



Effective Date: 2010/07/01

Number: PD - 7

Title:

Practice Direction

Discount Rate pursuant to the *Law and Equity Act*

Summary:

This Practice Direction sets out the discount rates pursuant to section 56 of the *Law and Equity Act*.

Direction:

1. A discount rate of 2 ½% per annum compound is deemed to be the future difference between the investment rate of interest and the rate of increase of earnings due to inflation and general increases in productivity.
2. A discount rate of 3 ½% per annum compound is deemed to be the future difference between the investment rate of interest and the rate of general price inflation.

Robert J. Bauman
Chief Justice