

# Departmental Disclosure Statement

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Accident Compensation (Access Reporting and Other Matters) Amendment Bill
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The Departmental Disclosure Statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Business, Innovation, and Employment.

The Ministry of Business, Innovation, and Employment certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

14 November 2022

## Contents

Contents.....	2
Part One: General Policy Statement.....	3
Part Two: Background Material and Policy Information .....	5
Part Three: Testing of Legislative Content.....	7
Part Four: Significant Legislative Features .....	8

## Part One: General Policy Statement

This Bill has 3 main objectives, which are—

- to improve focus on, and understanding of, how people with personal injuries are accessing the Accident Compensation Scheme (AC Scheme);
- to increase the transparency of the levels of access to the AC Scheme, including any disparities in access to the AC Scheme by different population groups;
- to give better effect to the purpose of weekly compensation.

The Bill aims to meet these objectives by —

- requiring the Accident Compensation Corporation (ACC) to report annually on how Māori and other population groups are accessing the AC Scheme and on any identified drivers or causes of any disparities in access; and
- amending the purpose of the Accident Compensation Act 2001 (the principal Act) and inserting a corresponding function to ensure that ACC focuses on monitoring access to the AC Scheme by Māori and other population groups, in order to deliver services in a way that supports access to the AC Scheme by injured persons in those groups; and
- bringing forward eligibility for the minimum rate of weekly compensation from the sixth to the second week of incapacity.

First, the Bill requires ACC to report annually on how Māori and other population groups are accessing the AC Scheme, and for those reports to include analysis of any identified disparities of access and causes or drivers of those disparities.

Currently, there is no requirement in the principal Act for ACC to report on how different population groups are accessing the AC Scheme.

This change will help to inform the Government about disparities in accessing the AC Scheme and the drivers or causes of those disparities. This information will increase awareness about where disparities exist and how they might be mitigated. It will also increase transparency for the public about access to the AC Scheme, as the reports will be publicly available.

Second, the Bill amends the purpose of the principal Act and the functions of ACC to ensure that ACC focuses on access to the AC Scheme by Māori and other population groups, rather than on only people who make ACC claims (claimants). Those amendments are not intended to expand the cover or entitlements available under the AC Scheme.

Currently, the purpose of the principal Act refers to ACC's obligations in relation to claimants receiving what they are entitled to under the AC Scheme. There is nothing in the purpose that expressly deals with understanding how people with personal injuries, including those people who have not yet made a claim (but might if they had better access), access and benefit from the AC Scheme. Similarly, the principal Act does not expressly deal with what ACC is doing to understand how to support access to the AC Scheme for all people with injuries covered by the AC Scheme.

Refining the principal Act's purpose is intended to address that gap to make it clear that, in line with the AC Scheme's overriding goals, minimising the impact of injury on the community is not limited to the impact of injuries for which claims are made. The way in which ACC will implement this change to the principal Act's purpose is clarified by amending the functions of ACC to expressly refer to ACC's monitoring of access to the AC Scheme in order to identify how to improve delivery of its services.

Last, the Bill amends the principal Act to bring forward eligibility for the minimum rate of weekly compensation (which is currently set at 80% of the minimum wage) from the sixth to the second week of incapacity.

Weekly compensation is intended to enable claimants to meet their everyday expenses and focus on recovery.

The minimum rate of weekly compensation recognises that some people are in very low paid, full-time jobs at the time of their injury and their rehabilitation may be delayed as a result of an inadequate income. For people on very low incomes, the amount of weekly compensation based on 80% of their actual income at the time of injury would be less than the amount of weekly compensation based on 80% of the minimum wage for adults working full time (that is, the current minimum rate of weekly compensation).

This amendment will mean that those claimants on very low incomes will not have to wait 5 weeks for their weekly compensation to be topped up to the minimum rate. As this will remove a financial hardship earlier in the recovery process, the change will allow them to better focus on that recovery.

## Part Two: Background Material and Policy Information

### Published reviews or evaluations

<b>2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?</b>	<b>NO</b>
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### Relevant international treaties

<b>2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?</b>	<b>NO</b>
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<b>2.2.1. If so, was a National Interest Analysis report prepared to inform a Parliamentary examination of the proposed New Zealand action in relation to the treaty?</b>	<b>NO</b>
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### Regulatory impact analysis

<b>2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?</b>	<b>NO</b>
Regulatory impact statements were not required by the Treasury for the proposals in the Accident Compensation (Access Reporting and Other Matters) Amendment Bill.	

<b>2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?</b>	<b>NO</b>
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<b>2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?</b>	<b>NO</b>
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### Extent of impact analysis available

<b>2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?</b>	<b>NO</b>
<b>2.5. For the policy to be given effect by this Bill, is there analysis available on:</b>	
<b>(a) the size of the potential costs and benefits?</b>	<b>NO</b>
<b>(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?</b>	<b>NO</b>
N/A	

<b>2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:</b>	
<b>(a) the level of effective compliance or non-compliance with applicable obligations or standards?</b>	<b>NO</b>

<b>(b) the nature and level of regulator effort put into encouraging or securing compliance?</b>	<b>NO</b>
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## Part Three: Testing of Legislative Content

### Consistency with New Zealand's international obligations

**3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?**

None. The policy to be given effect by the Bill is not expected to impact on any international obligations.

### Consistency with the government's Treaty of Waitangi obligations

**3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?**

None. The policy to be given effect by the Bill is not expected to impact on the principles of the Treaty of Waitangi.

### Consistency with the New Zealand Bill of Rights Act 1990

**3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?**

YES

### Offences, penalties and court jurisdictions

**3.4. Does this Bill create, amend, or remove:**

**(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?**

NO

**(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?**

NO

### Privacy issues

**3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?**

NO

### External consultation

**3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?**

YES

The Accident Compensation Corporation was consulted on the draft of this Bill.

### Other testing of proposals

**3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?**

YES

As above, the policy details to be given effect by this Bill have been tested with the Accident Compensation Corporation.

## Part Four: Significant Legislative Features

### Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO
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### Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
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### Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO
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### Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

### Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO
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### Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO
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### Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO

4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO
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### Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO
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