

I assent.

(L.S.)

ANTON BUTTIGIEG
President

8th February, 1980

ACT No. V of 1980

AN ACT further to amend the National Insurance Act, 1956.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:—

Short title
and
commencement.

1. (1) This Act may be cited as the National Insurance (Amendment) Act, 1980, and shall be read and construed as one with the National Insurance Act, 1956, hereinafter referred to as “the principal Act”.

(2) The following provisions of this Act shall have effect as follows:

(a) paragraph (a) of section 22 shall have effect from the 22nd day of January, 1979;

(b) paragraph (c) of section 8 and paragraph (b) of section 10 shall have effect from the 2nd day of June, 1979;

(c) sections 5, 8 (with the exception of paragraph (c) thereof), 9, 10 (with the exception of paragraph (b) thereof), 14, 15, 16, 17, 18, 19, 20, 21, 22 (with the exception of paragraph (a) thereof), 25 and 26 shall have effect from the 5th day of January, 1980;

(d) sections 2, 3, 4, 11, 24 and 27 shall have effect from the 7th day of January, 1980.

Amendment of
section 2 of the
principal Act.

2. In the second proviso to the definition of “pensionable income” in section 2 of the principal Act, sub-paragraphs (i) and (ii) shall be substituted by the following new sub-paragraphs:

“(i) if, in accordance with the provisions of this Act, the rate of contribution last payable by him as a self-employed person is a class two contribution at the rate of the lowest category specified in the first column of Part II of the Second Schedule to this Act, his

pensionable income shall be his pensionable income calculated as aforesaid or the amount specified at the time of his retirement against that category in the second column of the said Part II, whichever is the lower amount;

(ii) if, in accordance with the provisions of this Act, the rate of contribution last payable by him as a self-employed person is a class two contribution at any one of the rates of the other lower categories specified in the first column of Part II of the aforesaid Second Schedule, his pensionable income shall be his pensionable income calculated as aforesaid, so however that —

(a) where such pensionable income is less than the lower limit specified at the time of his retirement in the second column of the aforesaid Part II for that particular category of contributions, the pensionable income shall be the amount of that limit; and

(b) where such pensionable income exceeds the upper limit specified at the time of his retirement in the said column for that particular category of contributions, the pensionable income shall be the amount of that limit;

(iii) if, in accordance with the provisions of this Act, the rate of contribution last payable by him as a self-employed person is a class two contribution at the full rate, his pensionable income shall be the pensionable income calculated as aforesaid or the amount specified at the time of his retirement in the second column of Part II of the Second Schedule to this Act against the “Full Rate” category of contributions, increased by one cent, whichever is the higher amount, but without prejudice to the first proviso to this definition;”.

3. In subsection (2) of section 5 of the principal Act, for the words “classes” and “class” there shall be substituted respectively the words “categories” and “category”.

Amendment of section 5 of the principal Act.

4. Section 5A of the principal Act shall be amended as follows:

(a) in subsection (1) thereof, for the figures “£490” and “£290” there shall be substituted respectively the figures “£548” and “£348”;

Amendment of section 5A of the principal Act.

(b) in subsection (3) thereof, for the words “the classes set out in the first column” there shall be substituted the words “the categories set out in the first column”, and for the words “set out for that class in the second column” there shall be substituted the words “set out for that category in the third column”;

(c) for the first proviso to subsection (3) thereof, there shall be substituted the following:

“Provided that payment of the class two contribution at the rate of any one of the lower categories specified in the first column of Part II of the said Second Schedule shall only be effected by an insured person at his option and if he proves to the satisfaction of the Director that his total net income does not exceed the upper limit specified in the said Part II of the Second Schedule for the applicable category; and for the purposes of this proviso —

(a) where a person has exercised the option aforesaid and furnished the required proof to the Director, a class two contribution at the appropriate lower rate shall be payable with effect from the date on which the said

option has been exercised or from such earlier date as the Director may determine; and

(b) where an insured person is not gainfully occupied, a service pension shall not be deemed to form part of his total net income.”;

(d) for the second proviso to subsection (3) thereof there shall be substituted the following:

“Provided further that for the purposes of this Act where a person is allowed to pay a class two contribution at any of the lower rates under this subsection (except during any period in which he is registered as an unemployed person under Part I of the Register kept under the Employment Service Act, 1955) he may not change the option made under the foregoing proviso, nor may he pay a contribution at the rate of any higher category of contribution, except that in the case of a person who first becomes a self-employed person on or after the 16th day of January 1979, he may change his option or apply to pay at the rate of a higher category within two years from the date of his first becoming a self-employed person; and a person who changes his option or who applies to pay at the rate of a higher category of contribution may not again change that option or apply to pay at the rate of a higher category of contribution under this proviso, and he shall moreover be liable to pay the higher rate of contribution with effect from the date of his first becoming a self-employed person.”; and

(e) in subsection (6) thereof, for the words “a class two contribution at the lower rate” there shall be substituted the words “a class two contribution at the lowest rate”.

Act XIV of
1955

Amendment of
section 10 of the
principal Act.

5. In sub-paragraph (ii) of paragraph (a) of subsection (3) of section 10 of the principal Act, for the figure “£1181” there shall be substituted the figure “£1431”.

Amendment of
section 12 of the
principal Act.

6. In paragraph (a) of subsection (4) of section 12 of the principal Act, immediately after the words “on that day” there shall be inserted the words “or has done work for which remuneration is ordinarily payable, whether or not any remuneration has in fact been received.”.

Amendment of
section 15 of the
principal Act.

7. Subsection (2) of section 15 of the principal Act shall be amended as follows:

(a) in paragraph (c) thereof, for the words “or training.” there shall be substituted the words “or training;”; and

(b) immediately after paragraph (c) thereof, there shall be added the following new paragraph:

“(d) he has not been deemed to be unemployed in accordance with the provisions of paragraph (a) of subsection (4) of section 12 of this Act except where he has informed the Director of the work performed not later than ten days from the commencement of such work.”.

Amendment of
section 16 of the
principal Act.

8. Section 16 of the principal Act shall be amended as follows:

(a) in subsection (3) thereof, for the words “board, committee” there shall be substituted the words “board, committee, commission”;

(b) for subsection (4) thereof, there shall be substituted the following:

“(4) Subject to the provisions of subsection (4A) of this section, a widow under the age of 60 years shall be entitled to a supplementary pension at the rate of £7.63 per week in addition to the rate of widow’s pension applicable to her under this Act; and a supplementary pension shall only be payable so long as a widow’s pension is payable to her and only until she reaches the age of 60 years.”; and

(c) immediately after subsection (4) thereof, there shall be inserted the following new subsections:

“(4A) A supplementary pension shall in every case be abated by the amount of any pension received by the widow from a former employer of her late husband which is in any way related to the employment of her late husband.

(4B) For the purposes of this Act, a supplementary pension in accordance with subsection (4) of this section shall be considered as a benefit under this Act.”.

9. Section 17 of the principal Act shall be amended as follows:

Amendment of
section 17 of the
principal Act.

(a) in the proviso to each of subsections (1A) and (1C) thereof, for the words “board, committee” wherever they occur, there shall be substituted in each case the words “board, committee, commission”;

(b) immediately after subsection (3A) thereof there shall be added the following new subsection:

“(3B) Where an insured person whose retirement occurs on or after 22 January 1979 is entitled to a gratuity (as defined in section 88 of this Act), such gratuity shall be converted into a notional yearly pension equivalent to five per centum of the said gratuity and the resultant figure shall, with effect from 5 January 1980, be treated as a service pension for the purpose of determining, in accordance with subsection (3) of this section, whether his service pension and the rate of retirement pension applicable in his case exceed or do not exceed two-thirds of his pensionable income.”; and

(c) immediately after sub-paragraph (a) of paragraph (ii) of subsection (11) thereof, there shall be added the following proviso:

“Provided that where the said best consecutive period ends on the last day of the year immediately preceding retirement, the reference to the “highest post” in this paragraph shall include any post occupied by the pensioner up to the date of his retirement.”.

10. Section 25 of the principal Act shall be amended as follows:

Amendment of
section 25 of the
principal Act.

(a) for subsection (4) thereof there shall be substituted the following:

“(4) Subject to the provisions of subsection (4A) of this section a widow under the age of 60 years shall be entitled to a supplementary pension at the rate of £7.63 per week in addition to the widow’s benefit payable under this Act; and a supplementary pension shall only be payable so long as a widow’s benefit is payable to her and only until she reaches the age of 60 years.”;

(b) immediately after subsection (4) thereof, there shall be inserted the following new subsections:

“(4A) A supplementary pension shall in every case be abated by the amount of any pension received by the widow from a former employer of her late husband which is in any way related to the employment of her late husband.

(4B) For the purposes of this Act, a supplementary pension in accordance with subsection (4) of this section shall be considered as a benefit under this Act.”.

Amendment of
section 54A of
the principal
Act.

11. In subsection (1) of section 54A of the principal Act, immediately after the words “class two contribution”, there shall be inserted the words “which he is liable under this Act to pay”.

Amendment of
section 62 of
the principal
Act.

12. In subsection (1) of section 62 of the principal Act, for the words “pension or a guardian’s allowance a sum not exceeding five hundred pounds” there shall be substituted the words “pension, a guardian’s allowance or a pension under Part IX of this Act, such sum as the Court may, having regard to the circumstances of the case, determine”.

Amendment of
section 63B of
the principal
Act.

13. In subsection (2) of section 63B of the principal Act, immediately after the words “indicated in the request” there shall be inserted the words “or knowingly or recklessly provides incorrect information”.

Amendment of
section 75 of
the principal
Act.

14. Immediately after section 75 of the principal Act, there shall be inserted the following proviso:

“Provided that this subsection shall not apply to any person who is following a full-time course of study or instruction, under the Worker-Student or Pupil-Worker Schemes or other similar schemes, involving distinct work and study periods, for which he is receiving remuneration.”.

Amendment of
section 76 of
the principal
Act.

15. For paragraph (a) of section 76 of the principal Act there shall be substituted the following:

“(a) in the case of a child allowance —

(i) in respect of the first eligible child 250 cents per week;

(ii) in respect of the second eligible child 200 cents per week;

(iii) in respect of the third eligible child 130 cents per week;”.

Amendment of
section 90 of
the principal
Act.

16. Section 90 of the principal Act shall be amended as follows:

(a) in the proviso to subsection (1) thereof, for the words “board, committee” there shall be substituted the words “board, committee, commission”; and

(b) in subsection (2) thereof, for the figure “£490” there shall be substituted the figure “£548”.

Amendment of
section 91 of
the principal
Act.

17. Section 91 of the principal Act shall be amended as follows:

(a) in paragraph (a) of the proviso to subsection (2) thereof, for the words “section 16A of this Act, as the case may be” there shall be substituted the words “section 16A of this Act”;

(b) for paragraph (b) of the proviso to subsection (2) thereof, there shall be substituted the following:

“(b) no account shall be taken of contributions credited under section 9 of this Act while the insured person was entitled to a pension under section 16A of this Act.”; and

(c) in subsection (3) thereof —

(i) in paragraph (a) thereof, for the figures “£18.88” and “£22.65” there shall be substituted respectively the figures “£22.88” and “£27.45”;

(ii) paragraph (b) thereof shall be deleted; and

(iii) in paragraph (c) thereof, for the figure “£30.68” there shall be substituted the figure “£46.62”.

18. For section 93 of the principal Act there shall be substituted the following new section:

Substitution
of section
93 of the
principal Act.

“93. Where a person qualifies for a pension under Part III of this Act and for a pension under this Part, he shall be entitled to receive the pension which is more advantageous to him, but only such pension; but when in accordance with this section a pension under this Part becomes payable to him, he shall continue to receive only that pension.”

19. Immediately after the proviso to subsection (4) of section 96 of the principal Act, there shall be inserted the following proviso:

Amendment of
section 96 of
the principal
Act.

“Provided further that where the best consecutive period referred to in the said paragraph (a) ends on the last day of the year immediately preceding retirement, the reference to the “highest post” in the said paragraph (a) shall include any post occupied by the pensioner up to the date of his retirement.”

20. For the proviso to paragraph (b) of section 97 of the principal Act, there shall be substituted the following:

Amendment of
section 97 of
the principal
Act.

“Provided that where the said net income exceeds the limit or upper limit specified in the second column of Part II of the Second Schedule to this Act, at the time when a contribution was last paid by him, against that particular category of contribution, the pensionable income shall be the latter amount, increased as aforesaid.”

21. For the proviso to paragraph (b) of subsection (1) of section 98 of the principal Act, there shall be substituted the following:

Amendment of
section 98 of
the principal
Act.

“Provided that where the said net income exceeds the limit or upper limit specified in the second column of Part II of the Second Schedule to this Act, at the time when a contribution was last paid by him, against that particular category of contribution, the pensionable income shall be the latter amount, increased as aforesaid.”

22. Section 100 of the principal Act shall be amended as follows:

Amendment of
section 100 of
the principal
Act.

(a) in subsection (5) thereof, for the words “together exceed two-thirds of the pensionable income” there shall be substituted the words “together exceed two-thirds (or such other fraction as may have been substituted therefor in accordance with subsection (4) of section 91 of this Act) of the pensionable income”; and

(b) in subsection (9) thereof, for the figure “£490” there shall be substituted the figure “£548”.

23. Immediately after paragraph 2 of Part I of the First Schedule to the principal Act, there shall be inserted the following new paragraphs:

Amendment of
the First
Schedule to
the principal
Act.

“3. Service after 14th August 1979 in any of the offices specified in sections 49, 60(1), 81 and 89 of the Constitution.

4. Any period after 1st April 1978 during which a person is following a full-time course of studies or instruction under the

Worker-Student or Pupil-Worker Schemes or other similar schemes, involving distinct work and study periods, for which he is receiving remuneration.”.

Substitution of
the Second
Schedule to
the principal
Act.

24. For the Second Schedule to the principal Act, there shall be substituted the following:

“SECOND SCHEDULE

Section 5, 5A

Weekly Rates of Contributions

PART I

Class One Contributions

Category	Employed Persons	Weekly rate of contribution payable by the employed person, by his employer, and out of the Consolidated Fund
A	1. Boys and girls over the age of 14 but under insurable age ...	£1.14
	2. Persons of insurable age and over whose basic wage or salary (excluding overtime, commissions, remuneration in kind or any form of bonus) —	
B	(i) does not exceed £27.45 per week or £1,431 per annum	£2.15
C	(ii) exceeds £27.45 per week or £1,431 per annum but does not exceed £35.12 per week or £1,831 per annum ...	£2.52
D	(iii) exceeds £35.12 per week or £1,831 per annum but does not exceed £42.79 per week or £2,231 per annum ...	£2.83
E	(iv) exceeds £42.79 per week or £2,231 per annum but does not exceed £50.46 per week or £2,631 per annum ...	£3.12
F	(v) exceeds £50.46 per week or £2,631 per annum ...	£3.42

PART II

Class Two Contributions

Category	Self-Employed Persons	Weekly rate of Class Two Contributions
<i>Lower Rates</i>	Persons whose total net income —	
SA	does not exceed £1,431 per annum:	£2.83
SB	exceeds £1,431 per annum but does not exceed £1,961 per annum; ...	£3.62
SC	exceeds £1,961 per annum but does not exceed £2,491 per annum; ...	£4.41
SD	exceeds £2,491 per annum but does not exceed £3,021 per annum; ...	£5.20
<i>Full Rate</i>	exceeds £3,021 per annum; ...	£6.00".

25. For the Third Schedule to the principal Act there shall be substituted the following:

Amendment of
the Third
Schedule to
the principal
Act.

"THIRD SCHEDULE

Section 10, 24, 30

PART I

*Rate of Benefit other than Sickness Benefit, Unemployment Benefit,
Special Unemployment Benefit, Injury Benefit, Disablement Pension,
Guardian's Allowance and Orphan's Allowance*

Kind of Benefit	Weekly Rate	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
(a) National Minimum Pension ...	11.64,0	18.30,0
(b) Increased Retirement Pension ...	10.43,0	17.04,0
(c) Retirement Pension ...	7.40,0	12.10,0
(d) Increased Invalidity Pension ...	10.43,0	17.04,0
(e) Invalidity Pension ...	7.40,0	12.10,0
(f) Widow's Pension ...	10.43,0	—
(g) Widow's Special Allowance ...	3.86,0	—
(h) Death Benefit:		
(i) Widow's Benefit ...	12.04,0	—
(ii) Widower's Benefit ...	12.04,0	—
(iii) Widow's Allowance ...	4.59,0	—
(iv) Parent's Allowance ...	10.43,0	17.04,0

PART IA

Rate of Sickness Benefit, Unemployment Benefit, Special Unemployment Benefit and Injury Benefit

Kind of Benefit	Daily Rate	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
(a) Sickness Benefit	1.74,0	2.83,0
(b) Unemployment Benefit	1.24,0	2.02,0
(c) Special Unemployment Benefit	1.90,0	3.00,0
(d) Injury Benefit —		
Persons of insurable age ...	3.25,0	4.37,0
Persons under insurable age ...	1.48,0	2.61,0

PART II

Amount of Marriage Grant

£ c m
78.87,0

PART III

Amounts of Disablement Gratuity

Degree of Disablement	Amount of Gratuity
%	£ c m
1	37.60,0
2	75.20,0
3	112.80,0
4	150.40,0
5	188.00,0
6	225.60,0
7	263.20,0
8	300.80,0
9	338.40,0
10	376.00,0
11	413.60,0
12	451.20,0
13	488.80,0
14	526.40,0
15	564.00,0
16	601.60,0
17	639.20,0
18	676.80,0
19	714.40,0

PART IV

Rates of Disablement Pension

Degree of Disablement	WEEKLY RATES	
	Persons of Insurable Age	Persons under Insurable Age
%	£ c m	£ c m
100	10.43,0	5.22,0
90	9.80,0	4.59,0
80	8.16,0	4.08,0
70	7.26,0	3.63,0
60	6.20,0	3.10,0
50	5.56,0	2.78,0
40	4.46,0	2.23,0
30	3.50,0	1.75,0
20	2.46,0	1.23,0

PART V

Increase of Disablement Benefit for a wife when the loss of faculty renders husband incapable of work and likely to remain permanently so incapable

Weekly Rate
£ c m
6.61.0

PART VI

Increase of Widow's Pension, Widow's Benefit and Widower's Benefit for a child

Kind of Benefit	Weekly Rate per child for children in respect of whom a child's allowance is being paid under Part VIII of this Act	Weekly Rate per child for all other children
	£ c m	£ c m
(a) Widow's Pension	0.85,0	1.20,0
(b) Widow's Benefit	0.85,0	1.20,0
(c) Widower's Benefit	0.85,0	1.20,0

PART VII

Rate of Guardian's Allowance and Orphan's Allowance

Kind of Benefit	Weekly Rate where a child's Allowance is being paid under Part VIII of this Act	Weekly Rate where no child's Allowance is being paid under Part VIII of this Act
	£ c m	£ c m
Guardian's Allowance	1.89,0	2.43,0
Orphan's Allowance	2.97,0	3.83,0".

Amendment of
the Fifth
Schedule to
the principal
Act.

26. For the Fifth Schedule to the principal Act there shall be substituted the following:

"FIFTH SCHEDULE

Section 10

PART I

Reduced Amounts of Marriage Grant

Number of contributions paid by insured woman	Amount of Marriage Grant
	£ c m
250 or more (Full amount)	78.87,0
225 — 249	74.77,0
200 — 224	66.88,0
175 — 199	59.00,0
150 — 174	51.11,0
125 — 149	43.22,0
100 — 124	35.33,0
75 — 99	27.45,0

PART II

Reduced Rates of Benefits

A. National Minimum Pension

Yearly average of contributions paid or credited	Weekly Rate of National Minimum Pension	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
50 or more (full rate)	11.64,0	18.30,0
40 — 49	10.36,0	16.29,0
30 — 39	8.03,0	12.63,0
20 — 29	5.70,0	8.97,0

B. Increased Retirement Pension and Increased Invalidity Pension

Yearly average of contributions paid or credited	Weekly Rate of Increased Retirement Pension and Increased Invalidity Pension	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
50 or more (full rate)	10.43,0	17.04,0
40 — 49	9.28,0	15.17,0
30 — 39	7.20,0	11.76,0
20 — 29	5.11,0	8.35,0

C. Retirement Pension and Invalidity Pension

Yearly average of contributions paid or credited	Weekly Rate of Retirement Pension and Invalidity Pension	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
50 or more (full rate)	7.40,0	12.10,0
40 — 49	6.66,0	10.98,0
30 — 39	5.10,0	8.34,0
20 — 29	3.72,0	6.12,0

D. Widow's Pension

Yearly average of contributions paid or credited	Weekly Rate of Widow's Pension	
	£	c m
50 or more (full rate)	10.43	0
40 — 49	9.28	0
30 — 39	7.20	0
20 — 29	5.11	0

E. Sickness Benefit

Number of contributions paid or credited in the relevant contribution year	Daily Rate of Sickness Benefit	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
50 or more (full rate)	1.74,0	2.83,0
40 — 49	1.55,0	2.52,0
30 — 39	1.20,0	1.95,0
20 — 29	0.85,0	1.39,0

F. Unemployment Benefit

Number of contributions paid or credited in the relevant contribution year	Daily Rate of Unemployment Benefit	
	Single Person or Married Woman	Married Man
	£ c m	£ c m
50 or more (full rate)	1.24,0	2.02,0
40 — 49	1.11,0	1.83,0
30 — 39	0.85,0	1.39,0
20 — 29	0.62,0	1.02,0