

# THE ACCIDENT REHABILITATION AND COMPENSATION INSURANCE (INDEXATION) REGULATIONS 1992, AMENDMENT NO. 1

# CATHERINE A. TIZARD, Governor-General

## ORDER IN COUNCIL

At Wellington this 27th day of September 1993

#### Present:

HER EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to section 167 of the Accident Rehabilitation and Compensation Insurance Act 1992, Her Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

### REGULATIONS

- 1. Title and commencement—(1) These regulations may be cited as the Accident Rehabilitation and Compensation Insurance (Indexation) Regulations 1992, Amendment No. 1, and shall be read together with and deemed part of the Accident Rehabilitation and Compensation Insurance (Indexation) Regulations 1992\* (hereinafter referred to as the principal regulations).
- (2) Except as provided in subclause (3) of this regulation, these regulations shall come into force on the 28th day after the date of their notification in the *Gazette*.

- (3) Regulations 2, 3 (1), and 10 (1) of these regulations shall come into force on the 2nd day of November 1993.
- **2. Interpretation**—Regulation 2 (1) of the principal regulations is hereby amended by revoking the definition of the term "Prevailing Weekly Wage Rates Index", and substituting the following definition:

"'Labour Cost Index' means the Labour Cost Index All (Industry or Occupation) Groups Combined, All Sectors Combined, Total Wage and Salary Rates published by the Department of Statistics:".

Statistics. .

**3.** Indexation of compensation based on weekly earnings—(1) Regulation 3 of the principal regulations is hereby amended by revoking subclause (1), and substituting the following subclause:

"(1) Subject to subclause (2) of this regulation, weekly compensation that is based on weekly earnings (other than weekly compensation which is adjusted under section 47 of the Act) and is paid or payable under the Act on the date of indexation shall, subject to these regulations, be adjusted in accordance with the following formula:

$$A \times \frac{B}{C}$$

where—

- A is the amount of weekly compensation paid or payable in respect of a claimant at the date of indexation, before that amount is adjusted:
- B is the Labour Cost Index for the June quarter that immediately preceded the date of indexation:
- C is the Labour Cost Index for the June quarter of the preceding calendar year."
- (2) Regulation 3 (2) of the principal regulations is hereby amended by omitting the words "section 43 or section 46", and substituting the words "any of sections 41, 43, and 46".
- **4. Indexation of related amounts**—Regulation 4 of the principal regulations is hereby amended by inserting, after the words "specified in sections", the expression "41,".
- 5. Indexation of weekly compensation which has been abated—Regulation 5 (2) of the principal regulations is hereby amended by omitting the words "section 43 or section 46", and substituting the words "any of sections 41, 43, and 46".
- **6. Indexation on 1 November 1992**—Regulation 6 of the principal regulations is hereby revoked.
- **7. Timing of application of indexed compensation and amounts**—Regulation 8 (2) of the principal regulations is hereby amended by inserting, after the words "specified in sections", the expression "41,".
- **8.** Indexation of independence allowance—(1) Regulation 9 (1) of the principal regulations is hereby amended by omitting the words "Subject to subclause (2) of this regulation,", and by omitting from the definition of the expression F the words "as used in the previous indexation".

- (Indexation) Regulations 1992, Amendment No. 1
- (2) Regulation 9 (2) of the principal regulations is hereby revoked. 9. Indexation of grants—(1) Regulation 10 (1) of the principal
- regulations is hereby amended by omitting the words "Subject to subclause (2) of this regulation,". (2) Regulation 10 (2) of the principal regulations is hereby revoked.
- 10. Small variations—(1) Regulation 11 (1) of the principal regulations is hereby amended by omitting the words "Prevailing Weekly Wage Rates Index", and substituting the words "Labour Cost Index".

(2) Regulation 11 of the principal regulations is hereby amended by

adding the following subclause:

- "(3) Notwithstanding subclause (2) of this regulation, where the compensation referred to in regulation 3 of these regulations, or the amounts referred to in regulation 4 of these regulations, or the weekly earnings referred to in regulation 5 of these regulations, or the independence allowance referred to in regulation 9 of these regulations, or the grants referred to in regulation 10 of these regulations, are to be adjusted on the 1st day of November 1993,-
  - "(a) The expression 'C' in the formula set out in regulation 3 (1) of these

regulations shall be replaced by-

C is the Prevailing Weekly Wage Rates Index for the March 1992 quarter."; and

"(b) The expression F' in the formula set out in regulation 9(1) of these

regulations shall be replaced by—
"F is the Consumers Price Index figure for the March 1992

quarter."

MARIE SHROFF. Clerk of the Executive Council.

## EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations amend the Accident Rehabilitation and Compensation Insurance (Indexation) Regulations 1992.

They enable indexation of weekly earnings under section 41 of the Act. They revoke regulations which only related to indexation on 1 November 1992. Indexation on 1 November 1993 will continue to use, as a starting point, the statistics available for the March 1992 quarter.

In respect of indexations after 1 November 1993, the Labour Cost Index (rather than the Prevailing Weekly Wage Rates Index which has been discontinued by the Department of Statistics) will be used to measure adjustments required.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in Gazette: 30 September 1993.

These regulations are administered in the Accident Rehabilitation and Compensation Insurance Corporation.