



Injury Prevention, Rehabilitation, and Compensation (Indexation) Amendment Regulations 2004

Dame Sian Elias, Administrator of the Government

Order in Council

At Wellington this 21st day of June 2004

Present:

Her Excellency the Administrator of the Government in Council

Pursuant to section 327 and 342(2) of the Injury Prevention, Rehabilitation, and Compensation Act 2001, Her Excellency the Administrator of the Government, acting on the advice and with the consent of the Executive Council, makes the following regulations.

Contents

<p>1 Title</p> <p>2 Commencement</p> <p>3 Interpretation</p> <p>4 Indexation of weekly compensation</p>		5	<p>New regulation 6A</p> <p>6A Calculation of indexation adjustment for maximum weekly compensation</p>
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Regulations

1 Title

- (1) These regulations are the Injury Prevention, Rehabilitation, and Compensation (Indexation) Amendment Regulations 2004.

- (2) In these regulations, the Injury Prevention, Rehabilitation, and Compensation (Indexation) Regulations 2002¹ are called “the principal regulations”.

¹ SR 2002/127

2 Commencement

These regulations come into force on 1 July 2005.

3 Interpretation

- (1) Regulation 3(1) of the principal regulations is amended by repealing the definition of the term **Labour Cost 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 from time to time by Statistics New Zealand”.

- (2) Regulation 3(2) of the principal regulations is amended by adding the following paragraph:

“(c) the Injury Prevention, Rehabilitation, and Compensation (Indexation of Maximum Weekly Compensation) Regulations 2004.”

4 Indexation of weekly compensation

Regulation 4(1) of the principal regulations is amended by inserting, after the expression “regulation 6(1)”, the words “, unless regulation 6A applies”.

5 New regulation 6A

The principal regulations are amended by inserting, after regulation 6, the following regulation:

“6A Calculation of indexation adjustment for maximum weekly compensation

- “(1) The amount of maximum weekly compensation payable under clause 46 of Schedule 1 of the Act or clause 21(1) of Schedule 1 of the Accident Insurance Act 1998 must be adjusted in accordance with the formula set out in subclause (4).

- “(2) Adjustments under this regulation apply only to the amount of maximum weekly compensation—

- “(a) paid or payable on or after the date of indexation to which clause 46 of Schedule 1 of the Act or clause 21(1) of Schedule 1 of the Accident Insurance Act 1998 applies; and
- “(b) that relates to a period of incapacity, or a period during which a person is entitled to compensation under Part 10 or section 383 or section 384 or section 385 of the Act or clause 66 or clause 70 or clause 71 of Schedule 1 of the Act, that occurs on or after the date of indexation.
- “(3) Despite subclause (2), adjustments under this regulation may be made to weekly compensation that relates to a period that occurs on or after the date that is 6 days earlier than the date of indexation.
- “(4) The formula for calculation of an adjustment under this regulation is—

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

where—

- a is the amount of weekly compensation paid or payable to which clause 46 of Schedule 1 of the Act or clause 21(1) of Schedule 1 of the Accident Insurance Act 1998 (as the case may be) applies
- b is the Labour Cost Index for the March quarter immediately prior to the date of indexation
- c is the Labour Cost Index for the March quarter prior to the March quarter referred to in item b.
- “(5) When calculating an adjustment under the formula in subclause (4), the number resulting from dividing item b by item c must be rounded up or down to 4 decimal places (with 0.00005 or greater being rounded up).”

Diane Morcom,
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 come into force on 1 July 2005. The Injury Prevention, Rehabilitation, and Compensation (Indexation) Regulations 2002 are amended to provide for an automatic indexation of the amount of maximum weekly compensation payable under clause 46 of Schedule 1 of the Injury Prevention, Rehabilitation, and Compensation Act 2001 and clause 21(1) of Schedule 1 of the Accident Insurance Act 1998.

Issued under the authority of the Acts and Regulations Publication Act 1989.
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These regulations are administered in the Department of Labour.
