

**2023-11-21**

**Bill as amended**

### **OBJECTS AND REASONS**

This Bill would

- (a)* amend the law relating to the system of national insurance and social security by establishing a body corporate to administer the system and perform the functions relating to national insurance and social security hitherto administered and performed by the Department of National Insurance;
- (b)* make better provision for self employed persons; and
- (c)* provide for related matters.

*Arrangement of Sections*

1. Short title
2. Amendment of section 2 of Cap. 47
3. Amendment of Cap. 47
4. Amendment of section 12 of Cap. 47
5. Amendment of section 21 of Cap. 47
6. Insertion of section 25B into Cap. 47
7. Amendment of Cap. 47
8. Amendment of section 30 of Cap. 47
9. Amendment of section 30A of Cap. 47
10. Repeal of section 33 of Cap. 47
11. Amendment of Schedule I to Cap. 47
12. Amendment of Cap. 47
13. Consequential amendments
14. Repeal of Act 2023-18
15. Commencement

FIRST SCHEDULE

*PENSIONABLE AGE*

SECOND SCHEDULE

*NATIONAL INSURANCE AND SOCIAL SECURITY SERVICE BOARD*

THIRD SCHEDULE

*CONSEQUENTIAL AMENDMENTS*



## **BARBADOS**

A Bill entitled

An Act to amend the *National Insurance and Social Security Act*, Cap. 47 to amend the law relating to the system of national insurance and social security by establishing a body corporate to administer the system and perform the functions relating to national insurance and social security hitherto administered and performed by the Department of National Insurance and to make better provision for self employed persons.

ENACTED by the Parliament of Barbados as follows:

**Short title**

**1.** This Act may be cited as the *National Insurance and Social Security (Amendment)(No. 2) Act, 2023*.

**Amendment of section 2 of Cap. 47**

**2.** *Section 2 of the National Insurance and Social Security Act, Cap. 47, in this Act referred to as the principal Act, is amended by*

*(a) inserting in its alphabetical order the following new definition:*

“ “Service” means the National Insurance and Social Security Service established by section 3;”; and

*(b) deleting the definitions “Board”, “inspector”, “manager”, “owner” and “pensionable age” and substituting the following in the appropriate alphabetical order:*

“ “Board” means the National Insurance and Social Security Service Board established by section 11M;

“inspector” means any person appointed by the Service pursuant to section 38 to perform the functions of an inspector under this Act;

“manager” and “owner” have in relation to a ship or vessel, the same meaning as that set out in paragraph 2(3) of Part I of *Schedule I*;

“pensionable age” means each age corresponding with the period prescribed as set out in *Schedule II*;

“self-employed person” means a person gainfully occupied in employment in Barbados pursuant to a contract for services;”.

**Amendment of Cap. 47**

**3.** *The principal Act is amended by deleting Part I and substituting the following:*

“PART I

ESTABLISHMENT, FUNCTIONS AND ADMINISTRATION OF  
THE SERVICE

**Establishment of Service**

**3.(1)** The National Insurance and Social Security Service is established.

(2) The Service is a body corporate to which section 21 of the *Interpretation Act*, Cap. 1 applies.

**Functions of the Service**

**4.(1)** The functions of the Service are to

- (a) manage and operate the system of national insurance established by this Act;
- (b) advise the government and other public authorities on matters relating to this Act and the regulations;
- (c) be responsible for the policy, organization and administration of the system of national insurance;
- (d) appoint the staff of the Service and to be responsible for the recruitment, discipline, promotion and termination of employees;
- (e) develop policies for the prudent and efficient management of the Fund;

- (f)* approve the budget of the Service and oversee its execution;
  - (g)* establish or reorganise any internal unit or division for the effective functioning of the Service;
  - (h)* consider and approve the annual audited accounts and financial statements of the Service;
  - (i)* adopt the accounting policies and procedures which are in accordance with internationally recognized accounting standards;
  - (j)* cause to be prepared by the Service
    - (i)* a statement of corporate intent;
    - (ii)* an annual plan; and
    - (iii)* mid-year and annual reports.
- (2) The Service shall perform such other functions as are conferred upon it by this Act and any other enactment.

**Staff of the Service and establishment of the divisions**

- 5.(1) The staff of the Service shall comprise a
- (a)* Chief Executive Officer;
  - (b)* Chief Finance Officer;
  - (c)* Chief People Development Officer;
  - (d)* Chief Operations Officer;
  - (e)* Chief Investments Officer;
  - (f)* Chief Policy and Planning Officer;
  - (g)* Chief Risk Management Officer;
  - (h)* Chief Internal Auditor;
  - (i)* Chief Legal Officer;



(j) Chief Information Technology Officer,

and such number of staff including officers to manage any division that it establishes, as it considers necessary for giving effect to this Act.

(2) For the purposes of this Act, the Service may separate its operations into divisions or units.

### **Role of the Chief Executive Officer**

- 6.** The Chief Executive Officer shall be responsible for
- (a) ensuring that the decisions of the Board of Directors are carried out;
  - (b) managing the assets and liabilities of the Service in accordance with the law;
  - (c) achieving the level of performance required in the Annual Budget, the Approved Annual Plan and the Statement of Corporate Intent;
  - (d) collecting and receiving promptly the revenues of the Service;
  - (e) controlling, accounting for and reporting in a timely manner on the revenue and expenditure of the Service;
  - (f) controlling, accounting for and reporting in a timely manner on the monies and property received by or under the control of the Service; and
  - (g) ensuring that the plans, budgets and reports required by legislation are provided.

**Role of the Chief Finance Officer**

7. The Chief Finance Officer shall be responsible for
- (a) directing and overseeing all aspects of the financial and accounting functions of the Service;
  - (b) providing timely and accurate analysis of budgets, financial trends and forecasts;
  - (c) developing, implementing and maintaining a comprehensive financial management system;
  - (d) providing executive management with advice in respect of the financial implications of any proposed investments;
  - (e) analysing cash flow, cost control, expenses and all financial statements;
  - (f) providing the executive management and the Board with advice on managing the Fund portfolio of the Service; and
  - (g) establishing systems for budget and internal control.

**Role of Chief People Development Officer**

8. The Chief People Development Officer shall be responsible for
- (a) promoting and fostering good industrial relations between management, employees and the representatives of employees and dealing with grievance issues;
  - (b) managing the recruitment and selection of staff processes in conjunction with the Board;
  - (c) keeping under constant review the staffing needs of the Service including requirements for training;

- (d) developing and monitoring people development strategies, systems and procedures within the Service; and
- (e) managing the Service's performance appraisal system.

**Role of Chief Operations Officer**

- 9.** The Chief Operations Officer shall be responsible for
- (a) managing and directing the process of registration
    - (i) of persons who are to be registered as insured persons under this Act; and
    - (ii) of employers;
  - (b) managing and directing the processing of all benefits payable to insured persons;
  - (c) overseeing the business and administrative operations of the division responsible for benefits and keeping operating procedures under constant review;
  - (d) evaluating the performance of the division for benefits and recommending strategies to improve results;
  - (e) preparing and submitting reports to the Chief Executive Officer on a quarterly basis or as required; and
  - (f) ensuring compliance with this Act and the *Severance Payments Act*, Cap. 355A.

**Role of Chief Investment Officer**

- 10.(1)** The Chief Investment Officer shall be responsible for
- (a) managing the investment functions of the Service and its funds;

- (b) developing investment strategies and making recommendations on investment policies for the consideration of the Investment Committee and the Board;
- (c) preparing reports, analyses and strategies for the Chief Executive Office and the Board; and
- (d) establishing processes or systems to ensure that investment policies are followed and are in accordance with the Service's Investment Policy Statement and Guidelines.

**Role of Chief Policy and Planning Officer**

**11.** The Chief Policy and Planning Officer shall be responsible for

- (a) managing the Service's corporate planning, policy development, research and actuarial service functions;
- (b) assisting with the leadership and management of the Service's strategic planning process and the implementation of strategies and objectives;
- (c) providing leadership in the development, formulation, implementation and monitoring of the Board's strategic plans and policies; and
- (d) managing the conduct of periodic actuarial reviews.

**Role of Chief Risk Management Officer**

**11A.** The Chief Risk Management Officer shall be responsible for

- (a) monitoring, evaluating and advising on the elimination and mitigation of operational, investment and environmental risk;
- (b) overseeing the Service's risk management including general liability and any related insurance coverage;

- (c) establishing a risk management framework and action plan for the Service;
- (d) developing an action plan to mitigate, manage or respond to risks; and
- (e) submitting quarterly reports to the Board.

**Role of Chief Internal Auditor**

**11B.** The Chief Internal Auditor shall be responsible for

- (a) developing an annual risk-based Internal Audit Plan in consultation with the Chief Executive Officer and the heads of divisions or units of the Service for submission to the Audit Committee for approval;
- (b) submitting the approved risk-based Internal Audit Plan to the Board for final approval;
- (c) performing financial, operational, compliance and systems audits in accordance with the Internal Audit Plan;
- (d) conducting special investigations as instructed by the Board of Directors;
- (e) preparing reports on reviews conducted and make recommendations for the correction of any deficiencies identified;
- (f) making presentations to the Audit Committee and the Board of Directors as required; and
- (g) reviewing, monitoring and reporting to the Audit Committee on the implementation of Board-approved recommendations arising out of the completed audits.

**Role of Chief Legal Officer**

- 11C.** The Chief Legal Officer shall be responsible for
- (a) ensuring compliance with this Act and the *Severance Payments Act*, Cap. 355A and any other enactment which applies to the Service;
  - (b) advising the Board as well as any division or unit of the Service on legal matters;
  - (c) representing the Board and the Chief Executive Officer in legal matters before the Court, Tribunals and the National Insurance Commissioner;
  - (d) instituting legal proceedings to recover outstanding contributions and other sums due to the Service;
  - (e) providing legal advice on matters pertaining to benefits, severance, compliance, audit, fraud, investments, contracts and other legal matters as may be required for the purposes of the Service;
  - (f) preparing and reviewing agreements, contracts, leases and other legal documents for the Board;
  - (g) preparing and registering unpaid national insurance certificates and ensuring the necessary civil proceedings are filed for debt collection;
  - (h) preparing garnishments and memoranda of satisfaction;
  - (i) undertaking legal searches and legal research necessary for the purposes of civil proceedings or the filing of legal documents;
  - (j) reviewing legislation and liaising with the Solicitor General and the Chief Parliamentary Counsel; and

- (k) such other functions or duties as may be required by the Board or the Chief Executive Officer for the purposes of the Service.

**Role of Chief Information Technology Officer**

**11D.** The Chief Information Technology Officer shall be responsible for

- (a) creating and maintaining necessary policies to ensure the safety and security of information and data stored by the Service;
- (b) maintaining security of all data and information stored to ensure the timely processing of benefits and other functions of the Service;
- (c) monitoring and maintaining system continuity with respect to software licensing and software agreements;
- (d) implementing and maintaining backup and security systems to protect data and information stored by the Service;
- (e) monitoring and maintaining the computer systems of the Service;
- (f) managing and maintaining the software, software systems, computer programmes and other related systems used by the Service;
- (g) determining the long-term information technology needs to ensure proper and efficient functioning for the Service; and
- (h) such other functions or duties as may be required by the Board or the Chief Executive Officer for the purposes of the Service.

**Other functions of officers**

**11E.** The officers named in sections 6 to 11D shall, in addition to the functions listed in those sections, perform such other functions and

carry out such other duties as may be necessary or incidental to the performance of their duties as may be required by the Board or the Chief Executive Officer for the purposes of the Service.

**Responsibilities of officers not prejudiced**

**11F.** The responsibilities stated in respect of the officers mentioned at sections 5 to 11D, are without prejudice to any other contractual terms and conditions agreed between the officers and the Service.

**Employment of public officer and others**

**11G.(1)** Where a public officer accepts employment with the Board,

- (a) he shall be employed as a permanent employee on terms and conditions that are no less favourable than those on which he was employed before the commencement of this Part;
- (b) he shall, upon accepting employment with the Service, retain any right to pension, gratuity or other allowance for which he would have been eligible had he remained in the Public Service;
- (c) his service in the Public Service before the commencement of this Part shall be aggregated with his service in the Board for the purposes of paragraph (d); and
- (d) his right to pension, gratuity and other allowances shall be calculated in accordance with the *Pensions Act*, Cap. 25.

(2) Where a person, other than an officer referred to in subsection (1), was employed by the former Board accepts employment with the Board,

- (a) he shall be employed on terms and conditions no less favourable than those on which he was employed before the commencement of this Part;



- (b) he shall, upon accepting employment with the Board, retain any right to pension, gratuity or other allowance for which he was eligible when he was employed by the former Board;
- (c) his service with the former Board before the commencement of this Part shall be aggregated with his service with the Board for the purposes of paragraph (d); and
- (d) his right to pension, gratuity or other allowance shall be calculated in accordance with the *Statutory Boards (Pensions) Act, Cap. 384*.

**Private pension plan**

**11H.** The Board shall, within 2 years of the commencement of this Part, provide for the establishment of a pension plan for the benefit of the staff of the Service.

**Appointment on fixed term contracts**

**11I.** Where a person is employed by the Service under a written contract of employment for a fixed term he shall be entitled to become a member of the pension scheme within one year of his employment.

**Power of Service to invest**

**11J.(1)** The Board may invest moneys standing to the credit of the Fund and the Unemployment Benefit Account

- (a) in such proportions as the Board approves, having regard to the several contingencies in relation to which benefits are provided under this Act; and
  - (b) in such manner or securities as are deemed appropriate.
- (2) In determining the types of securities that are appropriate for investment, the investment committee shall, *inter alia*, have regard to the investment policy statement and guidelines.

(3) Notwithstanding subsections (1) and (2), the Board may, after consultation with the Minister responsible for Finance, invest any moneys forming part of the Fund in such manner and in such investments as the Minister may direct.

### **Borrowing powers of the Service**

**11K.** The Board may, with the approval of the Minister responsible for Finance, borrow any money it requires for meeting any of its obligations or performing any of its functions and shall, in such a case, inform the Minister of

- (a) the amount and sources of the loan;
- (b) the terms and conditions on which the loan may be obtained;  
and
- (c) the solvency of the fund.

### **Guarantee of loans**

**11L.** The Government may, with the approval of Parliament, in such manner and on such terms and conditions as may be specified, guarantee a loan to the Board together with any interest or other charges payable.

### **Establishment of Board**

**11M.(1)** The National Insurance and Social Security Service Board is established.

(2) *Schedule III* has effect with respect to the constitution of the Board and otherwise in relation thereto.

(3) The members of the Board shall be known as “directors”.

### **Responsibility of Board**

**11N.(1)** The Board is responsible for the formulation of policy and the organization and administration of the Service and, in particular,

- (a) the appointment of staff to the Service and the management of such staff;
- (b) the management of the resources and contracts of the Service;
- (c) the prudent and efficient management of the Service; and
- (d) monitoring the performance of the Service with respect to the discharge of its functions.

(2) The Board shall develop a funding policy for the Service and the Minister shall cause a copy of the policy to be laid on the table of both Houses.

(3) If the Board proposes to amend the policy referred to in subsection (2), the Minister shall lay the proposed amendment on the table of both Houses of Parliament.

(4) The Minister shall respond to the funding policy or proposed amendment within 6 weeks of the date after it has been laid in Parliament.

### **Delegation of functions**

**11O.(1)** The Board may delegate such of its functions as it thinks expedient for the purpose of effectively transacting the business of the Board to the chairman, a committee of the Board or the Chief Executive Officer.

(2) The delegation of a function pursuant to subsection (1)

- (a) does not prevent the Board from discharging that function; and

(b) may at any time be revoked by the Board.

**Power of the Board to acquire real property**

**11P.** The Board has the right to acquire and hold any real property for the purposes for which the Board is constituted, and subject to the approval of the Minister, to charge, whether by mortgage, debenture or otherwise and to dispose of such property.

**Protection of the Board and its members**

**11Q.(1)** No act done or proceedings taken under this Act shall be questioned on the ground

- (a) of the existence of any vacancy in the membership of, or any defect in the constitution of, the Board; or
- (b) of any omission, defect or irregularity not affecting the merits of the case.

(2) No action, suit, prosecution or other proceedings shall be brought or instituted personally against any member in respect of any act done *bona fide* in pursuance of or execution or intended execution of this Act.

**Role of Secretary**

**11R.** There shall be a secretary to the Board who shall be responsible for

- (a) ensuring that all necessary arrangements preparatory to meetings of the directors or committees are made;
- (b) taking the minutes and recording the decisions of meetings of the directors;
- (c) the safe custody and control of all documentation relating to the directors or committees; and

- (d) ensuring that the Board acts in compliance with the requirements of the legislation relating to the Service.

**Power to appoint committees**

**11S.(1)** Subject to this Act, and the regulations, the Board

- (a) shall appoint the following standing committees:

- (i) a people development committee;
- (ii) an information technology committee;
- (iii) an operations committee;
- (iv) a tenders committee; and
- (v) a risk and data management committee; and

- (b) may appoint such other committee as the Board thinks fit.

(2) A committee appointed by the Board shall comprise not less than 2 members.

(3) Where a committee, appointed under subsection (1)(b) performs a function, it is deemed to have been performed by the Board.

(4) Where the Board appoints a committee pursuant to subsection (1)(b) the committee shall, on completion of the function, submit a report in writing as soon as practicable to the Board.

(5) Subject to this Act and the regulations, the constitution and functions of a committee shall be determined by the Board.

**Audit Committee**

**11T.(1)** There shall be an Audit Committee of the Service.

(2) The Audit Committee shall comprise 3 members from among the Directors.

- (3) At least one member of the Audit Committee shall be an accounting or audit expert.
- (4) The responsibilities of the Audit Committee shall include the following:
- (a) the evaluation of the overall effectiveness of internal control systems of the Service;
  - (b) the oversight of the financial statements and the financial reporting processes;
  - (c) making recommendations to the Board with respect to the external auditor selection and rotation policy;
  - (d) proposing to the Service the scope of any special audits and other relevant services;
  - (e) reviewing the performance of external auditors;
  - (f) monitoring the implementation of recommendations made by the Chief Internal Auditor and the external auditors;
  - (g) reporting to the Board not less than 4 times a year.

**Investment Committee**

**11U.(1)** There shall be an Investment Committee which shall comprise

- (a) the Chairman of the Board;
- (b) the Deputy Chairman of the Board;
- (c) the Chief Executive Officer;
- (d) the Chief Financial Officer;
- (e) the Chief Investment Officer;
- (f) two directors of whom one represents employers and the other represents trade unions;

- (g) a Director from the Central Bank of Barbados with responsibility for investments; and
  - (h) two other persons, not being directors, appointed by the Minister from among persons with necessary qualifications in investment matters, finance and accounting.
- (2) The functions of the Investment Committee are to
  - (a) advise the Board on investment policy;
  - (b) to monitor the implementation of investment decisions; and
  - (c) to perform such other duties as may be delegated by the Board.
- (3) The Investment Committee shall regulate its own procedure.
- (4) In the absence of the Chairman, the Deputy Chairman shall preside.
- (5) Six members shall constitute a quorum.

**Exercise of powers of directors**

- 11V.(1)** Every director shall in exercising his duties
- (a) act honestly and in good faith with a view to the best interests of the Fund; and
  - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- (2) In determining the best interests of the Fund, a director must have regard to the interest of the Fund as well as the interests of the employees in general.

**Conflict of interest**

- 11W.(1)** A director who is in any way directly or indirectly interested in a contract or proposed contract with the Board or any other matter

whatsoever in which the Board is concerned, shall declare the nature and extent of his interest at the first meeting of the Board at which it is practicable for him to do so.

(2) A director shall not take part in any deliberation or decision of the Board with respect to any contract or proposed contract with the Board or any other matter with which the Board is concerned, in which he has any pecuniary interest, whether directly or indirectly.

(3) For the purposes of this section, a director shall be treated as having an indirect interest in a contract or proposed contract with the Board or in any other matter with which the Board is concerned, if he is

- (a) a director;
- (b) a shareholder;
- (c) a partner; or
- (d) an employee,

of a company or other association of persons that is a party to such other matter with which the Board is concerned.

(4) A director mentioned in subsection (1), (2) and (3) shall not vote on the contract or proposed contract or any other matter connected to that with which the Board is concerned.

(5) A director or any employee of the Service shall not accept a gift or an advantage for himself or on behalf of persons with whom they have family, business or financial connections, if the acceptance would result or give the appearance of resulting in a diminution of his impartial performance of duties.

(6) Where a person to whom this section applies contravenes this section, he is guilty of an offence and is liable on conviction on indictment to a fine of \$50 000 or imprisonment for 3 years or to both.



**Actuarial reviews**

**11X.(1)** For the purposes of assessing the balance between the contributions and rates of benefits, an actuarial review of the system of national insurance shall be undertaken within 3 years after the 31<sup>st</sup> day of December, 2023 and thereafter, during the period ending on the 31<sup>st</sup> day of December in every third year or such shorter period as the Board determines; and a report of every such actuarial review shall be forwarded to the Minister.

(2) In addition to the actuarial review referred to in subsection (1) the Minister may require an actuarial review to be undertaken at any time.

(3) The Board shall send a copy of every actuarial review to the clerk of Parliament to be laid on the table of both Houses.

**Report and accounts to be submitted to Minister**

**11Y.(1)** The Board shall

- (a) in each year, prepare a report on its activities in the last preceding year and shall furnish such report to the Minister not later than the 30<sup>th</sup> day of June;
- (b) submit to the Minister every account certified by the Auditor-General thereon, within one month of such certification; and
- (c) submit annually to the Minister, an account of the securities in which moneys forming part of the Fund are for the time being invested.

(2) The Minister shall cause a copy of every report of account submitted to him pursuant to this section to be laid on the table of both Houses.

**Minister may give directions**

**11Z.(1)** The Minister may give general directions to the Board with respect to the performance of its functions, powers and duties under this Act or any other enactment; and the Board shall act in accordance with those directions.

(2) Subject to this section, the Board shall not be subject to the control or direction of any other person or Service.

**Application of Public Finance Management Act, 2019  
(2019-1)**

**11AA.** The *Public Finance Management Act, 2019* (Act 2019-1) applies to this Act with such modifications and adaptations as circumstances require.

**Vesting of assets**

**11BB.** All assets vested in or held by the former Board under the former Act are

- (a) transferred to and vested in the Board and shall be managed and administered by the Board for the purpose of this Act; and
- (b) by virtue of this Act and without further assurance, transfer or other formality, with effect from the commencement of this section, to be held by the Service for same estate and interest and to the same extent and in the same manner as the assets were vested in, or held by, the said former Board immediately before the commencement of this section.

**Liabilities and proceedings**

**11CC.(1)** All liabilities incurred by or on behalf of the former Board immediately before the commencement of this Part have, from such

commencement, effect as if they had been incurred by or on behalf of the Service.

(2) Without affecting subsection (1),

(a) all sums

(i) standing immediately before the commencement of this Part to the credit of the former Board are from that day transferred to and vested in the Service; and

(ii) held by an employer pursuant to section 18 as contributions deducted from an employed persons wages or remunerations are, with effect from the commencement of this Part, due to the Service and shall be dealt with in accordance with the provisions of that section as moneys due to the Service; and

(b) any contract made by or on behalf of the former Board before the commencement of this Part shall be deemed to have been made by or on behalf of the Service and shall be construed with such modifications and adaptations as circumstances require for the purposes of this section.

(3) All unpaid national insurance certificates filed on behalf of the former Board before the commencement of this Part shall be deemed to have been filed by or on behalf of the Service.

(4) All civil proceedings commenced before the commencement of this Part in any court in Barbados by or against the former Board may be continued by or against the Service, and process in those proceedings may be amended accordingly.

#### **Transfer of functions**

**11DD.** All registrations, decisions, acts, duties, payments or functions formerly discharged by the National Insurance Department for and on behalf of the former Board before the commencement of this

Part are, from the commencement of this Part to be discharged by the Service.

**Interpretation**

**11EE.** For the purposes of sections 11BB, 11CC and 11DD “former Board” means the Board in existence on the day immediately preceding the commencement of this Part.”.

**Amendment of section 12 of Cap. 47**

**4. Section 12 of the principal Act is amended**

(a) *by deleting the shoulder note and substituting the following:*

**“Insurance of persons employed in respect of benefits under section 21(1) ”;**

(b) *deleting subsection (1) and substituting the following:*

“(1) Subject to this Act, every person who, being over the age of 16 years and under pensionable age, is gainfully occupied in employment in Barbados, under a contract of service or a contract for services, shall be insured under this Act in respect of the several contingencies in relation to which benefits are provided under subsection (1) of section 21; and there shall be payable to or in respect of any such person, in the prescribed circumstances, any benefit payable by virtue of the said subsection.”; and

(c) *deleting the word “Crown” where it appears and substituting the word “State”.*

**Amendment of section 21 of Cap. 47**

**5.** *Section 21 of the principal Act is amended by inserting immediately after subsection (1D) the following:*

“(1E) All self-employed persons shall from such day as the Board may fix by order be insured pursuant to section 14 for personal injury arising out of and in the course of employment.”.

**Insertion of section 25B into Cap. 47**

**6.** *The principal Act is amended by inserting immediately after section 25A the following:*

**“Cost of living increase in contributory pension**

**25B.(1)** The Board shall by order increase all contributory pensions

(a) by 3 per cent per annum for the year 2023; and

(b) subject to subsection (2), by such amount, not exceeding 1.5 per cent per annum for every succeeding year.

(2) If the average rate of price inflation exceeds 3 per cent per annum the actuary shall advise the Board on the appropriate rate of increase.

(3) The Board shall publish the rate of increase in 2 newspapers published and circulated in Barbados.”.

**Amendment of Cap. 47**

**7.** *The principal Act is amended in Parts II to VI by deleting the words “Director” and “Director, National Insurance” and substituting the words “Chief Executive Officer”.*

**Amendment of section 30 of Cap. 47**

**8.**        *Section 30 of the principal Act is amended by deleting subsection (5).*

**Amendment of section 30A of Cap. 47**

**9.**        *Section 30A of the principal Act is amended by deleting subsections (1) and (2) and substituting the following:*

“(1) The Unemployment Benefit Account established on 1<sup>st</sup> January, 1997 and referred to as “the Account” shall be under the management and control of the Service.

(2) The Unemployment Benefit Account shall comprise

- (a) such sums as may be paid in respect of every employer and every insured person as a contribution at such rate as may be prescribed by regulations;
- (b) any sums earned by the Board from the use or investment of the assets of the Unemployment Benefit Account;
- (c) such money as may be voted by Parliament for the purposes of the Unemployment Benefit Account; and
- (d) such sums as were held by the former Board in the former Unemployed Benefit Account; and
- (e) such other moneys as may be granted or may become payable to the Service for the purposes of the Unemployment Benefit Account.”.

**Repeal of section 33 of Cap. 47**

**10.**        *Section 33 of the principal Act is repealed.*

**Amendment of Schedule I to Cap. 47**

**11.** *Part I of Schedule I is amended by inserting immediately after paragraph 1 the following as paragraph 1A:*

**“1A.** Employment of a self-employed person under a contract for service whether written or oral and whether express or implied.”.

**Amendment of Cap. 47**

**12.** *The principal Act is amended by*

- (a) deleting Schedule II and substituting the Schedule set out in the First Schedule to this Act; and*
- (b) inserting as Schedule III the Schedule set out in the Second Schedule to this Act.*

**Consequential amendments**

**13.** The enactments set out in Column 1 of the *Third Schedule* are amended in the manner set out opposite thereto in Column 2.

**Repeal of Act 2023-18**

**14.** The *National Insurance and Social Security (Amendment) Act, 2023* (Act 2023-18) is repealed.

**Commencement**

**15.** This Act shall come into operation on the 1<sup>st</sup> day of December, 2023.

**FIRST SCHEDULE***(Section 12(a))**PENSIONABLE AGE***“SCHEDULE II***(Section 2)**PENSIONABLE AGE*

Period	Age
From 1 <sup>st</sup> January 2003 to 31 <sup>st</sup> December, 2005	65
From 1 <sup>st</sup> January 2006 to 31 <sup>st</sup> December, 2009	65½
From 1 <sup>st</sup> January 2010 to 31 <sup>st</sup> December, 2013	66
From 1 <sup>st</sup> January 2014 to 31 <sup>st</sup> December, 2017	66½
From 1 <sup>st</sup> January 2018 to 31 <sup>st</sup> December, 2027	67
From 1 <sup>st</sup> January 2028 to 31 <sup>st</sup> December, 2033	67½
From 1 <sup>st</sup> January 2034 and thereafter	68



**SECOND SCHEDULE**

*(Section 12(b))*

*NATIONAL INSURANCE AND SOCIAL SECURITY SERVICE BOARD*

**“SCHEDULE III**

*(Section 11M)*

*NATIONAL INSURANCE AND SOCIAL SECURITY SERVICE  
BOARD*

**Appointment of directors**

- 1.(1) The Board shall comprise 9 directors as follows:
- (a) the Permanent Secretary in the Ministry responsible for Social Security, *ex officio*;
  - (b) the Director of Finance and Economic Affairs, *ex officio*; and
  - (c) seven other persons appointed by the Minister with the approval of the cabinet as follows:
    - (i) 2 persons on the recommendation of the employers organisations;
    - (ii) 2 persons on the recommendation of workers organisations; and
    - (iii) 3 persons who possess expertise or at least 10 years experience in law, finance, accountancy, management, corporate governance, economics, pensions, investments or other skills appropriate to social security matters.

(2) A director, other than an *ex officio* director, shall, subject to the provisions of this *Schedule*

(a) hold office for a term not exceeding 3 years; and

(b) is eligible for reappointment.

(3) The Minister shall, pursuant to subparagraph (2), determine the term of office of a director in such a manner that in any one year the respective terms of office of no more than 3 directors expire.

### **Remuneration of directors**

2. The Minister may pay to

(a) each director, in respect of his office such remuneration and allowances; and

(b) the Chairman and Deputy Chairman such remuneration and allowances,

in addition to any remuneration or allowances to which he may be entitled in respect of his office as a director, as the Minister determines.

### **Chairman and Deputy Chairman**

3.(1) The Minister may appoint a director to be Chairman, and another to be Deputy Chairman, of the Board.

(2) The Chairman must be a person who has at least 10 years experience in law, finance, accountancy, management, corporate governance, economics, pensions or other skills appropriate to social security matters.

### **Affixing seal and authentication of documents**

4.(1) The seal of the Service shall be kept in custody of the Chairman or the Deputy Chairman or the person performing the functions of the secretary to the Board.

(2) The seal may be affixed to such contracts, agreements, instruments in writing and such other documents as the Board determines

(3) All documents in subparagraph (2) made by the Board, shall be signified under the hand of the Chairman or the Deputy Chairman, in case of the absence of the Chairman, as the case may be, and by at least one other director of the Board.

(4) All documents or instruments made by the Board, other than those required by law to be under seal, and all decisions of the Board shall be signified under the hand of the Chairman or the Deputy Chairman and by at least one other director of the Board.

### **Resignation**

5.(1) The Chairman may resign his office by instrument in writing addressed to the Minister.

(2) A director, other than the Chairman, may resign his office by instrument in writing addressed to the Chairman, who shall forward forthwith the instrument to the Minister.

(3) A resignation takes effect from the date on which the Minister receives the instrument.

### **Temporary leave of absence**

6. The Minister may in writing grant leave of absence to a director.

### **Temporary appointment**

7. Where a director is, or is likely to be, unable to perform the functions of his office for more than 30 days, whether as a result of absence from Barbados, illness or other cause, the Minister may appoint a person to act in the place of the director.

**Revocation of appointment**

- 8.** The Minister shall revoke the appointment of a director who
- (a) becomes of unsound mind or becomes permanently unable to perform his functions by reason of ill health;
  - (b) is convicted of an offence involving fraud or dishonesty or, in the case of any other offence, is sentenced to a term of imprisonment;
  - (c) is guilty of serious misconduct in relation to his functions;
  - (d) is bankrupt or compounds with or suspends payment to his creditors; or
  - (e) fails to declare his interest in a matter before the Board as required by section 11W(1).

**Vacancies**

- 9.(1)** A vacancy in the membership of the Board arises on
- (a) the death or resignation of a director;
  - (b) the revocation of the appointment of a director; or
  - (c) the absence of a director from 4 consecutive meetings of the Board without the approval of the Minister.
- (2) A person who is appointed to fill a vacancy referred to in subparagraph (1) shall hold office only for the unexpired portion of the term of the former director concerned.

### **Disqualification of director**

- 10.** A person who
- (a) other than a person specified in paragraphs 1(1)(a) and (b), is a public officer within the meaning of the *Public Service Act*, Cap. 29; or
  - (b) where he is a director, would have to be removed from office pursuant to paragraph 8,
- is not eligible to be a director.

### **Gazetting of appointments**

- 11.** The appointment, resignation, removal from office or death of a director shall be notified in the *Official Gazette*.

### **Committees**

- 12.(1)** The Board may appoint committees of its members or other persons to assist it with the proper discharge of its functions.
- (2) Where a person who is not a member of the Board is appointed to a committee, the Board may, with the approval of the Minister, determine the remuneration and allowances to be paid to the person.

### **Meetings**

- 13.(1)** The Board shall meet as often as may be necessary or expedient for the transaction of its business and such meeting shall be held at such places and times and on such days as the Board may determine.
- (2) The Chairman, or in the event of his absence from Barbados or inability to act as such, the Deputy Chairman, may at any time call a special meeting of the Board and shall call such meeting within 7 days

of the receipt by him of a request for the purpose addressed to him in writing and signed by not less than 3 directors.

(3) The Chairman, or in his absence, the Deputy Chairman, shall preside at meetings of the Board.

(4) Where the Chairman and the Deputy Chairman are absent from a meeting, the directors present shall elect a director from among their number to preside at the meeting.

(5) Six directors shall constitute a quorum.

(6) The decisions of the Board shall be by a majority of votes and in a case where the voting is equal, the Chairman or other person presiding at the meeting shall, in addition to an original vote, have a casting vote.

(7) Minutes of each meeting shall be kept by the person performing the functions of secretary of the Board or by such other officers as the Board appoints for the purpose and shall be confirmed by the Board and signed by the Chairman or Deputy Chairman at the next meeting of the Board.

**Attendance of non-members at meetings**

14.(1) The Board may invite any person to attend any particular meeting of the Board for the purpose of assisting or advising the Board in any matter with which the Board is dealing, but a person so invited does not have a right to vote.

(2) Where any person is invited under paragraph (1), the Board may by resolution determine and pay to such person such remuneration and allowances as are suitable and such sums shall properly be payable out of the Fund.

**Board may regulate proceedings**

**15.** Subject to provisions of this *Schedule*, the Board may regulate its own procedure. ”.

**THIRD SCHEDULE**

*(Section 14)*

CONSEQUENTIAL AMENDMENTS

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
1. <i>Public Finance Management Act, 2019 (Act 2019-1)</i>	In the <i>Second Schedule</i> delete, "National Insurance Department" and insert "National Insurance and Social Security Service".
2. <i>National Insurance and Social Security (Self-employed Persons) Regulations, 1970 (S.I. 1971 No. 1)</i>	<p>1. Delete regulation 4 and substitute the following:</p> <p style="margin-left: 20px;"><b>"Amount of contribution payable by self-employed person</b></p> <p style="margin-left: 20px;">4.(1) Every self-employed person shall pay at least \$1 200 as contributions per contribution year.</p> <p style="margin-left: 20px;">(2) The Service shall deduct from the contribution referred to in paragraph (1) the contributions that are required to be deducted under the Act or any other enactment.</p> <p style="margin-left: 20px;">(3) Every self-employed person shall pay the contribution due on the 31<sup>st</sup> day of December in a contribution year no later than the 15<sup>th</sup> day of January in the succeeding year.</p> <p style="margin-left: 20px;">(4) Where the contributions paid by a self-employed person in any contribution year exceeds the maximum contributions payable in that year the excess contributions shall be credited to the succeeding year; and the Service shall notify the self-employed person accordingly.</p>



*Third Schedule - (Cont'd)*CONSEQUENTIAL AMENDMENTS - *(Cont'd)*

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>2. <i>National Insurance and Social Security (Self-employed Persons) Regulations, 1970</i> (S.I. 1971 No. 1) - (Cont'd)</p>	<p><b>Payment of contributions</b></p> <p><b>4A.(1)</b> A self-employed person may elect to pay contributions due for a contribution year</p> <p style="padding-left: 40px;">(a) in full by a single payment; or</p> <p style="padding-left: 40px;">(b) by instalments.</p> <p>(2) A self-employed person may pay his contributions</p> <p style="padding-left: 40px;">(a) at the office of the National Insurance and Social Security Service in person; or</p> <p style="padding-left: 40px;">(b) by electronic means.</p> <p>(3) Notwithstanding regulation 4(1), a self-employed person may elect to pay his contribution at any time in the contribution year.</p> <p><b>Benefits for the self-employed</b></p> <p><b>4B.</b> Pursuant to sections 14 and 21 of the Act, where applicable, a self-employed person is entitled to be paid the benefits specified therein, except the benefit specified in section 21(1)(h).</p>

*Third Schedule - (Cont'd)*CONSEQUENTIAL AMENDMENTS - *(Cont'd)*

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>2. <i>National Insurance and Social Security (Self-employed Persons) Regulations, 1970 (S.I. 1971 No. 1) - (Cont'd)</i></p>	<p><b>Annual statement of contributions and benefit eligibility</b></p> <p>4C.(1) The Service shall before the 31<sup>st</sup> day of December in the succeeding year give to every self-employed person a statement for the end of the contribution year and that statement may be sent by mail or by such electronic means as the Service may determine.</p> <p>(2) The statement referred to in paragraph (1) shall show</p> <ul style="list-style-type: none"> <li>(a) the contributions paid by the self-employed person;</li> <li>(b) the amount paid for the preceding contribution year;</li> <li>(c) the number of registered contribution weeks credited for that payment;</li> <li>(d) the number of credits; and</li> <li>(e) such other information as the Board determines.</li> </ul> <p><b>Additional payments into the Fund</b></p> <p>4D.(1) Notwithstanding regulation 4A(3), a self-employed person may elect to pay additional sums into the National Insurance Fund for years for which he did not pay contributions at any time before that person attains the age at which he qualifies for voluntary pension.</p>

*Third Schedule - (Cont'd)*

## CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>2. <i>National Insurance and Social Security (Self-employed Persons) Regulations, 1970</i> (S.I. 1971 No. 1) - (Concl'd)</p>	<p>(2) Where contributions made pursuant to paragraph (1) in respect of any year prior to 2023, that person shall submit a contribution <i>Schedule</i> in accordance with the <i>National Insurance and Social Security (Collection of Contributions) Regulations, 1967</i> (L.N. 48/1967)</p> <p>(3) A self-employed person may from the commencement of regulations 4 to 4D, pay into the Fund for a maximum period of 3 contribution years during which he failed to pay contributions, and the Service shall apply a surcharge of 5 per cent for each such year."</p> <p>2. Delete regulation 6 and substitute the following:</p> <p style="padding-left: 40px;">"6. A self-employed person shall furnish to the Board such information and evidence relating to his income as the Board may require for the purposes of the Board, which may include a Notice of Assessment from the Barbados Revenue Authority."</p> <p>3. Delete regulations 7, 8 and 9.</p> <p>4. Delete the <i>First Schedule</i>.</p>
<p>3. <i>National Insurance and Social Security (Employment Injury) (Prescribed Diseases) Regulations, 1971</i> (S.I. 1971 No. 77)</p>	<p>In regulation 2, delete the definition of "insurable employment" and substitute the following:</p> <p style="padding-left: 40px;">"insurable employment" means employment pursuant to sections 13 and 14(2) of the Act;".</p>
<p>4. <i>National Insurance and Social Security (Employment Injury Insurable &amp; Excepted Employments) Regulations, 1971</i> (S.I. 1971 No. 79)</p>	<p>In the <i>First Schedule</i>, insert the following immediately after paragraph 1:</p> <p style="padding-left: 40px;">"1A. Employment of a self-employed person under a contract for service whether written or oral and whether express or implied."</p>

*Third Schedule - (Concl'd)*CONSEQUENTIAL AMENDMENTS - *(Concl'd)*

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>5. <i>National Insurance and Social Security (Employment Injury Claims and Payments) Regulations, 1984</i> (S.I. 1984 No. 149)</p>	<p>Insert the following immediately after regulation 6:</p> <p><b>Claim for injury benefit by self-employed person</b></p> <p>"6A.(1) A claim for injury benefit by a self-employed person shall include</p> <ul style="list-style-type: none"> <li>(a) a personal report of the cause of the injury;</li> <li>(b) a report or a letter from a registered medical practitioner;</li> <li>(c) an eye witness report, if the incident was witnessed by another person and the contact information of the witness;</li> <li>(d) a copy of the contract for service relating to the task, job, service or undertaking in which the injury occurred;</li> <li>(e) a copy of the police report of the incident, where applicable;</li> <li>(f) a photograph or video of the incident and of the injury suffered by the self-employed person; and</li> <li>(g) any other information the Board may require." </li></ul>

Read three times and passed the House of Assembly this  
day of \_\_\_\_\_, 2023.

**Speaker**

Read three times and passed the Senate this \_\_\_\_\_ day of  
, 2023.

**President**