

LOWER ACC LEVIES FOR ENTERPRISES WITH WORKPLACE SAFETY PLANS

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Selected small businesses with approved workplace safety plans are entitled to a 10 percent cut in ACC levies.

Companies in six industry sectors could qualify, says Accident Compensation (ACC) Minister, Ruth Dyson.

Construction, inshore fishing, agriculture (which includes for example, horse training), forestry, motor trades and road/freight transport were selected because these sectors have the greatest risks of injuries.

The annual discounts, affecting more than 180,000 small businesses, could be \$200 to \$300 and apply for three years on their Employers Account levy and or self employed work account.

The sectors cover 42 % of all small businesses but have 61% of the accidents and injuries.

With the necessary regulations, made law in April, ACC is now running a direct mail campaign to about 1200 farmers who have completed relevant training, inviting them to apply for a discount. This will be followed by a similar direct mail campaign to truck drivers in about a month.

Promotion to other industries where the programme is being initially offered, will be timed to co-ordinate with the running of industry specific training courses.

To qualify, the business or self employed person must have 10 or fewer full time equivalent workers or annual liable earnings of no more than \$380,000. They must also show they have systems for hazard identification and management, injury and incident investigation, emergency readiness and for training employees and also allow ACC approved audits.

ACC works with industry associations and organisations to help provide relevant workplace safety training available for small businesses in the sectors.

The discount on ACC levies applies to the full year`s levies regardless of when in the year a business starts participating in the workplace safety scheme.

For example, a residential homebuilder who is self-employed and employs a labourer for part of the year, could save about \$250. The calculation is: builder`s self-employment to March 31, \$59,941 and payroll \$22,968. The total ACC levies without safety plan would be \$2367.

The large proportion of small businesses and self –employed working in high –risk industries is less able than a bigger business to cope with injured absentees, says Dyson. “ These changes recognise that small business owners can take a few fairly simple steps to improve workplace safety- and there will be a financial incentive for doing so.”

The levy discount is designed to be an attractive inducement to improve safety.

ACC will report on the programme`s uptake and impact on injuries in July next year, when it may also recommend any extension to other industries.

Small business levy payers can comment on extension proposals during the annual public consultation round on ACC levy rates.

It`s not hard for small to medium enterprises to start simple measures to apply for a discount, says Craig Macdonald, director of Auckland-based independent health and safety solutions company, All About People.

“And it sets them up with good work practices which can prevent injuries and reduce delays, which means the job then runs smoothly. A lot of builders say the government is increasing compliance costs, however, the fact is people die or are permanently injured on building sites due to poor planning, lack of consideration for safety or lack of understanding of safety requirements”

When an employee suffered a broken neck after falling off a deck recently, it resulted in high legal costs for the small business while also disrupting relationships. It also produced a family coping with a life changing disability and mental and financial stress to all parties, he says.

If you would like to discuss your Workplace Safety Plan, identification systems for hazards and emergency readiness at your work place, employee training, injury prevention and management, please contact us on request@integrityrehab.co.nz