

**GOVERNMENT INSURANCE (AMENDMENT)
ACT, 1977**

New South Wales



ANNO VICESIMO SEXTO

ELIZABETHÆ II REGINÆ

Act No. 40, 1977.

An Act to amend the Government Insurance Act, 1927, so as to separate the motor vehicles (third party) insurance business of the Government Insurance Office from other business conducted by the Office, and to make further provision with respect to payments under section 10A (1) of that Act, and for certain other purposes. [Assented to, 15th April, 1977.]

BE

Government Insurance (Amendment).

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the "Government Insurance Short title. (Amendment) Act, 1977".

2. This Act contains the following Schedules :— Schedules.

SCHEDULE 1.—AMENDMENTS TO THE GOVERNMENT INSURANCE ACT, 1927.

SCHEDULE 2.—AMENDMENTS TO THE GOVERNMENT INSURANCE ACT, 1927, BY WAY OF STATUTE LAW REVISION.

3. The Government Insurance Act, 1927, is amended in the manner set forth in Schedules 1 and 2. Amendment of Act No. 18, 1927.

SCHEDULE

Government Insurance (Amendment).

Sec. 3.

SCHEDULE 1.**AMENDMENTS TO THE GOVERNMENT INSURANCE ACT,
1927.****(1) Sections 5, 5A—****Omit the sections.****(2) Sections 5B, 5C—****Before section 6, insert :—****Divisions
of
insurance
business.****5B. (1) For the purposes of this Act, the insurance business of the Office is divided into the following divisions :—**

- (a) life insurance business;**
- (b) motor vehicles (third party) insurance business, being business conducted under the Motor Vehicles (Third Party Insurance) Act, 1942;**
- (c) general insurance business, being all other insurance business.**

(2) The funds for the time being of the Office in respect of the division of the insurance business of the Office shall be available only for the purposes of the business comprised in that division and shall not be liable for any contracts, liabilities or obligations of the Office for which they would not be liable if the only insurance business of the Office were business comprised in that division.

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 1—*continued.*

AMENDMENTS TO THE GOVERNMENT INSURANCE ACT,
1927—*continued.*

(3) Notwithstanding the foregoing provisions of this section, the funds of the Office may be transferred by way of loan from one account to another under such arrangements and conditions as may from time to time be approved by the Treasurer on the recommendation of the Office.

(4) Any bonuses, discounts or allowances determined or declared from time to time as being payable for purposes incidental to this Act in respect of a division of the insurance business of the Office shall be paid only from the funds for the time being of the Office in respect of that division.

(5) The general expenses of the Office shall be apportioned among the funds in respect of each division of the insurance business of the Office in an equitable manner.

(6) The foregoing provisions of this section apply in relation to the financial year ending on 30th June, 1977, and each succeeding financial year, and subsection (1) shall, for the purposes of section 10A (1B) only, be deemed to apply also to the financial year ending on 30th June, 1976.

5c. (1) The Office may invest and re-invest the funds for the time being of the Office in respect of any division of the insurance business of the Office—

Investment
of funds.

(a) in any Commonwealth Government security;

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 1—*continued.*AMENDMENTS TO THE GOVERNMENT INSURANCE ACT,
1927—*continued.*

- (b) on loan on the security of land in New South Wales or elsewhere;
- (c) in deposits with any bank approved by the Treasurer;
- (d) in securities of statutory authorities in New South Wales; or
- (e) in any other manner recommended by the Office and approved by the Treasurer,

and any security or investment held by the Office may at any time be realised, hypothecated or otherwise disposed of for the purposes of the division of insurance business in respect of which the security or investment is held.

(2) Where, immediately before the date of assent to the Government Insurance (Amendment) Act, 1977, any security or investment was held by the Office in respect of more than one division of the insurance business of the Office—

- (a) the security or investment may continue to be held by the Office in the form in which it was held immediately before that date; and
- (b) the security or investment, and any income therefrom, shall, in relation to the financial year ending on 30th June, 1977, or any succeeding financial year, be equitably apportioned between the divisions in respect of which it is held.

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 1—*continued.*

AMENDMENTS TO THE GOVERNMENT INSURANCE ACT,
1927—*continued.*

(3) Section 6A—

Omit “5A”, insert instead “5B”.

(4) Section 7—

Omit the section.

(5) Section 7A—

Before section 8, insert :—

7A. (1) Separate and distinct accounts shall be kept in the books of the Office in relation to each division of the insurance business of the Office. ^{Separate accounts for each division.}

(2) Subsection (1) applies in relation to the financial year ending on 30th June, 1977, and each succeeding financial year.

(6) Section 10A (1A), (1B), (1C)—

After section 10A (1), insert :—

(1A) Any funds of the Office held, immediately before the date of assent to the Government Insurance (Amendment) Act, 1977, as reserves for the payment of the equivalent of income tax and other taxes, as referred to in subsection (1), in respect of the financial year ending on 30th June, 1975, and previous financial years, shall, if so directed by the Treasurer,

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 1—*continued.*AMENDMENTS TO THE GOVERNMENT INSURANCE ACT,
1927—*continued.*

be paid to the Treasurer, and no further sums shall be payable to the Treasurer under subsection (1) in respect of those financial years.

(1B) For the purposes of subsection (1), a profit or loss in the motor vehicles (third party) insurance business division for the financial year ending on 30th June, 1976, and in any succeeding financial year, shall be disregarded.

(1C) In determining the sums payable under subsection (1) to the Treasurer in respect of the financial year ending on 30th June, 1976, and each succeeding financial year—

- (a) the life insurance business division and the general insurance business division of the Office shall be assessed separately; and
- (b) a loss in one of those divisions does not affect the sums payable in respect of the other of those divisions.

(7) Section 11 (1)—

After “statements of accounts”, insert “(including separate statements of accounts for each division of the insurance business of the Office)”.

(8) Section 15 (3)—

Omit “which would but for this subsection have been carried to the General Reserve Accounts pursuant to section five of this Act,”.

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 2.

Sec. 3.

AMENDMENTS TO THE GOVERNMENT INSURANCE ACT, 1927,
BY WAY OF STATUTE LAW REVISION.

(1) (a) Section 3B (2)—

Omit “or of any Act amending that Act,”.

(b) Section 3B (2)—

Omit “any of such Acts”, insert instead “that Act”.

(c) Section 3B (4) (a) (ii)—

Omit the subparagraph, insert instead :—

- (ii) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his creditors or makes an assignment of his remuneration for their benefit;

(d) Section 3B (4) (a) (iv)—

Omit the subparagraph, insert instead :—

- (iv) becomes a temporary patient, a continued treatment patient, a protected person or an incapable person within the meaning of the Mental Health Act, 1958, or a person under detention under Part VII of that Act;

(e) Section 3B (6) (b)—

Omit “Acts, 1916–1940, or any Act amending such Acts”, insert instead “Act, 1916”.

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 2—*continued.*

AMENDMENTS TO THE GOVERNMENT INSURANCE ACT, 1927,
BY WAY OF STATUTE LAW REVISION—*continued.*

(f) Section 3B (6) (c)—

Omit “Acts, 1916–1940”, insert instead “Act, 1916”.

(g) Section 3B (6A) (a)—

Omit “Acts, 1916–1940”, insert instead “Act, 1916”.

(h) Section 3B (6A)—

Omit “Colonial” wherever occurring.

(i) Section 3B (6A) (c)—

Omit “subparagraph (v) of paragraph (a) of subsection four of this section”, insert instead “subsection (4) (a) (v)”.

(j) Section 3B (6A) (d)—

Omit the paragraph.

(2) (a) Section 3C (1)—

Omit “, as amended by subsequent Acts”.

(b) Section 3C (1)—

Omit “the said Acts”, insert instead “that Act”.

(3) Section 4—

Omit “Colonial” wherever occurring.

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 2—*continued.*

AMENDMENTS TO THE GOVERNMENT INSURANCE ACT, 1927,
BY WAY OF STATUTE LAW REVISION—*continued.*

(4) (a) Section 4A (1)—

Omit “general manager”, insert instead “General Manager”.

(b) Section 4A—

Omit “Colonial” wherever occurring.

(5) Section 6—

Omit “Colonial” wherever occurring.

(6) (a) Section 10A (1)—

Omit “Colonial” wherever occurring.

(b) Section 10A (2)—

Omit “–1940”.

(c) Section 10A (3)—

Omit “–1941”.

(7) Section 10c—

Omit “Life, Fire and Marine Insurance Act, 1902, as amended by any other Act”, insert instead “Insurance Act, 1902”.

(8) Section 11 (2)—

Omit “and Acts amending the same,”.

SCHEDULE

Government Insurance (Amendment).

SCHEDULE 2—*continued.*AMENDMENTS TO THE GOVERNMENT INSURANCE ACT, 1927,
BY WAY OF STATUTE LAW REVISION—*continued.*

(9) Section 12 (2)—

Omit the subsection, insert instead :—

(2) Section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.

(10) Section 13—

Omit “Colonial” wherever occurring.

(11) Section 14—

Omit “Colonial” wherever occurring.

(12) (a) Section 15 (2)—

Omit “Colonial”.

(b) Section 15 (4)—

Omit “–1940”.
