



COVERSHEET

Minister	Hon Scott Simpson	Portfolio	ACC
Title of Cabinet paper	Accident Compensation Motor Vehicle, Work, Earners' and Experience Rating Amendment Regulations 2025	Date to be published	25 March 2025

List of documents that have been proactively released		
Date	Title	Author
February 2025	Accident Compensation Motor Vehicle, Work, Earners' and Experience Rating Amendment Regulations 2025	Office of the Minister for ACC
20 February 2025	Accident Compensation Levy Regulations LEG-25-MIN-0014 Minute	Cabinet Office

Information redacted

YES / NO [select one]

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of Confidential advice to Government.



Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Accident Compensation Levy Regulations

Portfolio **ACC**

On 20 February 2025, the Cabinet Legislation Committee:

- 1 **noted** that on 25 November 2024, after the completion of public consultation, the Cabinet Business Committee agreed to changes to ACC Levy Regulations to:
 - 1.1 set levy rates for the Motor Vehicle, Work and Earners' Accounts for 2025/26, 2026/27, and 2027/28;
 - 1.2 make changes to specific Work Account Classification Units to better reflect risk profiles for home improvement stores, and sports;
 - 1.3 make changes to the Experience Rating Framework to increase the experience rating medical threshold from \$500 to \$750 and remove the No-Claims Discount and cross-subsidisation of the Framework, to increase equity;
 - 1.4 make changes related to the Motor Vehicle Account that include:
 - 1.4.1 increasing the contribution from owners of motorcycles to the cost of injuries to motorcyclists from 28% to 37%;
 - 1.4.2 introducing new risk groupings to better reflect that the cost of injuries increases as the engine capacity of a motorcycle increase;
 - 1.4.3 increasing the levy for diesel plug-in hybrids and battery electric vehicles to align with other non-petrol vehicles; and
 - 1.4.4 removing the graduated discount for Fleet Saver participants (trucks audited against ACC safety and vehicle management practice standards);

[CBC-24-MIN-0118]

- 2 **noted** that the Accident Compensation (Work Account Levies) Regulations 2025, the Accident Compensation (Earners' Levy) Regulations 2025, the Accident Compensation (Experience Rating) Regulations 2025, and the Accident Compensation (Motor Vehicle Account Levies) Regulations 2025 will give effect to the above decisions;

- 3 **authorised** the submission to the Executive Council of the:
- 3.1 Accident Compensation (Work Account Levies) Regulations 2025 [PCO 26980/7.0];
 - 3.2 Accident Compensation (Earners' Levy) Regulations 2025 [PCO 26979/4.0];
 - 3.3 Accident Compensation (Experience Rating) Regulations 2025 [PCO 27051/8.0];
 - 3.4 Accident Compensation (Motor Vehicle Account Levies) Regulations 2025 [PCO 26981/7.0];
- 4 **noted** that the Accident Compensation (Motor Vehicle Account Levies) Regulations 2025 will come into force on 1 July 2025, and that the other Regulations will come into force on 1 April 2025;
- 5 **noted** that section 331 requires that the Minister may not recommend the making of regulations prescribing the rates of levies unless the Minister has first received and considered a recommendation from ACC, and ACC has followed the provisions of section 331 including consulting levy payers and considering the Financial Policy Statement;
- 6 **noted** that Section 330 of the Accident Compensation Act 2001 requires that the Minister may not make any recommendation about regulations relating to classifications and risk rating without first consulting the persons or organisations the Minister considers appropriate;
- 7 **noted** the advice of the Minister for ACC that the above requirements have been met;
- 8 Confidential advice to Government

Tom Kelly
Committee Secretary

Present:

Rt Hon Winston Peters
Hon David Seymour
Hon Chris Bishop (Chair)
Hon Louise Upston
Hon Shane Jones
Hon Brooke van Velden
Hon Judith Collins KC
Hon Tama Potaka
Hon Nicole McKee
Hon Casey Costello
Hon Chris Penk
Hon Andrew Bayly
Hon Scott Simpson, MP
Jamie Arbuckle, MP
Todd Stephenson, MP

Officials present from:

Officials Committee for LEG
Leader of the House's Office
Attorney-General's Office