

[STATE ARMS]

New South Wales

Police Service Amendment (Special Risk Benefit) Bill 1998

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Police Service Act 1990* to provide a basis for calculating the special risk benefit that may be paid in relation to a police officer who is not a contributor to the Police Superannuation Fund and who dies or who is retired as a consequence of being hurt on duty so as to take account of the police officer's life expectancy immediately before being hurt on duty. Being ***hurt on duty*** means being injured in such circumstances as would entitle the police officer to compensation under the *Workers Compensation Act 1987*.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day to be appointed by proclamation.

Clause 3 is a formal provision giving effect to the amendments to the *Police Service Act 1990* set out in Schedule 1.

Schedule 1 Amendments

Calculation of special risk benefit

The maximum amount of the special risk benefit payable under section 216 of the *Police Service Act 1990* is currently 24 months' pay at the rate of the police officer's salary at the date of retirement (in the case of a police officer who is retired as a consequence of being hurt on duty) or at the date the police officer was hurt on duty (in the case of a police officer who dies as a consequence of being hurt on duty). **Schedule 1 [1]** and **[2]** remove the references to this basis of calculation. **Schedule 1 [3]** provides the new basis of calculation. The relevant amount will, as a consequence of the amendments, be calculated having regard to the police officer's annual salary at the day on which the police officer is hurt on duty, a capitalisation factor determined by reference to the police officer's sex and age, and the extent of the police officer's permanent loss of earning capacity. Transient psychological or psychiatric injury is not to be taken into consideration in determining permanent loss of earning capacity. **Schedule 1 [4]** removes a provision that is inconsistent with the new basis of calculation.

Appeals to the Compensation Court

Schedule 1 [5] inserts proposed section 216A into the *Police Service Act 1990*. It enables a person who is dissatisfied with a determination of the Commissioner concerning the amount of a payment to apply to the Compensation Court of New South Wales for a redetermination. The proposed section enables the making of the application and specifies the powers of the Compensation Court in relation to the application, including its powers to award costs.

Savings and transitional provisions

Schedule 1 [6] enables the making of regulations of a savings or transitional nature as a consequence of the enactment of the proposed Act. **Schedule 1 [7]** extends the application of the amendments to injuries sustained before the commencement of the amendments and that have not been compensated before that commencement.