

The Standard Insurance Company Limited and Certain Other Insurance Companies Act 1963 No 18

[1963-18]



New South Wales

Status Information

Currency of version

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Legislation on this site is usually updated within 3 working days after a change to the legislation.

Provisions in force

The provisions displayed in this version of the legislation have all commenced.

Notes—

- **Repeal**

The Act was repealed by Sch 5 to the [Statute Law \(Miscellaneous Provisions\) Act 2012 No 42](#) with effect from 6.7.2012.

Authorisation

This version of the legislation is compiled and maintained in a database of legislation by the Parliamentary Counsel's Office and published on the NSW legislation website, and is certified as the form of that legislation that is correct under section 45C of the [Interpretation Act 1987](#).

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The Standard Insurance Company Limited and Certain Other Insurance Companies Act 1963 No 18



New South Wales

An Act relating to claims against and liabilities incurred by The Standard Insurance Company Limited and certain other insurance companies in respect of policies of insurance under the *Motor Vehicles (Third Party Insurance) Act 1942*, as amended by subsequent Acts, and of policies of insurance or indemnity under the *Workers' Compensation Act 1926*, as amended by subsequent Acts; and for purposes connected therewith.

1 Name of Act

This Act may be cited as *The Standard Insurance Company Limited and Certain Other Insurance Companies Act 1963*.

2 Definitions

In this Act, unless the context or subject matter otherwise indicates or requires:

Authorised insurer means a person who was an authorised insurer under the *Motor Vehicles (Third Party Insurance) Act 1942*, as amended by subsequent Acts, as at the seventeenth day of August, one thousand nine hundred and sixty-two.

Contribution Fund means the Insurers' Contribution Fund established under section 30H (1) of the *Workers' Compensation Act 1926*.

Fund means fund established under section three of this Act.

Government Insurance Office means Government Insurance Office of New South Wales.

Licensed insurer means an insurer licensed under the *Workers' Compensation Act 1926*, as amended by subsequent Acts, and a self insurer within the meaning of that Act, as so amended, as at the seventeenth day of August, one thousand nine hundred and sixty-two.

Policy of insurance means a third-party policy within the meaning of the *Motor Vehicles (Third Party Insurance) Act 1942*, as amended by subsequent Acts, and a policy of insurance or indemnity under subsection one of section eighteen of the *Workers'*

Compensation Act 1926 as amended by subsequent Acts.

2A WorkCover Authority to assume functions of GIO under this Act

- (1) After the commencement of this section, the WorkCover Authority has the functions of the Government Insurance Office under this Act.
- (2) Accordingly, after that commencement:
 - (a) the WorkCover Authority is the successor of the Government Insurance Office in connection with the rights and liabilities arising from the exercise or performance of those functions, and
 - (b) a reference in this Act to the Government Insurance Office, or a reference in any other Act or in any statutory instrument, contract or other document to the Government Insurance Office in connection with the exercise or performance of those functions, is to be read as a reference to the WorkCover Authority, and
 - (c) anything done or omitted to be done in connection with the exercise or performance of those functions before that commencement by, to or in respect of the Government Insurance Office is (to the extent that it has any effect) taken to have been done or omitted by, to or in respect of the WorkCover Authority.
- (3) In this section, a reference to a function includes a reference to a power, authority or duty.

2B Insurers' Guarantee Fund to replace Insurers' Contribution Fund

- (1) After the commencement of this section, any amount required or authorised by or under this Act to be paid into or out of the Insurers' Contribution Fund is to be paid into or out of the Insurers' Guarantee Fund established under section 227 of the *Workers Compensation Act 1987*.
- (2) Accordingly, after that commencement a reference in this Act to the Insurers' Contribution Fund is to be read as a reference to that Guarantee Fund.

3 Fund

- (1) There shall be a fund into which shall be paid the contributions required by section six of this Act to be paid by authorised insurers and licensed insurers and out of which shall be paid such amounts as may be authorised by this Act to be paid thereout.
- (2) The fund shall, subject to this Act and any regulations thereunder, be under the direction, control and management of the Government Insurance Office.
- (3) All moneys to the credit of the fund shall be paid into an account in a bank in New South Wales.
- (4) Full and accurate accounts shall be kept by the Government Insurance Office in

respect of the fund.

(5) The accounts relating to the fund shall be audited by the Auditor-General.

4 Powers of liquidator of The Standard Insurance Company Limited

The powers of the liquidator of The Standard Insurance Company Limited with respect to any claim, judgment or award arising from or pertaining to any policy of insurance issued by that Company shall be exercised as though the reference to the authority of the Court, of the committee of inspection or of a resolution of the creditors in section 377 of the *Companies (New South Wales) Code* were a reference to the authority of the Government Insurance Office.

5 Satisfaction of claims, judgments or awards

(1) For the purpose of satisfying any claim, judgment or award arising from or pertaining to any policy of insurance issued by The Standard Insurance Company Limited or the Australian and Overseas Insurance Company Limited, the liquidator of The Standard Insurance Company Limited and the Scheme Directors under a Scheme of Arrangement between the Australian and Overseas Insurance Company Limited and its unsecured creditors on behalf of that Company, may from time to time borrow from the fund and the Government Insurance Office may pay from the fund such amounts as may be necessary for that purpose.

Any amounts so borrowed shall be admitted as debts proved in the winding up of The Standard Insurance Company Limited or under the aforesaid Scheme of Arrangement, as the case may be.

(2) As from a day to be appointed by the Governor notified by proclamation published in the Gazette the provisions of subsection one of this section shall apply mutatis mutandis to and in respect of The Motor Traders Insurance Company Pty Limited, the Scheme Directors under a Scheme of Arrangement between that Company and its unsecured creditors and that Scheme of Arrangement.

Editorial note—

Day appointed under this subsection, 2.8.1963. See Gazette No 70 of 2.8.1963, p 2200.

6 Contributions to fund

(1) Each authorised insurer and licensed insurer shall from time to time pay to the Government Insurance Office for payment into the fund such amount as may be determined by the Government Insurance Office as the appropriate contribution by that authorised insurer or licensed insurer.

The appropriate contribution:

(a) in the case of an authorised insurer shall be an amount equivalent to that which bears the same proportion to the amount determined by the Government

Insurance Office as necessary to meet claims or judgments arising from policies of insurance being third-party policies issued by The Standard Insurance Company Limited as the premium income in respect of third-party policies as certified to by the Commissioner for Motor Transport as having been received by such authorised insurer during the financial year ended the thirty-first day of December, one thousand nine hundred and sixty-two, bears to the premium income in respect of third-party policies as so certified to as having been received by all authorised insurers during the said financial year,

(b) in the case of a licensed insurer shall be an amount equivalent to that which bears the same proportion to the amount determined by the Government Insurance Office as necessary to meet awards pertaining to policies of insurance, other than third-party policies, issued by any company referred to in this Act as the quarterly instalment payable by such licensed insurer on the first day of July, one thousand nine hundred and sixty-two, to the fund established by the [Workers' Compensation Act 1926](#), as amended by subsequent Acts, bears to the total of all such quarterly instalments payable by all licensed insurers.

(2) Any appropriate contribution not paid within the time specified by the Government Insurance Office in the notice to the authorised insurer or licensed insurer requiring him to pay such contribution may be recovered as a debt in any court of competent jurisdiction.

7 Continuance of weekly payments of workers' compensation in certain cases

(1) Where a company referred to in this Act has been dissolved or the Scheme of Arrangement relating to any such company has been carried out, the weekly payments of compensation under awards pertaining to policies of insurance, other than third-party policies, issued by any such company which would, but for such dissolution taking place or Scheme or Arrangement being carried out, be payable by such company, shall continue and be paid out of the fund by the Government Insurance Office.

(2) The provisions of subsection one of this section shall apply mutatis mutandis to and in respect of Nottingham (Workers' Compensation Insurances) Pty Limited. For the purposes of such application such Company shall be deemed to have been dissolved upon the commencement of this Act.

7A Entitlements payable after dissolution of The Standard Insurance Company Limited

(1) When The Standard Insurance Company Limited has been dissolved, a person who would have had, but for the dissolution of that company, an entitlement to payment of any amount arising from or pertaining to any policy of insurance issued by that company, other than an entitlement to payment of an amount under section 7 (1), shall be entitled to payment of that amount out of the Contribution Fund.

- (2) A person referred to in subsection (1) may make a claim against the Government Insurance Office, as manager of the Contribution Fund, in respect of an entitlement to payment of an amount under that subsection.

7B Powers of Government Insurance Office with respect to certain claims

The Government Insurance Office, as manager of the Contribution Fund:

- (a) may in all respects deal with and finalise a claim made under section 7A (2), and
- (b) may exercise any right The Standard Insurance Company Limited would have had but for its dissolution arising from or pertaining to that claim or any judgement or award made pursuant to that claim,

as if the Government Insurance Office had been the insurer under the policy from which that claim arises or to which it pertains.

7C Application of the Contribution Fund

Out of the Contribution Fund, the Government Insurance Office:

- (a) shall, as manager of the Contribution Fund, satisfy any liability The Standard Insurance Company Limited would have had but for its dissolution arising from or pertaining to a claim made under section 7A (2) or any judgment or award made pursuant to that claim, and
- (b) is entitled:
- (i) to be paid, as manager of the Contribution Fund, the costs of administration of the Contribution Fund arising under this Act, and
- (ii) to be indemnified against all liabilities met by it and all costs and expenses that it may incur, as manager of the Contribution Fund, in or in connection with the exercise or performance or the purported exercise or performance of its powers, authorities, duties and functions under sections 7A and 7B and this section.

7D Final application of money in fund

If, after payment out of the fund of all money authorised or required to be paid out of the fund by this Act, any money remains in the fund, the Government Insurance Office shall pay that money remaining in the fund into the Contribution Fund.

8 Recovery of moneys borrowed from fund

- (1) The Government Insurance Office shall prove as debts in the winding up of or Scheme of Arrangement relating to any of the companies referred to in this Act:
- (a) all amounts borrowed from the fund in accordance with this Act, and
- (b) in respect of weekly payments to be paid out of the fund under section seven of

this Act, the amounts specified in a certificate by the Government Actuary as the then present value of such payments.

The amounts specified in any such certificate shall be debts provable in any such winding up or Scheme of Arrangement and the certificate of the Government Actuary shall be conclusive as to the matters stated therein.

- (2) All moneys recovered by the Government Insurance Office by way of dividend pursuant to subsection one of this section shall be paid into an account in a bank in New South Wales and shall from time to time be distributed amongst the authorised insurers and licensed insurers from whom contributions to the fund have been paid in the same proportions as such contributions were made.

9 Regulations

- (1) The Governor may make regulations not inconsistent with this Act for or with respect to:
- (a) requiring authorised or licensed insurers to make further contributions to the fund upon failure of such insurers to make the contributions as required by this Act or where an insurer has ceased to be an authorised or licensed insurer or where the Government Insurance Office pays out of the fund weekly payments of compensation under section seven of this Act,
 - (b) the manner and method of determining such further contributions,
 - (c) varying in circumstances therein specified the periods with respect to which contributions are based on premium income or the basis on which such contributions are determined under section six of this Act,
 - (d) matters authorised or required by this Act to be prescribed or which the Governor may deem necessary or convenient for carrying out or giving effect to or implementing the objects of this Act.
- (2), (3) (Repealed)