

These notes refer to the Welfare Reform Act (Northern Ireland) 2010 (c.13) which received Royal Assent on 13 August 2010

Welfare Reform Act (Northern Ireland) 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Social security

Section 12: Conditions for contributory employment and support allowance

This section amends the contribution conditions for employment and support allowance. The section amends the Welfare Reform Act (Northern Ireland) 2007 so that the number of tax years in which a person can pay national insurance contributions and qualify for employment and support allowance is reduced from three years to two. This aligns the period for employment and support allowance with that for jobseeker's allowance.

The section further amends the Welfare Reform Act (Northern Ireland) 2007 to provide that the first contribution condition for employment and support allowance is met by the claimant having paid, or being treated as having paid at least 26 weeks of Class 1 or Class 2 contributions on relevant earnings at the base year's lower earnings limit (£90 per week in 2008/09) in one of the two tax years prior to the claim. Class 1 national insurance contributions are those paid on earnings from employment. Class 2 national insurance contributions are those paid on earnings from self-employment. Relevant earnings are those upon which contributions have been paid and which count towards establishing entitlement.

The section provides a regulation-making power which will be used to set out the detail of the calculation to determine whether a person has paid contributions on enough earnings to be entitled to the contributory benefit. The existing regulation-making power in the Welfare Reform Act (Northern Ireland) 2007 is amended to allow for further prescribed categories of claimants, for example partners of overseas service personnel, to satisfy the first contribution condition by alternative criteria.