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GOVERNMENT INSURANCE (AMENDMENT) BILL, 1985

EXPLANATORY NOTE

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

The following Bills are cognate with this Bill:—

Motor Vehicles (Third Party Insurance) Amendment Bill, 1985;

Public Finance and Audit (Amendment) Bill, 1985;

Public Service (Government Insurance Office) Amendment Bill, 1985.

The objects of this Bill are—

- (a) to extend the functions of the Government Insurance Office of New South Wales ("the Office") so as to enable the office to carry on business which is—
 - (i) associated with or complementary to insurance business; or
 - (ii) undertaken by other persons who carry on insurance business and their affiliates.and to confer on the Office functions relating to investment, the provision of financial accommodation, the borrowing of money and various other matters (Schedule 1 (3));
- (b) to enable the Office to appoint staff and to regulate the terms and conditions of employment of its staff (Schedule 1 (4)—proposed section 3C);
- (c) to enable the Office to open and operate such bank accounts as it may consider expedient (Schedule 1 (5)—proposed section 4);
- (d) to provide that the insurance business of the Office shall be divided into the divisions of life insurance business, insurance funds administration business and general insurance business (Schedule 1 (6));
- (e) to make further provision with respect to the investment of the funds of the insurance business division of the Office (Schedule 1 (7));
- (f) to repeal certain provisions relating to the internal transfer of funds of the Office (Schedule 1 (8));
- (g) to authorise the transfer of the sum of \$25,000,000 from the Governmental

Workers' Compensation Account of the Office in order to constitute the subscribed capital of the Office and to specify the distribution of the subscribed capital between the divisions of the insurance business of the Office (Schedule 1 (9)—proposed section 7B);

- (h) to authorise the payment of dividends by the Office into the Consolidated Fund (Schedule 1 (9)—proposed section 7C);
 - (i) to provide for the guarantee by the Government of contracts entered into in respect of the insurance funds administration business of the Office and certain other contracts (Schedule 1 (10));
 - (j) to enable the functions of the Office to be exercised by the Office, by an affiliate (including a subsidiary company) or by the Office or an affiliate, or both, in association with other persons or bodies (Schedule 1 (12)—proposed section 10D);
 - (k) to enable the Office to hold and deal in shares of companies incorporated in New South Wales (Schedule 1 (12)—proposed section 10E);
 - (l) to enable the Office to guarantee the obligations of its affiliates and associates (Schedule 1 (12)—proposed section 10F);
 - (m) to enable a full-time director of the Office to be absent from duty for a maximum of 30 days in any period of 12 months without the necessity for the leave of the Minister to be obtained in respect of the absence (Schedule 1 (14) (b));
 - (n) to make amendments to the Government Insurance Act, 1927, ("the Act") by way of statute law revision (Schedule 2);
 - (o) to provide for the preservation of certain rights of public servants presently employed within the Office, who shall, pursuant to the provisions of the Act, as amended by the proposed Act, cease to be public servants but continue to be employed within the Office (Schedule 3); and
 - (p) to make other provisions of a minor, consequential or ancillary nature.
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