



National Insurance Act 1974

1974 CHAPTER 14

Benefits and contributions

1 Weekly rates of benefits under National Insurance Acts 1965 and 1966

- (1) In the National Insurance Act 1965 (hereafter in this Act referred to as "the Insurance Act"), in Schedule 3 (which sets out the weekly rates of benefits under that Act) there shall be substituted the provisions set out in Schedule 1 to this Act for those set out in Schedule 1 to the National Insurance and Supplementary Benefit Act 1973 (hereafter in this Act referred to as

“the Act of 1973”).

- (2) In sections 2(4) and 4(1) of the National Insurance Act 1966, in the words inserted by the amendments made by section 6 of the National Insurance Act 1971 (under which certain earnings-related benefits may include an amount equal to 15 per cent, of the amount, up to £12, by which the relevant earnings exceeded £30), for the word

“£12”

“£32” instead of the £24 substituted by section 1(2) of the Act of 1973.

2 Contributions under National Insurance Act 1965

- (1) In the Insurance Act, in Schedule 1 (which sets out the weekly rates of contributions under that Act) there shall be substituted the provisions set out in Schedule 2 to this Act for those set out in Schedule 2 to the Act of 1973 and section 5(1) of the Pensioners' Payments and National Insurance Act 1973 ; and there shall be paid out of money provided by Parliament any increase resulting from this subsection in the sums so payable by way of Exchequer supplement under section 7 of the Insurance Act.

- (2) In section 4(1) of the Insurance Act, in the paragraph (c) inserted by the amendment made by section 1(2) of the National Insurance Act 1969—

- (a) in sub-paragraphs (i) and (ii) (whereby, as those subparagraphs were originally enacted, the amount of any graduated contribution included $4\frac{3}{4}$ per cent, of any amount, up to £9, by which the relevant payment of remuneration

exceeded £9 in the case of an employment other than a non-participating employment and $\frac{1}{2}$ per cent, of that amount in the case of a non-participating employment), for the words " $4\frac{3}{4}$ per cent." and " $\frac{1}{2}$ per cent." there shall be substituted respectively the words

"5.50 per cent." and " 1.25 per cent." instead of the 5 per cent, and the 0.75 per cent, substituted by section 2(2) of the Act of 1973; and

- (b) in the words following those sub-paragraphs (whereby, as those words were originally enacted, the amount of any graduated contribution included $3\frac{3}{4}$ per cent, of any amount, up to £12, by which the relevant payment of remuneration exceeded £18), for the words " $3\frac{1}{4}$ per cent." and " £12 " there shall be substituted respectively the words

"5.50 per cent." and " £44 " instead of the 5 per cent, and £36 substituted by section 2(2) of the Act of 1973.

- (3) In sub-paragraph (iii) of section 10(1)(a) of the Insurance Act (which, as amended by section 2(3) of the Act of 1973, provides that regulations may except persons from liability to pay contributions where they are not in receipt of an annual income exceeding £520), for the word " £520 " there shall be substituted the word

"£650"; and the like substitution shall be made in any regulations in force by virtue of the said sub-paragraph (iii) at the passing of this Act.

- (4) The contributions to be paid under the Insurance Act in respect of the financial year 1974-75 out of money provided by Parliament shall include, in addition to the Exchequer supplements, the sum of £315 million instead of the amount required in respect of that year by subsection (4) of section 2 of the Act of 1973, and the contributions under this subsection shall be paid in such manner and at such times as the Treasury may determine.

3 Industrial injuries and diseases (benefits and contributions)

- (1) In the National Insurance (Industrial Injuries) Act 1965 (hereafter in this Act referred to as "the Industrial Injuries Act"), in Schedule 3 (which sets out the weekly rate or amount of benefit) there shall be substituted the provisions set out in Schedule 3 to this Act for those set out in Schedule 3 to the Act of 1973.

- (2) In the Old Cases Act the word " £6.05 " (instead of the word " £4.70 " substituted by section 3(3) of the Act of 1973) shall be substituted—

- (a) for the rate specified in section 2(6)(c) (maximum weekly rate of a lesser incapacity allowance supplementing workmen's compensation); and
(b) for the rate specified in section 7(2)(b) (industrial diseases benefit schemes: weekly rate of an allowance payable where disablement is not total).

- (3) In Part I of Schedule 2 to the Industrial Injuries Act, as amended by section 3(4) of the Act of 1973, in column 3 (which sets out the weekly rate of employers' contributions under the Industrial Injuries Act)—

- (a) the rate of 9p applicable where the insured person is a man over the age of 18 shall be amended to 10p;
(b) the rate of 7p applicable where the insured person is a woman over that age shall be amended to 9p;
(c) the rate of 4p applicable where the insured person is a boy under that age shall be amended to 5p; and

(d) the rate of 3p applicable where the insured person is a girl under that age shall be amended to 4p;

and there shall be paid out of money provided by Parliament any increase resulting from these amendments in the contributions so payable under section 2(1)(b) of the Industrial Injuries Act.

4 Relaxation of the earnings rule

(1) In section 30(7) of the Insurance Act (which, as amended by section 1(1) of the National Insurance (Amendment) Act 1972, provides for the reduction of a retirement pension for any week where the beneficiary is under 5 years over pensionable age and his or her earnings for the preceding week exceeded £9.50) and in section 43A(2) of that Act and section 18 (3 A) of the Industrial Injuries Act (which provide for the reduction of an increase under the said section 43A or 18 of a retirement, invalidity or disablement pension for any week where the beneficiary is residing with his wife and her earnings for the preceding week exceeded £9.50), for the word " £9.50 " there shall be substituted the word

“£13”.

(2) In paragraphs (a) and (b) of the said sections 43A(2) and 18 (3A) (which provide that the reduction shall be 5p for each 10p of so much of the excess earnings as is less than £2 and 5p for each 5p of any further excess), for the word " £2 " wherever it occurs there shall be substituted the word

“£4”.