

# ACC

## SAFER WORKPLACES, MORE EFFECTIVE COMPENSATION

National supports a comprehensive, 24/7, no-fault accident insurance scheme that delivers certainty of coverage for all New Zealanders.

The existing scheme, provided through a single state insurer, is capable of improvement:

- Workplace accident rates are high by international standards. OECD data to the end of 2003 showed New Zealand's non-fatal injury rate rising when everybody else's, except Luxembourg's, was falling. ACC data shows the number of work-related injury claims increased each year from 2002 to 2005, only declining in 2006. Either way, we can do better.
- Incentives for employers to improve safety practices are poor. Similar premiums are charged to employers regardless of their workplace accident record.
- Incentives for quick, high-quality rehabilitation are weak.
- Entitlements under the scheme for injured people are not of high quality. For example, injured employees are asked to pay a part-charge to receive surgery promptly.

National wants a more flexible scheme that rewards employers with good workplace safety records, penalises those with poor records, and encourages employers to buy more than the basic cover.

With this in mind, National supports the introduction of competition and choice to the ACC Work Account (covering employees and the self-employed at work).

We believe this will result in safer workplaces and a more efficient and effective accident compensation system that benefits all New Zealanders.

## NATIONAL'S PLAN

### 1. Reviewing the Present Scheme

- Conduct a full stock-take of the various components of the ACC scheme.
- Evaluate progress to full funding.
- Identify areas of cross-subsidy or cost-shifting, and underfunding of newly-legislated entitlements.

### 2. Introducing Competition and Choice

Investigate opening the Work Account (covering employees and the self-employed at work) to competition. Any changes will be made carefully after full evaluation of the benefits.

### 3. Improving Dispute Resolution

Investigate the introduction of an independent disputes tribunal to end ACC's dual role of judge and jury on disputed claims.

## OUR PRINCIPLES

- A globally competitive economy
- Better healthcare, sooner

## FOR MORE INFORMATION

**SEE** › [Our Policy Background Paper on ACC](#)