

5 November 2021

Health and Safety Policy Team  
Ministry of Business, Innovation & Employment  
PO Box 1473  
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Emailed to: [HSWregs@mbie.govt.nz](mailto:HSWregs@mbie.govt.nz)

Dear Madam/Sir,

## **ICNZ submission on the Adventure Activities – keeping it safe: Consultation document**

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Thank you for the opportunity to submit on the Adventure Activities – keeping it safe: Consultation document (**Consultation document**).

The Insurance Council of New Zealand/Te Kāhui Inihua o Aotearoa (**ICNZ**) represents general insurers and reinsurers that insure about 95 percent of the Aotearoa New Zealand general insurance market, including about a trillion dollars' worth of Aotearoa New Zealand assets and liabilities. ICNZ members provide insurance products ranging from those usually purchased by individuals (such as home and contents insurance, travel and motor vehicle insurance) to those purchased by small businesses and larger organisations (such as product and public liability insurance, business interruption, professional indemnity, cyber, commercial property and directors and officers insurance).

Please contact Jane Brown ([jane@icnz.org.nz](mailto:jane@icnz.org.nz) or 04 495 8008) if you have any questions on our submission or require further information.

This submission is in two parts:

- 1) Overarching comments, and
- 2) Responses to questions in the Consultation Document.

### **1. Overarching comments**

Adventure activities are an integral part of the Aotearoa New Zealand experience for local and international tourists alike and will likely play a key role in attracting travellers when international borders reopen. However, there have been a number of tragic and high-profile incidents in this space which suggests that the regime is in need of strengthening. ICNZ is therefore supportive of the proposals aimed at addressing weaknesses where activities take place in naturally hazardous environments and generally believes that what is proposed will help to reduce harm in this space.

The general insurance sector is largely interested in this review as liability insurers who offer cover for adventure activity operators. While insuring fines under the Health and Safety at Work Act 2015 (HSWA) is specifically excluded by section 29 of the Act, cover is generally available for defence costs and reparation payments when there is a prosecution under the HSWA, as well as ACC top-up payments under the Sentencing Act 2002. There are also other liability lines potentially affected if a claim is made against an adventure activity operator. Cover may be offered for property damage under a public liability policy, and directors and officers' insurance (D&O) can protect the board and management of a company, should a legal claim be made against them for poor governance decisions, oversights or omissions. Insurers are therefore supportive of moves to minimise the risks faced by adventure activity operators. In our view, operators should also view the proposals in the Consultation document favourably as compliance with the proposed requirements that leads to a reduction in their risk level may make them a more attractive risk for insurers.

We respond to each of the questions set out in the Consultation document below.

## 2. Responses to questions

Question	Feedback
Supporting better management of natural hazards	
<i>Q1 In your experience, how well do you think natural hazards are currently being managed in the adventure activities regime?</i>	<p>ICNZ believes that there is a varied approach to the management of natural hazards in the adventure activities regime. In general, it is likely that hazards are well managed as the adventure activities industry has many capable people with well-run operations. However, given the potential outcomes where risks are not well managed, the consequences are extreme.</p> <p>When approached for insurance, insurers will likely undertake a thorough underwriting process during which they will review an operator's health and safety plan and risk assessment and consider each risk on its own merit. Adventure tourism risks are sometimes not accepted by insurers as it can be difficult to get the required premium to cover the risk (meaning that the premium would need to be at such a level to reflect the risk, that it would not be affordable for the operator).</p>
<i>Q2 How do you think we can use mātauranga Māori to support good management of natural hazards within the adventure activities regime? Are there other perspectives on how natural hazards should be managed that should be considered?</i>	<p>We do not have any perspectives of how mātauranga Māori can be used to support good management of natural hazards within the adventure activities regime. However, we agree that it is important to seek and consider views and input from the Māori community in order for the Government to uphold its obligations as a partner of Te Tiriti o Waitangi. This is particularly so given that certain adventure activities may impact on Māori-owned or culturally significant land which require additional protections or restrictions.</p>
Requirements on operators	
<i>Q3 Do you think an explicit requirement for operators to assess and manage natural hazard risks will improve safety in</i>	<p>ICNZ agrees that an explicit requirement for operators to assess and manage natural hazard risks will improve safety in the adventure activities regime. While we agree with the comment on page 24 of the Consultation document that</p>

<p><i>the adventure activities regime? Why/why not?</i></p>	<p>many operators will already have systems in place that would meet these requirements, having such a requirement would ensure that those operators who do not, are at least turning their minds to the risks. Use of a risk register or risk matrix that identifies possible risks, likelihood of the risk occurring, level of consequences, and mitigation steps identified and applied, is common practice for a prudent business, and adventure activity operators should be no different.</p> <p>For this requirement to be most effective, we would suggest that MBIE also consider:</p> <ul style="list-style-type: none"> <li>• requiring documentation of the assessment and management of risks. This could be used as part of the audit process and would help to protect the operator if they were investigated, in that they would be able to demonstrate that they have thoroughly assessed the risks and applied appropriate mitigations, and</li> <li>• offering education to existing and new adventure activity operators and land-owners/managers. It should not be presumed that just because a new requirement is introduced, those involved in offering adventure activities will automatically know how to identify risks. MBIE (or perhaps more appropriately, WorkSafe) should provide guidance and courses or workshops so that operators have the necessary skill set to identify and assess the full range of risks potentially affecting their operations.</li> </ul>
<p><i>Q4 Do you think introducing an explicit requirement for operators to have clear, pre-set policies and processes for when activities will be called off will improve safety in the adventure activities regime? Why/why not?</i></p>	<p>To ensure that risks are addressed consistently and actions taken are based on best practice advice, an adventure activity operator must make sure that there is clear information available to all staff. We therefore agree that operators should be required to have clear, pre-set policies and processes for when activities will be called off.</p> <p>This will avoid inconsistent decisions being made and avoid situations which may not be clear-cut, which leaves room for subjective decision-making by individual staff members.</p>
<p><i>Q5 If this requirement was introduced, what are the key elements operators should consider when making the decision to call off activities?</i></p>	<p>The key elements that must be considered will likely depend on the specific activity that the operator offers. For example, the assessment may include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• weather conditions (e.g. high wind or flood conditions may mean that the risk of continuing with the activity is above an acceptable level). In particular, there will need to be recognition of local conditions. Not all activities will be able to rely on general weather forecasts.</li> <li>• any alerts from other regulators (such as Maritime or Transport New Zealand).</li> <li>• ability of the participants in the adventure activity. For example, if there are language barriers that mean</li> </ul>

	<p>that the operator cannot obtain assurance that their instructions have been understood, then it may not be safe for the activity to proceed. This may also mean considering whether there are any factors about the individual participants which means that it is not safe to continue with an activity. For example, size, age, or health (cardiac issues, use of medication that may cause adverse effects, intoxication).</p> <ul style="list-style-type: none"> <li>• Covid guidance. For example, if the activity requires participants being in close proximity to others, alert levels (or traffic light colour) and vaccination status may dictate that the activity should not proceed</li> <li>• other activities taking place in the area. If the space is shared and the activities being carried out create undue risk, the activity may need to be called off</li> <li>• whether there are any other alerts in place. For example, alerts from local or central government, the Ministry of Health, or MetService.</li> </ul>
<p><i>Q6 Are there any other ways you think adventure activities operators could improve the management of natural hazards?</i></p>	<p>We have not identified any additional measures other than those already proposed here.</p>
<p><i>Q7 In your experience, how do operators and land-owners currently work together to manage hazards?</i></p>	<p>Insurers do not have the necessary information to be able to respond to this question.</p>
<p><b>Requirements on land-owners and manager that provide access</b></p>	
<p><i>Q8 Do you think explicit requirements for land-owners or land managers to work with registered operators in order to manage natural hazards will help improve safety in the adventure activities regime? Why/why not?</i></p>	<p>ICNZ agrees that explicit requirements for land-owners or land managers to work with operators to manage natural hazards will help improve safety in the adventure activities regime. This is largely due to the reasons outlined in the Consultation document, namely that the land-owner or manager may, in many cases, be in a better position than the operator to assess and advise on risks. In order to achieve the most thorough and holistic assessment of risk, we believe that it is necessary for the land-owner and/or the land manager to be involved and engage with the operator to manage natural hazards.</p> <p>Given that around 60% of adventure activities take place on public conservation land under the Department of Conservation’s jurisdiction, and many others take place on waterways or land controlled by local authorities (page 26 of the Consultation document) there can only be limited concern about the additional burden this will create for private land-owners. Because of this, we do not believe that the introduction of any requirement would be unduly onerous.</p> <p>It is possible, however, that there would be insurance implications from the introduction of requirements on land-</p>

	<p>owners. This is because, requiring the land-owner to work with the operator would mean that the land-owner assumes some liability in terms of the activities on their land. Land-owners may also be treated as adventure activity operators by insurers, which would be reflected in the premiums offered. Some land-owners may not want to accept this risk and could refuse to allow activities on their land, even where they had been permitted previously. There is a potential that imposing requirements on land-owners will also discourage them from allowing access to other recreational users.</p>
<p><i>Q9 If a specific duty was introduced for land-owners and managers, do you think they should be required to:</i></p> <p><i>a) provide information to operators about natural hazard risks on their land;</i> <i>or</i> <i>b) assess and manage the risks of natural hazards on their land.</i></p> <p><i>What are the benefits and costs you see under each approach?</i></p>	<p>ICNZ's views is that option A (<i>provide information to operators about natural hazard risks on their land</i>) is preferable. This option is less onerous for the land-owner and would avoid the risk that operators become over reliant on the land-owner's duties in assessing and managing risks, instead of fulfilling their own. We are also mindful that, as already noted, the Department of Conservation is the largest "land-owner" in terms of adventure activities, and it may not be realistic to expect them to meet the obligations imposed by Option B. Option A also allows greater control of cost for the land-owner and, noting the final section of our response to question 8 above, would limit the risk exposure for land-owners. In relation to cost, as is noted in the Consultation document, where additional expertise is required to identify risks, the costs can either be passed onto the operator or access to the land that would require further assessment can be refused.</p> <p>We believe that Option B would place a much higher level of requirements on the land-owner and do not believe that it would be proportionate to their involvement in the adventure activity. Given that operators are mostly (but not solely, noting the comment that some adventure operators are charities or not-for-profit) commercial ventures, it does not seem unreasonable to expect the onus to be on them to carry out assessment and management of risks in the area used for the services they are offering. It seems most logical that they hold primary responsibility for the risk assessment, but to assist them in doing so, they are provided information about hazards on the land by the land-owner.</p>
<p><i>Q10 Are there any other ways land-owners/land managers could improve the management of natural hazards to support adventure activities operators when accessing their land?</i></p>	<p>We believe that a public register of natural hazards (particularly for land managed by DOC or the local authority), with information about risks on the land would be useful. It would allow new entrants to the market to consider risks, and could also be accessed by adventure activity participants to carry out their own due diligence before undertaking an activity, if they were so minded.</p>
<p>Introducing a risk classification system</p>	
<p><i>Q11 Do you think a risk classification system would support participants and others</i></p>	<p>If the regulators, operators and third parties (such as ticket sellers) involved in the provision of adventure activities fully understand and promote the classification system, we believe</p>

<p><i>better understand the risks involved in adventure activities? Why/why not?</i></p>	<p>that it would help people to understand the risks involved in adventure activities.</p> <p>To be most effective, information about risk classifications will need to be easily accessible and understandable, taking into consideration that people participating in different adventure activities could be young, old, have language barriers, or have other accessibility needs, and there will therefore need to be a variety of ways in which to communicate information on risk classifications.</p>
<p><i>Q12 What are the benefits and issues of introducing a risk classification system?</i></p>	<p>ICNZ agrees that the current adventure activities regime, under which all activities are largely treated the same, is not the most effective approach. A classification system such as that proposed, would allow a more proportionate approach to be taken to low risk, medium risk, and high risk activities, with the most extensive obligations appropriately being imposed for the riskiest activities. In particular, we agree with the proposed audit timeframes on page 33 of the Consultation document. It would be sensible for low risk activities to only be audited once every four years, and high risk activities every two years.</p> <p>The only issue we see with the introduction of a classification system such as this is operators attempting to class their activity lower than the risk it actually presents, in an attempt to avoid the obligations that come with a higher risk activity. However, we do not believe that the likelihood of this occurring is high because of the safeguards suggested in the Consultation document, such as oversight from auditors and the ability for WorkSafe to request further information about the classification or for the classification to be changed.</p> <p>From an insurance perspective, risk classifications may help insurers to assess relative risk. It may also be used to help inform risk appetite (deciding which business the insurer wants to accept) and pricing.</p>
<p><i>Q13 We consider a risk classification system could assess the risks of an adventure activity under two broad categories:</i></p> <ul style="list-style-type: none"> <li>• <b>Environmental risks</b> from where the activity occurs (for instance, does it go through avalanche or landslide prone areas).</li> <li>• <b>Activity technical risks</b> that arise from the type of the activity being provided (such as reliance on equipment and the</li> </ul>	<p>We agree that scoring activities based on their environmental and technical risks will provide a fair indication of the risks involved and have not identified any other factors that should be included in a risk classification system.</p>

<p><i>technical skill participants need to take part safely).</i>  <i>Do you think scoring activities based on their environmental and technical risks will provide a fair indication of the risks involved?</i>  <i>Are there other factors that should be included in any risk classification system?</i></p>	
<p><i>Q14 Do you support setting how often operators are audited based on their activities risk classification (e.g. the lower the risk the longer length of time between safety audits)? What benefits and issues do you see with this approach?</i>  <i>If so, what do you think is the optimal length of time between on-site safety audits for low risk activities, medium risk activities and high risk activities?</i></p>	<p>We agree with the proposed timeframes in the Consultation paper for auditing operators based on their risk classification. This will provide certainty for operators and consistency in how activities at different risk levels are regulated. We think the timeframes are particularly appropriate given the safeguards that remain in place such as continued monitoring by auditors between on-site audits and shorter audit certificates where appropriate.</p> <p>To ensure that the audit period continues to appropriately reflect the risk level of the activity, we believe that there should be a duty on the operator to inform WorkSafe if their risk assessment shows that the risk classification has increased or decreased during the period between audits (or the three-yearly registration period).</p>
<p>Improving risk disclosures to participants</p>	
<p><i>Q15 What types of information is useful to help participants and others understand the risks involved in adventure activities?</i></p>	<p>ICNZ strongly supports the proposal to introduce more detailed requirements for how and when risk disclosures to adventure activity participants should be made, and what information disclosures should include. We believe that the standards about how risk disclosures should be made and standards about the minimum information disclosures should include on pages 36-37 of the Consultation document are appropriate. Additionally, the following might be useful for participants:</p> <ul style="list-style-type: none"> <li>• any independent assessments of risk levels (such as Geonet volcanic alert levels or MetService weather information)</li> <li>• what the participant should do if they encounter any other risks.</li> <li>• information on what conditions will mean that the activity is called off and who will make that decision.</li> <li>• information on what measures the operator has in place to protect participants from impacts caused by the conditions on the day.</li> </ul> <p>Disclosures must also be made in a language that the participant understands. If a tourist does not speak English, or has limited English, and all disclosures and explanations are in English, then the participant would be unable to give their informed consent to partaking in the activity (and may just sign any required documentation despite not understanding).</p>

	<p>We are also aware of cultural differences for some tourists. We have heard of instances where participants underestimate the potential risks of an activity because they believe that it is 'part of the show'. This is a particular risk for tourists from countries with low adventure tourism but large theme parks (which are known for overstating dangers).</p>
<p>Acceptable levels of risk</p>	
<p><i>Q16 Do you think the government should have a more active role in defining acceptable levels of risk in the adventure activities regime? Why/why not?</i></p>	<p>ICNZ agrees that most operators have commercial incentives to keep operating, even in situations of heightened risk. However, it is also important to acknowledge that reputation is a big driver of conduct, and in a competitive sector (which the adventure activity industry arguably is) a good reputation can be the factor which ensures the survival of a business. The majority of adventure activity businesses will also be responsible operators who want to ensure the safety of their staff and customers and would therefore not want to operate outside their agreed acceptable level of risk.</p> <p>For that reason, we do not believe that the need for government intervention should be overstated, but would also not object to there being some mechanism available, should it be needed. We believe that rather than relying on the government to define and monitor acceptable levels of risk, operators should be provided with information and guidance in order to set their own levels, and educating them about the possible ramifications of setting levels inappropriately (for example, through having their registration suspended or cancelled by WorkSafe).</p>
<p><i>Q17 Are there situations when the government should prevent activities going ahead (for instance, in certain high risk areas or when certain alerts are in place)? Why/why not? And if so, in what types of situations?</i></p>	<p>ICNZ believes that if the Government has any power to prevent activities from taking place, it should be limited and only used in extreme situations (for example, due to a severe natural disaster affecting a widespread area). As in our above response, we believe that the best approach is equipping adventure activity operators with the best information and processes, and giving them appropriate support to make their own decisions, rather than expecting the Government to intervene.</p> <p>The Government should also be mindful of whether having the ability to prevent activities going ahead in certain instances would create a precedent that might apply in other areas (for example, the events sector which may also be subject to health and safety concerns).</p>
<p>Strengthening the role of WorkSafe</p>	
<p><i>Q18 What information would be useful for operators to provide WorkSafe about their operation?</i></p>	<p>ICNZ agrees with the proposal on page 41 of the Consultation document for operators to provide:</p> <ul style="list-style-type: none"> <li>• a copy of the auditor's report, including the risk classification and how that classification has been calculated.</li> </ul>



	<ul style="list-style-type: none"> <li>• more information about activities run by the operator.</li> <li>• information about technical advisors who provided advice about activities and environmental hazards.</li> </ul> <p>In addition to these points, operators should also provide information on how they mitigate the risks that they have identified.</p>
<p><i>Q19 What would be the best process for operators to provide information to WorkSafe?</i></p>	<p>ICNZ agrees that it would be more appropriate for operators to register directly with WorkSafe, than through their auditor. As the regulator in this space, it is appropriate that WorkSafe holds the primary responsibility for registration and is able to easily contact and engage with operators should further information be required, or questions need to be asked. This process will also help to build relationships between WorkSafe and operators and minimise the chance of administrative errors being made during registration due to the double handling of information (i.e. by both auditors and then WorkSafe).</p> <p>We support the proposal for there to be additional annual reporting given that registration only needs to be carried out three-yearly. We agree that this should not present a significant burden for operators and, as pointed out in response to question 14 above, will allow the operator to update their risk classification or any other information, should it have changed during the previous year.</p>
<p><i>Q20 What types of incidents (in addition to deaths and serious injuries) do you think all adventure activities operators should be required to notify WorkSafe of?</i></p>	<p>We have not identified any further incidents (in addition to deaths and serious injuries) which should be required to be notified to WorkSafe but agree that those incidents on page 43 of the Consultation document are of an appropriate seriousness to require notification. As noted in the Consultation document, notification of these types of incidents will also help to identify trends affecting both environmental and technical risks.</p>
<p><i>Q21 In what types of situations would you expect WorkSafe to cancel, suspend or decline an operator's registration to provide an adventure activity?</i></p>	<p>We agree that it is appropriate for WorkSafe to have greater power to cancel, suspend or decline an operator's registration. In our view, this power should not just be limited to physical risks (such as having multiple vehicles overturn, as in the example given on page 44) and ought to also include administrative risks. For example, if an operator deliberately underreports their risk assessment in order to avoid the obligations that come with more frequent auditing, we believe this would present such moral risk to warrant suspension or declination of registration.</p>
<p><i>Q22 Are there any other changes you think are needed to support WorkSafe to take a stronger role in the sector?</i></p>	<p>ICNZ agrees with the comments made on page 40 of the Consultation document that the adventure activities sector has not always been well supported by WorkSafe and that there have been gaps in the way WorkSafe has performed its role. We note that WorkSafe itself acknowledged this, stating "WorkSafe accepts that there were significant shortcomings</p>

	<p>in our implementation and enforcement of the Adventure Activities Regulation”.<sup>1</sup> While perhaps being outside the scope of this review, we believe that consideration needs to be given to who has oversight of how effectively WorkSafe is operating and the ability to step in should there continue to be shortcomings.</p> <p>There was a wide approach taken to prosecutions in response to the Whakaari/White Island eruption, however, it has been suggested that given its own failings, that WorkSafe itself should also have faced prosecution, which is obviously not possible when WorkSafe is the prosecuting authority.</p> <p>It may also be helpful to have a clearer delineation between the regulatory role of WorkSafe and Maritime New Zealand in relation to the oversight of adventure activities taking place on the water. It is not always clear who the regulator is for these activities, and water is the biggest and most common natural hazard in Aotearoa New Zealand.</p>
Guidance and audit changes and published reporting information	
<p><i>Q23 Are there any ways you think the current <b>audit process</b> should be changed to improve safety standards?</i></p>	<p>ICNZ agrees that there should be changes made to how auditors carry out monitoring between full audits. We do not believe that declarations are a sufficient tool to monitor risk and compliance between audits, particularly where an activity is high risk.</p>
<p><i>Q24 Are there any changes you think should be made to the current <b>audit standard</b> to improve safety standards?</i></p>	<p>ICNZ agrees with the changes to the audit standard proposed in the Consultation document (specific qualifications that would meet staff competency requirements and alignment with internationally accepted safety audit standards). Specifying qualifications that guides, instructors, leaders etc. in certain activities must hold is consistent with regulations in other regimes, such as for lawyers, financial advisers and others (possibly including engineers under MBIE’s Proposed occupational regulatory regime for engineers). We note however, that while the qualification requirements in these other regulatory regimes are primarily aimed at reducing the risk of financial harm, qualification specifications under this regime would be to reduce physical harm. For this reason, we believe that there is even greater justification for the introduction of qualification requirements here.</p> <p>There are no other elements of international standards that we are aware of that we believe should be incorporated into the safety audit standard.</p>
<p><i>Q25 What types of <b>guidance</b> are most useful to support safety in adventure activities? Are there any gaps in current guidance?</i></p>	<p>We believe that it is most appropriate for adventure activity operators themselves to set out what guidance is most useful and where there are gaps, however, from an insurance perspective, insurers will be looking for industry standards</p>

<sup>1</sup> [www.worksafe.govt.nz/topic-and-industry/adventure-activities/response-to-review-of-worksafes-functions-in-relation-to-activities-on-whakaari-white-island/](http://www.worksafe.govt.nz/topic-and-industry/adventure-activities/response-to-review-of-worksafes-functions-in-relation-to-activities-on-whakaari-white-island/)

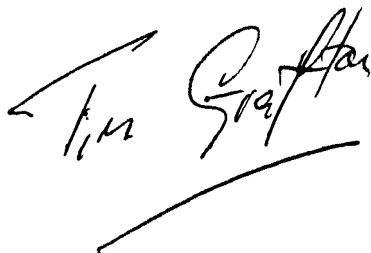
	and/or base standards of operation. Our view is that these should be set by WorkSafe.
<p><i>Q26 What types of information would be useful to include in guidance to operators about managing natural hazard risks? For instance:</i></p> <ul style="list-style-type: none"> <li>• <i>Where to get information about different types of hazards</i></li> <li>• <i>The types of steps an operator is expected to go through to manage different hazards</i></li> <li>• <i>Examples of what good management of hazards looks like</i></li> </ul>	Please see the above response.
<p><i>Q27 Are there any administrative problems in the audit process you would like to comment on? How do you think these problems could be addressed?</i></p>	Please see the response to Q25 above.
<p><i>Q28 What types of data and information would be useful to publish to help share information about safety issues in the adventure activities sector, regulator involvement and good safety management in the sector?</i></p>	<p>We would support an increase in the availability of data relating to adventure activities. Data and information will be helpful for:</p> <ul style="list-style-type: none"> <li>• Operators: as noted in the paper, operators can use information about risks and incidents to improve their risk assessments and management plans.</li> <li>• Participants: the people taking part in adventure activities should have resources available to fully inform themselves about the risks in taking part in a particular activity, should they wish to do so.</li> <li>• Third parties: such as insurers. While insurers will assess the level of risk presented by an individual operator if approached for insurance cover, it is also helpful to have information available about general trends in the sector such as notifiable events, injury and fatality rates, concerns that have been raised to WorkSafe, and enforcement activities.</li> </ul> <p>We are therefore strongly supportive of the online log of notifiable events and specific WorkSafe data for the adventure activities sector proposed on page 50 of the Consultation document.</p>
<p><i>Q29 Are there any other issues or potential improvements in how adventure activities are regulated you would like to comment on?</i></p>	There are no other issues or potential improvements that we have identified.
<p>Cost implications of proposals</p>	
<p><i>Q30 What cost implications will the different proposals have on</i></p>	As noted in the overarching comments to the submission, insurers offer liability cover for adventure activity operators.

<p><i>you and your business? Please be as detailed as possible and provide any supporting evidence.</i></p>	<p>Statutory liability policies specifically exclude cover for fines issued under the Health and Safety at Work Act, in accordance with section 29 of the Act, but there will still be cover for defence costs and reparation payments. It is also possible that there may be cover available under public liability and D&amp;O policies. If implemented effectively and enforced strictly, the proposals contained in the Consultation document have the potential to reduce the level of risk presented by an adventure activity operator. Each insurer has their own pricing methodology and risk appetite so implementation of these proposals may see lower premiums for lower risk operations while high risk may find it more difficult to secure cover.</p> <p>It is also likely that insurers would need to observe several years of changes to the regime before any pricing changes were made. This is to fully understand how the proposals have changed risk levels within the adventure activity industry.</p>
<p><i>Q31 What benefits will come from implementing these proposals for you or on your business?</i></p>	<p>Please see the above response.</p>
<p><i>Q32 Would you be willing to pay a higher price to take part in adventure activities, if it meant safety standards were strengthened? Why/why not? If so, how much more?</i></p>	<p>As a representative body, we are not able to take a position in response to this question.</p>

## Conclusion

Thank you again for the opportunity to submit on the consultation document. If you have any questions, please contact our Legal Counsel on (04) 475 8008 or by emailing [jane@icnz.org.nz](mailto:jane@icnz.org.nz).

Yours sincerely,



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