



COVERSHEET

Minister	Hon Scott Simpson	Portfolio	ACC
Title of Cabinet paper	Accident Compensation Amendment Regulations 2025	Date to be published	13 November 2025

List of documents that have been proactively released

Date	Title	Owner
October 2025	Accident Compensation Amendment Regulations	Office of the Minister for ACC
23 October 2025	Accident Compensation Amendment Regulations LEG-25-MIN-0211 Minute	Cabinet Office

Information redacted

YES / NO (please select)

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Office of the Minister for ACC

Chair, Cabinet Legislation Committee

Accident Compensation Amendment Regulations 2025

Proposal

- 1 I propose that the Cabinet Legislation Committee authorise the submission of the following regulations (collectively known as the Amendment Regulations) to the Executive Council:
 - 1.1 Accident Compensation (Occupational Diseases) Order 2025;
 - 1.2 Accident Compensation (Review Costs and Appeals) Amendment Regulations 2025;
 - 1.3 Accident Compensation (Occupational Hearing Assessment Procedures) Amendment Regulations 2025; and
 - 1.4 Accident Compensation (Ancillary Services) Amendment Regulations 2025.

Executive Summary

- 2 This paper seeks Cabinet Legislation Committee approval to submit three Amendment Regulations and one Order in Council to the Executive Council, implementing updates previously agreed by the Cabinet Social Outcomes Committee [SOU-25-MIN-0065 refers]. These changes modernise outdated regulatory settings across the Accident Compensation Scheme to improve claimant access, fairness, and operational efficiency.
- 3 Specific updates include adding twelve items to the list of occupational diseases covered a workplace injuries, simplifying and increasing the reimbursement rates paid to claimants seeking a review of their claim decision, modernising the age scale used in hearing assessments, and increasing the rate payable to claimants travelling for treatment.
- 4 These changes will increase ACC's Outstanding Claims Liability by \$28.6 million and annual spending by \$4.2 million, with costs absorbed in future levy rounds and forecast adjustments. The Amendment Regulations are scheduled to come into force on 27 November 2025.

Policy

- 5 Cabinet has agreed to update three Accident Compensation Regulations and amend Schedule 2 of the Accident Compensation Act 2001 via an Order in Council.

- 6 These changes are necessary because the regulations had gone too long without substantial updates. As such, the current settings are undermining the purpose of the regulations, with the burden being borne by claimants attempting to access the Accident Compensation Scheme.

Schedule 2, the list of occupational diseases

- 7 Schedule 2 is the list of occupational diseases in the Accident Compensation Act 2001. In principle, a claim being assessed via inclusion in Schedule 2 provides claimants with a more streamlined path to cover. As a result, claimants may receive their claim decision faster and with a lower personal evidence threshold. Additionally, ACC can spend less time processing claims.
- 8 Cabinet has agreed to include the following twelve items in Schedule 2, on the basis that they are all proven to have strong causal relationships between workplace exposure and the development of the associated illness:
- 8.1 Erionite and malignant mesothelioma;
 - 8.2 Infrared radiation and heat-induced cataracts;
 - 8.3 Nickel and nasal cancer;
 - 8.4 Ammonia and chronic corneal ulcer;
 - 8.5 1,2-dichloropropane and cholangiocarcinoma;
 - 8.6 Butadiene and leukaemia;
 - 8.7 Trichloroethylene and kidney cancer;
 - 8.8 Welding and ocular melanoma;
 - 8.9 Potroom emissions and asthma;
 - 8.10 Asbestos and laryngeal cancer;
 - 8.11 Asbestos and ovarian cancer; and
 - 8.12 Vinyl chloride and hepatocellular carcinoma.

Review Costs Regulations

- 9 Claimants who disagree with a claim decision made by ACC are able to have this considered by an independent reviewer. ACC is required to reimburse some of the costs incurred by this process as set out in the *Accident Compensation (Review Costs and Appeals) Regulations 2002* (the Review Costs Regulations).
- 10 Cabinet has agreed to simplify the cost categories down from fourteen to three to make these regulations less prescriptive and more user friendly for both claimants and lawyers/lay advocates. Cabinet agreed to uplift the

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maximum rates payable across the three cost categories. The updated rates are as follows:

- 10.1 Cost Category One – Representation Costs: will range from \$1,050 to \$2,100 (GST incl.) depending on if the representative was a lawyer or lay advocate and on the complexity of the case.
- 10.2 Cost Category Two – Medical and other evidential reports: \$4,150 (GST incl.)
- 10.3 Cost Category Three – Other expenses: \$1,500 (GST incl.)
- 11 Cabinet also approved three minor updates to the Review Costs Regulations:
 - 11.1 Define lawyer as having the same meaning as in section 6 of the *Lawyers and Conveyancers Act 2006*;¹
 - 11.2 Revoke the definitions of ‘registered specialist’ and ‘scope of practice’ to improve claimant access to the reports they may require in their case.
 - 11.3 Replace the reference to a specified travel reimbursement rate to refer to the rate prescribed in the *Accident Compensation (Ancillary Services) Regulations 2002*.

Hearing Assessments Regulations

- 12 The *Accident Insurance (Occupational Hearing Assessment Procedures) Regulations 1999*² (the Hearing Assessment Regulations) contain an age scale showing the percentage of hearing loss assumed to be caused by age for male and female claimants across given age brackets.
- 13 The age scale used in the Hearing Assessment Regulations will be updated to use the current international standard (ISO 7029:2017). This will more accurately reflect the hearing loss profiles of the New Zealand population.
- 14 Cabinet also approved three minor updates to the Hearing Assessment Regulations:
 - 14.1 Replace the current reference to the pure-tone air and bone conduction threshold testing standard of AS ISO 8253.1-2009 with ISO 8253-1:2010.
 - 14.2 Revoke the definition of otolaryngologist to align with ACC’s operational practice of requiring hearing tests to be carried out by audiologists.

¹ A person who holds a current practising certificate as a barrister or as a barrister and solicitor.

² The title of this Regulation will be updated to align with the current name of the primary legislation, i.e., Accident Compensation, not Accident Insurance.

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- 14.3 Correct minor drafting errors relating to how ages are expressed in the age scale to correctly include males aged 55 years and females aged 68 years, and all claimants aged 81 and over.

Ancillary Services Regulations

- 15 The *Accident Compensation (Ancillary Services) Regulations 2002* (the Ancillary Services Regulations) prescribe the rates ACC is liable to reimburse for claimants travelling to receive treatment and rehabilitation.
- 16 Cabinet agreed to the following updates:
- 16.1 Increase the accommodation rate to \$140 per night.
- 16.2 Introduce a separate rate for staying with family and friends at \$35 per night.
- 16.3 Increase the travel reimbursement rate to \$0.34 per km.

Financial Implications

- 17 Implementation of the Amendment Regulations will increase ACC's Outstanding Claims Liability by \$28.6 million and will impact ACC's levied and appropriated accounts with an increase in spending of \$4.2 million.
- 18 These costs are able to be factored into the 2028-31 levy round, and the portion impacting the Non-Earners' Appropriation is able to be factored into the annual forecast adjustment. As such, these updates represent a minor adverse effect on the fiscal position of ACC's levied and appropriated accounts.

Timing and 28-day rule

- 19 The Amendment Regulations are planned to come into force on 27 November 2025.

Compliance

- 20 Sections 336(2), 323(2) and 325(2) of the Accident Compensation Act 2001 set out the requirements for consulting with persons I consider appropriate before recommending any changes relating to Schedule 2, the Hearing assessment Regulations and the Ancillary Services Regulations (respectively). I am satisfied that these requirements were complied with.
- 21 It has been assessed that the proposed Accident Compensation Regulatory Settings Amendment Regulations comply with each of the following:
- 21.1 the principles of the Treaty of Waitangi;
- 21.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;

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- 21.3 the principles and guidelines set out in the Privacy Act 2020;
- 21.4 relevant international standards and obligations; and
- 21.5 the Legislation Guidelines (2021 edition).

Regulations Review Committee

- 22 There are no grounds for the Regulations Review Committee to draw the Regulations to the attention of the House of Representatives under Standing Order 327.

Certification by Parliamentary Counsel

- 23 The draft Amendment Regulations have been certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

Impact Analysis

- 24 A Regulatory Impact Assessment was prepared to update the age scale in the Hearing Assessment Regulations and was submitted at the time Cabinet Social Outcomes Committee approval for the recommended changes was sought on 4 June 2025 [SOU-25-MIN-0065 refers].

Publicity

- 25 ACC will communicate the changes to impacted claimants, treatment providers, and other relevant stakeholders to inform them of how these updates will affect them.

Proactive release

- 26 MBIE will proactively release this Cabinet paper and the accompanying Cabinet minute within 30 days of Cabinet decisions. No redactions are proposed.

Consultation

- 27 The following agencies and Crown entities were consulted on the proposals in this paper: the Accident Compensation Corporation, the Treasury, the Department of Internal Affairs, the Ministry of Business, Innovation and Employment, WorkSafe New Zealand, the Ministry of Health, Whaikaha, the Ministry of Social Development, the Ministry for Women, Veterans' Affairs, Fire and Emergency New Zealand, and the Office for Seniors.

Recommendations

I recommend that the Cabinet Legislation Committee:

- 1 **note** that on 4 June 2025 the Cabinet Social Outcomes Committee agreed to update three Accident Compensation Regulations and amend Schedule 2 of the Accident Compensation Act 2001 via an Order in Council [SOU-25-MIN-0065 refers]. These updates make 12 additions to the list of occupational diseases, simplify and uplift costs reimbursed at review, amend the age scale used in hearing assessments, and increase reimbursement rates paid to claimants travelling for treatment;
- 2 **note** that the Accident Compensation (Occupational Diseases) Order 2025; Accident Compensation (Review Costs and Appeals) Amendment Regulations 2025; Accident Compensation (Occupational Hearing Assessment Procedures) Amendment Regulations 2025; and Accident Compensation (Ancillary Services) Amendment Regulations 2025 will give effect to the decision referred to in paragraph 1 above;
- 3 **note** that sections 336(2), 323(2), and 325(2) of the Accident Compensation Act 2001 require that the responsible Minister be satisfied that consultation with persons I consider appropriate before recommending any changes relating to Schedule 2, the Hearing Assessment Regulations and the Ancillary Services Regulations (respectively) has occurred before recommending the making of an Order in Council.
- 4 **note** the advice of the Minister for ACC that this requirement has been met;
- 5 **authorise** the submission to the Executive Council of the Amendment Regulations;
- 6 **note** that the Amendment Regulations will come into force on 27 November 2025.

Authorised for lodgement

Hon Scott Simpson

Minister for ACC