

Civil Contractors New Zealand submission on ACC levy consultation 2026-28

To: Accident Compensation Corporation

Contact: **Alan Pollard**
Chief Executive Officer
Civil Contractors New Zealand
PO Box 12013
Wellington

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1. About Civil Contractors New Zealand

- 1.1. Founded in 1944, Civil Contractors New Zealand is an industry association representing the interests and aspirations of more than 840 member organisations, including more than 500 large, medium-sized, and small businesses in civil engineering, construction, and general contracting. Our 330 associate members provide valuable products, support, and services to contractor members. We live and work in all communities across New Zealand.
- 1.2. Our members play a vital role in the development of our country, our economy, and our way of life. They physically construct and maintain the roads connecting our cities and towns; they install and care for the water networks that bring fresh water to houses and wastewater to treatment plants; they install the cables that bring the internet to homes and businesses. These are services a modern and developed economy must have to compete efficiently in world markets and to deliver high living standards for all New Zealanders.
- 1.3. The broad civil construction industry employs more than 60,000 people and undertakes infrastructure construction and maintenance projects worth more than \$12b annually. More specifically, our organisation represents the contractors who carry out the physical construction works on country's roading, rail, port, and public transport networks.
- 1.4. Much civil construction work is physical and involves heavy machinery. Therefore, our members are very conscious of health and safety requirements and prioritise injury prevention and therefore strive to minimise harm, injury and ACC claims for the civil construction workforce.

2. Introduction

- 2.1. Civil Contractors New Zealand (CCNZ) welcomes the opportunity to comment on the proposed changes across numerous ACC accounts including the work, earner and motor vehicle.
- 2.2. Our submission is primarily focused on the impact to the employer whilst keeping a balance with the needs for the employee and the wider New Zealand audience. Our submission also responds to the specific ACC (and the Minister's) recommendations as well as wider input on a range of factors that impact employers and will allow ACC to be more functional, efficient and effective.
- 2.3. We have taken the position to provide ACC solutions to consider achieving stated aims. These have been noted throughout the submission and referenced accordingly.
- 2.4. It would be beneficial for ACC to align its narrative to support this notion. Understanding and managing risk will lead to less claims and less onus on the ACC scheme.
- 2.5. It should be noted that ACC's proposals come on the back of substantial change within ACC and within New Zealand as a whole. Since the last submission, COVID has had a major impact on New Zealand (and globally). New Zealand has faced an economic decline resulting in the cost of living being felt far and wide. The change in government has resulted in a number of cost cutting measures which have not bypassed ACC. Numerous redundancies across all business sectors have and continue to impact all levy payers with a noticeable increase in time required for decision making. This extends across levies and claims in businesses of all sizes and industries.
- 2.6. In the 2021 Consultation, ACC proposed to reduce levies in the Work Account, in part because the account was funded more than 100 per cent. In 2024, the Work Account is still fully funded, yet the work levy is to increase by, on average, 14 per cent over the three-year period.
- 2.7. We cover the following areas in this submission and extrapolate on each of these in this document.
 1. Consultation Periods
 2. Independent Verification
 3. Minister Recommendations
 4. Levy Costs
 5. Experience Rating / No Claims Discount
 6. Fatality Modifier
 7. Credit Interest / Use Of Money Interest
 8. Claims Management Model
 9. Business Grouping / Risk Sharing

- 10. Official Information Act
- 11. Motor Vehicle Claims

3. Consultation Period

- 3.1 ACC has moved to a three-year consultation period, effective from the 2021 consultation. Note that historically, ACC undertook consultations annually, and previously moved to a two-yearly period in 2016.
- 3.2 The supporting rationale provided by ACC in 2021 was based on providing certainty to levy payers; allowing flexibility in responding to changes to the Scheme; ensuring a long-term view of the Scheme's solvency; and allowing for transparency and accountability in determining solvency levels.
- 3.3 The ACC Minister at the time determined this change did not warrant public consultation.
- 3.4 The current (2024) levy consultation highlights several challenges to ACC with funding shortfalls and the overall management of risk.
- Claim volumes are increasing faster than population growth.
 - Rehabilitation performance is declining (but is expected to stabilise over the next 12 months).
 - Health sector cost pressures are being passed onto service costs for ACC.
 - Falling interest rates will result in higher levies to offset the reduction of investment earnings but should reduce the rate of scheme cost growth.
 - Funding positions in the levied accounts are falling primarily due to significant increases in claim liability (costs).
- 3.5 We challenge the notion that certainty to levy payers has been achieved. Also, that it has allowed for a level of transparency (refer to the next section).
- 3.6 Our view is that this is a cost saving exercise and does not serve employers (the levy payer).
- 3.7 **Recommendation:** We request ACC consider moving back to at least a two-yearly levy adjustment and consultation cycle (if not annual).

4. Independent Verification

- 4.1 The consultation documents are underpinned by a large amount of data. ACC is seeking feedback on its proposed changes. However, the submitter has to completely rely on ACC for the accuracy of this data.
- 4.2 Given the level of premium involved, we deem this material in nature and would be well served to be subject to external scrutiny. We understand ACC obtains external actuarial input, however, this is to support ACC in preparing this documentation, and

is not publicly available.

- 4.3 **Recommendation:** To achieve the transparency ACC has suggested needs to be present, and to provide confidence that the data presented has integrity, we suggest introducing an independent audit. The result of this audit should be part of the consultation documents.

5. Ministerial Recommendations and Transparency

- 5.1. The recommendations presented in the consultation documentation are a mix of ACC and Minister-led.
- 5.2. As a Crown Agency, ACC is governed by a Board, which is responsible to the Minister.
- 5.3. At the conclusion of the consultation, ACC presents the Minister with the final position once it has considered the consultation feedback. The Minister in turn, determines the outcome, which may or not, accept the recommendations presented, or come up with alternative solution(s).
- 5.4. We feel that, to drive a level of acceptable independence, the Minister should not be involved at an operational level, which is where the consultation process sits.
- 5.5. Secondly, it would be good practice to provide the rationale and actuarial support to what the Minister has decided (rejected or modified) to give the levy payer, the public, and ACC the confidence that any changes are based on sound evidence, and not political ideology.
- 5.6. **Recommendation:** The Minister is not involved in setting solutions at the consultation level. Rather, ACC drives governance and operational requirements and controls and presents the Minister with a final set of recommendations to decide on.
- 5.7. **Recommendation:** The levy payer, the public, and ACC are provided detailed explanations with actuarial support for any decisions that have been rejected or modified by the Minister.

6. Levy Costs

- 6.1. The levies impacting our members are captured in the table below.

CCNZ		2025	2026	2027	2028
		Actual	proposed		
41210	Road & Bridge Construction	1.21%	1.12%	1.17%	1.22%
41220	Heavy & Civil Engineering	1.19%	0.90%	0.92%	0.96%
41222	Land Development	1.59%	1.56%	1.62%	1.69%
42100	Site Preparation Services	1.59%	1.56%	1.62%	1.69%
42101	Hireage of Construction Machinery	1.92%	1.80%	1.87%	1.95%

6.2. It is useful to note that ACC, during the 2021 levy consultation, recommended changes to both the work levy and the earners levy accounts. The work levy was to decrease on average by 6% in 2022 / 23, then increasing over the 23 / 24 and 24 / 25 years to match what was being paid in 2021.

The Minister, however, did not apply any increases in the second and third years. Please note this is an average decrease. From the 539 levy classifications (at the time), 243 would increase – 45%.

6.3. In addition, the earners levy was to increase in three increments over the three years – 5.0%, 9.9%, and 14.9%. For the most part, this was carried through.

6.4. In the current consultation process, similar increases are recommended for the earners account, whilst the work account has substantially larger increases. Both are set at 14% over the three-year period.

6.5. For the earners account, we do not have any issue for ACC to move into a fully funded position in a timely manner, which would be a good outcome.

That said, it would seem a lot of New Zealanders do not actually understand what percentage of their payroll they pay to ACC, that they are paying levies to ACC at all, or what these levies are for. The “Have a HMMM” campaign currently being run television is to raise greater public awareness that they are covered – not how they are covered, or what they have to pay to be covered.

6.6. For the work account, although there is an average increase of 14% over the three-year period, there are substantial swings in increases and decreases across the 537 levy classifications. The largest decrease is 80% whilst the largest increase is 81.82%. There are 247 levy classifications that will have increases over 20% (which make up 46% of all levy classifications). In total, 433 levy classifications will receive increases at an average of 25.5%.

6.7. Reverting to previous referenced transparency, it is difficult to support these large shifts. The impact on employers who receive the increases is substantial as noted in one case by the Royal NZ Ballet Company which was well publicised

in NZ media.

(<https://www.rnz.co.nz/national/programmes/checkpoint/audio/2018956749/acc-payments-for-ballet-dancers-could-rise-360>).

6.8. These fluctuations are too large to be supported by good planning and challenge the integrity of a fair process. Either, historical levy settings have been incorrect to a large degree, and or there has been a substantial decrease / increase in claim activity.

6.9. The work account continues to be over-funded. ACC has proposed the current premium-smoothing policy set over a 10-year timeframe should be reduced to between 3-5 years. The intent is to minimise the impact of large levy changes; however, we believe ACC places too greater focus on the average change rather than considering individual levy classifications.

6.10. In principle we support reducing the 10-year time frame, however, this should not be viewed in isolation. ACC should consider the shift in individual levy classifications and cap these in line with the cap applied to the Levy Risk Groups.

6.11. **Recommendation:** ACC to clearly provide supporting claims data and analysis on all the levy classifications in a manner that is understood by levy payers, not just actuaries. Justification for increases (or decreases) exceeding 20% should be provided.

6.12. **Recommendation:** ACC to apply a cap to individual levy classifications to prevent large changes as per the current proposal.

7. Experience Rating

7.1. We support ACC's proposed increase for the medical cost factor from \$500 to \$750.

7.2. We do not support the ACC recommendation to cease the No Claims Discount programme. While the logic provided states the scheme is not cost neutral (i.e. the discounts provided exceed the penalties allocated), the No Claims Discount incentivises good health and safety practices, and therefore actively reduces injuries to the workforce and lost time, which is a good outcome for employers,

the workforce and the economy.

7.3. ACC is not proposing to cease the Experience Rating scheme however is recommending removing the cross subsidisation that is currently in place.

7.4. Both schemes, as per ACC data, require subsidisation. ACC advises for the 2023 / 2024 levy invoices, the differences were as follows:

- Experience Rating: \$29.1m more discounts than loading
- No Claims Discount: \$38.1m in discounts compared to loading

Note this information was sourced directly from ACC in support of this submission and ACC advises is now readily available on its website.

7.5. ACC also advises that for the 2023 / 2024 levy invoices there were 179,103 businesses eligible for the No Claims Discount and 13,085 eligible for Experience Rating. This leaves circa 477,000 (per ACC data in the consultation document) businesses that sit outside of either scheme who subsidise those in the scheme.

7.6. The reason why many businesses are not eligible for either programme, is primarily because the business has not been trading for three full financial years / not had payroll for three full financial years. It is interesting to note that under the 'Experience Rating Business Grouping', the three-year period does not apply on the basis that the Group is already in the Experience Rating scheme.

7.7. ACC states "We launched these programmes to incentivise improvements in workplace safety. It was believed that levies would fall because there would be fewer injuries, so less costs. But this hasn't happened".

This statement seems contradictory to ACC's position that the discounts outweigh the penalties being charged. To receive a discount under both schemes, the business claims profile would have to be favourable.

7.8. ACC has also stated that claims costs have increased and, overall payroll has increased (which suggests an increase in workers and increase in wage levels) and that these two factors impact claim costs.

ACC has provided, via the OIA process, the average weekly compensation days paid for all work-related claims across all industry classifications. As per the table below, it shows an obvious decline since 2017.

A large part of ACC's claim cost is weekly compensation. Given this substantial decline, can it be argued that Experience Rating may have influenced this?

Financial Year	2017	2018	2019	2020	2021	2022	2023
Average weekly compensation days per weekly compensation claim	108.6	108.4	111.0	112.2	104.9	90.6	64.7

7.9. It would be useful to understand ACC's initial planning when it introduced experience rating in 2011. If the incentive was to reduce claims which would lead to a direct increase in discounts being applied, the current outcome of cross-subsidisation would have been inevitable. What was ACC's plan to deal with this given it is now a problem?

7.10. We oppose the ACC proposal to remove the No Claims Discount and / or present options to remove the cross subsidisation as, on the face of it, the data does not support ACC's proposals.

7.11. In principle, we support the removal of cross subsidisation and that the schemes should be cost neutral. This would lead to an increase in costs on employers who have claims. This can be deemed aggressive, however, employers need to take greater ownership over their claims space, as long as ACC's framework supports it. Encouraging employers to actively reduce harm in the workplace is a positive thing.

7.12. We believe ACC needs to evolve to be able to support employers in managing their claims. The current framework does little to achieve that.

7.13. The three-year trading eligibility period is not helpful and aside from making it confusing for businesses, it does a business a disservice as the first three years in business are crucial to a business's success. Notwithstanding that there have been numerous changes to Experience Rating introduced since 2011, more work is needed.

7.14. The current 12-month lag before Experience Rating impacts an employer invoice is counterintuitive to making good injury prevention decisions. The return on investment for a business (i.e. reduction in ACC levies) needs to be more immediate.

We appreciate the opposite also applies where an increase in claims will also impact the employer straight way. We feel this would be beneficial to drive change. ACC should imitate the Australian Workers Compensation framework where accidents in the current year will impact the levies in the following year.

7.15. After 13 years, the Experience Rating scheme is still poorly understood. It is a scheme that underpins the levies however, there is very little ongoing promotion, education etc, on how the scheme can be made to work for employers.

7.16. For businesses to manage claims, there must be an understanding of how this should / can be done. Aside from one of our business partners, Manage Group, there seems to be very little else by way of education, providing resources that work, etc, especially for the SME businesses. In contrast, Australia has a

requirement for employers to have formal Return to Work coordinators with various adaptations of this across the States.

7.17. Drive a clearer accountability framework that gives employers confidence in ACC processes. This would include:

- Medical Certificates: that those who prepare medical certificates are held accountable to the framework that both ACC and the Medical Council of New Zealand (MCNZ) has in place. Neither ACC nor the MCNZ drive any visible accountability to ensuring that medical certificates are fit for purpose.
- Health Factors: Experience Rating Regulation states that only claims with a clear causation can impact a business' experience rating profile. Health factors impacting a claim, should not in turn impact the Experience Rating profile.
- Timely Decision Making: ACC through its various restructures including the September 2024 redundancies; ongoing work programmes and focus to drive efficiencies through automation; and a persistent focus on creating more self-led rehabilitation (aligned to automation) results in decision-making that extends beyond reasonable timeframes and or lead to poor decisions being made.

Regardless, the impact on the claimant is substantial. The impact on the employer is visible through increased days lost to weekly compensation and therefore loadings on via experience rating. This in turn leads to lost hours of productivity for both ACC and employers to resolve issues.

7.18. Employers need confidence ACC can make good, timely decisions. The removal of multiple incentive programmes over the years, creates a perception that ACC is not supportive for employers. On top of this, ACC through the current consultation documentation, has stated it is not considering introducing any other incentive schemes going forward.

Incentive programmes that have been removed include the Workplace Safety Discount and Workplace Safety Management Programme; the health and safety subsidies for manufacturing and construction; and now, the Fleet Saver programme. There was also the Safety Star Rating Scheme that had substantial investment that morphed to be SafePlus. This, however, is a scheme that is also not well utilised.

7.19. ACC has stated it supports industry, through the injury prevention grant framework. We feel this falls short of what ACC should be doing with industry given the restrictive nature of the grant application process.

7.20. The grant framework is contestable and requires substantial work from an industry (or industry association) to put together.

7.21. As an industry association, we have a lot of ideas for improvement, however they are not considered because the ACC framework does not support this. We

believe ACC needs to be more engaged with us and other industries on a one-to-one basis not via a contestable grant process.

7.22. **Recommendation:** Retain No Claims Discount scheme. Ensure this is looked at through the lens of claims reduction and injury reduction, not just cost reduction.

7.23. **Recommendation:** ACC to pause on changing the cross subsidisation so that it can evolve how it supports employers to manage their claims more effectively and efficiently as noted in this submission. A particular focus should be placed on providing greater accountability back to employers; education; and managing medical certification.

7.24. **Recommendation:** Remove the contestable grant framework to drive injury prevention programmes. Provide direct support to the members of CCNZ to drive injury prevention programmes.

8. Fatality Modifier

8.1. The fatality modifier increases the Experience Rating loading by 20% in the first year and 10% in the second year on the back of a business experiencing a fatality.

8.2. We do not agree with this as it clouds ACC's role to that of WorkSafe New Zealand the regulator.

8.3. ACC has stated it is comfortable with applying the fatality modifier, should an employer be prosecuted by WorkSafe New Zealand or on a civil level.

8.4. The net result means the employer is penalised for the same offence twice.

8.5. In the event of a fatality and a successful prosecution, the employer/PCBU would have possibly been fined, paid reparations, possibly applied for an Enforceable Undertaking, coped with the immense stress this has caused all involved and will now have to deal with further penalties imposed by ACC.

8.6. An employer should not be liable and penalised for events outside of its control. There have sadly been fatalities through the impact of tornados. There is a precedent ACC considers tornados an adverse event (Hobsonville, 2014).

8.7. In this example, unless ACC specifically asks the Minister to deem an event an adverse event, the business will have the fatality modifier applied, even though it

should not.

8.8. It also needs to be pointed out that while no penalty replaces or compensates for the loss of a life - fines and penalties imposed by the courts are the right mechanism for this.

8.9. The courts can apply discretion to the level of sentencing considering the business' financial position to pay any fines/reparation. ACC does not apply this same discretion and is intending to apply the modifier irrespective of the financial position, jeopardising the business' remaining employees' future employment.

8.10. There are further implications with a fatality modifier with respect to Business Grouping. ACC is prepared to directly penalise another entity within a group for the fatality that does not belong to them.

8.11. Adding a fatality modifier directly results in a state body penalising an entity for a fatality. But, applying the fatality to a business grouping means that entities that have nothing to do with the fatality may be penalised.

This could have substantial impact on commercial opportunities where both Experience Rating and Fatalities must be listed as part of the tendering process. This is becoming more frequent as part of the Contractor Prequalification process and a noted fatality modifier that sits outside of the control of the business could adversely impact the commercial viability of the business.

8.12. **Recommendation:** Remove the fatality modifier.

9. Interest Charges / Use of Money Interest

9.1. ACC is recommending introducing interest charges on all payments plans and reviewing the use of money interest.

9.2. To date, ACC only charges interest (previously referred to as Administration Fees) on the 10-month payment plan. From this, ACC earned the following revenue over the last three years.

Financial Year (FY)	Interest charged on invoices from the FY
2023/24	\$3,972,604
2022/23	\$3,970,100
2021/22	\$4,361,511

9.3. The proposed interest rate is to align more with the private market and ACC states “Our current rates are lower than market rates, which makes it financially advantageous for customers to delay payments. Additionally, when we examine current plan usage, we find that a significant portion of customers are on a six-month plan, the longest duration available without interest charges. This indicates that our interest settings are a factor in customers' decisions to delay levy payments.”

9.4. ACC also states, “We have not conducted any modelling to estimate the number of customers we expect to default on plans.”

9.5. It is disappointing to read there is no work done to understand the supposed problem ACC is intending to solve. It would seem there actually is not a specific issue with employers not paying levies in a timely manner. Rather, it would seem ACC is dissatisfied businesses are using the 6-month payment, even though ACC still collects the levies within the current financial year the ACC invoice is released.

9.6. ACC’s focus should be on employers paying levies, which can be a substantial expense item, and not overly focused on creating friction in an area that is not (by ACC’s own data) an issue to begin with. ACC would be better placed to reinstate the Debt Collection Team and focus on collecting funds that are outstanding.

9.7. Given the current economic climate, ACC’s energy would be better spent focussing on payments for invoices written off as ‘uncollectable’.

- 9.8. The current use of money interest is a contentious area given ACC's criteria for paying it is very limited.
- 9.9. Over the last six years, ACC has moved to limit its interpretation of the legislation where credit interest is payable (Sec 173). Prior to 2019, ACC allowed for credit interest where levies were paid exceeding the [provisional] invoice charged (whilst factoring in a minimal level of \$1,000) and this included backdating up to for eight years where appropriate which is the full period allowable under the legislation.
- 9.10. Normal activity that would trigger this would be a change in levy classification resulting in a lower premium. As a result, there can be, at times, substantial credits allocated to the client.
- 9.11. Since 2019, ACC no longer pays credit interest in this scenario. ACC's interpretation under the legislation means that credit interest is only payable when a] a change relates directly to a levy decision; and b] decreases the provisional and meets the criteria set out in Sec 173 (\$ threshold).
- 9.12. ACC has taken the view that a change in levy classification does not meet the definition of a 'levy decision' as set out in Sec 6 (f) "decision relating to the levy payable by a particular levy payer"
- 9.13. This being the case, there are now no longer any circumstances that could ever trigger Sec 173.
- 9.14. We believe ACC's position is disappointing given that the Corporation does have the use of Client's money, at times for many years.
- 9.15. **Recommendation:** Do not introduce an interest charge on any short-term payment plan. Interest charges to remain on the 10-month instalment plan.
- 9.16. **Recommendation:** ACC to focus its energy on collecting bad debt rather than on charging businesses who clearly demonstrate their intent to pay.

- 9.17. **Recommendation:** Review the current position for when use of money interest is payable and apply to any situation where ACC has the use of a 'client's' money for a period exceeding 1 year.

10. Claim Management Model

- 10.1. ACC currently controls the claims process for all businesses outside the Accredited Employer Programme. As noted above, there are several areas that should be evolved to better support these employers to achieve better and more effective claim outcomes which in turn will reduce the strain on the ACC scheme.
- 10.2. ACC had evolved its claim management platform to improve how claims are registered, assessed, and approved. This scheme was launched in September 2018. There was a large focus on automation and self-driven claim management (i.e. via the MyACC portal for both claimants and employers).
- 10.3. As part of the current consultation process, ACC has acknowledged that this framework did not work well, and that ACC is moving away from it.
- 10.4. There has been substantial investment from ACC for this programme which needs to now be accounted for at the expense to levy payers who must cover this cost.
- 10.5. The changes introduced in 2018 negatively impacted rehabilitation by creating psychosocial barriers and further delay recovery and ultimately delay exiting ACC support.
- 10.6. ACC auto-accepts a large percentage of all claims. We understand the driver for this from an administration perspective given the volume of claims ACC has to process.
- 10.7. That said, from a business perspective, this is problematic and challenges Sections 54 and 56 from the Accident Compensation legislation directly.
- 10.8. This refers to ACC needing to do a level of due diligence before accepting a claim as a workplace claim.

- 10.9. We are aware that ACC can do a level of 'triage' where lower-level claims (impact and cost) do not need any in depth due diligence and can be accepted accordingly.
- 10.10. Given the employer is financially impacted with increased Experience Rating penalties, there is an inconsistency with the interpretation of a lower level of claim within ACC. We regularly see sprains and strains resulting in 80, 90, or a 100 days-off (and more). This results at times in substantial penalties via Experience Rating.
- 10.11. For the employer, this is material and would constitute a higher level of claim that would warrant a level of due diligence.
- 10.12. It would be beneficial for ACC to support businesses better with respect to accepting a claim as a workplace claim without some type of scrutiny. In the Accredited Employer space, the employer can and does this directly, however, outside of this scheme, there is no support of note for employers.
- 10.13. There is merit in ACC using third parties to assist in managing claims, in a way similar to that of the Accredited Employer Programme but using a substantially different cost structure.
- 10.14. A core benefit of the Accredited Employer Programme is the ability to manage claims at the acute stage. This can be comfortably achieved outside of this programme and sees ACC more in a partnership with the employer and appointed claim manager.
- 10.15. ACC should maintain full control over entitlements, however, is not well served to control rehabilitation, return to work programmes, etc. This in part is due to the current claims model that places too large an emphasis on automation; the continual changes to how claims are managed (impacted by redundancies, new initiatives, etc). None of these have proven to work well, hence in part, the increase in cost that ACC needs to now cover.
- 10.16. Industry typically provides a more efficient and competitive model rather than a Crown Agency that has a monopoly. We welcome ACC to connect and discuss how this is currently being done and the results that are being obtained for

businesses and by default, ACC with shorter duration claims, more effectively management claims, and the employer taking ownership.

10.17. Industry associations play a key role in driving solutions for their industry.

Granted, an industry association does not represent all businesses in a particular industry, however, they are typically focused on improving the industry across multiple factors including health and safety, injury management, and most of all, injury prevention.

10.18. **Recommendation:** ACC to consider private partnership alternative claim management solutions that can include partnerships with industry directly.

11. Business Grouping

11.1. ACC uses Business Grouping to combine companies for Experience Rating purposes that have a similar shareholding and or Directors (in line with the Tax Act 2007).

11.2. The intent in applying Business Grouping, is that the better performing companies will pressure the poor performing company in the group to improve its claims performance.

11.3. It would be useful for ACC to provide evidence on how this scheme is performing in line with the same philosophy that ACC reviews incentive schemes.

11.4. Albeit via anecdotal evidence, business grouping is not understood by employers. We question the efficacy and usefulness of this scheme.

11.5. **Recommendation:** ACC to review Business Grouping and share the results with employers to determine the efficacy and usefulness of the scheme.

12. Official Information Act

12.1. Over the last 4 years, ACC has been requiring the use of the Official Information Act to request client specific information. This is when there is an

ACC Authority to Act in place for that employer (ACC1766).

12.2. We believe this is the incorrect use of not only the Official Information Act process but also undermines the efficacy of the ACC1766 form and process.

12.3. When being forced into using the Official Information Act process, we have noticed a different set of privacy concerns and that at times, information is redacted.

12.4. This places not only the client but also their authorised agent in a precarious position given that the same information ACC has access to cannot always be accessed. This in turn challenges the Rule of Natural Justice when this information is used in a formal review setting (dispute).

12.5. Frontline ACC staff have shared that a reason why ACC uses this process is to allow for more time to process information requests as the Official Information Act allows 20 working days to provide information.

12.6. As noted above, this information should be readily available via the ACC1766 form and process. The client should not experience delays where the information is readily available and authorised to be released.

12.7. **Recommendation:** For ACC to stop using the Official Information Act process for sourcing client specific information that should be directly accessible via the ACC1766 process.

13. Motor Vehicle Claims

13.1. Currently, Motor Vehicle Related claims are classified as workplace claims but do not impact Experience Rating. Instead, they sit directly under the Motor Vehicle Account not the Work Account.

13.2. Claims are allocated via what is noted on the ACC45 form that is filled out by the worker (or at times, by the medical practitioner). If there is narrative that states driving for instance, then this claim will be allocated to the Motor Vehicle

Account (MVA).

13.3. The legislation allows for claims that sit under conveyance to be classified under the MVA. The legislation does not specifically state that getting into and out of a cab for instance, which is a core requirement to doing conveying, is not covered.

13.4. A person cannot do conveying if they cannot get into the driver's seat and as such, it should be recognised as part of the conveyance.

13.5. **Recommendation:** ACC introduces a Business Rule where getting into and out of a drivers position is directly covered under Conveyance until the legislation is updated.

14. Conclusion

Thank you for the opportunity to make this submission.

If you would like further context or to discuss any of the points raised in this submission, please do not hesitate to contact me directly.

Kind regards,



Alan Pollard
Chief Executive Officer
Civil Contractors New Zealand Inc.
alan@civilcontractors.co.nz
021 576 109

