

Fact sheet: ACC Better safety lower costs

New Zealand's Accident Compensation Corporation (ACC) provides personal injury cover for all New Zealand citizens, residents, and temporary visitors to New Zealand. ACC uses a risk-based classification system where business activities are grouped so the costs of work injuries are fairly distributed among similar businesses. ACC sets levies for each group by comparing costs of previous claims with total earnings within that activity group.

Whether you are self-employed, a shareholder employee or an employer, you are required to pay ACC levies. However, there are ways you can keep costs down while ensuring suitable cover and safe workplaces. Depending on what industry you work in, there may also be funding assistance available to improve workplace health and safety.

Can levies and charges be minimised?

Businesses may reduce their levies based on their ability to show they run safer workplaces which therefore pose a lower risk, using:

History of lower risk	Demonstrated safety systems
No claims discount	Fleet Saver
Experience rating	

No-claims discount

Businesses (including self-employed people) who have paid an annual levy of less than \$10,000 in any one year in a three-year period can receive a no claims discount or a high claims loading of up to 10per cent on the current portion of their levy.

The levy adjustments for these businesses are:

- a 10% discount if no weekly compensation days have been paid and no accidental death claims. made over the period
- a 10% loading (increase) if the business has generated more than 70 weekly compensation days paid or any accidental death claims
- no change for a business generating between one and 70 weekly compensation days paid.

Experience Rating

If your annual Work levy is over \$10,000 for three years in a row, your business falls under the Experience Rating Programme. Under this programme, employers who have lower-than-average injury rates, with better-than-average rehabilitation or return to work rates, may receive a discount on their ACC work levy. Those with worse-than-average claims history may receive a loading on their levy.

Based on their claims history, businesses may receive a discount of up to 50% or a loading of up to 100% on the current portion of their work levy.

Businesses that fall below minimum liable earnings (\$44,250 in the 2024–25 levy year with effect from 1 July 2024) or have not been invoiced for an ACC levy for each year of the experience period are exempt. Their levies will continue to be calculated as usual.

Fleet Saver

The programme provides a heavy truck fleet owner with an objective assessment of their fleet safety systems and performance. It aims to increase workplace safety levels, encouraging fleet operators to implement safety programmes in their businesses. Those who demonstrate best practice on the roads are recognised and rewarded through a lower levy on their current year's vehicle licence levy.

Administration charges

It is also possible to reduce administration charges on ACC levies. For example, clients now have the option to pay levies over a 6-month period with no administration charges.

Funding assistance

Workplace injury prevention grants

These grants provide funding for organisations to help solve workplace health and safety problems that affect multiple businesses in an industry or supply chain.

ACC partners with these organisations to carry out projects and then share the benefits with other businesses. The idea is to support improvements to workplace health and safety for many businesses and their employees.

Organisations can apply for between \$50,000 and \$500,000 (excluding GST) per year for a maximum of three years. Applicants need to be a registered legal entity to apply, e.g. a business, university, research institute, or charity.

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