

ACCIDENT COMPENSATION AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Accident Compensation Act 1972. It replaces the Accident Compensation Commission by the Accident Compensation Corporation consisting of a Board of directors responsible for broad policy and a Managing Director responsible for administration.

Clause 1 relates to the Short Title and commencement. The new Corporation is to commence on 1 January 1981.

Clause 2 replaces the present Commission by the Accident Compensation Corporation consisting of—

(a) Not more than 6 members whose qualifications or experience are likely to be of assistance in the carrying out of the functions of the Corporation, and are to be appointed by the Governor-General on the recommendation of the Minister:

(b) The Managing Director of the Corporation:

(c) The General Manager of the State Insurance Office.

The members of the Corporation, acting as a Board, are to be responsible for policy.

One of the appointed members is to be so appointed as Chairman and one as Deputy Chairman.

Clause 3 provides that the term of office of an appointed member is not to exceed 3 years, but he may be reappointed.

Clause 4 amends section 8 of the principal Act, which provides for the resignation and removal of members, so that it only applies to appointed members.

Clause 5 makes consequential amendments in respect of deputies of members to provide for "ex officio" members.

Clause 6 rewrites section 13 relating to meetings of the Corporation. It increases the quorum from 2 to 4 members and gives the person presiding at any meeting a casting vote.

Clause 7 substitutes a new section 16 (3) in the principal Act. Paragraph (c) is new and provides for the Corporation, where practicable before making any significant changes in the manner in which it discharges its functions, to consult any Government department which it considers may be affected, directly or indirectly, by those changes.

Clause 8 provides for the appointment of a Managing Director of the Corporation, who is to be the chief executive officer of the Corporation and responsible to the Corporation for the efficient and economical administration of its functions and the supervision of its staff.

The Managing Director is to have all the powers and functions of the Corporation, other than those relating to annual recommendations to the Minister and the appointment of the Managing Director and Deputy Managing Director, until a formal delegation is made by the Corporation of its powers and functions.

The first Managing Director is to be appointed by the Minister.

Clause 9 provides for the appointment of a Deputy Managing Director of the Corporation, who is to have all the powers of the Managing Director in the absence of the Managing Director, and also when so authorised by the Managing Director.

Clause 10 provides that the Corporation may delegate to the Managing Director its powers to appoint and remove staff, other than the Managing Director or Deputy Managing Director. It also provides that the salaries of the Managing Director and the Deputy Managing Director are to be paid out of the Consolidated Revenue Account and repaid to that Account from the General Fund of the Corporation.

The salaries of the Managing Director and the Deputy Managing Director are to be subject to the control of the Higher Salaries Commission.

Clause 11 deletes the authority for the Corporation to provide superannuation for its members.

Clause 12 authorises the Managing Director, subject to any instructions by the Corporation to delegate to any officer or employee of the Corporation or any agent appointed under section 25 of the principal Act any of his functions or powers, including those delegated to him by the Corporation, but including neither his functions and powers as a member of the Corporation nor his power of delegation.

Hon. Mr Bolger

ACCIDENT COMPENSATION AMENDMENT

ANALYSIS

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A BILL INTITULED

An Act to amend the Accident Compensation Act 1972

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of
5 the same, as follows:

10 **1. Short Title and commencement**—(1) This Act may be cited as the Accident Compensation Amendment Act 1980, and shall be read together with and deemed part of the Accident Compensation Act 1972* (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 1st day of January 1981.

*Reprinted 1975, Vol. 2, p. 1409

Amendments: 1977, No. 139; 1978, No. 36; 1979, No. 70

2. New sections inserted—(1) The principal Act is hereby amended by repealing section 6 (as amended by section 2 (1) of the Accident Compensation Amendment Act 1979), and substituting the following sections:

“6. Accident Compensation Corporation—(1) There is hereby established a body corporate under the name of the Accident Compensation Corporation having perpetual succession and a common seal, and capable of holding real and personal property, and of suing and being sued, and of doing and suffering all such other acts and things as bodies corporate may lawfully do and suffer. 5 10

“(2) The Accident Compensation Corporation is hereby declared to be the same body as the body corporate established under the name of the Accident Compensation Commission under section 6 of this Act, as in force before the commencement of this section. 15

“(3) Every reference in any enactment or document whatsoever to the Accident Compensation Commission shall, unless the context otherwise requires, hereafter be read as a reference to the Accident Compensation Corporation. 20

“6A. Members of Corporation—(1) The Corporation shall consist of the following members—

“(a) Not more than 6 members whose qualifications or experience are likely, in the opinion of the Minister, to be of assistance in carrying out the functions of the Corporation, to be appointed by the Governor-General on the recommendation of the Minister: 25

“(b) The Managing Director of the Corporation:

“(c) The General Manager of the State Insurance Office,— who shall act as a Board of directors and be responsible for policy. 30

“(2) One of the appointed members shall be so appointed as Chairman of the Corporation, and one shall be so appointed as Deputy Chairman of the Corporation.

“(3) The members of the Accident Compensation Commission in office immediately before the commencement of this section shall cease to hold office on the commencement of this section.” 35

(2) Section 2 (1) of the principal Act is hereby consequentially amended by repealing the definition of the expression “Accident Compensation Commission”, and substituting the following definition: 40

“ ‘Accident Compensation Corporation’ or ‘Corporation’ means the Accident Compensation Corporation established under section 6 of this Act:”.

5 (3) Section 10 of the principal Act and section 2 (1) of the Accident Compensation Amendment Act 1979 are hereby consequentially repealed.

3. Term of office of appointed members of Corporation—

The principal Act is hereby further amended by repealing section 7, and substituting the following section:

10 “7. (1) Every appointed member of the Corporation shall hold office for the term for which he was appointed, being a term not exceeding 3 years, and may be reappointed.

15 “(2) Notwithstanding anything in subsection (1) of this section, every appointed member of the Corporation, unless he sooner vacates his office under section 8 of this Act, shall continue in office until his successor comes into office, notwithstanding that the term for which he was appointed may have expired.”

20 **4. Resignation or removal from office—**Section 8 of the principal Act is hereby amended by omitting the words “member of the Commission” wherever they occur, and substituting the words “appointed member of the Corporation”.

25 **5. Deputies of members—**(1) Section 9 (2) (a) of the principal Act (as substituted by section 2 (2) of the Accident Compensation Amendment Act 1979) is hereby amended by inserting, after the words “deputy of any”, the word “appointed”.

30 (2) Section 9 of the principal Act is hereby further amended by inserting, after subsection (2), the following subsections:

“(2A) If the Managing Director is unable to attend a meeting of the Corporation, the Deputy Managing Director shall deputise for him.

35 “(2B) If the General Manager of the State Insurance Office is unable to attend a meeting of the Corporation, he may appoint another officer of the Office to deputise for him.”

6. Meetings of Corporation—(1) The principal Act is hereby further amended by repealing section 13 (as amended by section 2 (3) of the Accident Corporation Amendment Act 1979), and substituting the following section:

“13. (1) Meetings of the Corporation shall be held at such times and places as the Corporation or the Chairman or the Deputy Chairman from time to time appoints.

“(2) The Chairman shall preside at each meeting of the Corporation. In the event of the absence of the Chairman 5 from any meeting of the Corporation the Deputy Chairman shall preside at that meeting and, if he is also absent, the meeting shall be presided over by a member appointed by the members present.

“(3) At all meetings of the Corporation the quorum 10 necessary for the transaction of business shall be 4 members.

“(4) At any meeting of the Corporation the person presiding at the meeting shall, in the event of an equality of votes, have a casting vote.

“(5) Subject to the provisions of this Act and any regula- 15 tions made thereunder, the Corporation may regulate its procedure in such manner as it thinks fit.”

(2) The Accident Compensation Amendment Act 1979 is hereby amended by repealing section 2 (3).

7. Administrative functions and powers—Section 16 of the 20 principal Act is hereby amended by repealing subsection (3), and substituting the following subsection:

“(3) In the discharge of its functions, the Corporation shall—

“(a) Co-operate with Government departments and bodies 25 and persons interested in the discharge of those functions, including departments involved in the recording and processing of statistics of accidents and occupational diseases; and

“(b) As appropriate seek to achieve co-ordination between 30 Government departments and other bodies and persons in matters related to the discharge of its functions, whether by making contributions to their expenses or otherwise; and

(c) Where practicable, before making any significant 35 changes in the manner in which it discharges its functions, consult any Government department which it considers may be affected, directly or indirectly, by those changes.”

8. Managing Director—(1) The principal Act is hereby further amended by inserting, after section 20 and the sub-heading “*Staff, Agents, and Committees*”, the following section:

- 5 “20A. (1) The Corporation shall appoint a Managing Director of the Corporation who shall be the chief executive officer of the Corporation and shall be responsible to it for the efficient and economical administration of its functions and the supervision of its officers and employees.
- 10 “(2) The Managing Director, until such time as a formal delegation of its powers and functions is made by the Corporation, shall have all the powers and functions of the Corporation, other than those set out in sections 15, 20A (1), and 20B (1) of this Act:
- 15 “Provided that the foregoing provisions of this subsection shall not prevent the exercise of any power or function by the Corporation.
- 20 “(3) Notwithstanding the foregoing provisions of this section and section 21 of this Act, the first Managing Director shall be appointed by the Minister.”
- (2) Section 2 (1) of the principal Act is hereby consequentially amended by inserting, after the definition of the expression “Lease”, the following definition:
- 25 “‘Managing Director’ means the Managing Director of the Corporation appointed under section 20A of this Act:”.

9. Deputy Managing Director—(1) The principal Act is hereby further amended by inserting, after section 20A of the principal Act (as inserted by section 8 of this Act), the following section:

- 30 “20B. (1) The Corporation shall appoint a Deputy Managing Director of the Corporation.
- 35 “(2) On the occurrence from any cause of a vacancy in the office of the Managing Director (whether by reason of death, resignation, or otherwise), and so long as that vacancy continues, the Deputy Managing Director shall have and may exercise all the powers, duties, and functions of the Managing Director.

“(3) The Deputy Managing Director shall act as the deputy of the Managing Director in case of illness, absence, or other temporary incapacity of the Managing Director, and also (notwithstanding that no such temporary incapacity exists) in all matters in respect of which he is authorised by the Managing Director so to act. 5

“(4) Every such authorisation shall be in writing under the hand of the Managing Director, and may be either general or in respect of any special matters.

“(5) The fact that the Deputy Managing Director exercises any power, duty, or function of the Managing Director, or does any act for the Managing Director as aforesaid, shall be sufficient evidence of his authority to do so, and no person shall be concerned to inquire whether any occasion has arisen requiring or authorising him to do so, or be affected by notice that no such occasion has arisen.” 10 15

(2) Section 2 (1) of the principal Act is hereby further amended by inserting, after the definition of the expression “dependant”, the following definition:

“‘Deputy Managing Director’ means the Deputy Managing Director of the Corporation appointed under section 20B of this Act:” 20

10. Officers and employees—(1) Section 21 (1) of the principal Act is hereby amended by adding the following proviso:

“Provided that the Corporation may delegate to the Managing Director its powers to appoint and remove any class or classes of officers and employees, other than the appointment or removal of the Managing Director or the Deputy Managing Director.” 25

(2) Section 21 of the principal Act is hereby further amended by inserting, after subsection (3), the following subsection: 30

“(3A) The salaries payable under this section to the Managing Director and the Deputy Managing Director shall be paid from the Consolidated Revenue Account out of money appropriated by Parliament for the purpose, and any other money payable under this section shall be paid from the General Fund: 35

“Provided that any money paid from the Consolidated Revenue Account as aforesaid shall be repaid to that Account from the General Fund.” 40

(3) Section 40 (3) of the principal Act is hereby consequentially repealed.

(4) The Fourth Schedule to the Higher Salaries Commission Act 1977 is hereby amended by omitting the item relating to the Accident Compensation Commission, and substituting the following item:

- 5 “The Managing Director and the Deputy Managing Director of the Accident Compensation Corporation.”

11. Provision of superannuation for officers and employees—Section 22 of the principal Act is hereby amended by omitting the word “members”.

- 10 **12. Delegations**—(1) Section 29 of the principal Act is hereby amended by inserting, after subsection (3), the following subsection:

15 “(3A) Subject to any instructions given in that behalf by the Corporation, the Managing Director may from time to time, with the prior approval and in accordance with the policy of the Corporation, delegate to any other officer or employee of the Corporation or to any agent appointed under section 25 of this Act any of his functions or powers, including powers delegated to him under subsection (3) of
20 this section, but not including his functions and powers as a member of the Corporation nor the power of delegation conferred on him by this subsection.”

(2) Section 29 (4) of the principal Act is hereby amended by omitting the word “Commission”, and substituting the
25 words “Corporation or, as the case may be, the Managing Director”.