



# Accident Insurance (Indexation of Maximum Weekly Compensation) Regulations 2000

Michael Hardie Boys, Governor-General

## Order in Council

At Wellington this 13th day of March 2000

Present:

His Excellency the Governor-General in Council

Pursuant to section 404 of the Accident Insurance Act 1998, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following regulations.

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## Regulations

### 1 Title

These regulations are the Accident Insurance (Indexation of Maximum Weekly Compensation) Regulations 2000.

### 2 Commencement

These regulations come into force on 1 April 2000.

### 3 Interpretation

In these regulations, unless the context otherwise requires,—  
**Act** means the Accident Insurance Act 1998

**Labour Cost Index** means the *Labour Cost Index All (Industry or Occupation) Groups Combined, All Sectors Combined, Total Wage and Salary Rates* published from time to time by Statistics New Zealand

**the 1999 regulations** means the Accident Insurance (Indexation of Maximum Weekly Compensation) Regulations 1999 (SR 1999/132).

### 4 Formula for indexation of amount of maximum weekly compensation

(1) The insurer must adjust the amount of \$1,302.09 that, at 31 March 2000, is specified under clause 21(1) of Schedule 1 of the Act, as adjusted by regulation 3 of the 1999 regulations, in accordance with the formula in subclause (2).

(2) The formula has the following steps:

(a) first,—

$$\frac{a}{b} = c$$

where—

a is 1111, which is the Labour Cost Index for the June 1999 quarter

b is 1096, which is the Labour Cost Index for the June 1998 quarter

c is 1.0137, which is the result of the division worked out to 4 decimal places; and

(b) second,—

$$c \times d = e$$

where—

c is 1.0137

d is \$1,302.09, which is the amount that, at 31 March 2000, is specified under clause 21(1) of Schedule 1 of the Act as adjusted by regulation 3 of the 1999 regulations

e is \$1,319.929, which is the result of the multiplication worked out to 3 decimal places; and

- (c) third, round e up to the nearest cent to give \$1,319.93.
- (3) The insurer must apply the adjusted amount of \$1,319.93 to payments of weekly compensation for loss of earnings made on and after 1 April 2000.

Marie Shroff,  
Clerk of the Executive Council.

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### Explanatory note

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

These regulations relate to section 102 of the Accident Insurance Act 1998. They prescribe the formula that applies to adjust the maximum amount of weekly compensation for loss of earnings specified in clause 21(1) of Schedule 1 of the Act. The maximum amount currently specified under that clause (following adjustment under the Accident Insurance (Indexation of Maximum Weekly Compensation) Regulations 1999) is \$1,302.09 a week. On and after 1 April 2000 the maximum amount will be \$1,319.93 a week.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 16 March 2000.  
These regulations are administered in the Department of Labour.

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