



STANDING COMMITTEE ON FOREIGN AFFAIRS AND DEFENCE

Review Report of the Accident Compensation Commission, Fiji 2022 Annual Report



PARLIAMENT OF THE REPUBLIC OF FIJI
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Acronyms

ACCF	-	Accident Compensation Commission, Fiji
ACF	-	Accident Compensation Fund
FNU Levy	-	Fiji National University Levy
KPIs	-	Key Performance Indicators
MEPIR	-	Ministry of Employment, Productivity and Industrial Relations
SCFAD	-	Standing Committee on Foreign Affairs and Defence
SDGs	-	Sustainable Development Goals
SO	-	Standing Order

Chairperson's Foreword

The Standing Committee on Foreign Affairs and Defence (SCFAD) hereby submits to Parliament the Review Report of the Accident Compensation Commission, Fiji 2022 Annual Report.

The Accident Compensation Commission, Fiji (ACCF) is established under the Accident Compensation Act 2017 (the Act). The Accident Compensation scheme commenced on 01 January 2018 providing greater and easier access to compensation on a no-fault basis for serious injuries and deaths arising out of motor vehicles. The no-fault basis of compensation also extend to injuries and deaths as a result of an accident arising out of and in the course of employment, and accidents occurring on any school premises.

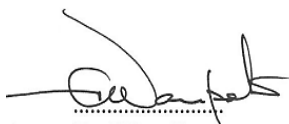
The Committee during its public hearing on 19 November 2024 was informed that since June 2024, the ACCF Board decided to transfer all employment and school accident cases back to the Ministry of Employment, Productivity and Industrial Relations (MEPIR).

This report contains five (5) recommendations for consideration by relevant authorities.

The Committee is grateful and commends ACCF for the forthright discussions held with the Committee during their public submission and wish them well for the very important work that they do.

I thank the members of the Standing Committee on Foreign Affairs and Defence for compiling this bipartisan report and also thank the Secretariat for their invaluable support.

On behalf of the Standing Committee on Foreign Affairs and Defence, I submit this report to Parliament.



Hon. Viliame Naupoto
Chairperson

Recommendations

The Committee recommends the following:

- 1.0 That relevant authorities put in place stringent measures to deter careless driving and conduct more awareness on safe driving behaviors and general safety on our roads (*refer to paragraph 3.3.3*).
- 2.0 That the relevant Standard Operating Procedures (SOPs) be streamlined and that relevant stakeholders should cooperate well to reduce the processing time of the required documents needed for compensation claims (*refer to paragraph 3.3.4*).
- 3.0 That the status quo of the 1% FNU Levy to the employer be maintained and should only be utilized to support the workforce development and ensure that employers receive their fair share, making the system more efficient and effective (*refer to paragraph 3.3.5*).
- 4.0 The Committee noted that there was no reporting on the key performance indicators by ACCF. Such information would assist the Committee to properly examine the performance of ACCF and provide useful and relevant recommendations for work improvement. Therefore, the Committee recommends that ACCF should provide information on its KPIs measured against achieved targets in all of its future reporting (*refer to paragraph 3.3.6*).
- 5.0 That ACCF provide information on SDGs in all its future reports (*refer to paragraph 4.1*).

1.0 Committee Remit and Composition

Under Standing Order 109(2)(e) the Standing Committee on Foreign Affairs and Defence is mandated to look into matters related to Fiji's relations with other countries, development aid, foreign direct investment, oversight of the military, and relations with multi-lateral organizations. The members of the Standing Committee on Foreign Affairs and Defence are as follows:



Hon. Viliame Naupoto
Chairperson of the Standing Committee on Foreign Affairs and Defence



Hon. Lenora Qereqeretabua
Deputy Chairperson
Deputy Speaker of Parliament
Assistant Minister for Foreign Affairs



Hon. Jovesa Vocea
Member
Assistant Minister for Rural, Maritime Development
and Disaster Management



Hon. Ratu Isikeli Tuiwailevu
Member
Assistant Minister for i-Taukei Affairs, Heritage and Arts



Hon. Rinesh Sharma
Member

1.1 Committee Secretariat Team

Supporting the Committee in its work is a group of dedicated Parliament Officers serving as the Committee Secretariat. These officers are appointed and delegated by the Secretary-General to Parliament by Standing Order 15(3)(i). The Secretariat officers are as follows:

- Mrs. Susana Korovou – Senior Committee Clerk
- Mrs. Elesi Tabuyaqona – Deputy Committee Clerk

2.0 Background and Terms of Reference

The Standing Committee on Foreign Affairs and Defence (the Committee), was referred to the Accident Compensation Commission, Fiji 2022 Annual Report on 06 September 2024. The referral of the Annual Report was done in accordance with SO 38 (2), whereby the Committee was assigned to investigate the contents of the report and provide a report to Parliament at a future Sitting. This report is outside the usual mandate of the Committee, however, the referral was made to help ease the workload of the other Standing Committees.

2.1 Procedure and Program

Public Submission (written submission and oral submission)

In relation to Standing Order 111 (1), the Committee is committed to upholding public trust in Parliament, by ensuring that there is public participation and that all such participation is given due consideration. The Committee had called for an oral public submission from the Accident Compensation Commission, Fiji on 19 November 2024. This session was broadcasted live on Parliament Facebook page and aired on the *Walesi* Parliament channel.

A summary of the submission is provided in a later part of this report, under the heading ‘Committee’s Deliberation and Analysis’. Copies of the written submission and the verbatim report from the meeting can be obtained from the online Appendices of this report, which can be accessed from the Parliament website: www.parliament.gov.fj.

3.0 Committee Deliberation and Analysis

3.1 Introduction

The Accident Compensation Commission, Fiji (ACCF) is established under the Accident Compensation Act 2017 (the Act). The Accident Compensation scheme commenced on 01 January 2018 providing greater and easier access to compensation on a no-fault basis for serious injuries and deaths arising out of motor vehicle, employment and school accidents.

The Act does not allow compensation to be paid under the following circumstances:

- a) Driving under the influence of alcohol over the prescribed limit or under the influence of drugs;
- b) Failing or refusing to permit a breath test or a specimen of blood to be taken;
- c) Not holding a valid driving license and failure to comply with all the conditions of the driving license;
- d) Any injury or death that did not directly arise from the accident;
- e) Owner of a vehicle who, failed to pay the Motor Vehicle Accident levy;
- f) Being convicted for any act or omission that directly caused the accident;
- g) Deliberate self-injury and attempted suicide or suicide; and
- h) Personal injury or death as a result of an accident arising out of and in the course of employment where the injured or deceased person is not a worker.

Between 01 August 2021 to 31 July 2022, ACCF received a total of 840 applications for which:

- a) 335 being for motor vehicle accidents;
- b) 472 for employment accidents; and
- c) 33 for school accidents.

A total sum of approximately \$12.86 million in compensation was approved during this reporting period of which:

- a) \$7.16 million being for motor vehicle accidents;
- b) \$5.35 million for employment accidents; and
- c) \$0.35 million for school accidents.

The total compensation paid under the scheme from 01 January 2018 to 31 July 2022 was \$34.85 million paid to more than 1,700 recipients.

The ACCF collaborates well with key organizations like the Ministry of Health and Medical Services, Ministry of Employment, Productivity and Industrial Relations, Land Transport Authority, Fiji Police Force and Legal Aid Commission to deliver their services efficiently.

3.2 Summary of the ACCF 2022 Annual Report

3.2.1 Motor Vehicle Accidents

The ACCF has been compensating victims of motor vehicle accidents on a no-fault basis. Under the scheme, passengers, drivers (inside the registered motor vehicles), and pedestrians involved in an accident are entitled to apply for compensation for serious injuries if they qualify, provided no exclusions apply. Table 1 shows the total motor vehicle accidents applications received and paid from 2019 to 2022:

Motor Vehicle Accidents								
Year	Death			Injury			Total	
	Applications Received	Applications Paid	Amount Paid	Applications Received	Applications Paid	Amount Paid	Applications Paid	Amount Paid
2019	81	40	3,000,000	489	22	306,000	62	3,306,000
2020	70	71	5,325,000	324	123	2,310,000	194	7,635,000
2021	36	33	2,475,000	260	127	1,906,500	160	4,381,500
2022	48	42	3,150,000	287	394	4,007,000	436	7,157,000

Table 1: Total Motor Vehicle Accidents applications received and paid from 2019-2022

3.2.2 Employment Accidents

An employment accident is an accident arising out of and in the course of employment, including any incident that causes a prescribed disease. Applications were also received for deaths arising from employment accidents. Table 2 shows the total number of employment accident applications received and paid as at 31 July 2022:

Employment Accidents								
Year	Death			Injury			Total	
	Applications Received	Applications Paid	Amount Paid	Applications Received	Applications Paid	Amount Paid	Applications Paid	Amount Paid
2019	14	0	0	196	1	9,000	1	900,000
2020	58	9	675,000	682	69	705,000	78	1,380,000
2021	31	11	825,000	466	130	1,159,500	1,159,500	1,984,500
2022	39	17	1,275,000	433	356	4,077,000	373	5,352,000

Table 2: Total Employment Accidents applications received and paid from 2019-2022

3.2.3 School Accidents

A school accident occurs on any school premises or during a school event or activity. Applications can also be made for deaths arising from school accidents. Table 3 shows the total number of school accidents received and paid as at 31 July 2022:

School Accidents								
Year	Death			Injury			Total	
	Applications Received	Applications Paid	Amount Paid	Applications Received	Applications Paid	Amount Paid	Applications Paid	Amount Paid
2019	2	0	0	38	0	0	0	0
2020	0	0	0	79	8	56,500	8	56,500
2021	0	0	0	63	25	151,000	25	151,000
2022	0	0	0	33	48	151,000	48	352,500

Table 3: Total School Accidents applications received and paid from 2019-2022

3.3 Committee Findings

3.3.1 Relationship between the Ministry of Employment, Productivity and Industrial Relations (MEPIR) and ACCF

The Committee was informed that the ACCF was established in 2017 with a sole purpose to handle motor vehicle accidents. In 2018, the law was amended to include employment and school accidents, leading to the transfer of relevant cases from MEPIR to the ACCF. However, some cases continue to be processed under a repealed Act at the MEPIR. The transition is expected to conclude in December 2024. Since June 2024, the ACCF Board decided to transfer all employment and school accident cases back to the MEPIR.

Of the 11,101 transferred cases, the MEPIR has resolved 421 cases, including 394 injury cases and 27 death cases. The \$6 million budget allocation for processing worker compensation claims related to school and workplace accidents is being used to process these claims. MEPIR has now taken over the role that Veritas (Claims Agent) used to perform in the processing of compensation claims. MEPIR has been handling claims more quickly, with \$2.7 million of the \$6 million budget already used, covering 47% of the allocated funds.

3.3.2 Eligibility of Accident Compensation

The Committee was informed that in terms of eligibility of accident compensation at workplace the following criteria are to be met:

- a) The Employer is paying its FNPF contribution;
- b) PAYE is paid for those that earn a salary of \$30,000 above; and
- c) The Employer is paying the 1% FNU Levy.

3.3.3 Imposing Stringent Measures for Careless Driving

The Committee was informed that majority of road accidents occurring in Fiji is mostly related to careless driving/negligence. The Committee recommends that relevant authorities put in place stringent measures to deter careless driving and conduct more awareness on safe driving behaviors and general safety on our roads.

3.3.4 Delays in Processing of Applications

During the public submission, the Committee enquired on the backlog of applications that are yet to be processed. The Committee was informed that there was no backlog in terms of files waiting to be processed however, the ACCF faces delays, in some cases up to 18 months, especially in the medical assessment that has been undertaken. Once the doctor's report is received, it takes an additional month and a half to complete the process. Currently, there are approximately 400 claims going through this process. In cases where probate letters of administration are required, the ACCF will proceed with compensation once the document is received from the High Court.

The Committee recommends that the relevant Standard Operating Procedures (SOPs) be streamlined and that relevant stakeholders should cooperate well to reduce the processing time of the required documents needed for compensation claims.

3.3.5 FNU Levy Contribution

The payment of the Fiji National University Levy (FNU Levy) is provided for in the Fiji National Training Levy Order 1988. Regulation 4B (b) requires 40% of the levy collected to be paid into the Accident Compensation Fund. FNU collects the FNU Levy from every employer every six months and remits the levy to the Accident Compensation Fund (ACF). For the year under review, the sum of \$9.4 million in FNU Levy was paid into the ACF. The Committee recommends that the status quo of the 1% FNU Levy to the employer be maintained and should only be utilized to support the workforce development and ensure that employers receive their fair share, making the system more efficient and effective.

3.3.6 Report on Key Performance Indicators

The Committee noted that there was no reporting on the key performance indicators by ACCF. Such information would assist the Committee to properly examine the performance of ACCF and provide useful and relevant recommendations for work improvement. Therefore, the Committee recommends that ACCF should provide information on its KPIs measured against achieved targets in all of its future reporting.

4.0 Sustainable Development Goals

4.1 Relevance to the Sustainable Development Goals

The Committee is obligated to report on the impact of the performance of institutions, that are referred to it by Parliament, on SDGs. The Committee noted that there is no information reported on the SDGs that are impacted by the work of ACCF. The Committee recommends that ACCF provide information on SDGs in all its future reports.

The Committee is of the view that the work of ACCF impacts SDG target 3.6 which targets the reduction of global deaths and injuries from road traffic crashes.

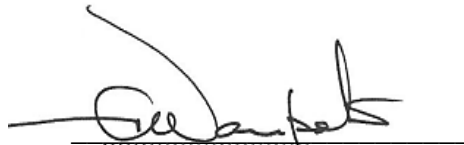
4.2 Gender Equality in Parliamentary Scrutiny

The Parliament of Fiji Standing Orders 110 (2) requires the Committee to give full consideration to the principle of gender equality so as to ensure all matters are considered with regard to the impact and benefit on both men and women equally. The Committee noted that the ACCF Board had two female members in its 5-member Board and four females in its 6 member ACCF employees. ACCF has a good female to male ratio in both in its Board and employees.


5.0 Conclusion

The Standing Committee on Foreign Affairs and Defence has conducted a thorough review of the Accident Compensation Commission, Fiji 2022 Annual Report. The Committee report is bi-partisan and has five recommendations for consideration. The Committee is grateful and commends ACCF for the forthright discussions held with the Committee during their public submission.


6.0 Committee Members' Signatures



Hon. Viliame Naupoto
Chairperson




Hon. Lenora Qereqeretabua
Deputy Chairperson



Hon. Jovesa Vocea
Member



Hon. Ratu Isikeli Tuiwailevu
Member



Hon. Rinesh Sharma
Member

7.0 Annexure

Published evidence

Written evidence, transcripts, and supporting documents can be viewed on the Parliament website at the following link:
<https://www.parliament.gov.fj/committees/standing-committee-on-foreign-affairs-and-defence/>