

DON'T PRIVATISE ACC

THE NATIONAL/ACT GOVERNMENT'S ATTACK IS NO ACCIDENT

The National/ACT Government has invented a "crisis" around ACC so they can open it up to private insurance companies, just as they did in 1999.

If this happened, you would probably have to pay higher insurance premiums. It would also likely be harder and take longer for you to get compensation if you had an accident.

Don't be fooled by National/ACT's public relations spin about ACC. Experts have been queuing up to challenge their arguments.

"All this talk of liabilities being blown out is complete nonsense. It's ill-founded and smacks of scare-mongering... on paper the losses have ballooned when in reality there's nothing wrong with it."

Jonathan Eriksen, MD, Eriksen & Associates, actuaries

There is no costs
"blow-out" and
no "crisis"

**TURN OVER TO
FIND OUT WHY**



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Is ACC insolvent?

No - ACC has revenue of about \$4 billion a year and expenditure of less than \$3bn. National is twisting the definition of insolvency for effect. ACC's \$10bn reserves will increase over time as it moves to full-funding of all future claims from funding only those due in the current year.

Are ACC costs "out of control"?

No - claims costs have grown through coverage of more conditions, higher medical costs, and NZ's higher accident rates. But work account admin costs are only 19.7% of services compared to Australia's 25.2% average.

Is ACC poorly governed and managed?

An extensive review last year by independent accountants confirmed that ACC is internationally regarded as a well run scheme, is achieving best practice and is one of the most cost-effective injury compensation schemes in the world.

Has ACC suffered major investment losses?

ACC's own fund managers have bettered almost every other fund manager, public or private, over the past year. In the 7 months to January 2009, they returned 2.73%, when most funds were much less or even negative.

Why has Ross Wilson been sacked as ACC Board Chair?

Most likely it is because the Government doesn't want a former union leader as Chair, and because of his known opposition to ACC privatisation.

What will opening up the ACC work account to private insurance companies mean?

Unlike publicly-owned ACC, private insurance companies need to make profit, which will make ACC more expensive to run, or will increase levies. Private insurers will also try to minimise pay-outs, so it may be harder for you to claim if you have an accident.

**This government will try to privatise ACC sooner or later.
Make sure it doesn't happen.
Not now, not next year, not ever.**

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Go to www.fairness.org.nz
and register your support



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