

REF COR/00340/92



cc Secretary
MC

8

June 1992

TO: 1. Mr Spence
2. PS/Mr Atkins

FROM: D P Owens, Industrial Relations Division, DED

LETTER DATED 19 MAY 1992 FROM MR CARLIN OF NIC.ICTU RE COMPENSATION FOR LOSS
OF EMPLOYMENT

I attach a Background Note and draft reply to Mr Carlin for consideration.

D P OWENS

ENC



DEPARTMENT OF ECONOMIC DEVELOPMENT
An Equal Opportunities Organisation

BACKGROUND NOTE RE LETTER DATED 19 MAY 1992 FROM MR TERRY CARLIN, THE NORTHERN IRELAND OFFICER OF THE NORTHERN IRELAND COMMITTEE, IRISH CONGRESS OF TRADE UNIONS (NIC.ICTU) TO THE SECRETARY OF STATE ABOUT COMPENSATION FOR LOSS OF EMPLOYMENT DUE TO BOMBINGS

Background

1. Terry Carlin, the NI Officer of NIC.ICTU, wrote to the Secretary of State on 19 May 1992 about compensation for workers who lose their jobs as a result of bombings. He states that the Irish Congress of Trade Unions feels that legislation should be amended to include the rights of workers to compensation in these circumstances. Mr Carlin's letter has been passed to this Department for reply.

Existing Statutory Provisions

2. When a business closes down for whatever reason causing a permanent cessation of work there will normally be a redundancy situation as closure generally operates to terminate existing contracts of employment. Employees are thereby dismissed, thus bringing into operation the statutory redundancy entitlement provisions of the Contracts of Employment and Redundancy Payments Act (NI) 1965 (the 1965 Act). Workers who are only temporarily laid-off in such circumstances may also be entitled to a redundancy payment or to a guarantee payment under the provisions of the Industrial Relations (No.2) (NI) Order 1976.
3. In the vast majority of cases, redundancy or temporary lay-offs are due to economic factors but, of course, they can also be caused by business premises being damaged or destroyed by terrorist bombs (ie the circumstances with which Mr Carlin is concerned) and the provisions of the 1965 Act and the 1976 Order apply equally in these circumstances.
4. There is therefore no need to amend the existing legislation in respect of redundancy or guarantee payments.

Scheme for Compensation for Loss of Employment due to Civil Unrest

5. This extra - statutory Scheme makes provision for compensation to be paid to employees who have suffered involuntary loss of employment due to circumstances connected with civil disturbances in Northern Ireland eg threats or intimidation. In such cases, the job remains in existence and

dismissal is not a prerequisite as for statutory redundancy entitlement. While this Scheme has no direct bearing on the issue raised in this case it is considered appropriate to refer to it in the reply to Mr Carlin.

6. A draft reply to Mr Carlin is attached for consideration.

Industrial Relations Division

June 1992

DRAFT

Mr T Carlin
Northern Ireland Officer
Northern Ireland Committee
Irish Congress of Trade Unions
Congress House
3 Wellington Park
BELFAST
BT9 6DJ

Your ref: tc/mt

June 1992

COMPENSATION FOR LOSS OF EMPLOYMENT

I refer to your letter dated 19 May 1992 to the Secretary of State about compensation for workers who lose their employment because of bombings. In your letter you state that the Irish Congress of Trade Unions feels that the legislation should be amended to provide for compensation in such cases.

Your letter has been passed to this Department which is responsible for the administration of employment protection legislation in Northern Ireland.

Workers who are made redundant are (subject to the satisfaction of certain conditions) entitled to statutory redundancy payments under the provisions of the Contracts of Employment and Redundancy Payments Act (NI) 1965.

Workers who are laid-off temporarily may also be entitled to a statutory redundancy payment under the 1965 Act or to a guarantee payment under the Industrial Relations (No. 2) (NI) Order 1976 and these rights apply whether the redundancies or lay-offs are due to economic factors (which is the usual case) or to business premises being destroyed or damaged by terrorist bombings. It is therefore considered that no amendment to existing legislation is necessary.

While not strictly relevant to the circumstances referred to in your letter, I would remind you of the existence of the Scheme for Compensation of Loss of Employment through Civil Unrest. Under this Scheme, workers who have had to leave their employment because of threats or intimidation are also entitled to compensation even though they have not actually been made redundant or laid-off. The amount of compensation in such cases is calculated on a similar basis to that in cases of actual redundancy.

I hope that you will find the above helpful.

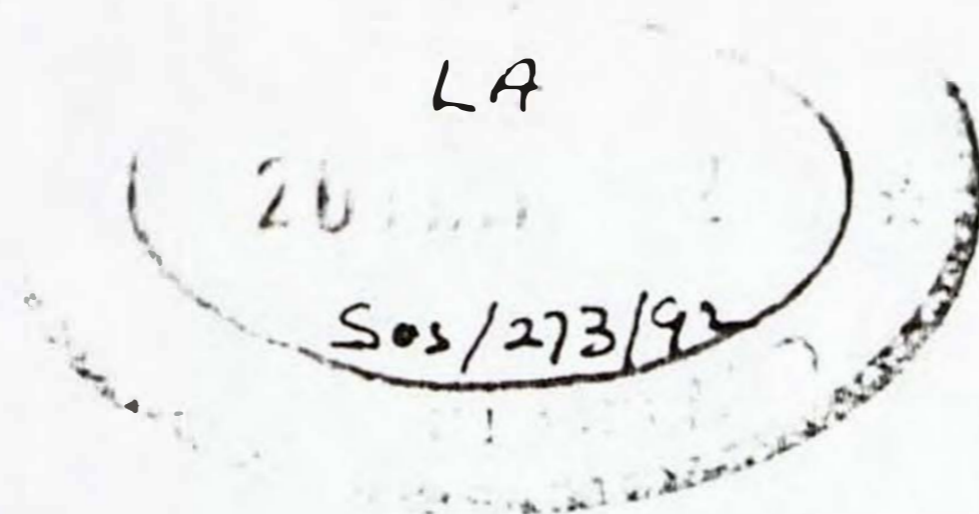
PS/MR ATKINS



Northern Ireland Committee Irish Congress of Trade Unions

Congress House,
3 Wellington Park
Belfast BT9 6DJ.
Telephone: (0232) 681726
Fax No. 682126
Northern Ireland Officer: Terry Carlin
General Secretary: Peter Cassells

19 May 1992



Our ref: tc/mt

Sir Patrick Mayhew MP
Secretary of State for Northern Ireland
Stormont Castle
Belfast 4

Dear Sir Patrick

COMPENSATION FOR LOSS OF EMPLOYMENT

Arising from the terrorist bombing campaigns, the Northern Ireland Committee ICTU is aware of Government's responsibilities for compensating the owners of property which is damaged in such attacks.

However, there are occasions when workers lose employment, either temporarily or permanently, because of bombings, and currently there is no provision in legislation to compensate these workers for their loss.

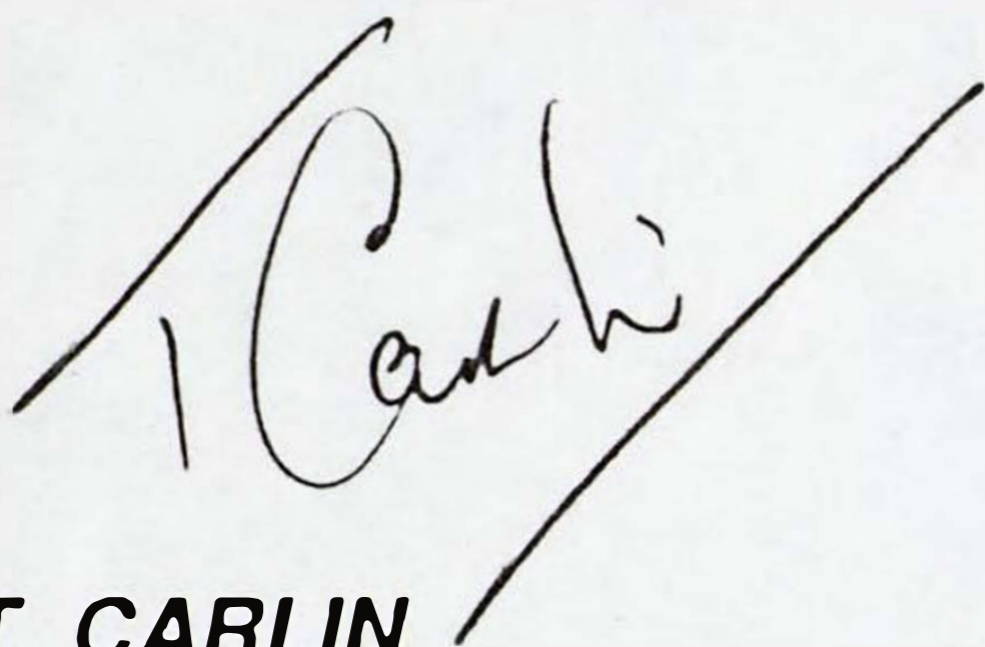
The Arts and Entertainment Committee of the ICTU raised this issue previously specifically with reference to the bombing of the Grand Opera House. However the issue does affect other workers.

In some of his public comments, the previous Minister, Mr. Needham, gave undertakings that every building would be fully restored and would end up better than before the bombings. We have no dispute with that philosophy. By contrast however workers have been laid off as a result of car bombs and fire bombs, and have no recourse to compensation.

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The Irish Congress of Trade Unions feels that the legislation should be amended to specifically include the rights of workers to compensation in these circumstances, and we would be grateful if you would give this matter your early attention and move to introduce legislation which would provide such compensation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T. Carlin', with a long horizontal stroke extending to the right.

T. CARLIN
NORTHERN IRELAND OFFICER