

OBJECTS AND REASONS

This Bill would amend the *National Insurance and Social Security Act, Cap. 47*

- (a) to provide for a deferment of the payment of the national insurance contributions payable by employers with effect from 1st July 2009 to 30th June 2010, if there is compliance with the conditions specified; and
- (b) to provide for related matters.

Arrangement of Sections

Section

1. Short title.
2. Insertion of new sections 18C and 18D in Cap. 47.

BARBADOS

A Bill entitled

An Act to amend the *National Insurance and Social Security Act*.

ENACTED by the Parliament of Barbados as follows:

1. This Act may be cited as the *National Insurance and Social Security (Amendment) Act, 2010*. Short title.

Insertion of
new
sections
18C and
18D in Cap.
47.

2. The *National Insurance and Social Security Act* is amended by inserting the following new sections immediately after section 18B:

"Deferment
of employ-
er's
contribu-
tion.

18C. (1) With effect from 30th June, 2009 payment of the employer's contribution under this Act in the amount of 8.75 percent may be deferred on the terms and conditions specified in subsection (3) where the following conditions are satisfied:

- (a) the employer satisfies the Board that the business concerned is unable to meet its financial commitments;
- (b) the employer is current in the payment of contributions and there is no outstanding interest in respect of contributions; and
- (c) subject to section 18D, the employer has not entered into an agreement pursuant to section 18B.

(2) An employer who desires to defer contributions under subsection (1) shall enter into an agreement with the Board no later than 30th June, 2010 giving an undertaking to

- (a) retain the number of employees who were employed by the business
 - (i) on the 30th June, 2009; or
 - (ii) at the commencement of the operation of the business, where the business commences at a date later than 30th June, 2009; and
- (b) maintain the payroll expenditure at the same level as at
 - (i) 30th June, 2009; or

(ii) the start of the business, where the business commences at a date later than 30th June, 2009.

(3) Where an employer enters into an agreement pursuant to subsection (2), the deferred contributions are repayable over a period of 5 years at an interest rate of 3 percent per annum.

(4) Where an employer fails to comply with the terms and conditions specified in an agreement entered into pursuant to subsection (2), the Board may terminate the agreement and

(a) contributions that become payable from the date of the employer's failure to comply with the terms and conditions of the agreement shall be paid within the required time, and if not so paid, shall be subject to interest at the rate of 1 percent per month in accordance with regulation 16 of the *National Insurance and Social Security (Collection of Contributions) Regulations, 1967*; and

(b) contributions deferred in the period during which the employer complied with the terms and conditions of the agreement shall be subject to interest in accordance with subsection (3).

(5) An employer who enters into an agreement pursuant to subsection (2) shall retain the number of employees that were in employment as at 30th June, 2009, for the duration of the agreement.

Resolved that the sum of TWO MILLION, AND FORTY THOUSAND DOLLARS be granted from the Consolidated Fund and be placed at the disposal of the Government to supplement the Estimates 2009 - 2010 as shown in the Supplementary Estimates No. 10 2009 - 2010 which form the Schedule to this Resolution.

Speaker

SCHEDULE

Supplementary Estimates 2009 - 2010 No. 10

HEAD:	Code Number	Provision in Approved Estimates 2009 - 2010	Provision in Supplementary Estimates No. 1 - 9	Supplementary Provision Required
		Other Expenditure	Other Expenditure	Other Expenditure
HEAD: 15 CABINET OFFICE		\$	\$	\$
Program : 070 Cabinet Secretariat				
Subprogramme: 7020 General Management & Coordination Services	150707020			
Account Code: 230 - Contingencies		256,368		2,040,000

ADDENDUM

Head 15:	Cabinet Office		
Programme 070:	Cabinet Secretariat		
Sub-programme 7020:	General Management and Coordination Services		
Account Code 230:	Contingencies		
Amount Required by Supplementary		-	\$2,040,000.00

An amount of Two Million and Forty Thousand dollars (\$2,040,000.00) is required as contribution by the Government of Barbados to assist with the Haiti Relief effort following the Earthquake.