



**THE ACCIDENT REHABILITATION AND COMPENSATION
INSURANCE (EXPERIENCE RATING) REGULATIONS 1993,
AMENDMENT NO. 2**

CATHERINE A. TIZARD, Governor-General

ORDER IN COUNCIL

At Wellington this 18th day of December 1995

Present:

THE RIGHT HON. J. B. BOLGER PRESIDING IN COUNCIL

PURSUANT to sections 104, 104A, and 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 (Experience Rating) Regulations 1993, Amendment No. 2, and shall be read together with and deemed part of the Accident Rehabilitation and Compensation Insurance (Experience Rating) Regulations 1993* (hereinafter referred to as the principal regulations).

(2) These regulations shall come into force on the 28th day after the date of their notification in the *Gazette*, and shall apply to any experience rating calculation after that date on basic premium payable on or after the 1st day of April 1995.

2. Interpretation—(1) Regulation 2 (1) of the principal regulations is hereby amended—

- (a) By omitting from the definition of the term “company” the expression “1976”, and substituting the expression “1994”;
- (b) By omitting from the definition of the term “special corporate entity” the words “section 8B of the Income Tax Act 1976”, and substituting the words “section OB 1 of the Income Tax Act 1994”;
- (c) By omitting from the definition of the term “State-owned enterprise” the words “Fourteenth Schedule to the Income Tax Act 1976”, and substituting the words “Eighteenth Schedule to the Income Tax Act 1994”.

(2) Regulation 2 (2) of the principal regulations is hereby amended by omitting the expression “1976”, and substituting the expression “1994”.

3. Small employers—Regulation 4 (2) of the principal regulations (as substituted by regulation 2 of the Accident Rehabilitation and Compensation Insurance (Experience Rating) Regulations 1993, Amendment No. 1) is hereby amended—

- (a) By omitting from item c the expression “15 percent”, and substituting the expression “25 percent”;
- (b) By omitting from item d the expression “0.65/100”, and substituting the expression “0.55/100”.

4. Large employers—(1) Regulation 5 (1) of the principal regulations (as so substituted) is hereby amended—

- (a) By omitting from item c the expression “15 percent”, and substituting the expression “25 percent”;
- (b) By omitting from item d the expression “0.65/100”, and substituting the expression “0.55/100”;
- (c) By omitting from item f the expression “1.5”, and substituting the expression “1.7”.

(2) Regulations 5 (4) of the principal regulations (as so substituted) is hereby amended—

- (a) By omitting the expression “\$30,000”, and substituting the expression “\$20,000”;
- (b) By omitting from item a the expression “1.5”, and substituting the expression “2”.

(3) Regulation 5 (5) of the principal regulations (as so substituted) is hereby amended by omitting the expression “\$30,000”, and substituting the expression “\$20,000”.

5. Notification to employers—Regulation 18 of the principal regulations is hereby amended by omitting the words “item f”, and substituting the words “item g”.

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 (Experience Rating) Regulations 1993.

The experience rating system adjusts the amount of the basic premium payable by employers pursuant to the Accident Rehabilitation and Compensation Insurance Act 1992. The changes will apply to employment premiums payable on and after 1 April 1995.

In addition to updating references to income tax legislation and correcting a cross-reference, these regulations—

- (a) Increase the reserve premium factor from 15 percent to 25 percent for both small and large employers; and
- (b) Reduce the non-work injury factor from 0.65/100 to 0.55/100, for both small and large employers; and
- (c) Increase the claims adjustment factor from 1.5 to 1.7 for large employers; and
- (d) Reduce the upper limit of the abatement formula. The abatement formula is applied to those large employers who are only just above the limit for being a small employer. The formula smooths the effect of the difference between being a small or large employer.

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

Date of notification in *Gazette*: 20 December 1995.

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