



ANNO QUINTO

ELIZABETHAE II REGINAE

A.D. 1956.

No. 52 of 1956.

An Act to amend the Friendly Societies Act,
1919-1954.

[Assented to 29th November, 1956.]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows :

Short titles.

1. (1) This Act may be cited as the "Friendly Societies Act Amendment Act, 1956".

(2) The Friendly Societies Act, 1919-1954, as amended by this Act, may be cited as the "Friendly Societies Act, 1919-1956".

(3) The Friendly Societies Act, 1919-1954, is hereinafter referred to as "the principal Act".

Incorporation.

2. This Act is incorporated with the principal Act and that Act and this Act shall be read as one Act.

**Repeal of ss. 7 and 7a and re-enactment of s. 7 of principal Act—
Objects for which funds may be maintained.**

3. Sections 7 and 7a of the principal Act are repealed and the following section is enacted and inserted in their place :—

7. (1) It shall be lawful for every society or branch, by voluntary contributions from the members thereof, with or without the aid of donations, to raise and maintain funds in the manner provided by this Act for any of the following objects, namely :—

1. subject to this Act, for insuring a sum of money to be paid on the death of a member, or of the husband,

widower, wife, widow or child of a member, or for defraying the expenses of burial of a member, or of the husband, widower, wife, widow or child of a member :

- II. for the relief or maintenance of members, their husbands, wives or children, in infancy, old age, sickness, widowerhood or widowhood, or any other natural state of which the probability may be calculated by way of average :
- III. for assisting members in distressed circumstances :
- IV. for the endowment at any age of members, their husbands, wives or children and for insuring a sum of money to be paid on death before endowment :
- v. for providing to members or their relatives any of the following services :—
 - (a) medical attendance or treatment ;
 - (b) medical comforts, or the selling or supplying of medicines, or the selling or supplying of medical or surgical appliances, requisites or comforts ;
 - (c) dental attendance or treatment, or the selling or supplying of false teeth or other dental devices or requisites ;
 - (d) physiotherapeutic treatment ;
 - (e) chiropodical treatment ; or
 - (f) the examination of sight for the purpose of correcting errors of refraction by the prescription of lenses or the selling or supplying of spectacles or other optical appliances :
- VI. for—
 - (i) providing payments to ; or
 - (ii) reimbursing to members payments made by them to ; or
 - (iii) providing payments to members to be paid by them to—
 - (a) legally qualified medical practitioners, towards the cost of attendance on or treatment by them of members or their relatives ;
 - (b) pharmaceutical chemists registered under the Pharmacy Act, 1935-1952, towards the cost of medicines or medical or surgical appli-

ances, requisites or comforts sold by them to members or their relatives ;

- (c) dentists registered under the Dentists Act, 1931-1936, towards the cost of attendance on or treatment by them of members or their relatives, including the cost of supplying false teeth or other dental devices or requisites to members or their relatives ;
- (d) physiotherapists registered under the Physiotherapists Act, 1945-1955, towards the cost of treatment by them of members or their relatives ;
- (e) chiropodists registered under the Chiropodists Act, 1950, towards the cost of treatment by them of members or their relatives ; or
- (f) legally qualified medical practitioners or opticians registered under the Opticians Act, 1920-1949, towards the cost of the examination of the sight of members or their relatives for the purpose of correcting errors of refraction by the prescription of lenses, including the cost of supplying spectacles or other optical appliances :

VII. subject to this section, for—

- (i) providing payments to ; or
- (ii) reimbursing to members payments made by them to ; or
- (iii) providing payments to members to be paid by them to—
 - (a) hospitals approved by the society or branch, towards the cost of accommodation or maintenance in hospitals of members, their husbands, wives, children or dependants ;
 - (b) persons registered as nurses under the Nurses Registration Act, 1920-1954, towards the cost of attendance by them elsewhere than in hospital on

members, their husbands, wives,
children or dependants ; or

(c) legally qualified medical practitioners
or hospitals towards the cost of
surgical, therapeutic or other medi-
cal treatment by legally qualified
medical practitioners in hospitals or
elsewhere of members, their hus-
bands, wives, children or depend-
ants :

VIII. for the establishment and maintenance of hospitals,
homes, refuges or other institutions for the treatment,
accommodation, relief or care in old age or infirmity
of members, their husbands, widowers, wives,
widows, children or dependants, or the widowed
mothers of deceased members :

IX. for the payment of the expenses of management which
are reasonably necessary for the purposes of the
society or branch :

X. for establishing a fund for the purpose of providing
superannuation or retiring benefits for officers of the
society or branch who are permanently employed by
the society or branch :

XI. for establishing a guarantee fund for effecting policies
of fidelity guarantee assurance of the officers of the
society or branch who are required by this Act to
be guaranteed :

XII. for establishing and carrying on, under the manage-
ment of a pharmaceutical chemist registered under
the Pharmacy Act, 1935-1952, the business of a
pharmaceutical and dispensing chemist and druggist.

In paragraphs V and VI of this subsection "relative"
means the husband, widower, wife, widow, child, father,
mother, brother, sister, nephew or niece of a member or
the widowed mother of a deceased member or the ward
of a member (being an orphan).

This subsection shall be read subject to the Pharmacy
Act, 1935-1952.

(2) No insurance under the provisions of this Act shall
assure the payment to or on the death of any member,
or on any contingency, or for any of the purposes for
which the payment of sums may be assured under this
Act, of any sum exceeding one thousand pounds, nor any
annuity at a rate exceeding five pounds five shillings a

week, nor any sum in sickness exceeding seven pounds seven shillings a week : Provided that a person shall not as a member of two or more societies or branches be assured by those societies or branches for the payment to or on the death of that person or on any contingency of a gross sum of more than one thousand pounds.

(3) Any society or branch may require a member or a person claiming through a member to make and produce to the society or branch a statutory declaration that the total amount for which the member is or was assured by one or more societies or branches for the payment of sums assured under this Act to or on the death of the member or on any contingency does not exceed one thousand pounds.

(4) A society or branch shall not contract with any member to make any payments pursuant to paragraph VII of subsection (1) of this section in respect of a person other than the member, the husband or wife of the member, or any specified child or children or other specified dependant or dependants of the member.

(5) A society or branch shall not contract with any member to make payments under subparagraph (c) of paragraph VII of subsection (1) of this section to any legally qualified medical practitioner in respect of the treatment as mentioned in that subparagraph of any member or the husband, wife, child or dependant of the member if the society or branch has undertaken to make payments for such treatment from any fund raised pursuant to the provisions of this section other than that subparagraph.

(6) If—

(a) any member makes voluntary contributions to a society or branch for the purposes set out in subparagraph (a) of paragraph VII of subsection (1) of this section ; and

(b) the member, or the husband or wife, or a specified child or dependant, of the member, as the case may be, is accommodated as a patient in a hospital approved by the society or branch ; but

(c) no payment is made to the hospital or amount reimbursed or paid to the member by virtue of that subparagraph or such a payment or reimbursement is made but to an amount less than the amount for which the contributions of the member were made,

the committee of management of the society or branch may subject to this subsection, unless prohibited from so doing by the general laws or rules of the society, pay to the member such amount as the committee thinks fit.

The total amount so paid together with any amount paid to the hospital or reimbursed or paid to the member shall not exceed the amount for which the contributions of the member were made.

(7) Subject to subsection (8) of this section, a society or branch shall maintain separate funds for the purposes of each of the following provisions of subsection (1) of this section, namely, paragraphs I to IV, and VII to XII, and sub-paragraphs (a) to (f) of paragraph V and (a) to (f) of paragraph VI.

(8) On application in that behalf the Public Actuary may authorize a society or branch to maintain one fund for the purposes of two or more of the provisions mentioned in subsection (7) of this section.

(9) Where at the commencement of the Friendly Societies Act Amendment Act, 1956, a society or branch is maintaining a fund for any object mentioned in a provision mentioned in subsection (7) of this section, this section shall, subject to this subsection, apply as though the fund had been raised pursuant to this section, and the society or branch may maintain the fund for any additional object mentioned in that provision.

Where the fund is maintained at the said commencement for any two or more objects for which separate funds would be required pursuant to subsection (7) of this section, the society or branch may continue to so maintain the fund.

4. Section 9 of the principal Act is amended by striking out the words "ten shillings" in paragraph I of the proviso thereto and inserting in their place the words "five pounds five shillings".

Amendment of
principal Act,
s. 9—
Superannua-
tion fund.

5. The following section is enacted and inserted in the principal Act after section 9 thereof:—

Enactment of
s. 9a of
principal Act—

9a. (1) Subject to this section, a society may, out of a separate loan fund to be formed by any one or more of the following things, namely, contributions or deposits of its members or money transferred or borrowed from another fund of the society in accordance with this Act, make loans to members of the society as provided by the general laws or rules of the society.

Small loan
fund.

(2) Subject to the general laws or rules of the society and this section, a loan under this section may be made with or without security or sureties or both.

(3) A loan shall not be made without security beyond the amount fixed by the general laws or rules of the society.

(4) A member shall not at any time be indebted to the fund for more than one hundred pounds.

(5) The society shall not at any time hold in the fund on deposit from the members a total amount which exceeds the amount indicated by the general laws or rules or two-thirds of the total sums owing to the fund by the members who have borrowed from the fund, whichever is the less.

(6) The society shall not make a loan under this section out of money contributed for any other purpose of the society, except where the money has been transferred or lent to the fund in accordance with this Act.

(7) The society shall not lend any money from the fund to an officer of the society taking part in the management of the fund.

(8) Interest paid to the society by members on loans made to them from the fund shall form part of the fund.

(9) A society may, notwithstanding any other provision of this Act, with the consent of the Public Actuary, lend to the fund money from any other fund maintained by the society on such terms and conditions as may be approved by the Public Actuary.

The total amount so lent to the fund shall not at any time exceed two thousand pounds.

(10) A society shall before establishing a fund under this section make general laws or rules for the management of the fund and fixing an amount for the purposes of subsection (3) of this section.

Amendment of principal Act, s. 10—
Societies may make general laws or rules.

6. (1) Section 10 of the principal Act is amended by inserting after the words "soundness of" in the fifth line of subsection (4A) thereof the words "any fund of".

(2) The amendment made by this section shall apply on the receipt after the commencement of this Act by the Public Actuary of a certificate given whether before or after the commencement of this Act by the Crown Solicitor pursuant to subsection (4) of section 10 of the principal Act.

7. Section 11 of the principal Act is amended—

Amendment of
principal
Act, s. 11—

(a) by inserting at the beginning of subsection (2) thereof the words "Subject to subsection (3) of this section" :

Funds to be
deposited in
bank until
invested.

(b) by adding at the end thereof the following subsection :—

(3) A payment from a fund maintained pursuant to paragraph VI or VII of subsection (1) of section 7 may be made by a cheque signed by one trustee and countersigned as mentioned in subsection (2) of this section.

8. Section 12 of the principal Act is amended by adding at the end of the proviso to subsection (1) thereof the following paragraph :—

Amendment of
principal Act,
s. 12—Mode of
investment of
funds.

III. the trustees may, out of money available for investment as mentioned in this subsection in a fund maintained pursuant to paragraph I, II, or IV of subsection (1) of section 7, lend to a member on the security of an assurance effected on the life of the member with the society or branch an amount not exceeding ninety per centum of the surrender value of the assurance fixed by the Public Actuary.

9. The following section is enacted and inserted in the principal Act after section 14 thereof :—

Enactment of
s. 14a of
principal Act—

14a. A society or branch shall not lend any money to a trustee of the society or branch respectively.

Society or
branch not
to lend to
trustee.

10. (1) Section 23 of the principal Act is repealed and the following section enacted and inserted in its place :—

Repeal and
re-enactment
of s. 23 of
principal Act—

23. (1) Subject to this section, a society may make general laws or rules with respect to the payment of money payable on the death of a member of the society or a branch thereof, or on the death of the husband, widower, wife, widow or child of any such member, and without limiting the generality of the foregoing powers with respect to all or any of the following matters :—

Money
payable on
death.

(a) for payment to a person nominated by any such member or by the widower or widow of any such member ;

(b) generally with respect to the making, revocation and effect of a nomination ;

(c) for payment to any person whether at the discretion of the trustees of the society or branch, or otherwise ;

(d) for payment of funeral expenses.

(2) The general laws or rules may apply with respect to money payable on every death occurring after the general laws or rules take effect.

(3) The general laws or rules shall not provide for payment pursuant to a nomination of an amount exceeding two hundred pounds.

(4) Where the trustees of any society or branch, after the death of any member thereof or the husband, widower, wife, widow or child of a member thereof, have paid any money to any person who at the time of the payment appears to the trustees to be entitled thereto under general laws or rules of the society made pursuant to this section, the payment shall be valid and effectual with respect to any demand from any other person against the funds of the society or branch, or against the trustees thereof; but nevertheless the last-mentioned person shall have his lawful remedy for the money so paid against the person who has received the same.

(2) Where money is payable by a society or branch on a death occurring after the commencement of this Act, the money shall, unless general laws or rules made under section 23 of the principal Act as enacted by this section and applicable thereto have taken effect, be payable as if this section had not been passed, and section 23 of the principal Act shall apply accordingly.

Repeal and
re-enactment
of s. 24 of
principal Act—

11. Section 24 of the principal Act is repealed and the following section enacted and inserted in its place :—

Proof of
death.

24. (1) Subject to subsection (3) of this section, the trustees or other officers of any society or branch shall not pay any sum of money which may have been assured and become payable on the death of any member thereof or the husband, widower, wife, widow or child of a member thereof, unless the person applying for payment of the sum produces and delivers to such trustees or other officers a document which appears to be—

(a) a certified copy of an entry of the death in an official register of deaths kept within or outside the State under the hand and seal of the person whose duty it is to keep the register ;

- (b) an extract of any such entry under the hand of any such person ; or
- (c) a certificate given whether within or outside the State by a medical practitioner entitled by law to practice as such in the place where the certificate is given or a coroner.

(2) A certificate for the purposes of paragraph (c) of subsection (1) of this section shall be in such form as is prescribed by the general laws or rules of the society.

(3) A sum may be paid without the production of any document as mentioned in subsection (1) of this section if, from the nature of the circumstances, it is impossible to procure any such document.

12. Section 27 of the principal Act is amended—

- (a) by striking out the words “or benefit” wherever occurring in subsection (1) thereof :
- (b) by inserting after subsection (2) thereof the following subsection :—

(2a) Notwithstanding anything contained in subsection (1) or (2) of this section, where the general laws or rules of a society provide that a specified proportion, or not more than a specified proportion, of the contributions payable under those laws or rules for any benefit or to any fund may be paid to the management fund, the society or branch may transfer an amount in accordance with those laws or rules to the management fund without further authority than this subsection.

Amendment of principal Act, s. 27—

Separate account to be kept of each class of benefit.

13. (1) Section 29 of the principal Act is amended—

- (a) by striking out the word “objects” in the second line of paragraph (a) thereof and inserting in its place the word “funds” ;
- (b) by striking out paragraph (d) thereof and inserting in its place the following paragraphs :—

(d) a list of the names, dates of entry, manner of entry, and dates of birth of all members who entered the society by initiation, clearance or otherwise during the preceding financial year :

Amendment of principal Act, s. 29—

Annual returns to be sent to Public Actuary.

(d1) a list of the members who died or ceased to be members during the preceding financial year :

(d2) a list of members in respect of whom benefits were paid during the preceding financial year, the amounts of the benefits, and the periods of sickness or other contingencies in respect of which the benefits were paid: and

(2) The amendments made by this section shall have effect with respect to a general statement for the last financial year of a society ending before the first day of September, nineteen hundred and fifty-seven, or for any succeeding year.

Amendment of principal Act, s. 41—
Societies or branches may unite for carrying out specific purposes.

14. Section 41 of the principal Act is amended by striking out the passage “paragraphs III, IV, and V” in the fifth and sixth lines of subsection (1) thereof and inserting in its place the passage “paragraphs V, VIII, XI and XII”.

Amendment of principal Act, s. 42—
Consequential amendment.

15. Section 42 of the principal Act is amended by striking out the word “medical” in the third line thereof.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

R. A. GEORGE, Governor.