



New South Wales

State Insurance and Care Governance Amendment (Employees) Bill 2020

Explanatory note

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

Overview of Bill

The objects of this Bill are to—

- (a) provide that members of staff of Insurance and Care NSW (*ICNSW*) and the chief executive of ICNSW are not entitled to the payment of a performance-related bonus or incentive payment, and
- (b) limit ICNSW's responsibility in relation to matters about the employment of staff of ICNSW and the chief executive of ICNSW.

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.

Schedule 1 **Amendment of State Insurance and Care Governance Act 2015 No 19**

Schedule 1.1 Amendments that commence on assent

Schedule 1.1[1] and [2] provide that a member of staff of ICNSW and the chief executive of ICNSW are not entitled to the payment of a performance-related bonus or incentive payment.

Schedule 1.1[3] inserts provisions of a savings and transitional nature consequent on the commencement of Schedule 1.1 to the proposed Act.

Schedule 1.2 Amendments that commence on 1 July 2021

Schedule 1.2[1] omits an existing provision about the employment of the chief executive of ICNSW. Schedule 1[1] provides for the Governor, on the recommendation of the Minister in consultation with the ICNSW Board, to appoint the chief executive of ICNSW.

Schedule 1.2[2] and [4] omit existing provisions about the employment of staff of ICNSW, including the employment of ICNSW senior executives. Schedule 1[2] also inserts a power for the regulations to make provision about the employment of staff of ICNSW, including the conditions of employment and the discipline of staff. ICNSW may fix the salary, wages and conditions of employment of staff of ICNSW so far as the salary, wages and conditions are not fixed under the section or by or under another Act or law.

Schedule 1.2[3] provides that regulations made about the conditions of employment and the discipline of staff of ICNSW apply subject to an award made by a competent industrial tribunal or an industrial agreement or enterprise agreement to which ICNSW is a party.

Schedule 1.2[5] omits existing provisions about the chief executive of ICNSW. **Schedule 1.2[9]** makes a consequential amendment. Schedule 1[5] also provides for the ICNSW Board, with the approval of the Minister, to fix the conditions of employment of the chief executive of ICNSW to the extent that the conditions are not fixed by or under another Act or law. The chief executive of ICNSW is entitled to be paid remuneration, including travelling and subsistence allowances, as the Minister may from time to time decide on the advice of the ICNSW Board.

Schedule 1.2[6] provides that the ICNSW Board may require the chief executive of ICNSW to enter into performance agreements.

Schedule 1.2[7] provides that the Governor, on the recommendation of the Minister in consultation with the ICNSW Board, may remove the chief executive of ICNSW at any time, for any or no stated reason and without notice.

Schedule 1.2[8] and [10] enable the Minister, rather than the ICNSW Board, to appoint, remove and decide the remuneration of a person acting in the office of the chief executive of ICNSW.

Schedule 1.2[11] provides that the removal from the office of the chief executive of ICNSW is taken to have created a vacancy in that office.

Schedule 1.2[12] inserts provisions of a savings and transitional nature consequent on the commencement of Schedule 1.2 to the proposed Act.