
From: Brian Hesketh
Sent: Friday, 28 May 2021 8:16 AM
To: PolicyDesignWHBCR-SIRA@sira.nsw.nsw.gov.au

Subject: Re: Consultation on injury insurance arrangements for gig economy food delivery riders

Dear Mr Parker and Ms Eves,

Thank you for your letter and email of 5 May 2021 to Scott Pickering, inviting comment from the Accident Compensation Corporation (ACC) on the position of workers compensation or compulsory third party motor vehicle insurance arrangements for gig economy food delivery riders in New South Wales.

The New Zealand Accident Compensation Scheme (the ACC Scheme) scope has significant differences from workers compensation and motor vehicle injury schemes in Australia.

The ACC Scheme is a 24-hour, no-fault compensation scheme for all injuries in New Zealand. People are covered by ACC for injuries that occur in the home, on the road, at work, playing sport, and in other contexts. This means that novel or different employment arrangements do not affect cover under the ACC Scheme – this is available for all injuries. Where a person has cover, they can then access treatment and social rehabilitation based on their needs.

However, access to weekly compensation for loss of earnings (and vocational rehabilitation) is linked to being an earner (that is, a person in employment) at the time of injury. The injury does not need to occur at work, or be work-related, but weekly compensation is only available for earners. This is because non-earners (eg unemployed and retired people) who are injured do not experience a loss of income due to their injury.

Therefore, status as an earner can affect access to entitlements under the ACC Scheme. New Zealand's Accident Compensation Act 2001 defines employment as 'work carried out for the purposes of pecuniary gain or profit' and provides for a wide range of types of employment, including self-employment and non-permanent employment (including casual and seasonal work). There are different provisions for calculating entitlements for these distinct types of employment, to provide a fair approach for different circumstances. Employees and self-employed people are also required to pay ACC levies.

Where people provide services through a digital platform (often referred to as 'gig' or 'on-demand' work arrangements) they must pay tax and ACC levies on income earned, as do other earners. They are also eligible for weekly compensation if unable to work due to injury, and ACC can consider different types of evidence to establish ongoing self-employment before injury. However, where a pattern of work is casual in nature, a person would need to be engaged in employment immediately prior to their injury (although, as noted above, the injury itself does not need to be a work injury).

Where a person is eligible for weekly compensation, their entitlement rate is determined based on previous earnings. For self-employed people (including gig workers), earnings are defined as taxable income that is dependent on the person's personal exertions.

Thank you again for the opportunity to provide comment, and I hope this information will be of assistance as you endeavour to improve injury insurance arrangements for gig economy food delivery riders in your jurisdiction.

Kind regards



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