
STATUTORY INSTRUMENTS

1989 No. 528

TERMS AND CONDITIONS OF EMPLOYMENT

The Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1989

Made - - - - *16th March 1989*
Coming into force - - *1st April 1989*

Whereas a draft of the following Order was laid before Parliament in accordance with sections 73(4B) and 75A(7) of the Employment Protection (Consolidation) Act 1978 (1) (“the 1978 Act”) and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by sections 73(4B), 75A(7), 154(3) and 154(4) of the 1978 Act and of all other powers enabling him in that behalf, hereby makes the following Order:—

Citation, commencement and revocation

1.—(1) This Order may be cited as the Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1989 and shall come into force on 1st April 1989.

(2) Subject to article 3(2), the Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1988 (2) (“the 1988 Order”) is revoked.

Increase of Limits

2.—(1) Subject to article 3, the minimum award of £2,400 provided for by section 73(4A) of the 1978 Act is increased to £2,520.

(2) Subject to article 3, the sum of £11,950 specified in section 75A(1) of the 1978 Act is increased to £12,550.

(3) Subject to article 3, the sum of £23,850 specified in section 75A(1) of the 1978 Act is increased to £25,040.

(4) Subject to article 3, the sum of £17,900 specified in section 75A(2) of the 1978 Act is increased to £18,795.

(1) [1978 c. 44](#); sections 73(4A) and 73(4B) were inserted by section 4(1) of the Employment Act 1982 (c. 46), and section 75A was inserted by section 5(3) of the Employment Act 1982.

(2) [S.I. 1988/277](#); this Order last increased the limits in sections 73(4A), 75A(1) and 75A(2) of the 1978 Act; previous Orders increasing the limits in those sections were [S.I. 1984/2021](#), [1985/2033](#) and [1986/2281](#)

Transitional provisions

3.—(1) The increases specified in article 2 shall have effect where the appropriate date falls on or after 1st April 1989.

(2) Notwithstanding the revocation of the 1988 Order, the limits set by or, as the case may be, preserved by articles 3 and 4 of that Order shall continue to have effect as provided by that Order where the appropriate date falls before 1st April 1989.

(3) In this article, “the appropriate date” means—

- (a) in the case of a complaint presented under section 67 of the 1978 Act (complaint of unfair dismissal), the effective date of termination;
- (b) in the case of a complaint presented under section 4 of the Employment Act 1980 **(3)**(complaint of unreasonable exclusion or expulsion from a trade union), the date of the refusal of the application for, or of the expulsion from, membership, as the case may be; or
- (c) in the case of a complaint presented under section 4 of the Employment Act 1988 **(4)** (complaint of unjustifiable discipline by a trade union), the date of the determination which the individual claims constituted an infringement of his right; and

“effective date of termination” has the same meaning as in section 55(4) of the 1978 Act except in a case in which section 55(5) or (6) of that Act **(5)**would have effect so as to treat a later date as the effective date of termination, in which case that later date shall be the effective date for the purposes of this article.

Signed by order of the Secretary of State.

16th March 1989

Patrick Nicholls
Parliamentary Under Secretary of State,
Department of Employment

(3) 1980 c. 42

(4) 1988 c. 19.

(5) Section 55(5) was amended, and section 55(6) inserted, by section 21(2) of and paragraph 1 of Schedule 3 to the Employment Act 1982.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st April 1989, increases from $\pounds 2,400$ to $\pounds 2,520$ the minimum basic award (before appropriate reductions) and increases the limits of $\pounds 11,950$, $\pounds 23,850$ and $\pounds 17,900$ to $\pounds 12,550$, $\pounds 25,040$ and $\pounds 18,795$ respectively, applicable to calculation of the special award. These limits and the minimum basic award are relevant to dismissals which are to be regarded as unfair by virtue of section 58 or 59(a) of the Employment Protection (Consolidation) Act 1978. The increase in the minimum basic award also affects the minimum amount of compensation that shall be awarded by the Employment Appeal Tribunal in respect of a complaint under section 4 of the Employment Act 1988 (unjustifiable discipline by a trade Union).