, 1960.

His Excellency the Lieutenant Governor hereby gives notice expiring on the 25th March, 1961, that after that date he intends to elect, in pursuance of his powers under the National Insurance (Isle of Man) (Non-Participation - Boards of Tynwald) Order, 1961, that the employments specified in paragraph A below shall be non-participating employments for the purposes of Part II of the National Insurance (Isle of Man) Act, 1961, in relation to the description of persons shown in paragraph B, being persons qualifying for superannuation benefits in the above-mentioned employment who are over the age of 18, other than persons who are over the age of 65 for men or 60 for women when contracting out begins on 3rd April, 1961.

A

EMPLOYMENTS

Employment under the Isle of Man Electricity Board, subject to and in which a person's service qualifies him for retirement benefits by way of pension under the Superannuation (Officers of Boards) (Isle of Man Electricity Board) Scheme, 1960.

B

DESCRIPTION OF PERSONS

(1) Employees whose rate of remuneration (as defined in paragraph (3)) from the employment concerned either -
(a) on the third day of April, 1961, or
(b) on the first day of any subsequent pay period, exceeds £13 a week in the case of a man or £12 a week in the case of a woman, other than employees who cannot before attaining the age of 65 years in the case of a man or 60 years in the case of a woman complete a period of 10 years service reckonable for pension purposes under the Superannuation (Officers of Boards) (Isle of Man Electricity Board) Scheme, 1960.

(2) Employees whose employment has been non-participating employment because their rate of remuneration has been in excess of the relevant amounts mentioned in paragraph (1) above and who have continued without a break in employment at a lesser rate of remuneration (as defined in paragraph (3) below) provided that either:-

- (a) on the first day of any pay period such lesser rate of remuneration exceeds £11 a week in the case of a man or £10 a week in the case of a woman; or
- (b) in a case not falling within the preceding sub-paragraph, the reduction is due to the working of shorter hours by reason of incapacity, so however that any employee whose remuneration is reduced on this ground shall not remain within the category of persons described in this paragraph after the expiry of the pay period current twelve months after the reduction began.

(3) For the purpose of the foregoing paragraphs the expression remuneration means the employee's basic salary or wages together with the money value of any apartments, rations or other allowances in kind appertaining to his employment and any emoluments which are a usual incident of his employment but excluding any travelling or subsistence allowances or other moneys to be spent, or to cover expenses incurred for the purposes of his employment. Provided that where the remuneration as so ascertained is not constant, the rate of remuneration for each pay period shall be regarded as exceeding the relevant amount specified in the foregoing paragraphs (1) and (2) if the remuneration ascertained as aforesaid, expressed as a weekly rate, will normally exceed that amount for more than half the weeks in any period of twelve months including the pay period in question.

The election will be made by means of an application by the Governor to the Registrar of Non-Participating Employments who will be asked for a certificate providing that the persons referred to above shall be contracted out of the graduated national insurance scheme. If he thinks fit the Registrar may, in the light of any representations made by persons to whom this notice is given, or by organisations representing those persons, defer the issue of a certificate to enable the decision to apply for contracting out to be further considered by those concerned.

By Order of His Excellency the Lieutenant Governor.

E. R. ST. A. DAVIES,

Government Secretary.

Government Office,
Isle of Man.
March, 1961.

EXPLANATORY NOTE.

(This is not part of the Notice of Intention but is intended to show its general effect).

It has been ascertained that, to contract all superannuable employees of the Isle of Man Electricity Board out of the National Insurance Graduated Pension Scheme, in accordance with the Notice of Intention already given, would mean that, for those employees earning under £13 a week (men) or £12 a week (women), larger total contributions (without any increase in benefits) would be required from both employee and employer than if those persons were participating in the Graduated Scheme. Accordingly His Excellency now proposes to apply for a Certificate of Non-Participation covering only those employees, eligible to be contracted out of the Scheme who earn more than £13 a week (men) or £12 a week (women).

The purpose of this Amended Notice of Intention therefore is to inform employees who are subject to the Superannuation (Officers of Boards) (Isle of Man Electricity Board) Scheme that the Governor, acting on behalf of the employer, will apply for a certificate of non-participation. The proposed certificate would provide broadly that such employees would be contracted out of the new graduated national insurance scheme (starting in April, 1961) if getting more than £13 a week (men) or £12 a week (women). The pay to be taken into account for this purpose is described in paragraph (3) under column B of the Notice. It would follow that employees getting less than these amounts would take part in the graduated scheme next April.

Some employees getting more than these amounts would also take part in the graduated scheme. These would be employees who could not be contracted out on age grounds (i.e. people who are over the age of 65 for men or 60 for women when contracting out begins or who are under the age of 18; and also people who cannot complete ten years of service reckoning for pension purposes by age 65 (men) or age 60 (women).

The certificate would also provide that any employees who became contracted out of the graduated scheme would continue to be contracted out, if in employment under the Board their pay fell, unless it fell below £11 a week (men) and £10 a week (women).

The Governor's application to the Registrar of Non-participating Employments for a certificate will be made some time after 25th March, 1961. It is open to any of the employees referred to in the first paragraph of the amended Notice of Intention, or organisations representing them, to make representations about what is proposed (see last paragraph of the Notice).