



# Family Allowances and National Insurance Act 1967

## 1967 CHAPTER 90

An Act to increase family allowances under the Family Allowances Act 1965 and make related adjustments of certain benefits under the National Insurance Act 1965 or the National Insurance (Industrial Injuries) Act 1965, to make further provision as to the time at which a person ceases to be a child within the meaning of those Acts, and for purposes connected therewith. [20th December 1967]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### **1 Increase of family allowances and related amendments.**

- (1) As regards allowances for periods after the 8th April 1968 the Family Allowances Act 1965 shall have effect—
  - (a) with the substitution of the words " fifteen shillings " for the words "eight shillings" and of the words " seventeen shillings " for the words " ten shillings " in section 1 (where the first amount mentioned gives the weekly rate of the allowance for the first child of a family other than the elder or eldest, and the second that of the allowance for any other such child); and
  - (b) with the substitution of the words " fifteen shillings " for the words " eight shillings " also in section 3(2) and paragraph 1(1) of the Schedule (where the amount mentioned gives the minimum weekly contribution required from a person towards the maintenance of a child not living with him, if the child is to be included in a family as being his issue or maintained by him).
- (2) The rates of benefit provided by Schedule 3 to the National Insurance Act 1965, as amended by the National Insurance Act 1967, shall be modified as follows:—
  - (a) the rates specified in column 3 (increases for only, elder or eldest qualifying child), and the rates specified in column 2 in paragraphs 7 and 9 (weekly

rate of guardian's allowance and of child's special allowance) shall each be increased by 3 s.;

- (b) the rates specified in column 4 (increases for second qualifying child) shall each be decreased by 4s.;
- (c) the rates specified in column 5 (increases for each additional qualifying child) shall each be decreased by 6s., except that those in paragraphs 4, 5 and 9 (widow's allowance, widowed mother's allowance, and child's special allowance) shall be decreased only by 4s.

Accordingly for the provisions of that Schedule as set out in Schedule 2 to the National Insurance Act 1967 there shall be substituted the provisions set out in Part I of Schedule 1 to this Act; and in the National Insurance Act 1967 section 1(1)(b) and Schedule 2 are hereby repealed.

- (3) In the provisions of Schedule 3 to the National Insurance (Industrial Injuries) Act 1965, as set out in Schedule 6 to the National Insurance Act 1967, there shall be made in paragraphs 7 and 11 the amendments provided for by Part I of Schedule 2 to this Act (being amendments modifying certain rates of benefit payable in respect of children).
- (4) The provisions set out in Part II of Schedule 1 to this Act and those set out in Part II of Schedule 2 shall respectively be substituted—
  - (a) for those of section 41(4)(b) of the National Insurance Act 1965 (which are to the like effect as the substituted provisions, except that they do not make provision for a special rate of benefit in respect of a second child); and
  - (b) for those of paragraph 1 of Schedule 5 to the National Insurance (Industrial Injuries) Act 1965 (which are also to the like effect as the substituted provisions, with the same exception).
- (5) Section 114(2)(c) of the National Insurance Act 1965 and section 86(2)(c) of the National Insurance (Industrial Injuries) Act 1965 (under which references to a person having a family which includes a child or children or to a child of a person's family are in those Acts to be construed by reference to the operation of the Family Allowances Act 1965) shall have effect by reference to the operation of the Family Allowances Act 1965 as modified by subsection (1)(b) above.
- (6) Schedule 3 to this Act shall have effect with respect to the commencement of subsections (2) to (5) above and with respect to the transitory matters dealt with in that Schedule.

## **2 Meaning of "child".**

- (1) The power to make regulations under section 13 of the Family Allowances Act 1965 shall, as regards England and Wales, include power to provide, either generally or for particular cases or classes of case,—
  - (a) that for the purpose of determining whether a person is to be treated as a child either—
    - (i) as being under the upper limit of the compulsory school age (in a case where by virtue of section 9(5) of the Education Act 1962 this may depend on the ending of a school term); or
    - (ii) as undergoing full-time instruction in a school;
 the term in any school or establishment shall be treated as ending on a date determined by or under the regulations, and the instruction given there during the term as continuing to or ending on that date accordingly;

- (b) that for the purpose of determining whether a person is to be treated as a child as undergoing full-time instruction in a school, a person who receives full-time instruction during any term shall be treated as continuing to receive it until the end of term (whether the actual end or the date treated as such by virtue of paragraph (a) above).
- (2) The power to make regulations as aforesaid shall, as regards Scotland, include power to provide, either generally or for particular cases or classes of case—
- (a) that for the purpose of determining whether a person is to be treated as a child either—
    - (i) as being under the upper limit of the compulsory school age (in a case where by virtue of section 33 of the Education (Scotland) Act 1962 the upper limit of school age may depend on the incidence of the school leaving dates required to be fixed by education authorities for their areas); or
    - (ii) as undergoing full-time instruction in a school;  
the school leaving date in respect of any school or establishment shall be treated as being a date determined by or under the regulations, and the instruction given there be treated as continuing to or ending on that date accordingly, whether or not any such date falls in a holiday period;
  - (b) that for the purpose of determining whether a person is to be treated as a child as undergoing full-time instruction in a school, a person who receives full-time instruction during any term shall be treated as continuing to receive it throughout the term or until the occurrence of any school leaving date which may be fixed under the regulations.
- (3) Section 114(2)(a) of the National Insurance Act 1965 and section 86(2) (a) of the National Insurance (Industrial Injuries) Act 1965 (under which the expression " child " is in those Acts to be construed by reference to the operation of the Family Allowances Act 1965) shall have effect accordingly; but section 114(2)(b) and section 86(2) (b) (which make corresponding provision about references to the upper limit of the compulsory school age) shall continue to have effect as if subsections (1) and (2) above had not been passed, and in the National Insurance (Industrial Injuries) Act 1965 the word "person" shall be substituted for the word " child " wherever occurring in section 86(2)(b) or in section 78 (which makes special provision as to contributions and as to injury benefit in the case of a child under the upper limit of the compulsory school age).

### **3 Expenses.**

- (1) There shall be paid out of moneys provided by Parliament any increase attributable to the provisions of this Act in the sums payable out of such moneys under the Family Allowances Act 1965.
- (2) Subject to the provision made by section 85 of the National Insurance Act 1965 for reimbursement out of the National Insurance Fund or by section 61 of the National Insurance (Industrial Injuries) Act 1965 for reimbursement out of the Industrial Injuries Fund, there shall be paid out of moneys provided by Parliament any increase attributable to this Act in the expenses of the Minister of Social Security or any other government department which are so payable under either of those sections.

**4 Citation and construction.**

- (1) This Act may be cited as the Family Allowances and National Insurance Act 1967, and—
  - (a) the Family Allowances Act 1965 and this Act may be cited together as the Family Allowances Acts 1965 and 1967; and
  - (b) this Act shall be included among the Acts that may be cited together as the National Insurance Acts 1965 to 1967, and among those that may be cited together as the National Insurance (Industrial Injuries) Acts 1965 to 1967.
- (2) This Act—
  - (a) in relation to allowances under the Family Allowances Act 1965 shall be construed as one with that Act; and
  - (b) in relation to benefit under the National Insurance Act 1965 shall be construed as one with that Act; and
  - (c) in relation to benefit under the National Insurance (Industrial Injuries) Act 1965 shall be construed as one with that Act.

*Status: This is the original version (as it was originally enacted).*

## SCHEDULES

### SCHEDULE 1

Section 1.

#### AMENDMENTS OF NATIONAL INSURANCE ACT 1965

#### PART I

#### PROVISIONS TO BE SUBSTITUTED IN SCHEDULE 3

#### RATES OF PERIODICAL BENEFITS AND OF INCREASES FOR DEPENDANTS

Description of Benefit	1			2			3			4			5			6		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.			
1. Unemployment or sickness benefit under s. 19(2) —																		
(a) in the case of a person over the age of 18,	4	10	0	1	8	0		13	0		11	0	2	16	0			

- In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
- In paragraph 2 of this Schedule, column 6 shall have effect subject to section 43(3)(b) of this Act.

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<i>1</i>	<i>2</i>		<i>3</i>			<i>4</i>		<i>5</i>		<i>6</i>		
<i>Description of Benefit</i>	<i>Weekly rate</i>		<i>Increase for only, elder or eldest qualifying child</i>			<i>Increase for second qualifying child</i>		<i>Increase for each additional qualifying child</i>		<i>Increase for adult dependant (where payable)</i>		
not being a married woman (b) in the case of a person under the age of 18, not being a married woman— (i) 4 during any period during which that person is entitled to an increase of benefit in respect of a child	10	0	1	8	0	13	0	11	0	2	16	0

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
2. In paragraph 2 of this Schedule, column 6 shall have effect subject to section 43(3)(b) of this Act.

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<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<i>Description of Benefit</i>	<i>Weekly rate</i>	<i>Increase for only, elder or eldest qualifying child</i>	<i>Increase for second qualifying child</i>	<i>Increase for each additional qualifying child</i>	<i>Increase for adult dependant (where payable)</i>
or adult dependant					
(ii) 2 during any other period	10	0	—	—	—
(c) in the case of a married woman over the age of 18					
(i) 4 during any period during which she is entitled to an increase of benefit in respect of her husband,	10	0	1 8 0	13 0	11 0 2 16 0

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
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<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>								
<i>Description of Benefit</i>	<i>Weekly rate</i>	<i>Increase for only, elder or eldest qualifying child</i>	<i>Increase for second qualifying child</i>	<i>Increase for each additional qualifying child</i>	<i>Increase for adult dependant (where payable)</i>								
or during which she is not residing with her husband nor is he contributing to her maintenance at not less than the relevant rate													
(ii) during any other period	3	2	0	1	8	0	13	0	11	0	2	16	0
(d) in the case of a married woman under the age													

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
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<i>1</i>	<i>2</i>		<i>3</i>			<i>4</i>		<i>5</i>		<i>6</i>		
<i>Description of Benefit</i>	<i>Weekly rate</i>		<i>Increase for only, elder or eldest qualifying child</i>			<i>Increase for second qualifying child</i>		<i>Increase for each additional qualifying child</i>		<i>Increase for adult dependant (where payable)</i>		
of 18— (i) during any period during which she is entitled to an increase of benefit in respect of her husband, or during which she is entitled to an increase of benefit in respect of a child or an adult dependant	4	10 0	1	8	0	13	0	11	0	2	16	0

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
2. In paragraph 2 of this Schedule, column 6 shall have effect subject to section 43(3)(b) of this Act.

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<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>								
<i>Description of Benefit</i>	<i>Weekly rate</i>	<i>Increase for only, elder or eldest qualifying child</i>	<i>Increase for second qualifying child</i>	<i>Increase for each additional qualifying child</i>	<i>Increase for adult dependant (where payable)</i>								
other than her husband and she is not residing with her husband nor is he contributing to her maintenance at not less than the relevant rate													
(ii) during any other period during which she is entitled to an increase of	3	2	0	1	8	0	13	0	11	0	2	16	0

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
2. In paragraph 2 of this Schedule, column 6 shall have effect subject to section 43(3)(b) of this Act.

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<i>1</i>	<i>2</i>		<i>3</i>			<i>4</i>		<i>5</i>		<i>6</i>					
<i>Description of Benefit</i>	<i>Weekly rate</i>		<i>Increase for only, elder or eldest qualifying child</i>			<i>Increase for second qualifying child</i>		<i>Increase for each additional qualifying child</i>		<i>Increase for adult dependant (where payable)</i>					
benefit in respect of a child or adult dependant															
(iii) 2 during any other period	10	0	—			—			—			—			
2. Unemployment or sickness benefit at a weekly rate determined under s. 19(3)	—		1	8	0		13	0		11	0	2	16	0	
3. Maternity allowance	4	10	0	1	8	0		13	0		11	0	2	16	0
4. Widow's allowance	6	7	0	2	5	6	1	10	6	1	8	6	—		
5. Widowed mother's allowance	4	10	0	2	5	6	1	10	6	1	8	6	—		

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
2. In paragraph 2 of this Schedule, column 6 shall have effect subject to section 43(3)(b) of this Act.

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1		2		3			4		5		6			
Description of Benefit		Weekly rate		Increase for only, elder or eldest qualifying child			Increase for second qualifying child		Increase for each additional qualifying child		Increase for adult dependant (where payable)			
6.	4	10	0	—			—		—		—			
	Widow's pension													
7.	2	5	6	—			—		—		—			
	Guardian's allowance													
8.														
	Retirement pension—													
(a)	2	16	0	1	8	0	13	0	11	0	—			
	where the pension is payable to a woman by virtue of her husband's insurance and he is alive													
(b)	4	10	0	1	8	0	13	0	11	0	2	16	0	
	in any other case													
9.	2	5	6	—			1	10	6	1	8	6	—	
	Child's special allowance													

1. In paragraphs 1(c)(i) and 1(d)(i) of this Schedule " the relevant rate " means a weekly rate equal to the difference under this Schedule between the rates of benefit applying if the husband is, and if he is not, contributing to the wife's maintenance at not less than the relevant rate.
2. In paragraph 2 of this Schedule, column 6 shall have effect subject to section 43(3)(b) of this Act.

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## PART II

### PROVISIONS TO BE SUBSTITUTED FOR SECTION 41(4)(B)

Where a man and his wife are both entitled to a retirement pension by virtue of his insurance—

- (i) they shall not both be entitled for the same period to an increase under the said section 40(1) in respect of the same child, nor shall they both be entitled for the same period, in respect of different children, to such an increase at the rate applicable to an only, elder or eldest child, nor both to such an increase at the rate applicable to a second child ;
- (ii) where one of them is entitled to such an increase at either of the rates above mentioned in respect of a child not included or treated as included in the other's family, the rates of any such increases to which the other is entitled shall be the rates which would have been appropriate if that child had been the elder or eldest or, as the case may be, the second child of the other's family.

## SCHEDULE 2

Section 1.

### AMENDMENTS OF NATIONAL INSURANCE (INDUSTRIAL INJURIES) ACT 1965

## PART I

### AMENDMENTS OF SCHEDULE 3

- 1 In Schedule 3 to the National Insurance (Industrial Injuries) Act 1965, as set out in Schedule 6 to the National Insurance Act 1967, in paragraph 7 (under which the weekly amount of increases in respect of children in industrial injury benefit or a disablement pension is £1 5s. for the first and 17s. for any other child) there shall be substituted for the entries in column 2—

“(a) in respect of only, elder or eldest child of beneficiary's family	£1 8s.
(b) in respect of second child of beneficiary's family	13s.
(c) in respect of each additional child of beneficiary's family	11s.”

- 2 In that Schedule, as so set out, in paragraph 11, in sub-paragraph (a) (under which the ordinary weekly rate of death benefit in respect of children of the deceased's family is £15s. for the first and 17s. for any other child) there shall be substituted for the entries in column 2—

“(i) in respect of only, elder or eldest qualifying child	£1 8s.
(ii) in respect of second qualifying child	13s.
(iii) in respect of each additional qualifying child	11s.”

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## PART II

### PROVISIONS TO BE SUBSTITUTED FOR SCHEDULE 5, PARAGRAPH 1

Where two or more persons satisfy the conditions, in respect of the same death, for receipt of an allowance or allowances under section 21 of this Act for any period—

- (a) not more than one of those persons shall be entitled for that period to such an allowance in respect of the same child, nor shall more than one of them be entitled for that period, in respect of different children, to such an allowance at a rate applicable to an only, elder or eldest child, nor more than one to such an allowance at a rate applicable to a second child ;
- (b) where one of them is entitled to such an allowance at a rate above mentioned in respect of a child not included in the family of the other or another of them, the rates of any such allowances to which that other is entitled shall be those that would have been appropriate if the child had been the elder or eldest or, as the case may be, the second child of that other's family ;
- (c) where the deceased leaves a widow or widower, then for any period for which she or he is entitled to death benefit as the deceased's widow or widower and satisfies the conditions for receipt of such an allowance in respect of a child, she or he shall be entitled to the allowance in respect of that child, and any allowance payable to her or him in respect of the only, elder or eldest or the second child of her or his family shall be payable at a rate applicable to such a child ;
- (d) subject to sub-paragraph (c) of this paragraph, regulations may make provision as to the priority in any prescribed circumstances of two or more persons satisfying the said conditions.

## SCHEDULE 3

Section 1.

### COMMENCEMENT AND TRANSITORY PROVISIONS

#### *Commencement of section 1(2) to (5)*

- 1 (1) The provisions of section 1(2) to (5) of this Act shall not come into force until such date as the Minister of Social Security may by order appoint.
- (2) Different days may be appointed under this paragraph for different purposes of section 1(2) to (5) or for the same purposes in relation to different cases or classes of case ; and if that is done, or if a day is appointed other than the 9th April 1968, then—
  - (a) an order under this paragraph may contain such incidental or supplemental provisions as appear to the Minister to be necessary or expedient as respects the period or any part of the period when the provisions contained in section 1 (or in Schedules 1 and 2 to this Act) are to have a partial operation only, and, in particular, may contain provisions modifying and supplementing, in relation to the period to which the order is to apply, the provisions so contained or those of any previous Act relating to national insurance ; and
  - (b) any provision made in pursuance of paragraph (a) above may be varied or revoked by a subsequent order of the Minister.
- (3) Section 107(4) of the National Insurance Act 1965 (which provides for orders under that Act to be subject to annulment in pursuance of a resolution of either House of Parliament) shall not apply to any order under this paragraph, but a statutory

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instrument containing any such order shall be laid before Parliament after being made.

*Awards made before changes in rates take effect*

- 2 (1) As from the 9th April 1968 any allowance under the Family Allowances Act 1965 awarded before that date shall, subject to any prescribed exceptions or conditions, become payable at the rate provided for by this Act, and the award shall have effect accordingly.
- (2) Accordingly any award of such an allowance made before that date either may provide for the allowance to be paid as from that date at the rate provided for by this Act or may be expressed in terms of the rates appropriate at the date of the award.
- 3 (1) Where the weekly rate of any benefit is affected by this Act, and before the date when the change takes effect (in this paragraph referred to as " the relevant date ") an award of that benefit has been made whether before or after the passing of this Act, then subject to such exceptions or conditions as may be prescribed the benefit shall, except as respects any period falling before the relevant date, become payable at the rate appropriate under or by virtue of this Act without any claim being made therefor in the case of an increase in the rate of benefit or any review of the award in the case of a decrease, and the award shall have effect accordingly.
- (2) Where the weekly rate of any benefit is affected by this Act, and before the relevant date (but after the date is appointed) an award is made of the benefit, the award either may provide for the benefit to be paid as from the relevant date at the rate appropriate under or by virtue of this Act or may be expressed in terms of the rates appropriate at the date of the award.

*Set-off of overpayments of benefit*

- 4 Where a beneficiary receives in respect of any persons as being, or as falling to be treated as, children of his family an amount of benefit which by reason of section 1 of this Act is not properly payable, but would have been properly payable according to the rates in force at the passing of this Act or at that of the National Insurance Act 1967, and he receives it for a period for which there are payable to him or anyone else in respect of those persons or any of them allowances under the Family Allowances Act 1965 at a rate which would not have been payable but for this Act, then the amount of benefit overpaid and not required to be repaid shall be treated as properly paid, but up to that amount any arrears of allowances payable under the Family Allowances Act 1965 for that period in respect of those persons shall be withheld.

*Calculation of contributions to cost of providing for child*

- 5 (1) Where for any purpose of the provisions amended by section 1(1)(b) of this Act the weekly rate at which a person contributes to the cost of providing for a child is to be calculated for a period after section 1(1)(b) applies, but account is taken of amounts referable to the period before it applies, then those amounts shall be treated as increased in proportion to the increase effected by section 1(1)(b) in the required rate of contributions.
- (2) In the case of any payment of benefit of which the amount is increased by this Act, the like principle shall be applied for purposes of section 42(1)(b) of the National

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Insurance Act 1965 or section 17(4)(b) of the National Insurance (Industrial Injuries) Act 1965 as is to be applied under sub-paragraph (1) above in the case provided for by that sub-paragraph.

*Continuation of previous rates of benefit in special cases*

- 6 As regards benefit of which any weekly rate is reduced by this Act, the Minister of Social Security may by regulations make provision, either generally or for particular cases or classes of case, for excluding the reduction in whole or in part where—
- (a) immediately before the reduction takes effect a person is entitled to any such benefit in respect of any children ; and
  - (b) during any period during which he continues without a break to be entitled to benefit (whether the same benefit or another) in respect of those children or any of them the aggregate weekly rate of the benefit to which he is entitled in respect of those children and of the allowances payable in respect of them under the Family Allowances Act 1965 is less than it would have been according to the rates in force at the passing of this Act or at that of the National Insurance Act 1967.

*Regulations*

- 7 Section 108 of the National Insurance Act 1965 and section 62(2) of the National Insurance (Industrial Injuries) Act 1965 (which require a draft of proposals for regulations under the Act to be submitted to the National Insurance Advisory Committee or Industrial Injuries Advisory Council, as the case may be) shall not apply to any regulations (whether made under this Schedule or not) if they are contained in a statutory instrument made before the expiration of the six months beginning with the date of the passing of this Act and the instrument states that it is made in consequence of the passing of this Act.

*Interpretation*

- 8 In this Schedule "benefit" means benefit under the National Insurance Act 1965 or the National Insurance (Industrial Injuries) Act 1965, and " beneficiary " has a corresponding meaning.