SUMMARY

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I SUMMARY OF SYMPOSIUM

To take Brian Easton’s prompting, I agree that in our summary, we should adopt the "Woodhouse approach" – "What is the problem?"

Before I begin on that, however, I would like to say that there is another enviable Woodhouse approach that I think worthy of adoption, and that is to keep the issues simple.

But to reflect on the problems, in the original report, in the interpretation of the principles and substance of the report, of previous legislation and in the current legislation:

II THE ORIGINAL REPORT

Two issues from the original report, when considered in the context of the time are problematic:

(1) The separation from the Departmental status and therefore, the lack of interdepartmental operation and policy consideration; and

(2) The inappropriate "morality" in a no fault scheme of disentitlement for those with self inflicted injury

A The Interpretation of the Principles and Substance of the Report

I personally feel as though I have no difficulty understanding and interpreting the principles and substance of the report, but Bill Birch said that as he introduced and passed the 1992 legislation, and Murray McCully said the same thing as he oversaw the privatisation of the workers' compensation section of the scheme. Leaving aside the possibility of their words being for political purposes, it seems to me as though a better informed public debate about what "social insurance" is, what a "social contract" is, and what the purpose and therefore the no fault, comprehensive cover is about, is needed and appropriate.

It is perhaps more important given that the scheme is now of an age where a number of our citizens have no recollection of "pre-ACC" time. If only New Zealanders now could understand the

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magic of the "Woodhouse words" of valuing all citizens and their contribution to society (leaving aside the gender bias of the time!)

The same considerations must apply, also to the women in the population who as housewives make it possible for the productive work to be done. The need is for an integrated solution with comprehensive entitlement for every man and woman, and coverage in respect of every type of accident.

There is a lack of understanding about the fundamental fairness of the scheme – understandably exacerbated by frustration by disputes about cover, about levels of entitlement, about poor rehabilitation, about all sorts of issues, which are genuine and therefore genuinely cloud support of the scheme. This needs to be countered.

**III PREVIOUS LEGISLATION**

To look at problems of previous legislation would take too long – suffice to say that it seems to me as though it was based on reduction of cost through reduction of both cover and entitlement. So clearly the "problem" was identified in a different way to the way I might identify the problem. However, we have fortunately moved on from many of those problems, so perhaps it would be more helpful to future discussion to move to "the problem" with the current legislation – and to a work programme for the future.

**IV CURRENT SITUATION AND LEGISLATION**

To start with what seem like a minor point (but to me it's not, because it's an indication of the culture of an organisation) and that is the language. The language ACC uses should reflect the principles and substance of the Woodhouse report – not the insurance industry.

- Injury prevention must be restored as the key role of the Corporation.
- Should the Corporation remain a Corporation or should it be a Government Department?
- ACC is currently a somewhat orphan structure in terms of both policy and operational links.
- Rehabilitation must be high quality, early, and aimed at restoring the individual to their pre-injury earning capacity as much as possible.
- We should recognise the changed and changing labour market so that our cover and entitlement is restored as being fair to all.
- We should recognise self-inflicted injuries in the same way as any other injuries in a no fault system.
- Likewise with the medical misadventure provisions – a fault provision and a random % rarity (combined with "severity") does not fit logically.
• Lump sum compensation should link with comparable common law entitlement.

• Permanent partial impairment to recognise the effect of the impairment would be another move towards fairness.

• The increasing grey areas between medical causes and injury causes can only truly be addressed by serious considerations of the Woodhouse report, which stated:

  It may be asked now how incapacity arising from sickness and disease can be left aside. In logic there is no answer. A man overcome by ill health is no more able to work and no less afflicted than his neighbour hit by a car.........The proposal now put forward for injury leaves the way entirely open for sickness to follow whenever the relevant decision is taken.

  It is my view that this decision should be taken sooner rather than later in the interests of basic fairness if nothing else.

• And finally, it is my view that the entire scheme has become unnecessarily complex and therefore, increasingly inefficient:

  So there are many things to be done in future. None of them should lose sight of the problem. None of them should lose sight of the Woodhouse report. And none of them should lose sight of just how fortunate we are to live in New Zealand where we have had the fairness of this visionary scheme.