



ANNO VICESIMO SEXTO

ELIZABETHAE II REGINAE

A.D. 1977

No. 18 of 1977

An Act to amend the State Government Insurance Commission Act, 1970.

[Assented to 5th May, 1977]

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

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

(2) The State Government Insurance Commission Act, 1970, is hereinafter referred to as "the principal Act".

(3) The principal Act, as amended by this Act, may be cited as the "State Government Insurance Commission Act, 1970-1977".

2. The long title to the principal Act is amended by striking out the passage "other than the business of Life Insurance". Amendment of long title of principal Act.

3. Section 2 of the principal Act is amended by inserting after the definition of "insurance" the following definition:— Amendment of principal Act, s. 2— Interpretation.

"Life Fund" means the fund kept under section 20 of this Act in relation to the life insurance business undertaken and carried on by the Commission:.

4. Section 12 of the principal Act is amended—

(a) by striking out from paragraph (a) of subsection (1) the passage "but not including the business of life insurance";

and

(b) by striking out from paragraph (b) of subsection (1) the passage "(not including the business of life insurance or any class or form thereof)". Amendment of principal Act, s. 12— Powers and functions of Commission.

5. The following section is enacted and inserted in the principal Act after section 12 thereof:— Enactment of s. 12a of principal Act—

12a. (1) In the exercise of its powers and authorities the Commission shall not, without the approval of the Treasurer— Limitation on powers of Commission.

(a) make a contract or arrangement or enter into an understanding in restraint of trade or commerce;

or

(b) give effect to a contract, arrangement or understanding to the extent that it is in restraint of trade or commerce whether or not the contract or arrangement was made on the understanding entered into before, on or after the commencement of the State Government Insurance Commission Act, 1977.

(2) In the exercise of its powers and authorities the Commission shall not, without the approval of the Treasurer—

- (a) supply any service;
- (b) charge a price for any service;
- (c) give or allow a discount, allowance, rebate or credit in relation to the supply of any service,

on the condition, or subject to a contract, arrangement or understanding that the person to whom the Commission supplies the service will not, or will to a limited extent only, obtain services of a similar kind from a competitor of the Commission.

(3) In the exercise of its powers and authorities the Commission shall not discriminate between purchasers of like services in relation to—

- (a) the price charged by the Commission for that service;
- (b) any discounts, allowances, rebates or credits given in relation to the supply of those services;
- (c) the method of payments for those services,

if the nature of that discrimination is likely to have the effect of substantially lessening competition in the market for services of a similar kind.

(4) Where the Treasurer gives an approval under subsection (1) or subsection (2) of this section he shall forthwith publish in the *Gazette* notice of that approval setting out with reasonable particularity the matter approved of.

Amendment of
principal Act,
s. 20—
Funds.

6. Section 20 of the principal Act is amended by striking out from subsection (1) the passage “for each” and inserting in lieu thereof the passage “for the life insurance business and each other”.

Enactment of
s. 20a of
principal Act—

7. The following section is enacted and inserted in the principal Act after section 20 thereof:—

Surpluses in
life fund.

20a. (1) The Commission shall not pay, apply or allocate any part of the assets of the Life Fund—

- (a) pursuant to section 18 of this Act;

or

(b) as bonuses to the owners of any policies of life insurance, otherwise than in accordance with this section.

(2) There shall be an actuarial investigation of the state and sufficiency of the Life Fund as at the thirtieth day of June in every year.

(3) The Commission shall ensure that following each actuarial investigation of the state and sufficiency of the Life Fund the sum of—

(a) the amount paid or allocated from that Fund to a reserve referred to in section 18 of this Act (not being a reserve established for the purposes of that Fund);

and

(b) the amount, if any, paid into Consolidated Revenue pursuant to that section,

arising from that part of the surplus in the Fund, which is derived from policies issued by the Commission which in their terms provide for sharing in the surplus or profits of the Fund, shall not exceed one-quarter of the amount paid or allocated from the Fund by way of bonuses to or for the benefit of the owners of those policies.

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

W. R. CROCKER, Lieutenant-Governor