



COVERSHEET

Minister	Hon Carmel Sepuloni	Portfolio	ACC
Title of Cabinet paper	Consultation on 2022/23 – 2024/25 ACC levies	Date to be published	11 October 2021

List of documents that have been proactively released		
Date	Title	Author
25 August 2021	Consultation on 2022/23 – 2024/25 ACC levies	Office of the Minister for ACC
1 September 2021	Cabinet Minute of Decision, Consultation on 2022/23 – 2024/25 ACC Levies [CAB-21-MIN-0338.02 refers]	Cabinet Office

Information redacted	YES / NO
<p>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.</p> <p>Some information has been withheld to protect confidential advice to Government.</p>	



Cabinet

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.

Consultation on 2022/23 - 2024/25 ACC Levies

Portfolio ACC

On 30 August 2021, following reference from the Cabinet Business Committee, Cabinet:

Public consultation process for 2022/23 - 2024/25 levy rates

- 1 **noted** that ACC will consult on its proposed 2022/23 - 2024/25 levy rates between 1 September and 5 October 2021 before it makes recommendations to the Minister for ACC in November 2021;
- 2 **noted** that ACC must give effect to the Funding Policy Statement set by the government when recommending the making of regulations prescribing the rates of levies;
- 3 **noted** that, following consultation and receiving recommendations from ACC and the Ministry of Business, Innovation and Employment (MBIE), the Minister for ACC intends to seek Cabinet decisions on the 2022/23 - 2024/25 levy rates for the three levied accounts in December 2021;
- 4 **noted** that the government is not obliged to adopt ACC or MBIE's levy recommendations, as it can take account of broader considerations, including the overall public interest;

ACC's consultation on 2022/23 – 2024/25 levy rates

- 5 **noted** that ACC will be undertaking public consultation on the proposed levy rates set out in the table below;

Levy	Current 2021/22 levy rates	Proposed levy rate			Net change over 3 years
		2022/23	2023/24	2024/25	
Average Motor Vehicle levy rate per vehicle ¹	\$113.94 per vehicle	\$120.20	\$128.83	\$138.08	\$24.14 ↑
Earners' levy rate ²	\$1.21 per \$100 wages	\$1.27	\$1.33	\$1.39	\$0.18 ↑
Average Work levy rate ³	\$0.67 per \$100 of payroll	\$0.63	\$0.65	\$0.67	no change

¹ Including petrol component, GST excl.

² Per \$100 of liable earnings, GST excl.

³ Per \$100 of liable earnings, GST excl.

Classification Unit and Credit Interest proposals for consultation

- 6 **approved** public consultation on the proposed changes to specific Classification Units;
- 7 **approved** public consultation on the proposal to update the rate of Credit Interest that applies to levies;
- 8 **noted** that the Minister for ACC has asked ACC to undertake this consultation on her behalf;

Experience Rating proposals for consultation;

- 9 **noted** that ACC will consult on its proposed changes to the Experience Rating Programme between 1 September and 5 October 2021;

Motorcycle Safety Levy rate;

- 10 **noted** that the Minister for ACC intends to maintain the current Motorcycle Safety Levy rate of \$25 per motorcycle;

Authorisation

- 11 **authorised** the Minister for ACC and the Minister of Health to finalise any amendments required to the paper and consultation document attached to CBC-21-SUB-0074.

Michael Webster
Secretary of the Cabinet

Secretary's Note: This minute replaces CBC-21-MIN-0074. Cabinet added paragraph 11.
