

Personal Injury Litigation – a practical approach

INTRODUCTION: PERSONAL INJURY LITIGATION IN NEW ZEALAND	1
1. ACC – THE NEW LEGISLATION	3
A. Practical change	3
Practical changes brought about by the Injury Prevention and Rehabilitation Compensation Act 2001	3
<i>The purposive approach</i>	3
<i>Cover</i>	5
<i>Accident</i>	5
<i>The Code of Claimants' Rights</i>	8
<i>Reviews</i>	9
<i>Costs on review</i>	12
<i>Work capacity</i>	13
<i>Weekly compensation</i>	13
<i>Powers to suspend or cancel</i>	13
B. The extent of "cover" under the IPRC Act 2001	15
Introduction	15
What is covered by the 2001 Act?	15
Section 20	16
What do sections 26 and 20 contain that is new?	18
Section 21	19
Section 22	19
Medical misadventure	21
Summary	23
How to determine whether a personal injury suffered in New Zealand on or after 1/4/2002 is covered under the IPRC Act 2001	24
C. Medical misadventure	25
Personal injury caused by medical misadventure	25
The definition of medical error	27
Medical mishap	29
The date of suffering personal injury caused by medical misadventure	30
Other medical misadventure provisions	31
Who is "a registered health professional"?	32
What is "treatment"?	32
D. Lump sums	34
2. CAUSES OF ACTION AND RELATED ISSUES	47
A. The bar	48
B. Negligence	51
Standard of care	51

Duty and breach	52
C. Other unintentional torts	57
D. Intentional torts	58
E. Breach of contract	60
F. Breach of fiduciary duty	63
G. NZ Bill of Rights Act	64
H. Causation	65
But for	65
Proof of risk	65
Failure to inform adequately	66
Loss of a chance	66
Res ipsa loquitur	67
3. NERVOUS SHOCK: THE LAW AND MEDICAL CLASSIFICATIONS	69
A. Nervous shock: the law	69
Introduction	69
The accident compensation scheme and mental injury	71
The common law of "nervous shock"	75
<i>Who is the plaintiff? Who is the defendant?</i>	75
<i>The distinction between primary and secondary victims</i>	75
<i>The barriers in front of a secondary victim</i>	77
<i>The requirement for recognisable psychiatric illness</i>	77
<i>The necessity of showing ties of "love and affection"</i>	81
<i>The need to show a connection to the accident or its aftermath</i>	81
<i>The rescuer exception</i>	83
The employment cases	83
<i>Employment cases are different</i>	83
<i>The English Court of Appeal's decision in Sutherland</i>	84
B. Nervous shock, stress and personal injury: what goes wrong and how it is medically classified	88
What goes wrong?	89
<i>Ingredients of personal injury</i>	89
<i>The Person</i>	90
<i>The Situation</i>	91
<i>The Reaction</i>	91
Classification and diagnosis	92
<i>Acute Stress Reaction and Post Traumatic Stress Disorder</i>	93
<i>Adjustment Disorder</i>	94
<i>Anxiety and Depressive Disorders</i>	95
<i>Depressive Disorders</i>	97
Some assessment issues	98
4. TIME LIMITS - THE FIRST AND OFTEN LAST HURDLE FACED BY VICTIMS OF PERSONAL INJURY	101

Introduction: case study	101
The accident compensation regime	101
Time limits for ACC	102
Kate's entitlements under the Act	102
Time limits for work-related gradual process, disease or infection	103
Time limits for medical misadventure	104
Civil proceedings	104
The Limitation Act 1950 and the rationales behind it	105
Section 4(7) of Limitation Act	105
Bodily injury	106
Accrual of cause of action	106
Time limits for claims in negligence	106
Time limits for assault and battery	107
Time limits for breach of fiduciary duty	107
Disability exception: section 24	110
Proposed legislative changes	111
Will such recommendations work?	112
Limitation issues to be dealt with at substantive hearing	113
Summary	113
5. COMPENSATORY AND EXEMPLARY DAMAGES FOR PERSONAL INJURY IN NEW ZEALAND: A PRACTITIONER'S PRIMER	119
Section A: Compensatory damages for personal injury	119
Introduction	119
<i>Compensatory damages for mental injury in New Zealand: a summary</i>	119
<i>Purpose of compensatory damages</i>	122
<i>A single lump sum award</i>	122
<i>Pecuniary and non-pecuniary losses; special and general damages</i>	123
<i>Damages for pecuniary losses</i>	124
<i>Damages for non-pecuniary losses</i>	128
<i>Duty to mitigate</i>	131
<i>Aggravated damages</i>	132
<i>Exemplary damages</i>	133
<i>Fatal claims</i>	133
<i>Examples of compensatory damages in personal injury cases in New Zealand</i>	134
<i>Some points to emerge from the cases</i>	143
<i>Public torts</i>	144
Section B: Exemplary damages for personal injury	145
Summary	145
<i>Exemplary damages: an anomaly in the civil law?</i>	146
<i>Proper purpose of exemplary damages in New Zealand: Punishment</i>	149
<i>Test for availability of exemplary damages</i>	153
<i>Exemplary damages in negligence</i>	154

<i>Legislative overruling of Bottrill?</i>	160
<i>Exemplary damages pursuant to the Health and Disability Commissioner Act</i>	160
<i>Exemplary damages and the criminal law</i>	161
<i>Vicarious liability</i>	164
<i>Insurance and exemplary damages</i>	170
<i>Trial by jury</i>	171
<i>Survival of actions</i>	173
<i>Assessment and quantum in personal injury cases</i>	174
6. OTHER FORMS OF RELIEF	179
Health and Disability Commission Act 1994	179
Professional body	180
Human Rights Review Tribunal	181
Occupational safety and health	183
Employment relations authority	184
Institutional error	185
Private causes of action	185
Judicial review	187
Conclusion	187
7. PUSHING THE LIMITS	189
Emerging causes of action	189
Proceedings before Human Rights Review Tribunal	189
New Zealand Bill of Rights Act 1990	191
Changes to the Limitation Act 1950	192
Anomalies with exemplary damages	193
Defining nervous shock	194
Conclusions	196