

State Insurance Office (Amendment) Bill

EXPLANATORY MEMORANDUM

PART 1—PRELIMINARY

Clause 1 sets out the purpose of the Bill.

Clause 2 provides for the commencement of the Bill.

Clause 3 defines the Principal Act as the **State Insurance Office Act 1984**.

Clause 4 repeals spent provisions in the Principal Act and deletes redundant definitions from the Principal Act.

Clause 5—

Sub-clause (1) repeals the objective of meeting public demand for insurance services by competing for insurance business.

Sub-clause (2) reduces the number of directors on the Board from seven to five and removes the requirement for the appointment of a Treasury officer.

Sub-clause (3) makes a consequential amendment in view of the amendment of the provisions relating to the composition of the Board.

Sub-clause (4) replaces the reference to the Public Service Act with a reference to the Public Sector Management Act and provides for the application of Part 9 of that Act to the directors.

Sub-clause (5) replaces the reference to “appointed directors” as a consequence of the amendments to section 5 (7) of the Principal Act which remove the distinction between the Treasury nominee director and other directors appointed by the Governor in Council. The sub-clause also provides for the Chairman to convene meetings as he deems appropriate and at least every three months and deletes section 12 (5) of the Principal Act which permitted directors to arrange insurance with the office.

Clause 6 removes references to “Deputy Managers” from the Principal Act and provides for the Board, rather than the Governor in Council, to appoint and fix the remuneration of the General Manager.

Clause 7 substitutes a new section 19 in relation to the appointment of staff to replace the references to appointment under the Public Service Act with references to appointment under the Public Sector Management Act.

Clause 8 repeals the provision in the Principal Act enabling the State Insurance Office to act as an authorised insurer for compulsory third party motor car insurance, and repeals the requirements for and references to life insurance funds, and other redundant provisions relating to the use of State Insurance Office property for residential purposes, and for payment of a tax equivalent dividends.

