

WORKERS COMPENSATION (AMENDMENT) BILL 1988

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The objects of this Bill are—

- (a) to amend the Workers Compensation Act 1987 to abolish the State Compensation Board, to establish a Workers Compensation and Rehabilitation Authority and to invest that Authority with the functions of that Board; and
- (b) to make consequential amendments to that Act and to other Acts.

The State Compensation Board is a corporation consisting of 5 members which has a broad area of administrative and other responsibilities relating to work accidents and rehabilitation of injured workers. These responsibilities are now proposed to be vested in an Authority managed by a General Manager under the general supervision of a Board of Directors.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act (with the exception of certain transitional provisions) on a day or days to be appointed by proclamation.

Clause 3 is a formal provision that gives effect to the Schedule of amendments to the Principal Act.

Clause 4 is a formal provision that gives effect to the Schedule of consequential amendments to other Acts.

SCHEDULE 1—AMENDMENT OF WORKERS COMPENSATION ACT 1987

Abolition of the State Compensation Board and establishment of the Workers Compensation and Rehabilitation Authority

Schedule 1 (7) repeals and substitutes Division 1 of Part 9 of the Principal Act, under which the State Compensation Board was established.

The new Division contains the following provisions:

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Proposed section 248 constitutes the Authority. It is a corporate statutory body representing the Crown.

Proposed section 249 constitutes a Board of Directors of the Authority, consisting of the General Manager of the Authority and 6 part-time directors appointed by the Governor on the recommendation of the Minister.

Proposed section 250 describes the function of the Board as being that of determining the policies of the Authority.

Proposed section 251 provides for the appointment of a General Manager and 2 Deputy General Managers of the Authority, all of whom are to be statutory officers.

Proposed section 252 describes the functions of the executive officers appointed under proposed section 251. The General Manager is to manage and control the affairs of the Authority in accordance with policies determined by the Board. The Deputy General Managers are to share in this responsibility to an extent determined by the General Manager in accordance with any relevant directions of the Board.

Proposed section 253 provides that the General Manager of the Authority and the Board are, in the exercise of their respective functions, subject to the control and direction of the Minister.

Proposed section 253A provides for the appointment of permanent and other staff of the Authority and for other contracted assistants.

Transfer of functions of Board to Authority

Schedule 1 (1) omits the word "Board" wherever occurring in the Principal Act at present and substitutes the word "Authority". The effect of this is to transfer to the new Authority the functions of the State Compensation Board.

Insurance Premiums Committee

The Insurance Premiums Committee established by section 165 of the Principal Act consists of the members of the State Compensation Board and a nominee of the Minister. Schedule 1 (5) amends the section to reconstitute the Committee, which will consist of the members of the new Board of Directors and a Ministerial nominee.

Independence of the Authority

Schedule 1 (9) repeals section 255 of the Principal Act. The section, which currently provides for certain arrangements (enforceable at the direction of the Minister) to be made for the integration of the functions of the State Compensation Board and the Department of Industrial Relations and Employment, is not to apply to the new Authority.

Delegation of functions

Schedule 1 (12) repeals and substitutes section 262 of the Principal Act, which currently provides for the delegation, by the State Compensation Board and its Chief Executive Officer, of their respective functions. The new section provides for delegation (and in some circumstances sub-delegation) of the functions of the Authority.

Provisions relating to the members and procedure of the Board of Directors and the executive officers of the Authority

Schedule 1 (16) repeals and substitutes Schedules 3 and 4 to the Principal Act, which currently relate to the members and procedure of the State Compensation Board. The new Schedules 3 and 4 deal with the directors and procedure of the Board of Directors and the executive officers of the Authority.

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Transitional operation of the State Compensation Board

Schedule 1 (17) amends Part 17 of Schedule 6 to the Principal Act by inserting a provision relating to the exercise of the functions of the State Compensation Board after assent is given to the proposed Act. If, on the date of that assent, not enough members of the Board are holding office for there to be a quorum at Board meetings, the functions of the Board may be exercised by the person holding office or acting as the Chief Executive Officer of the Board.

Savings, transitional and other provisions

Schedule 1 (18) inserts appropriate savings and transitional provisions into Part 17 of Schedule 6 to the Principal Act.

Other provisions of Schedule 1 not specifically mentioned in this note make minor consequential amendments to the Principal Act.

SCHEDULE 2—CONSEQUENTIAL AMENDMENT OF OTHER ACTS

Schedule 2 to the proposed Act amends certain other Acts as a consequence of the amendments made to the Principal Act by Schedule 1.
