



ANNO VICESIMO

## ELIZABETHAE II REGINAE

A.D. 1971

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## No. 79 of 1971

An Act to amend the Motor Vehicles Act, 1959-1971.

[Assented to 18th November, 1971]

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 "Motor Vehicles Act Amendment Act (No. 3), 1971".

(2) The Motor Vehicles Act, 1959-1971, as amended by this Act, may be cited as the "Motor Vehicles Act, 1959-1971".

(3) The Motor Vehicles Act, 1959-1971, is hereinafter referred to as "the principal Act".

Commence-  
ment.

2. This Act shall come into operation on a day to be fixed by proclamation.

Amendment of  
principal Act,  
s. 5—  
Interpretation.

3. Section 5 of the principal Act is amended by inserting after the definition of "owner" in subsection (1) the following definition:—

"premium" or "insurance premium" means a premium for a policy of insurance under Part IV of this Act determined by the insurance premium committee established under that Part:

Repeal of s. 16  
of principal Act  
and enactment  
of section in its  
place—  
Permits to drive  
pending  
registration.

4. Section 16 of the principal Act is repealed and the following section is enacted and inserted in its place:—

16. (1) If the owner of a motor vehicle not previously registered in his name, or a person acting on his behalf, satisfies a member of the police force stationed at a police station

situated outside a radius of twenty-five miles from the General Post Office at Adelaide that an application in the proper form for the registration of the motor vehicle, to commence as from a day not later than the issue of the permit under this section has been sent to the Registrar by or on behalf of the owner of the motor vehicle together with a sum sufficient to cover—

- (a) the fee for registration of the vehicle for a period of six months or twelve months;
  - (b) the appropriate insurance premium;
- and
- (c) the stamp duty (if any) payable on the application,

that member of the police force may issue without fee to the owner of the motor vehicle a permit in pursuance of which the motor vehicle may be driven on roads without carrying a registration label or number plates during the period of operation of the permit.

(2) Where a permit has been issued under subsection (1) of this section, the motor vehicle shall, while the permit remains in force, be deemed to be duly registered under this Act.

(3) A policy of insurance under Part IV of this Act shall, subject to this Act, be in force in respect of a motor vehicle for which a permit has been issued under this section from the time of the granting of the permit until the expiration of the period for which registration has been applied for, and a further period of grace in accordance with that Part.

(4) A permit granted under this section shall cease to have any force or effect—

- (a) when the registration label issued in respect of the motor vehicle is affixed to the motor vehicle;
- or
- (b) upon the expiration of fourteen days from the day on which it was granted,

whichever first occurs.

(5) The permit must throughout the period for which it remains in force be affixed to the vehicle to which it relates in the position prescribed for the carrying of a registration label.

(6) A person shall not drive a motor vehicle in respect of which a permit is in force under this section unless the permit is affixed to the vehicle in accordance with subsection (5) of this section.

Penalty: Fifty dollars.

(7) Where the application for registration is subsequently granted, the registration shall be deemed to have commenced from the time of the granting of the permit.

Amendment of principal Act, s. 20—  
Application for registration.

5. Section 20 of the principal Act is amended by striking out subsection (2) and inserting in lieu thereof the following subsection:—

(2) At the time of making the application—

(a) the registration fee prescribed by this Act;

(b) the appropriate insurance premium;

and

(c) the stamp duty (if any) payable on the application, shall be paid to the Registrar.

Repeal of s. 21 of principal Act.

6. Section 21 of the principal Act is repealed.

Repeal of s. 22 of principal Act and enactment of section in its place—

Registrar may require applicant to supply information.

7. Section 22 of the principal Act is repealed and the following section is enacted and inserted in its place:—

22. The Registrar may require a person applying for the registration of a motor vehicle or a permit to satisfy him by statutory declaration, weighbridge note, or other means as to—

(a) any facts upon which the amount of any payment to be made to the Registrar for, or in respect of, registration or insurance depends;

or

(b) any facts by reason of which the applicant is entitled to be granted registration of the vehicle or a permit without payment of a fee.

Amendment of principal Act, s. 24—  
Duty to grant registration, etc.

8. Section 24 of the principal Act is amended—

(a) by inserting after the passage “prescribed fee” in subsection (1) the passage “, the appropriate insurance premium,”; and

(b) by striking out from subsection (1) the passage “and on the certificate of insurance lodged with the Registrar under section 21 of this Act in relation to the motor vehicle in respect of which the application is made”.

9. Section 26 of the principal Act is repealed and the following section is enacted and inserted in its place:—

Repeal of s. 26 of principal Act and enactment of section in its place—  
Period of registration.

26. The registration of a motor vehicle shall, subject to this Act, expire at the end of a period of six months or twelve months (according to the fee paid)—

(a) from the date on which it was effected (or where a permit was issued, the date of issue of the permit);

or

(b) from the day after the expiration of the last preceding period of registration, where it was previously registered in the name of the applicant and the application is made before the expiration of ten days from the expiry of that period of registration.

10. Section 33 of the principal Act is amended—

Amendment of principal Act, s. 33—  
Registration of vehicles used for interstate trade.

(a) by striking out paragraph (a) and inserting in lieu thereof the following paragraph:—

(a) applies for registration of that vehicle and pays a fee of two dollars; ;

and

(b) by striking out the passage “in consideration of the fee and stamp duty so paid”.

11. Section 33a of the principal Act is amended—

Amendment of principal Act, s. 33a—  
Articulated motor vehicles.

(a) by striking out from paragraph (c) the passage “and the stamp duty (if any) payable on the application and on the certificate of insurance relating to the articulated motor vehicle lodged with the Registrar under section 21 of this Act” and inserting in lieu thereof the passage “, together with the appropriate insurance premium and the stamp duty (if any) payable upon the application”;

and

(b) by striking out the passage “in consideration of the fee and stamp duty so paid”.

12. Section 43 of the principal Act is repealed and the following section is enacted and inserted in its place:—

Repeal of s. 43 of principal Act and enactment of section in its place—  
Short payment, etc.

43. (1) Where any amount is payable to the Registrar for registration, or insurance, in respect of a motor vehicle—

(a) because the motor vehicle was incorrectly described in the application for registration of the motor

vehicle and the vehicle was consequently registered or insured for less than the full amount payable in respect of the vehicle;

(b) because of any alteration of, or addition to, the motor vehicle;

or

(c) for any other reason,

the Registrar may by notice in writing served personally or by post upon the registered owner of the motor vehicle demand payment of that amount.

(2) The amount referred to in subsection (1) of this section may be recovered by the Registrar as a debt due to him in any court of competent jurisdiction.

(3) Where the amount referred to in subsection (1) of this section is not paid within fourteen days after the service of a notice under that subsection, the Registrar may, by notice in writing served personally or by post upon the person registered as the owner of the motor vehicle, cancel the registration.

(4) The Registrar may, without any authority or appropriation other than this subsection, refund upon cancellation of the registration of a motor vehicle under this section such proportion of the amount paid to the Registrar by the person in whose name the motor vehicle was registered, as the Registrar thinks just.

(5) If a cheque is given in purported payment of any amount payable to the Registrar for registration or a policy of insurance in respect of a motor vehicle and the cheque is dishonoured on presentation, the registration and policy of insurance shall, if the amount so payable is not paid within fourteen days after the cheque is dishonoured, be void as from the time at which the registration was effected.

(6) Where the registration of a motor vehicle is cancelled or void pursuant to the provisions of this section, the Registrar may, by notice in writing served personally or by post upon the person in whose name the motor vehicle was, or purported to be, registered, direct him to return a registration label issued in respect of the motor vehicle or to destroy it in accordance with the regulations.

(7) A person shall not fail to comply with a direction under subsection (6) of this section.

**Penalty: One hundred dollars.**

13. Sections 49 and 49a of the principal Act are repealed and the following section is enacted and inserted in their place:—

Repeal of ss. 49  
and 49a of  
principal Act  
and enactment  
of section in  
their place—  
Temporary  
permit.

49. (1) Where an application has been made for the registration of a motor vehicle, and—

- (a) the application is not entirely in order;
- (b) the owner of the vehicle is at the time of lodging the application unable to supply all the information required for assessing the registration fee;
- (c) the Registrar has refused to register the motor vehicle until he has investigated the correctness of the particulars disclosed in the application for registration;

or

- (d) the full amount payable to the Registrar in respect of the application has not been paid,

the Registrar may, upon such terms and conditions as he thinks fit, issue a permit in respect of the motor vehicle, which shall be effective for a period specified in the permit.

(2) Where a permit has been issued under subsection (1) of this section, the motor vehicle shall while the permit remains in force be deemed to be duly registered under this Act.

(3) A policy of insurance under Part IV of this Act shall, subject to this Act, be in force in respect of a motor vehicle for which a permit has been issued under this section from the time of the granting of the permit until the expiration of the period for which registration has been applied for, and a further period of grace in accordance with that Part.

(4) A permit granted under this section shall cease to have any force or effect—

- (a) when the registration label issued in respect of the motor vehicle is affixed to the motor vehicle;

or

- (b) upon the expiration of the period for which the permit was granted,

whichever first occurs.

(5) The permit must throughout the period for which it remains in force be affixed to the vehicle to which it relates in the position prescribed for the carrying of a registration label.

(6) A person shall not drive a motor vehicle in respect of which a permit is in force under this section unless the permit is affixed to the vehicle in accordance with subsection (5) of this section.

Penalty: Fifty dollars.

(7) Where the application for registration is subsequently granted the registration shall be deemed to have commenced from the time of the granting of the permit.

Repeal of s. 54  
of principal Act  
and enactment  
of section in its  
place—  
Cancellation of  
registration and  
refund.

14. Section 54 of the principal Act is repealed and the following section is enacted and inserted in its place:—

54. (1) A person registered as the owner of a motor vehicle may, at any time, apply for cancellation of the registration of the vehicle, and the Registrar, if satisfied—

(a) that the current registration label issued for the vehicle has been destroyed;

or

(b) that the vehicle has been stolen or destroyed,

shall cancel the registration.

(2) Where a registration is cancelled under this section, the Registrar shall pay, or place to the credit of, the applicant, the prescribed refund less the cancellation fee.

Amendment of  
principal Act,  
s. 99—  
Interpretation.

15. Section 99 of the principal Act is amended—

(a) by striking out from the definition of “insured motor vehicle” and the definition of “insured person” in subsection (1) the passage “issued pursuant to” wherever it occurs in each of those definitions, and inserting in lieu thereof, in each case, the word “under”;

(b) by inserting after the definition of “insured person” in subsection (1) the following definition:—

“Minister” means the Minister of Roads and Transport::

(c) by striking out from the definition of “owner” in subsection (1) the passage “but does not include an owner of a motor vehicle the subject of a hire purchase agreement”;

(d) by striking out from subsection (1) the definition of “policy of insurance” and inserting in lieu thereof the following definitions:—

“policy of insurance” means a policy of insurance that complies with this Part:

“the insurance premium committee” means the committee appointed under section 129 of this Act.;

and

(e) by inserting after subsection (1) the following subsection:—

(1a) Where two corporations are related corporations for the purposes of section 6 of the Companies Act, 1962, as amended, they are related corporations for the purposes of this Part.

16. The following section is enacted and inserted in the principal Act immediately after section 99 thereof:—

Enactment of  
s. 99a of  
principal Act—

99a. (1) An applicant for—

(a) the registration or renewal of registration of a motor vehicle;

(b) an exemption from registration in respect of a motor vehicle;

or

(c) a permit in respect of a motor vehicle,

Insurance  
premiums to be  
paid on appli-  
cations for  
registration.

must at the time of his application pay to the Registrar the premium upon a policy of insurance in terms of the fourth schedule to this Act for the motor vehicle in respect of which the application is made.

(2) The applicant shall, in his application, select an approved insurer to be the insurer in terms of the policy of insurance and if he fails so to select an approved insurer the Registrar may, subject to subsection (3) of this section, select such an insurer in respect of the application.

(3) Where an applicant purports to select a corporation as the approved insurer in respect of the motor vehicle, and the corporation is not an approved insurer but a related corporation is such an insurer, the Registrar shall, subject to any agreement with an approved insurer under this Part, select the related corporation as the approved insurer.

(4) Where the Registrar purports to select an approved insurer pursuant to the provisions of this section, that selection shall be conclusively presumed to be valid and effectual for the purposes of this section and no claim or proceedings shall lie against the Registrar in respect of any such selection.



(5) The applicant shall, in his application, furnish the Registrar with such information as may be necessary in order to determine the appropriate insurance premium.

(6) Where as a result of any transfer in the ownership of a vehicle, any alteration to the nature of the vehicle, or any change in the use of a vehicle, a greater premium becomes payable in respect of the motor vehicle than that paid to the Registrar when the application was made, the insurer may recover the amount of the difference between the respective premiums as a debt due to him in any court of competent jurisdiction.

(7) Where by reason of any fact known to the insured person a greater premium becomes payable to the insurer in respect of the motor vehicle, the insured person shall forthwith give the insurer notice in writing of that fact.

Penalty: Two hundred dollars.

(8) A policy of insurance in terms of the fourth schedule to this Act shall be in force in respect of the motor vehicle as from the time at which the grant or renewal of registration, the exemption from registration, or permit becomes effective and, subject to this Part—

(a) shall remain in force for the whole of the period for which registration is granted or renewed and for a further period of grace of fourteen days (but shall fall due for renewal at the expiration of the former period);

or

(b) shall, subject to express provision in this Act for the policy to be effective for a longer period, remain in force for the whole of the period for which the exemption from registration, or permit, is granted, but shall then expire.

(9) The insurer selected pursuant to the provisions of this section in respect of a motor vehicle shall be the insurer under the policy of insurance relating to that motor vehicle.

(10) Where a policy of insurance comes into force in relation to a motor vehicle during the period of grace referred to in subsection (8) of this section, the period of grace shall thereupon terminate.

(11) Where the registration of a motor vehicle is transferred, the policy of insurance shall continue in operation in relation to the person to whom the registration is transferred.

(12) A policy of insurance shall not be cancelled while the registration, exemption from registration, or permit, in respect of the motor vehicle to which the policy relates remains in force but upon any renewal of registration a different approved insurer may be selected and that insurer shall thereupon become the insurer of the motor vehicle from the day and time at which the renewal becomes effective.

(13) The Registrar shall, subject to subsection (14) of this section, pay to an approved insurer the premiums collected by the Registrar in respect of policies of insurance in respect of which that approved insurer was selected as the insurer under this section.

(14) The Registrar shall retain out of the amounts to be paid to each approved insurer under this section such administration expenses as are determined by agreement between the Registrar and the approved insurers or as may, in default of agreement, be determined by the insurance premium committee.

(15) Within a period of three months after the commencement of the Motor Vehicles Act Amendment Act (No. 3), 1971, the Registrar may accept, in lieu of an insurance premium under this section, a certificate in the prescribed form given by an insurer approved under this Part and lodged with the Registrar certifying that one or more policies of insurance complying with this Part have been issued by that insurer in relation to the motor vehicle for which registration, the renewal of registration, exemption from registration, or a permit is sought and that the insurance provided by that policy or those policies will remain in force throughout the period for which registration, exemption from registration or permit is to be in force, and for fourteen days after the end of that period.

(16) Where a certificate is lodged with the Registrar in accordance with subsection (15) of this section, the provisions of this Act, as in force immediately before the commencement of the Motor Vehicles Act Amendment Act (No. 3), 1971, shall apply in respect of the certificate of insurance and the policy of insurance in all respects as if that amending Act had not been enacted.

(17) A policy of insurance under this section shall not be invalidated by any error or omission on the part of the Registrar or any officer acting at the direction or under the control of the Registrar.

(18) An entry in the register of motor vehicles kept under this Act to the effect that a specified insurer is, or was for a period to which the entry relates, the insurer under a policy of insurance relating to a specified motor vehicle shall be conclusive evidence that the insurer is, or was for that period, the insurer under such a policy of insurance relating to that motor vehicle.

(19) An application for the issue of trader's plates shall, for the purposes of this section, be deemed to be an application for registration in respect of a motor vehicle, and the policy of insurance that comes into operation upon the issue of the trader's plates shall be effective in relation to any motor vehicle driven in pursuance of the trader's plates.

Amendment of  
principal Act,  
s. 101—  
Approved  
insurers.

17. Section 101 of the principal Act is amended—

(a) by inserting after subsection (2) the following subsection:—

(2a) An application for approval under this section must be made on or before the first day of April in any year and the approval, if granted, shall be effective as from the first day of July in that year. ;

(b) by inserting in subsection (3) after the word "undertaking" the passage "and an agreement";

(c) by striking out from subsection (5) the passage "a term or condition of an undertaking" and inserting in lieu thereof the passage "a provision of this Part, or a term or condition of an undertaking or agreement";

(d) by inserting after subsection (5) the following subsection:—

(5a) If on or before the first day of April in any year an approved insurer applies to the Minister for the withdrawal of approval under this Part, the Minister may, as from the first day of July next ensuing, withdraw the approval of that insurer;

and

(e) by striking out from subsection (6) the passage "any policy issued by the insurer at a time when he was an approved insurer" and inserting in lieu thereof the passage "the validity of any policy of insurance".

Amendment of  
principal Act,  
s. 103—  
Duty to  
produce  
evidence of  
insurance.

18. Section 103 of the principal Act is amended by inserting after the present contents thereof (which are hereby designated subsection (1) thereof) the following subsection:—

(2) The production of a valid certificate of registration, issued after the commencement of the Motor Vehicles Act Amendment Act (No. 3), 1971, in respect of the motor vehicle shall be sufficient evidence that a policy of insurance complying with this Part was in force during any period in respect of which the certificate was granted in respect of the motor vehicle.

19. Section 104 of the principal Act is repealed and the following section is enacted and inserted in its place:—

Repeal of s. 104 of principal Act and enactment of section in its place.

104. In order to comply with this Part a policy of insurance must insure the owner of the motor vehicle to which the policy relates, and any other person who at any time drives the vehicle, whether with or without the consent of the owner, in respect of all liability for negligence that may be incurred by the owner or other person in respect of the death of, or bodily injury to, any person caused by, or arising out of the use of, the vehicle in any part of the Commonwealth.

Requirements if policy is to comply with this Part.

20. Section 105 of the principal Act is amended by striking out the passage “which has been issued for the purpose of providing insurance required by this Part and is in force” and inserting in lieu thereof the passage “providing insurance required by this Part and in force”.

Amendment of principal Act, s. 105—  
Policies to conform to amending Act.

21. Section 107 of the principal Act is amended by striking out the passage “a person issuing a policy of insurance” and inserting in lieu thereof the passage “an insurer in relation to a policy of insurance”.

Amendment of principal Act, s. 107—  
Rights of persons named in policies.

22. Section 109 of the principal Act is repealed and the following section is enacted and inserted in its place:—

Repeal of s. 109 of principal Act and enactment of section in its place—

109. The fact that the correct premium has not been paid in respect of a policy of insurance under this Part shall not affect the validity or operation of the policy.

Liability of insurers where premium not paid.

23. Section 110 of the principal Act is amended—

Amendment of principal Act, s. 110—  
Liability of insurer to pay for emergency treatment.

(a) by striking out from paragraph (b) of subsection (1) the passage “who issued the policy of insurance”;

(b) by striking out from subsection (2) the passage “in respect of which policies were issued by” and inserting in lieu thereof the passage “insured by”;

(c) by striking out subsection (5);

and

(d) by striking out from subsection (8) the passage “who issued the policy in force”.

Amendment to  
principal Act  
s. 114—  
Certain  
defences  
ineffectual in  
actions against  
insurers.

**24.** Section 114 of the principal Act is amended by striking out subsection (2) and subsection (3).

Amendment of  
principal Act  
s. 116—  
Claim where  
vehicle  
uninsured.

**25.** Section 116 of the principal Act is amended by striking out from subsection (1) the passage “required to be issued under this Part” and inserting in lieu thereof the passage “as required by this Part”.

Amendment of  
principal Act,  
s. 118—  
Claim against  
spouse.

**26.** Section 118 of the principal Act is amended—

(a) by striking out from paragraph (c) of subsection (3) the passage “issued pursuant to” and inserting in lieu thereof the word “under”;

(b) by striking out from subsection (5) the passage “issued in respect of” and inserting in lieu thereof the passage “it relates to”;

and

(c) by striking out from subsection (5) the passage “it was issued by the Crown or an instrumentality of the Crown” and inserting in lieu thereof the passage “the Crown or an instrumentality of the Crown is the insurer liable under the policy”.

Amendment of  
principal Act,  
s. 118a—  
Appointment  
of nominal  
defendant  
where insurer  
in liquidation,  
etc.

**27.** Section 118a of the principal Act is amended—

(a) by striking out from paragraph (a) of subsection (3) the passage “issued by the insurer”;

(b) by striking out subsection (4) and inserting in lieu thereof the following subsection:—

(4) Where a nominal defendant has been appointed under this section in relation to an insurer, the nominal defendant shall have the same duties and liabilities and shall have and may exercise the same powers and rights in or in relation to any such claim, action or judgment as the insurer would have if it were not being wound up, or had not entered into a compromise or arrangement with its creditors.;

and

(c) by inserting in subsection (5) after the passage “from another person under” the passage “any provision of this Part or”.

**28.** Sections 121 and 122 of the principal Act are repealed and the following sections are enacted and inserted in their place:—

Repeal of ss. 121 and 122 of principal Act and enactment of sections in their place—

121. While a policy of insurance remains in force every person who is insured in terms of the policy shall be contractually bound by the provisions of the policy in all respects as if he had agreed with the insurer so to be bound.

Policy to bind all insured persons.

122. (1) An insurer may, subject to subsection (2) of this section, by notice in writing served personally or by post upon the insured person, cancel a policy of insurance in respect of a motor vehicle.

Cancellation of policy.

(2) A policy of insurance shall not be cancelled under subsection (1) of this section unless the insurer has received from the Registrar a written notice stating that no registration, exemption from registration or permit is in force in relation to the motor vehicle.

**29.** Section 124 of the principal Act is repealed and the following section is enacted and inserted in its place:—

Repeal of s. 124 of principal Act and enactment of section in its place—

124. (1) Where an accident caused by, or arising out of the use of, a motor vehicle results in the death of, or bodily injury to, any person, written notice must be given as soon as practicable to the person who is the insurer under a policy of insurance in respect of the vehicle stating in detail:—

Notice of accident or claim.

- (a) the fact of the accident;
- (b) the time and place at which it occurred;
- (c) the circumstances of the accident;
- (d) the name and address of any person killed or injured in the accident;
- and
- (e) the names and addresses of any witnesses of the accident.

(2) Where notice is not given as required by subsection (1) of this section, the owner, the person in charge, and the driver, of the motor vehicle at the time of the accident shall each be guilty of an offence and liable to a penalty not exceeding two hundred dollars or imprisonment for three months.

(3) It shall be a defence to a prosecution under subsection (2) of this section—

(a) that the defendant did not know of the accident, or gave the requisite notice as soon as practicable after the accident came to his knowledge;

or

(b) that the defendant believed upon reasonable grounds that the requisite notice had been given.

(4) Where a claim is made upon an insured person in respect of an accident of a kind referred to in subsection (1) of this section, he shall as soon as practicable give notice of the claim to the insurer and furnish the insurer with such information in relation to the claim as the insurer may reasonably require.

Penalty: Two hundred dollars.

(5) The insurer may, by notice in writing, require—

(a) the driver of the motor vehicle at the time of the accident to produce the licence or permit in pursuance of which he was driving the motor vehicle, for the inspection of the insurer;

or

(b) the owner of the motor vehicle at the time of the accident to produce the certificate of registration or permit in respect of the motor vehicle, for the inspection of the insurer,

and if a person of whom such a requirement has been duly made fails to comply with the requirement he shall be guilty of an offence and liable to a penalty not exceeding two hundred dollars.

(6) A person shall not give any notice or information under this section that is, to his knowledge, false or misleading in any material particular.

Penalty: Two hundred dollars or imprisonment for three months.

(7) A notice or information given under this section shall be privileged from production or disclosure in any legal proceedings except proceedings under this Part.

30. The following section is enacted and inserted in the principal Act immediately after section 124 thereof:—

Enactment of  
s. 124a of  
principal Act—

124a. If an insured person incurs any liability against which he is insured under this Part and he contravenes or fails to comply with—

Recovery by  
the insurer.

- (a) a requirement of section 124 of this Act;
- (b) a provision of section 126 of this Act;
- or
- (c) a term of the policy of insurance,

and the insurer has been prejudiced thereby, the insurer may, by action in any court of competent jurisdiction, recover so much of the money paid, and costs incurred, by the insurer in respect of that liability as the court thinks just and reasonable in the circumstances.

31. Section 125 of the principal Act is amended by striking out subsection (1) and inserting in lieu thereof the following subsection:—

Amendment of  
principal Act,  
s. 125—

Power of insure  
to deal with  
claims against  
insured.

- (1) An insurer may, on behalf of an insured person—
  - (a) conduct any legal proceedings in respect of circumstances out of which a claim against the insurer has, or may, arise;
  - (b) conduct and control negotiations in respect of any claim against the insured person;
- and
- (c) at any stage of those negotiations or proceedings pay, compromise or settle any claim against the insured person.

32. Section 126 of the principal Act is amended—

Amendment of  
principal Act,  
s. 126—

Insured not to  
litigate, etc.

- (a) by striking out the word “or” immediately preceding paragraph (d) of subsection (1);
- (b) by inserting after paragraph (d) of subsection (1) the following paragraph:—
  - or
  - (e) authorize the repair of the motor vehicle, or dismantle, or wilfully cause damage to, the motor vehicle;
- and
- (c) by striking out subsection (2).



Amendment of  
principal Act,  
s. 129—  
Inquiries into  
premiums.

33. Section 129 of the principal Act is amended—

(a) by striking out from subsection (1) the passage “report from time to time what maximum rates of premiums for insurance” and inserting in lieu thereof the passage “determine from time to time what premiums in respect of insurance”;

(b) by inserting after subsection (1) the following subsection:—

(1a) A maximum rate of premium determined by the committee under this section prior to the commencement of the Motor Vehicles Act Amendment Act (No. 3), 1971, which had not been superseded by a subsequent determination prior to the commencement of that amending Act shall be deemed to be a premium determined under the provisions of this section.;

and

(c) by striking out from subsection (6) the word “report” and inserting in lieu thereof the word “determination”.

Enactment of  
new s. 129a of  
principal Act

34. The following section is enacted and inserted in the principal Act immediately after section 129 thereof:—

Rebate and  
commissions  
prohibited.

129a. An approved insurer shall not make a payment in the nature of a rebate or commission to any person in respect of any policy of insurance.

Enactment of  
fourth schedule  
of principal Act.

35. The following schedule is enacted and inserted in the principal Act immediately after the third schedule thereto:—

THE FOURTH SCHEDULE  
POLICY OF INSURANCE

1. The insurer insures the owner of the motor vehicle and any other person who at any time drives the vehicle, whether with or without the consent of the owner, in respect of all liability that may be incurred by the owner or other person in respect of the death of, or bodily injury to, any person caused by, or arising out of the use of, the vehicle in any part of the Commonwealth.

2. A person so insured warrants that the vehicle—

(a) will not be driven by himself or, with his knowledge or consent (which shall be presumed in any proceedings in the absence of proof that the insured person did not know of, or consent to, the vehicle being so driven), by any other person—

(i) while so much under the influence of intoxicating liquor or a drug as to be incapable of exercising effective control of the vehicle;

(ii) while not duly licensed nor otherwise permitted by law to drive the motor vehicle;

or

(iii) while the vehicle is overloaded, or in an unsafe, unroadworthy, or damaged condition;

and

(b) will not be used otherwise than for purposes—

(i) stated in the application for registration, renewal of registration, exemption from registration, or permit, in respect of the motor vehicle;

or

(ii) agreed upon by the insurer and the registered owner of the vehicle.

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

J. M. NAPIER, Lieutenant-Governor