

## FRIENDLY SOCIETIES.

2<sup>d</sup> and 3<sup>d</sup> GEO. VI., No. XXXVIII.

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No. 38 of 1938.

**AN ACT to amend the Friendly Societies Act, 1894-1923.**

[Assented to 31st January, 1939.]

**BE** it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Friendly Societies Act Amendment Act, 1938*, and shall be read as one with the Friendly Societies Act, 1894-1923, as reprinted in the appendix to the Sessional Volume of the Statutes for the year 1923 and amended by Act No. 38 of 1930, hereinafter referred to as the principal Act. Short title

Amendment  
of s. 4 of the  
principal Act.

2. Section four of the principal Act is hereby amended by inserting therein after the definition of "property" a new definition as follows:—

"Qualified medical member" means the wife and children of any person who is an insured person under the provisions of the National Health and Pensions Insurance Act, 1938 (Commonwealth), and who are accepted by any society for the purpose of medical benefits only upon written application to that effect made by such insured person.

Amendment  
of s. 11 of  
the principal  
Act.

3. Section eleven of the principal Act is amended by adding to paragraph (1) thereof a proviso as follows:—

Provided that such rules may contain a provision that upon application in writing by any person who is an insured person under the National Health and Pensions Insurance Act, 1938 (Commonwealth), the wife and children (if any) of such member may be accepted by the society as qualified medical members for the purpose of medical benefits only upon such terms and conditions as may be agreed upon by the medical officer and the registered society.

Insertion of  
new sections.

4. The principal Act is further amended by inserting new sections after section fourteen as follows:—

Powers of  
society.

14A. (1) Notwithstanding anything contained in this Act or in the rules of a registered society—

(a) the registered society may promote or establish or assist in the promotion or establishment of a society which complies with the requirements of the National Health and Pensions Insurance Act, 1938 (Commonwealth), and may take or assist in taking any action necessary to secure the declaration under that Act of the society so formed or established, as an approved society for the purposes of that Act;

(b) the registered society may collaborate with any approved society promoted or established by it or in the promotion or establishment of which it has assisted, in any matter which in the opinion of the registered society

will further the interests of persons who are members of the registered society and the approved society or of either of such societies;

- (c) the registered society may take part, by delegates or otherwise, in the government of any approved society promoted or established by it or in the promotion or establishment of which it has assisted, if provision for such taking part is made in the rules of that approved society;
- (d) the registered society, if established for the purpose of providing any of the benefits enumerated or referred to in paragraph (2) of section seven of this Act, may enter into a contract or agreement with the National Insurance Commission constituted under the National Health and Pensions Insurance Act, 1938 (Commonwealth), for the supply, under and in accordance with that Act, of drugs, medicines, and appliances to persons who are insured persons within the meaning of that Act;
- (e) the committee of management of the registered society may by resolution and with the approval of the Registrar amend the rules of the registered society in such manner as it may think necessary or convenient to enable or assist the registered society to do or perform any act, matter, or thing authorised by any of the provisions of this section or of sections fourteen B, and fourteen C of this Act; and, in particular and without prejudice to the generality of the foregoing power, in such manner as it may think necessary or convenient—
  - (i) to incorporate therein any amendments necessary to give effect to a scheme in pursuance of section fourteen C of this Act;
  - (ii) to enable the registered society, in any case where the registered society has entered or proposes to enter into a contract or agreement of the nature re-

ferred to in paragraph (d) of this subsection, to exercise and discharge any powers, authorities, duties and functions conferred and imposed upon it by such contract or agreement or by the National Health and Pensions Insurance Act, 1938 (Commonwealth), in consequence of its being a party to such contract or agreement.

(2) Any amendment of the rules of a registered society made under the authority of subsection (1) of this section shall, for all purposes of this Act, be deemed to have been made by the society.

(3) In so far as may be necessary all transactions engaged in, carried on, or conducted, and all action taken prior to the commencement of this Act by any registered society, or the committee thereof, with respect to any of the matters which a registered society is authorised and empowered to do and perform under the provisions of paragraphs (a), (b), and (c) of subsection (1) of this section, and any expenditure by any such registered society of any part or portion of its funds on or in connection with any such transaction or action aforesaid, shall be and are hereby validated and ratified, and all contracts made in relation to such transactions or actions shall have effect at law and in equity, according to the tenor thereof.

Expenditure  
authorised  
for certain  
purposes.

14B. (1) A registered society may, with the consent of the Registrar, expend such sum or sums out of its funds as the Registrar may consider justified, for and with respect to any of the purposes referred to in paragraph (a) of subsection (1) of section fourteen A of this Act.

(2) The sum so expended may be paid from the management fund of the registered society or from the accumulations of the sick and funeral funds, or any surplus fund of the registered society as at the thirtieth day of June, one thousand nine hundred and thirty-eight, or partly from one and partly from another of such funds.

(3) The registered society shall make arrangements of such a nature as the Registrar may approve

for the payment to the registered society of any moneys made available under and in accordance with the National Health and Pensions Insurance Act, 1938 (Commonwealth), to meet any purpose or expense for which moneys are expended by the registered society under the authority of this section, and for the allocation of any such moneys received by the registered society.

14C. (1) (a) Each registered society which provides benefits to its members which are duplicated wholly or in part by the benefits provided by an approved society under the National Health and Pensions Insurance Act, 1938 (Commonwealth), to members of the approved society, shall, not later than the thirty-first day of July, one thousand nine hundred and thirty-nine, prepare and submit to the Registrar a scheme whereby a right is conferred on any member of the registered society who is or is eligible to become a member of an approved society under the National Health and Pensions Insurance Act, 1938 (Commonwealth), to elect on or before the thirty-first day of December, one thousand nine hundred and forty-one, to continue or surrender any benefits provided by the registered society for which such member has been contributing and which are duplicated wholly or in part by the benefits provided by an approved society to members of the approved society, and where any benefits are so surrendered, to be granted a reduction or remission of future contributions to the registered society, or an increase in such other benefit provided by the registered society and for which such member has been contributing, as the member shall select.

(b) Every such scheme shall be incorporated by amendment in the rules of the registered society.

(c) The amendment of the rules of the registered society made for the purpose of giving effect to the scheme, or any amendment thereafter made of the rules giving effect to the scheme, shall not be registered unless, in either such case, the amendment is certified under the hand of the Registrar to be such that the interests of all members of the society (including both those who exercise such right of election and those who do not) and the interests of the

Scheme for  
adjustment  
upon with-  
drawal by  
members.

society are reasonably protected, and unless, in either case, the amendment is approved by the Registrar.

(2) (a) Where the rules of a registered society have not on or before the thirty-first day of August, one thousand nine hundred and thirty-nine, been amended so as to incorporate a scheme which complies with the requirements of subsection (1) of this section, an election under this subsection may be made on or before the thirty-first day of December, one thousand nine hundred and forty-one, by any member of the registered society who, at the date of such election—

- (i) has been, for a period of at least seven years, a contributor to the registered society; and
- (ii) is, or is eligible to become, a member of an approved society under the National Health and Pensions Insurance Act, 1938 (Commonwealth).

(b) The election authorised by this subsection is an election to surrender the right to all or any benefits after the date of the election and, where such benefit is so surrendered, to have the right to deduct from his future contributions to the registered society such amount as may be certified by the Registrar to be equitable, having regard to the financial position of the registered society and any other relevant circumstances.

(3) Where, by reason of the operation of any scheme prepared under subsection (1) of this section which has been incorporated in the rules of a registered society or of any election made under subsection (2) of this section, a transfer of moneys from the separate account kept by a registered society in respect of any particular fund or benefit to the separate account kept by that society in respect of any other fund or benefit becomes necessary, such transfer may, notwithstanding subsection (3) of section twelve of this Act, be made by the trustees of the society with the consent of the Registrar.

Citation of  
principal Act  
as amended.

5. The principal Act as amended by the Act No. 38 of 1930 and this Act may be cited as the Friendly Societies Act, 1894-1938.