

New South Wales Lotteries Corporatisation Amendment Bill 2000

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 *New South Wales Lotteries Corporatisation Act 1996* (the Act) so as to alter the corporate governance structure of the New South Wales Lotteries Corporation established by the Act. The proposed structure will clarify the accountability of the board of directors to the voting shareholders of the Corporation (being the Treasurer and another Minister appointed by the Premier as shareholder), and of the chief executive officer to the board of directors. The proposed structure is similar to those of energy services corporations under the *Energy Services Corporations Act 1995*.

The proposed amendments provide as follows:

- (a) the voting shareholders of the Corporation (rather than the Governor on the recommendation of the shareholders) are to appoint the directors of the Corporation,
- (b) the voting shareholders may remove a director at any time for any or no reason,
- (c) the chief executive officer is to be appointed by the board of directors after consultation with the voting shareholders (rather than by the Governor on the recommendation of the Minister administering the Act),
- (d) the board of directors (rather than the Minister administering the Act) may fix the conditions of employment of the chief executive officer after consultation with the voting shareholders,
- (e) the board of directors (rather than the Minister administering the Act) is to fix the remuneration of the chief executive officer,
- (f) the chief executive officer may be removed by the board of directors (rather than by the Governor on the recommendation of the Minister administering the Act) at any time for any or no reason, but only after consultation with the voting shareholders,
- (g) in the absence or illness of the chief executive officer, an acting chief executive officer may be appointed by the board of directors (rather than by the Minister administering the Act).

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 or days to be appointed by proclamation.

Clause 3 is a formal provision giving effect to the amendments to the *New South Wales Lotteries Corporatisation Act 1996* set out in Schedule 1.

Schedule 1 Amendments

Schedule 1 [3] makes the amendments described above, and **Schedule 1 [1]** and **[2]** make consequential amendments.

Schedule 1 [4] inserts transitional provisions that continue the existing appointments of directors, the Chairperson, the chief executive officer and any acting chief executive officer.