

ACCIDENT REHABILITATION AND COMPENSATION INSURANCE (EXPERIENCE RATING) AMENDMENT REGULATIONS 1999

MICHAEL HARDIE BOYS, Governor-General

ORDER IN COUNCIL

At Wellington this 22nd day of March 1999

Present:

THE HON WYATT CREECH PRESIDING IN COUNCIL

PURSUANT to sections 104, 104A, and 167 of the Accident Rehabilitation and Compensation Insurance Act 1992, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, makes the following regulations.

ANALYSIS

- 1. Title and commencement
- 2. New heading and subclause substituted
- 3. New heading and regulation inserted

No Experience Rating for Premium Liability Year Commencing on 1 April 1999

5D. No experience rating

- 4. New regulations substituted
 - 21. Assessments
 - 21a. Assessments not dealt with by 1 April 1999 to be dealt with by 31 March 2000
- 5. Revocation

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Accident Rehabilitation and Compensation Insurance (Experience Rating) Amendment Regulations 1999, and are part of the Accident Rehabilitation and Compensation Insurance (Experience Rating) Regulations 1993* ("the principal regulations").

(2) These regulations come into force on 1 April 1999.

2. New heading and subclause substituted—(1) The principal regulations are amended by omitting the heading before regulation 5c, and substituting the following heading:

"Experience Rating Formula for Premium Liability Year Commencing on 1 April 1998".

(2) Regulation 5c of the principal regulations is amended by revoking subclause (1), and substituting the following subclause:

"(1) This regulation applies to the premium liability year commencing

on 1 April 1998."

- 3. New heading and regulation inserted—The principal regulations are amended by inserting, after regulation 5c, the following heading and regulation:
 - "No Experience Rating for Premium Liability Year Commencing on 1 April 1999
- "5D. No experience rating—(1) This regulation applies to premium liability year commencing on 1 April 1999.

"(2) No employer who pays a basic premium for the premium liability

year, or any part of the year, is—

- "(a) Entitled to a premium discount in respect of it; or "(b) Liable to pay a premium loading in respect of it."
- **4. New regulations substituted**—The principal regulations are amended by revoking regulation 21, and substituting the following regulations:
- "21. Assessments—(1) The Corporation must, in relation to any combined premium paid or payable by an employer for a premium liability year,—

"(a) Make an assessment of the premium discount payable to, or

premium loading payable by, the employer; and

"(b) Give notice of the assessment to the employer.

"(2) The failure of the Corporation to give notice of an assessment does not invalidate or affect the operation of an assessment.

"(3) The Corporation may make an assessment, using its judgement, of the premium discount payable to, or premium loading payable by,—

"(a) An employer who defaults in making any return; or

- "(b) A person who the Corporation has reason to suppose is an employer and who has not made a return.
- "21A. Assessments not dealt with by 1 April 1999 to be dealt with by 31 March 2000—(1) This regulation applies when the Corporation has not complied with regulation 21 before 1 April 1999.

"(2) The Corporation must make every assessment, and give every

notice, required by regulation 21 by the close of 31 March 2000.

"(3) The Corporation may from time to time, until the close of 31 March 2000, make any alteration to an assessment that the Corporation considers necessary to ensure its correctness, even if the employer has made a payment under the assessment. The Corporation must give notice of any such alteration to the employer by the close of 31 March 2000.

"(4) The Corporation may at any time after a review or appeal under the Act becomes final and conclusive, whether before or after 31 March 2000, make any alteration to an assessment that is necessary to make the assessment comply with the decision on the review or appeal.

"(5) The validity of an assessment or an alteration made by the Corporation is not affected by any person's non-compliance with any of these regulations, except that the Corporation must comply with the time

limits in subclause (2) and subclause (3)."

5. Revocation—Regulation 13 of the Accident Rehabilitation and Compensation Insurance (Experience Rating) Amendment Regulations 1997 is revoked.

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, which come into force on 1 April 1999,—

- bring experience rating of employers to an end on 31 March 1999
- require all outstanding experience rating assessments to be made and given to employers by the close of 31 March 2000.

Experience rating is the process by which the Accident Rehabilitation and Compensation Insurance Corporation adjusts an employer's basic accident insurance premium in light of the employer's accident record. The regulations are needed because the Accident Insurance Act 1998, which comes into force on 1 July 1999, removes employers from the Corporation's coverage, requiring them instead to purchase accident insurance from private insurers.

Issued under the authority of the Acts and Regulations Publication Act 1989. Date of notification in *Gazette:* 25 March 1999.

These regulations are administered in the Department of Labour.