

WESTERN AUSTRALIA.

## MOTOR VEHICLE (THIRD PARTY INSURANCE).

7° Geo. VI., No. XXVII.

No. 32 of 1943.

As amended by Acts No. 40 of 1944,<sup>1</sup> No. 7 of 1945,<sup>2</sup> No. 31 of 1948,<sup>3</sup> No. 40 of 1951<sup>4</sup> and No. 36 of 1954<sup>5</sup> and reprinted pursuant to the Amendments Incorporation Act, 1938.

**AN ACT** to require owners of motor vehicles to insure against liability in respect of deaths or bodily injuries caused by the use of such motor vehicles, to make certain provisions in relation to such insurance, to amend the Traffic Act, 1919-1941, and for other purposes.

[Assented to 12th November, 1943.]

**BE** it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and the 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 *Motor Vehicle (Third Party Insurance) Act, 1943-1954*, and shall come into operation on a day to be fixed by proclamation.<sup>6</sup>

Short title and commencement.<sup>6</sup>  
No. 32 of 1943, s. 1, as amended by No. 36 of 1954, s. 1.

<sup>1</sup> Assented to 11th January, 1945.

<sup>2</sup> Assented to 27th November, 1945.

<sup>3</sup> Assented to 9th December, 1948. Part I. of No. 31 of 1948 (sections 3 and 4) proclaimed to come into operation on 17th December, 1948 (see *Gazette* of same date). The "prescribed date" upon which Part II. of No. 31 of 1948 came into operation was 27th May, 1949 (see *Gazette* of same date).

<sup>4</sup> Assented to 20th December, 1951.

<sup>5</sup> Assented to 3rd December, 1954.

<sup>6</sup> Proclaimed to come into operation on 1st July, 1944 (see *Gazette* of 12th May, 1944).

[NOTE.—This reprint is based on the reprint of the Motor Vehicle (Third Party Insurance) Act, 1943-1951, which was approved for reprint 23/8/54, but does not appear in a volume of the Reprinted Acts. The numbering of sections as contained in that reprint is retained.]

This Act to be read with the Traffic Act, 1919-1941.

No. 32 of 1943, s. 2.

2. This Act shall be read in conjunction with and as supplementary to the Traffic Act, 1919-1941, and all Acts which amend that Act.

Interpretation.

*Ibid.*, s. 3.

As amended by No. 40 of 1944, s. 2, No. 7 of 1945, s. 2, and No. 31 of 1948, s. 3 and s. 5.

3. (1) In this Act, unless the context requires otherwise—

“Approved insurer” means any person or association of persons carrying on the business of insurance who or which—

(a) not being an incorporated insurance office approved under and for the purposes of section ten of the Workers’ Compensation Act, 1912-1944,<sup>1</sup> is approved by the Minister as an approved insurer for the purposes of this Act; or

(b) being an incorporated insurance office which has been and is approved under and for the purposes of section ten of the Workers’ Compensation Act, 1912-1944,<sup>1</sup> agrees in writing with the Minister to accept and enter into contracts of insurance for the purposes of this Act at rates of premium and subject to warranties and conditions not less favourable to the insured than those which are deemed to be fair and reasonable by the Committee appointed under section thirty-one of this Act.

The term includes the State Government Insurance Office established under the State Government Insurance Office Act, 1938-1945.<sup>2</sup>

No. 31 of 1948, s. 5.

“Contract of Insurance” means a contract of insurance with the Trust and complying with the requirement of this Act;

<sup>1</sup> Now the Workers’ Compensation Act, 1912-1956.

<sup>2</sup> Now the State Government Insurance Office Act, 1938-1954.

“Driver” in relation to a motor vehicle includes any person who is in charge of the motor vehicle, and “drives” and “driving” have a corresponding meaning;

“Fund” means the Motor Vehicle Insurance Fund established under and for the purposes of this Act; No. 31 of 1948, s. 3

“Insured person” means the owner of a motor vehicle in respect of which a policy of insurance is in force under this Act, and the driver at the material time whether with or without the consent of the owner;

“Local authority” means a local authority as defined in the Traffic Act; No. 31 of 1948, s. 3

“Minister” means the Minister for Works or such other member of the Executive Council as is for the time being charged by the Governor with the administration of this Act;

“Motor vehicle” means any vehicle propelled by gas, oil, electricity or any other motive power not being animal power and used or intended to be used on roads; but the expression does not include a locomotive or traction engine propelled by steam, or a railway carriage or wagon, tram, motor tram car, trolley bus, any farm tractor which is not used on a public road or any kind of air craft intended for use in air navigation.

The term includes a caravan, a trailer or semi-trailer which is drawn or hauled by a motor vehicle; No. 40 of 1944, s. 2.

“Owner” when used in relation to a motor vehicle which is the subject of a hire purchase agreement means the person in possession of that vehicle under that agreement; and when used in relation to a motor vehicle which is the subject of a hiring agreement (other than a hire purchase

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agreement) under which that vehicle is hired for a period of not less than six months means the person in possession of that vehicle under that hiring agreement;

Save as aforesaid the term "owner" means and includes every person who is the owner or part owner or joint owner of a motor vehicle, but does not include the grantee under a Bill of Sale by way of security granted in respect of a motor vehicle except when such grantee takes possession of the motor vehicle under the authority of and by way of enforcing his rights as grantee under such Bill of Sale;

No. 31 of  
1948, s. 3.

"Participating approved insurer" means an approved insurer which gives notice in writing to the Minister pursuant to and within the time limited under subsection (1) of section three L of this Act.

"Policy of Insurance" includes a cover note and/or certificate of insurance which is binding on the insurer.

No. 31 of  
1948, s. 3.

"Prescribed date"<sup>1</sup> means such date as is prescribed pursuant to subsection (1) of section three R of this Act.

"Traffic Act" means the Traffic Act, 1919-1946;<sup>2</sup>

No. 31 of  
1948, s. 3.

"Trust" means The Motor Vehicle Insurance Trust constituted under this Act.

"uninsured motor vehicle" means any motor vehicle in relation to which the owner thereof is required to enter into a contract of insurance under this Act and in relation to which there is not existing and in force a contract of insurance under this Act:

The expression does not include a motor vehicle owned by the Commonwealth or any Commonwealth instrumentality.

<sup>1</sup> See footnote 3 on p. 1 of this reprint.

<sup>2</sup> Now the Traffic Act, 1919-1956.

(2) Any reference in this Act to action brought or a judgment entered or obtained or a judgment creditor or judgment debtor or execution of a judgment shall (where the case so requires) include a reference to complaint laid, an order made by a court, the person in whose favour the order is made, the person against whom the order is made and distress levied upon such order.

(3) This Act shall not render it obligatory to insure any motor vehicle owned by the Crown in right either of the Commonwealth or of the State and used solely in the public business of the Commonwealth or of the State as the case may be.

Provided that in relation to any motor vehicle which is owned by the Crown in right of the State and is not insured, the Crown shall be under the same liabilities and have the same rights as an insurer if such insurer had issued to the Crown a policy of insurance complying with this Act in relation to the use of that vehicle.

(4) (a) It shall not be necessary for the owner of any motor vehicle which is temporarily in this State and which is licensed or registered in any other State or territory of the Commonwealth prescribed by the Governor as hereinafter provided to insure under this Act, if while the motor vehicle is in this State the owner and any driver of such motor vehicle are insured under a contract of insurance in accordance with the law of such other State or territory against liability which may be incurred by such owner or driver in respect of the death of or bodily injury to any person caused by or arising out of the use of such motor vehicle in this State.

(b) The Governor may by order in council prescribe for the purposes of this subsection any State or territory of the Commonwealth in which the Governor is satisfied there is in operation legislation for the carrying out of objects substantially similar to the objects of this Act.

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(5) So far as relates to motor vehicles for which licenses under the Traffic Act are not in force and which are in the possession or under the control of any manufacturer of or dealer in motor vehicles to whom a general identification disc or tablet has been assigned under section eighteen<sup>1</sup> of the said Act, the provisions of this Act shall, with such adaptations as are necessary, extend and apply in all respects as if such manufacturer or dealer were the owner of every such motor vehicle, and the application of a manufacturer or dealer for the assignment to him of a general identification disc or tablet aforesaid shall for the purposes of this Act be deemed to be an application for a license in respect of one motor vehicle of every different class of motor vehicle in the possession or under the control of the applicant for which such general identification disc or tablet is required by the applicant.

(6) This Act shall cease to have any effect in relation to any motor vehicle which is commandeered, requisitioned, or used for any military or defence purposes under any law of the Commonwealth or any regulation made or any proclamation issued under any such law.

Constitution  
of Trust.  
New section.  
Inserted by  
No. 31 of  
1948, s. 4.  
Amended by  
No. 40 of  
1951, s. 3.

3A. (1) A body corporate, to be called "The Motor Vehicle Insurance Trust," is hereby constituted for the purposes of this Act.

(2) The Trust shall consist of five members appointed by the Governor.

(3) Of the members so appointed—

- (a) one shall be the manager for the time being of The State Government Insurance Office;
- (b) three shall be nominated by the body known as Fire and Accident Underwriters' Association of Western Australia;

<sup>1</sup> S. 18 of the Traffic Act, 1919, was renumbered 19 in the reprint of that Act pursuant to the Amendments Incorporation Act, 1938, and published in Vol. 3 of the Reprinted Acts of the Parliament of Western Australia (1950).

- (c) one shall be nominated by those participating approved insurers which are not members of the body known as Fire and Accident Underwriters' Association of Western Australia.

(4) If no nomination or no sufficient nomination of persons as members of the Trust under subsection (3) of this section shall be made within the prescribed time, the Governor may appoint any person as a member of the Trust as representative of the body in respect of the representative of which no nomination or no sufficient nomination has been made.

(5) The members of the Trust shall from time to time, as may be required, elect one of the members as chairman.

(6) A member of the Trust shall not be personally liable for any act done in good faith by the Trust or by the member as such.

3B. (a) Of the three members of the Trust nominated by the body known as the Fire and Accident Underwriters' Association of Western Australia for appointment as from the expiration of the term for which the first three members nominated by that body were first appointed, the first, second and third in the order in which they are nominated for appointment shall hold office for five, four and three years respectively from the date of appointment.

Duration of office.  
Inserted by No. 31 of 1948, s. 4; repealed and re-enacted by No. 40 of 1951, s. 4.

(b) Except as provided in the last preceding subsection, each nominated member of the Trust shall hold office for the period of three years from the date of his appointment.

(c) Each nominated member of the Trust shall be eligible for re-nomination and re-appointment.

3C. (1) The Trust shall be a body corporate under the name of "The Motor Vehicle Insurance Trust," with perpetual succession and a common seal, and shall be capable of suing and being sued in its corporate name, and of acquiring, holding and disposing of real and personal property.

Trust to be a body corporate.  
Inserted by No. 31 of 1948, s. 4.

(2) No act or proceeding of the Trust shall be invalid or be prejudiced by reason only of the fact that at the time when such act or proceeding is done, taken, or commenced, there is a vacancy in the office of any member.

Quorum and voting.  
Inserted by  
No. 31 of  
1948, s. 4.

**3D.** (1) The Trust shall hold its meetings as such places and on such days as the Trust shall from time to time determine.

(2) Any three members of the Trust shall form a quorum thereof.

(3) At all meetings of the Trust, the Chairman of the Trust shall preside, if present, and, in his absence from any meeting, the members present shall elect one of their number to be chairman of the meeting.

(4) Whenever the members are not unanimous as to any matter, such matter shall be decided by the majority of votes, and the decision so arrived at shall be the decision of the Trust.

(5) The Chairman of the Trust, when presiding at any meeting of the Trust, shall have a deliberative vote.

(6) The Trust may regulate its own procedure.

Resignation from Trust.  
Inserted by  
No. 31 of  
1948, s. 4.

**3E.** Any nominated member may resign from the Trust by giving one month's notice in writing to the Trust.

Disqualification.  
Inserted by  
No. 31 of  
1948, s. 4.

**3F.** Any person who has his affairs under liquidation or is an undischarged bankrupt, or insolvent, or has been convicted of an indictable offence, or is undergoing sentence of imprisonment, or becomes an insane person, shall be disqualified from being appointed or from continuing as a member of the Trust.

Vacation of membership of Trust.  
Inserted by  
No. 31 of  
1948, s. 4.

**3G.** (1) The office of member of the Trust shall be vacated—

(a) if he is or has become disqualified under this Act; or



(b) if (in the case of a nominated member only) without leave of the Trust he has been absent from more than two consecutive meetings of the Trust; or

(c) upon death or resignation.

(2) Any vacancy in the office of a member shall be filled—

(a) in the case of a member appointed pursuant to paragraph (a) of subsection (3) of section three A—by the Governor;

(b) in the case of a member appointed pursuant to paragraph (b) of subsection (3) of section three A—by the Governor, on the nomination of the association named in such subsection;

(c) in the case of a member appointed pursuant to paragraph (c) of subsection (3) of section three A—by the Governor, on the nomination of the persons mentioned in such subsection.

(3) A person appointed under this section to fill any vacancy in the office of a member of the Trust shall hold office only for the unexpired portion of the term of office of his predecessor.

**3H.** In case of illness, other incapacity, or absence from the State of any member of the Trust by reason whereof the member is likely to be unable to perform his duties for more than three months, the Trust may appoint some person to act as a member of the Trust during his illness, incapacity, or absence aforesaid.

Appointment  
of acting  
members.  
Inserted by  
No. 31 of  
1948, s. 4.

**3J.** The members of the Trust shall be entitled to receive remuneration for their services. Such remuneration shall be as prescribed from time to time and shall be paid out of the Fund.

Remunera-  
tion of  
members.  
Inserted by  
No. 31 of  
1948, s. 4.

Appointment  
of officers,  
etc., of Trust.  
Inserted by  
No. 31 of  
1948, s. 4.

3K. The Trust may appoint and employ and pay out of the Fund a manager and such officers, inspectors, assessors, clerks, medical practitioners, nurses and other persons as it considers necessary to carry out its functions; and it may also appoint, engage, or instruct such bankers, barristers, solicitors, auditors, accountants, assessors, medical practitioners, nurses and other persons as it considers necessary, and remunerate their services out of the Fund.

Participation  
in and  
contribution  
to the Fund.  
Inserted by  
No. 31 of  
1948, s. 4.  
Amended by  
No. 40 of  
1951, s. 5.

3L. (1) Any approved insurer desiring to participate in and contribute to the Fund shall give notice in writing of its intention in that behalf to the Minister within thirty days of the commencement<sup>1</sup> of Part I. of the Motor Vehicle (Third Party Insurance) Act Amendment Act, 1948.

(2) Each approved insurer giving such notice shall thereupon become entitled to participate in and liable to contribute to the Fund in the manner and to the extent hereinafter in this Act set out, and shall be called for the purposes of this Act a "participating approved insurer."

Subs. (3)  
repealed and  
re-enacted  
by No. 40 of  
1951, s. 5.

(3) (a) The interest of each participating approved insurer in the Fund as from the commencement of the Fund shall be in the same proportion as its gross premiums received during the year ended on the thirtieth day of June, one thousand nine hundred and forty-eight, bears to the total gross premiums received by all participating approved insurers during that year.

(b) For the purpose of the last preceding paragraph a premium received during the year ended on the thirtieth day of June, one thousand nine hundred and forty-eight, means a premium received during that year by a participating approved insurer as an approved insurer under the Act in respect of an insurance which commenced during that year either by way of the issue or the renewal of a policy of insurance.

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<sup>1</sup> See footnote 3 on p. 1 of this reprint.

(c) The percentage amount of each such interest shall be determined by the Chairman of the Committee appointed under section thirty-one of this Act and certified by him in writing to the Trust.

(4) A participating approved insurer may, on giving to the Trust not less than six months' written notice of its intention in that behalf, withdraw from participation in and contribution to the Fund as at the thirtieth day of June in any year. Upon such withdrawal, the interest in the Fund of any participating approved insurer so withdrawing shall be apportioned among the remaining participating approved insurers in proportion to their existing interests in the Fund.

3M. (1) The Trust may at any time, and shall within twenty-one days of receiving a written request in that behalf signed by not less than one-fifth of the participating approved insurers, call a general meeting of participating approved insurers.

General meetings.  
Inserted by  
No. 31 of  
1948, s. 4.

(2) Any such written request shall include a statement of the purposes for which such meeting is requested, and at any meeting called pursuant to such written request, the business shall be confined to matters relevant to the purposes mentioned in the request.

(3) Such general meetings shall be held at such time and place as the Trust shall determine.

(4) The Trust may make rules regulating the procedure at such general meetings.

3N. (1) The Trust may from time to time fix and determine amounts payable by participating approved insurers by way of contribution to the Fund.

Contributions to the Fund.  
Inserted by  
No. 31 of  
1948, s. 4.

(2) The contribution of each participating approved insurer shall be in proportion to its interest for the time being in the Fund.

(3) The amount of any contribution of a participating approved insurer shall constitute a debt due by it to the Trust and may be sued for and recovered accordingly.

(4) The whole or any part of the contributions to the Fund required by the Trust may, at the discretion of the Trust, be repaid at any time out of the Fund to the participating approved insurers.

(5) If a participating approved insurer shall fail to pay any contribution to the Trust within a period of thirty days after a written notice requiring payment has been sent to it by the Trust by registered post, then the Trust may, by notice in writing to such participating approved insurer, at its discretion, declare that such participating approved insurer shall as and from a date to be fixed by the Trust cease to be a participating approved insurer for the purposes of this Act, whereupon its interest in the Fund shall be apportioned among the remaining participating approved insurers in proportion to the then existing interest of each of them in the Fund.

Establishment of Fund.

Inserted by No. 31 of 1948, s. 4.

Amended by No. 40 of 1951, s. 6 and No. 36 of 1954, s. 2.

**3P.** (1) There shall be established for the purposes of this Act a fund to be known as the "Motor Vehicle Insurance Fund."

(2) The Fund shall consist of the contributions, insurance premiums and other moneys which the Trust receives under and for the purposes of this Act.

(3) Out of the Fund, the Trust shall pay all claims, costs, expenses and other moneys payable by it under and for the purposes of this Act.

(4) The Trust shall keep a separate ledger account in respect of each year ending on the thirtieth day of June. Each such account shall show—

(a) the total amount paid or incurred by the Trust in respect of its administration and general expenses during the year to which such account relates;

(b) the total amount paid by the Trust in respect of claims, including costs and other expenses incidental to claims, arising from—

(i) insurances effected during that year, and

Para. (b) repealed and re-enacted by No. 40 of 1951, s. 6.

- (ii) accidents occurring during that year in respect to which claims are made under section seven, subsection (3), or section eight of this Act; and,
- (c) the total amount of premiums received by the Trust in respect of insurances effected during that year.

(5) (a) The Trust shall dispose of the surplus, if any, which remains to the credit of each such account after all such claims have been finalised, as follows:—

Substituted  
by No. 36 of  
1954, s. 2.

- (i) Firstly, in payment, apportioned in accordance with the provisions of paragraph (b) of this subsection, of the whole or any part of the losses debited in respect of any previous year or years against those who were participating approved insurers both in the year when the surplus occurred and in the year in respect to which the loss was debited.
- (ii) Secondly, in paying to those who were participating approved insurers in the year in which the surplus occurs, an amount by way of dividend limited as provided in subparagraph (iv) of this paragraph.
- (iii) Thirdly, in paying to those who were participating approved insurers both in the year in which the surplus occurs and in any other year, an amount by way of dividend limited as provided in subparagraph (iv) of this paragraph.
- (iv) The total of all amounts which the Trust is required to pay pursuant to subparagraphs (ii) and (iii) of this paragraph in respect to any one year, is limited to a sum not exceeding the equivalent of five per centum per annum of the total premiums referred to in paragraph (c) of subsection (4) of this section for that year.

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(v) The Trust shall pay the balance of any surplus to the General Reserve Account referred to in paragraph (c) of subsection (7) of this section.

(b) The Trust shall apportion any payment or credit pursuant to paragraph (a) of this subsection amongst the participating approved insurers entitled thereto in proportion to the interest of each of them in the Fund for the year in respect to which the loss or dividend is being paid.

(c) The Trust may from time to time make distributions in anticipation of any surplus.

Substituted  
by No. 36 of  
1954, s. 2.

(6) The deficit, if any, to the debit of each such account which remains after all such claims have been finalised, shall become the liability of the participating approved insurers during the year to which such account relates in proportion to the interest of each of them in the Fund during that year, and the Trust may recover from each participating approved insurer such proportionate amount at any time deemed expedient to the Trust, and in respect of such recovery the provisions of subsection (5) of section three N of this Act shall apply.

Added by  
No. 36 of  
1954, s. 2.

(7) (a) The Trust has, and is deemed always to have had, power from time to time to invest any moneys in its hands in any investment authorised by the Trustees Act, 1900,<sup>1</sup> or in other manner approved by the Minister on the recommendation of the Trust.

(b) Any interest or profits obtained by the Trust as a result of any such investment shall not be deemed interest or profit in respect to a particular year or account but shall be apportioned by the Trust between the annual accounts referred to in subsection (4) of this section in such manner as the Trust shall determine.

(c) The Trust shall open, and credit in, a General Reserve Account the amounts of balances of surpluses mentioned in subparagraph (v) of paragraph (a) of subsection (5) of this section.

<sup>1</sup> Now Trustees Act, 1900-1956.

(d) Where the General Reserve Account is in credit, the Trust may, with the approval of the Minister, in determining under subsection (5) of section three R of this Act, rates for premiums to be charged in any year, reduce any rate, which it would have determined for that year irrespective of the credit, to such rate, as having regard to the credit, the Trust considers fit.

(e) If the amount received by the Trust from premiums, whether charged or not charged at a reduced rate, in respect of any year, is insufficient to meet the liabilities of the Trust in respect of that year, the Trust may pay the amount of the deficiency from money represented in the credit.

3Q. (1) The Trust shall cause books to be provided and kept, and true and regular accounts to be entered therein—

Books and  
accounts.  
Inserted by  
No. 31 of  
1948, s. 4.

(a) of all moneys received and paid by the Trust, and of all moneys owing to the Trust, and of the several purposes for which such moneys shall have been received and paid, and owing; and

(b) of all assets and liabilities of the Trust.

(2) All such books shall be open to the inspection of the Minister and the Auditor General and any persons authorised by them or either of them, and all such persons may take copies or extracts therefrom. Such books shall also be open to the inspection, at reasonable hours, of any approved insurer for a period of one month in each year after the date on which the accounts mentioned in subsection (3) of this section shall have been furnished to them pursuant to that subsection.

(3) The Trust shall cause its accounts to be balanced every year on the thirtieth day of June and within two months thereafter (or such extended time as the Minister may allow) shall furnish a balance sheet of its assets and liabilities, together

with profit and loss account for the year, in each case duly audited by a qualified accountant, to the Minister, the Auditor General, and each participating approved insurer.

(4) A true copy of the accounts so audited shall in each year be laid before both Houses of Parliament.

Issue of policies of insurance. Inserted by No. 31 of 1948, s. 4. Amended by No. 40 of 1951, s. 7.

**3R.** (1) For the purposes of this Act, the Governor may, by notice published in the *Gazette*, fix a day (in this Act called the prescribed date<sup>1</sup>).

(2) From and after the prescribed date, no person other than a local authority, on behalf of the Trust, shall issue any policy of insurance under or for the purposes of this Act, and subject to this Act it shall be the duty of the Trust to cause policies of insurance to be issued under and for the purposes of this Act.

(3) Subject to the provisions of section four of this Act, each local authority shall issue policies of insurance under this Act on behalf of and as agent for the Trust.

(4) Every local authority shall, within twenty-one days after the last day of each calendar month, remit to the Trust the total amount of all insurance premiums and other moneys received by such local authority under this Act, and within the same time shall furnish to the Trust such documents and information relating thereto as may be prescribed under this Act.

(5) Subject to the approval of the Minister and to the provisions of subsection (9) of section seven of this Act, and of section thirty-one of this Act, the Trust shall determine the terms, warranties and conditions to be contained in and the premiums to be charged for policies of insurance under this Act.

**3S.** The Trust shall have and may exercise such further powers as may be prescribed under this Act.

Further powers of the Trust. Inserted by No. 31 of 1948, s. 4.

<sup>1</sup> See footnote 3 on p. 1 of this reprint.



4. (1) Subject to subsection (10) of this section, every owner of a motor vehicle shall, subject to and in accordance with this Act—

Insurance against third party risks. No. 32 of 1943, s. 4, as amended by No. 40 of 1944, s. 3, and No. 31 of 1948, s. 6.

(a) insure against any liability which may be incurred by him or any person who drives such motor vehicle in respect of the death of or bodily injury to any person caused by or arising out of the use of such motor vehicle; and

(b) for that purpose enter into a contract of insurance under this Act.

(2) Nothing in this section shall require the owner of any motor vehicle in respect of which at the prescribed date there has been issued and is in force a policy of insurance under this Act with an approved insurer to insure as aforesaid until the expiration or earlier determination of the period of such policy of insurance.

No. 31 of 1948, s. 6 (a).

(3) No person shall use or cause or permit any other person to use a motor vehicle on a road unless there is in force in relation to such motor vehicle a policy of insurance complying with this Act.

Penalty — First offence, One hundred pounds. Subsequent offence, Two hundred pounds.

(4) Any person convicted of an offence under this section shall (unless the Court thinks fit to order otherwise) be disqualified from holding and obtaining under the Traffic Act a driver's license or a license in respect of a motor vehicle for a period of twelve months from the date of the conviction.

(5) Proceedings for an offence under this section shall be commenced—

(a) within a period of six months from the date of the commission of the alleged offence; or

(b) within a period of three months from the date on which it came to the knowledge of the prosecutor that the alleged offence had been committed—whichever period is the longer.

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Provided that no such proceedings shall be commenced after the expiration of one year from the date of the commission of the alleged offence.

(6) In any prosecution for an offence under this section the allegation in the complaint that at any time mentioned in the complaint there was not in force in respect of any particular motor vehicle a policy of insurance complying with this Act shall be *prima facie* evidence of the fact so alleged.

(7) (a) Subject to subsection (2) of this section, any owner of a motor vehicle shall, on being requested so to do by an inspector appointed under the Traffic Act or by any member of the Police Force, produce evidence that there is in force in respect of every motor vehicle owned by him a policy of insurance complying with this Act.

(b) The owner shall be deemed to have complied with this subsection if he produces the necessary evidence at a Police station (to be nominated by the owner to the inspector or the member of the Police Force at the time when the request is made) within five days from the time when its production was requested.

(c) Any person who without just excuse fails to comply with this subsection shall be guilty of an offence.

Penalty—Fifty pounds.

(8) From and after the prescribed date and notwithstanding anything to the contrary contained in the Traffic Act, no license shall be issued under that Act in respect of any motor vehicle, unless—

(a) prior to or at the time of the issue of such license there is paid to and received by the local authority issuing such license the appropriate insurance premium determined by the Trust for the class of vehicle being licensed and for the period of the license; and

(b) such license incorporates in the one document a policy of insurance under this Act in relation to the said motor vehicle in respect of the same period as that for which such license is issued.

(9) [*Repealed by No. 31 of 1948, s. 6.*]

(10) Notwithstanding anything to the contrary contained in subsection (1) of this section, subsections (1), (7) and (8) of this section shall not apply during such time after this Act comes into operation as the Governor may by proclamation issued under the authority of section thirty-two of this Act declare the operation of this Act to be suspended.

5. [*Repealed by No. 31 of 1948, s. 7.*]

Applications by persons to become approved insurers.

6. (1) In order to comply with this Act a policy of insurance must—

Requirements in respect of policies. No. 32 of 1943, s. 6, as amended by No. 40 of 1944, s. 4, and No. 31 of 1948, s. 8.

(a) be issued by the Trust;

(b) except as provided in this section insure the owner of the vehicle mentioned in the policy and any other person who at any time drives that vehicle, whether with or without the consent of the owner, in respect of all liability for negligence which may be incurred by that 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 policy of insurance shall be deemed to comply with this Act notwithstanding that—

(a) the liability of the Trust is limited to two thousand pounds in respect of any claim made by or in respect of any passenger carried in the vehicle mentioned in the policy and to twenty thousand pounds in respect of all claims made by or in respect of such passengers and such limits shall be inclusive of all costs in relation to any such claim or claims.

Liability of  
the Trust.  
No. 32 of  
1943, s. 7 as  
amended by  
No. 40 of  
1944, s. 5,  
No. 7 of  
1945, s. 3,  
No. 31 of  
1948, s. 9,  
and No. 36 of  
1954, s. 3.

17. (1) Any person who has obtained a judgment against an insured person in respect of death or bodily injury caused by negligence in the use of a motor vehicle specified in a policy of insurance under this Act may recover by action from the Trust such amount of the money (including costs or a proportionate part thereof) payable pursuant to the judgment as relates to death or bodily injury and is unsatisfied:

Provided that—

- (i) when the judgment against the insured person was obtained within the State, this subsection shall not apply unless before the action in which such judgment was obtained came on for hearing, the Trust knew that that action had been commenced; and
- (ii) the right to recover under this subsection shall be subject to any limitations prescribed by the policy of insurance as to the amount in respect of which the insured is indemnified.

(2) Where an insured person has caused death or bodily injury by negligence in the use of a motor vehicle specified in a policy of insurance under this Act but that insured person is dead or cannot be served with process, any person who could have obtained a judgment in respect of the death or bodily injury so caused against that insured person if he were living or if he had been served with process may recover by action against the Trust the amount of the judgment which he could have so recovered against the insured person. Provided that he shall

<sup>1</sup> It is enacted by s. 29 of No. 31 of 1948 as follows:—

Saving with  
respect to  
existing  
insurances.

29. In relation to any accident or occurrence arising out of the use of any motor vehicle in respect of which there is existing at the prescribed date a policy of insurance with an approved insurer under the principal Act, and which accident or occurrence happens before the expiry or lawful termination of the such policy, then notwithstanding anything contained in this Act, the rights, duties, powers, obligations and liabilities of—

- (a) the approved insurer under such policy; and
- (b) the owner and driver of such motor vehicle; and
- (c) any person claiming damages for or in respect of death or bodily injuries arising out of the use of such motor vehicle,

shall continue and be determined in accordance with the provisions of the principal Act as they existed immediately prior to the commencement of Part II. of this Act, and for that purpose the provisions of the principal Act shall be deemed to continue in operation.

not be entitled to so recover unless he proves that he gave to the Trust notice of the claim and a short statement of the grounds thereof as soon as possible after he knew that the insured person was dead or could not be served with process, or that such notice was given within such time as would prevent the possibility of the Trust being prejudiced by want of such notice.

(3) Where the driver of a motor vehicle has caused death or bodily injury by negligence in the use of a motor vehicle but the identity of the vehicle cannot be ascertained, any person who could have obtained a judgment in respect of the death or bodily injury so caused against that driver may obtain by action against the Trust the judgment which, in the circumstances, he could have recovered against the driver of the vehicle: Provided that he made due search and inquiry to ascertain the identity of the vehicle, and that, as soon as possible after he knew the identity of the vehicle could not be ascertained, he gave to the Trust notice of the claim and a short statement of the grounds thereof.

(4) It shall be no defence by the Trust to an action against it under this section that it is not liable under a policy of insurance by reason of the fact that—

- (a) the policy was obtained by any misstatement or non-disclosure, whether fraudulent, material or otherwise;
- (b) the insured person has committed any breach of any term, condition, or warranty of a policy of any provision of this Act; or
- (c) the insured person has failed to comply with any condition of the policy as to what the insured person should do or should not do after the event giving rise to liability.

(5) Where any of the matters mentioned in subsection (4) of this section has arisen or occurred in respect of a policy of insurance, the Trust may, in addition to any other right or remedy it may have,

*Motor Vehicle (Third Party Insurance).*

recover from the insured person liable in respect of any such accident, and, if two or more persons were so liable, from those persons jointly and severally, and from the owner where the insured person liable in respect of any such accident is not the owner of the motor vehicle concerned and at the time of the accident the owner was guilty of any of the matters mentioned in subsection (4) of this section,

- (a) such part of any judgment so obtained against the Trust; or
- (b) such sums as the Trust has paid in payment, settlement or compromise of the claim or judgment against the insured person or the Trust; and
- (c) such costs and expenses

as have been recovered from or paid by the Trust by reason of the policy in respect to which a matter mentioned in subsection (4) of this section has arisen or occurred, and that amount may be recovered either in a separate action or by means of third party procedure in the action against the Trust by the person who obtained the judgment: Provided that if the insured person has made any written request to the Trust that it should settle or compromise up to any specified sum or should pay or should contest the claim, and if the Trust acts unreasonably in failing to comply with such request then the Trust shall not recover more than the amount of the liability which the Trust would have paid or incurred if it had not so acted unreasonably.

(6) This section shall not apply—

- (a) so as to make the Trust liable for more than two thousand pounds (including costs) in respect of any passenger nor more than twenty thousand pounds (including costs) in respect of all passengers in the motor vehicle specified in the policy;
- (b) to any accident which happened before the commencement of this Act;

Formerly lettered (b); re-lettered (a) in first<sup>1</sup> reprint.

Formerly (c); re-lettered (b) in first<sup>1</sup> reprint.

<sup>1</sup> I.e., the reprint pursuant to the Amendments Incorporation Act, 1938, incorporating amendments up to and including Act No. 7 of 1945.

- (c) so as to make the Trust liable in respect of any claim arising out of the use of a motor vehicle where the accident or occurrence giving rise to such claim happened before a policy of insurance under this Act in respect of such motor vehicle had been issued on behalf of the Trust.

Added by  
No. 31 of  
1948, s. 9 (d).

(7) and (8) [*Repealed by No. 31 of 1948, s. 9.*]

(9) No policy shall be deemed to comply with this Act if any term, warranty or condition thereof is in form or substance a term, warranty or condition of which the committee appointed under section thirty-one of this Act has expressed its disapproval by notice in the *Government Gazette*: Provided that every such notice shall come into effect upon the expiration of three months after the publication thereof in the *Government Gazette* and not earlier.

8. (1) Where—

- (a) judgment against the owner or driver of an uninsured motor vehicle has been entered in respect of the death of or bodily injury to any person caused by or arising out of the use of that motor vehicle;
- (b) such death or bodily injury is one against liability in respect of which the judgment debtor had there been in force a contract of insurance under this Act relating to such motor vehicle, would have been insured; and
- (c) the judgment debtor does not satisfy the judgment in full within one month after the same has been entered—

Special provisions in relation to uninsured motor vehicles.  
No. 32 of 1943, s. 8, amended by No. 31 of 1948, s. 10, and No. 36 of 1954, s. 4.

the judgment creditor may obtain judgment against the Trust for a sum equivalent to the amount (including costs) unpaid in respect of the first mentioned judgment or the amount to which the liability of the Trust might have been limited had there been in force a contract of insurance under this Act relating to such motor vehicle, whichever is the smaller amount:

*Motor Vehicle (Third Party Insurance).*

Provided that, where execution of such first-mentioned judgment is stayed pending appeal, the time during which such execution is so stayed shall be excluded in calculating the said period of one month.

Provided further that when such first-mentioned judgment was obtained within the State, this subsection shall not apply unless, before the action on which such first-mentioned judgment was obtained came on for hearing, the Trust knew that such action had been commenced.

(2) [*Repealed by No. 31 of 1948, s. 10.*]

(3) The sum paid as aforesaid to satisfy the judgment claimed against the Trust and its costs shall be recoverable by the Trust against the owner or driver of the motor vehicle:

Provided that—

- (i) it shall be a good defence in any action against the owner of such motor vehicle if he establishes to the satisfaction of the Court that the fact that such motor vehicle was an uninsured motor vehicle was not due to his own fault;
- (ii) in any case where the owner of the motor vehicle is the judgment debtor as aforesaid, no sum shall be so recoverable against the driver of the motor vehicle unless judgment could have been obtained against the driver in respect of the death or bodily injury aforesaid; and
- (iii) it shall be a good defence in any action against the driver of such motor vehicle if he establishes to the satisfaction of the Court that at the time of the occurrence out of which such death or bodily injury arose he was driving the motor vehicle with the authority of the owner and that he had reasonable grounds for believing, and did



in fact believe, that the motor vehicle was a motor vehicle in relation to which there was in force a contract or policy of insurance under this Act.

(4) [*Repealed by No. 31 of 1948, s. 10.*]

(5) (a) Where—

- (i) liability has been incurred by the owner or driver of any uninsured motor vehicle in respect of the death of, or bodily injury to, any person caused by or arising out of the use of that motor vehicle; and
- (ii) such liability is one against which such owner or driver, had there been in force a contract of insurance under this Act relating to such motor vehicle, would have been insured; but
- (iii) such owner or driver is dead or cannot after strict inquiry and search be found

any person who could have obtained a judgment in respect of such death or bodily injury against such owner or driver, if he were living or if he could be found, as the case may be, may obtain judgment against the Trust for a sum equivalent to the amount for which he could have obtained a judgment against the owner or driver, or the amount to which the liability of the Trust might have been limited had there been in force a contract of insurance under this Act relating to such motor vehicle, whichever is the smaller amount:

Provided that—

- (i) such person shall not be entitled so to recover unless within a reasonable time after he knew that such owner or driver was dead or could not be found he gave to the Trust notice of intention to make a claim and a short statement of the grounds thereof; and

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- (ii) the inquiry and search made for such owner or driver may be proved orally or by the affidavit of the person who made the inquiry and search.

[*Paragraphs (b) and (c) repealed by No. 31 of 1948, s. 10.*]

(6) [*Subsection 6 repealed by No. 36 of 1954, s. 4.*]

Provisions as to nominal defendants.

9. [*Repealed by No. 31 of 1948, s. 11.*]

Duties of owner or insured person.  
No. 32 of 1943, s. 10, amended by No. 31 of 1948, s. 12, and No. 36 of 1954, s. 5.

10. (1) Upon the happening of any accident which results in the death of or causes bodily injury to any person and is caused by or arises out of the use of a motor vehicle, the driver and the person in charge thereof shall give written notice forthwith to the Trust and such notice (which notice shall not be subject to discovery or admissible in evidence in any proceedings except proceedings for an offence under this section) shall set forth the following information with as full particulars as the driver and the person in charge of the vehicle as aforesaid is or are able to give—

- (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 therein;
- (e) the names and addresses of any witnesses of the accident.

(2) When neither the driver nor the person in charge of the motor vehicle is the owner of the motor vehicle concerned the owner thereof shall give a like notice immediately upon the accident coming to his knowledge.

(3) An insured person and the owner and the driver of an uninsured motor vehicle, immediately upon any claim being made upon him in respect of

an accident, shall give notice of the claim to the Trust and supply to the Trust such particulars of the claim as it requires.

(4) If any person fails to comply with any requirement of subsection (1) or subsection (3) of this section he shall be guilty of an offence.

Penalty: Five pounds.

(5) An insured person and the owner and the driver of an uninsured motor vehicle shall not, without the consent in writing of the Trust—

- (a) enter upon or incur any expense in any litigation;
- (b) make any offer or promise of payment or settlement;
- (c) make any payment or settlement; or
- (d) make any admission of liability

in respect of which the Trust is, or may become, liable under the provisions of this Act but this provision shall not prevent any person truthfully answering any questions reasonably asked of him.

(6) The Trust shall be entitled to recover from any person who has failed to comply with any provision of this section, or, if two or more persons have so failed, from them jointly and severally, all moneys paid and costs incurred by the Trust in relation to any claim arising out of the accident in respect of which such failure has occurred.

11. (1) The Trust may, on behalf of the insured person and the owner and the driver of an uninsured vehicle conduct the negotiations in respect of any claim against the insured person or the owner or the driver of an uninsured vehicle, as the case may be, and may assume the conduct and control of any legal proceedings in respect of any such claim, and at any stage of those negotiations or proceedings may pay, compromise or settle any such claim.

Power of the Trust to deal with claims against insured person. No. 32 of 1943, s. 11, amended by No. 31 of 1948, s. 13, and No. 36 of 1954, s. 6.

(2) The insured person and the owner and the driver of an uninsured vehicle shall sign and execute all such warrants, authorities and other documents as are necessary to give effect to this section, and, if he default in doing so or is absent or cannot be found, the warrants, authorities or other documents aforesaid may be signed or executed by the Trust on his behalf.

(3) Where as the result of the use of a motor vehicle an accident happens which results in the death of or bodily injury to any person as well as damage to property, and claims are made in respect of the death or bodily injury, and also in respect of the damage to property, and the person against whom the claims are made is insured against his liability for death or bodily injury but not against his liability for damage to property, then nothing said or done in any negotiations for settlement of either of the claims, and no judgment given in any legal proceedings in respect of either of the claims, shall be evidence in any legal proceedings in respect of the other claim, unless the negotiations or proceedings in respect of both claims are conducted or controlled by the person against whom the claims are made with the authority of the Trust or by the Trust with authority of the said person.

Emergency  
treatment.  
No. 32 of  
1943, s. 12,  
as amended  
by No. 40 of  
1944, s. 6 and  
No. 31 of  
1948, s. 14.

12. (1) Where—

- (a) (i) any legally qualified medical practitioner or registered nurse renders emergency treatment in respect of bodily injury (including fatal injury) to any person caused by or arising out of the use of a motor vehicle which is insured under this Act or is an uninsured vehicle; or
- (ii) the person so injured is immediately after such injury conveyed in any vehicle; and
- (b) notice in writing of a claim under this section is given by the medical practitioner, nurse, or person who conveyed the injured

person, to the Trust within one month after the occurrence out of which the death or bodily injury arose, the Trust shall make the following payments as are applicable to the case—

- (i) to the medical practitioner the sum of twelve shillings and sixpence for each person to whom emergency treatment is rendered by him, together with any travelling expenses reasonably and necessarily incurred in respect of the emergency treatment so rendered;
- (ii) to the nurse the sum of ten shillings and sixpence for all emergency treatment rendered by her to the person or persons injured in the accident, together with any travelling expenses reasonably and necessarily incurred in respect of the emergency treatment so rendered, which sum shall, if emergency treatment is rendered to two or more persons be deemed to have been paid on behalf of all those persons in equal shares;
- (iii) to any person who conveyed the injured person as mentioned in paragraph (a) of this subsection, an amount to be ascertained in accordance with the regulations.

(2) [*Repealed by No. 31 of 1948, s. 14.*]

(3) The liability (if any)—

- (a) of the owner or driver of such motor vehicle in respect of the death or bodily injury; and
- (b) of the Trust to the owner or driver in respect of the contract of insurance; and

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- (c) of the injured person or his personal representatives to the person to whom the payment is made under this section

shall be reduced by the amount paid by the Trust under this section.

(4) In this section "emergency treatment" means such medical or surgical treatment or examination by a legally qualified medical practitioner or by a registered nurse as is immediately required as the result of any such injury as mentioned in subsection (1) of this section.

(5) A sum payable under this section shall be recoverable as if it were a simple contract debt due from the Trust to the persons entitled to that sum.

(6) Any local authority within the meaning of the Traffic Act, 1919-1946,<sup>1</sup> shall, if so requested by a person who alleges that he is entitled to a payment under this section, furnish that person with any information at its disposal as to the identification marks or plates or registration of any motor vehicle which that person alleges to be a motor vehicle out of the use of which the death or bodily injury arose, and as to the identity and address of the person who owned or was using the vehicle at the time of the event out of which the death or bodily injury arose.

(7) [*Repealed by No. 31 of 1948, s. 14.*]

13. (1) Where—

- (a) any payment is made (whether or not with an admission of liability) by the Trust under or in consequence of a contract of insurance under this Act in respect of the death of or bodily injury to any person caused by or arising out of the use of a motor vehicle; and
- (b) the person who has so died or been injured received treatment at a hospital, whether as an in-patient or as an out-patient in respect of the bodily injury (fatal or otherwise) so caused or arising; and

Hospital  
treatment.  
No. 32 of  
1943, s. 13,  
amended by  
No. 31 of  
1948, s. 15.

<sup>1</sup> Now the Traffic Act, 1919-1956.

- (c) notice in writing of a claim under this section is given by that hospital to the Trust within one month after the occurrence out of which the death or bodily injury arose

there shall be paid by the Trust to the hospital the amount owing to the hospital in respect of treatment afforded to the person who has so died or been injured.

(2) [*Repealed by No. 31 of 1948, s. 15.*]

(3) The liability (if any)—

- (a) of the owner or driver of the motor vehicle in respect of the death or bodily injury; and  
(b) of the Trust to the owner or driver in respect of the contract of insurance,

shall be deemed to be reduced by the amount paid by the Trust to the hospital under this section.

(4) The amount to be paid by the Trust to the hospital in respect of any such bodily injury (fatal or otherwise) shall not exceed fifty pounds for each person so treated as an in-patient, or five pounds for each person so treated as an out-patient; and in either case the amount to be paid to the hospital as aforesaid shall not exceed one-fifth of the total amount (exclusive of costs) paid by the Trust in respect of such fatal or bodily injury.

(5) If the person who has died or been bodily injured has received treatment at more than one hospital, and the total amount owing to those hospitals in respect of treatment afforded to that person exceeds fifty pounds, the sum of fifty pounds shall be divisible between the hospitals in proportion to the claims of the hospitals.

14. Where the Trust has made any payment for emergency treatment as mentioned in section twelve of this Act in respect of bodily injury (fatal or otherwise) caused by or arising out of the use of an uninsured motor vehicle, the Trust may recover from the owner or driver of such uninsured vehicle the

Recovery of payment for emergency treatment. New section substituted for No. 32 of 1943, s. 14, by No. 31 of 1948, s. 16.

amount so paid as a simple contract debt due from such owner or driver. Provided that it shall be a sufficient defence in such action if the defendant establishes to the satisfaction of the Court that he is not in any manner responsible in law for the bodily injury which gave rise to such emergency treatment.

Right of  
the Trust  
against  
unauthorised  
drivers.  
No. 32 of  
1943, s. 15,  
amended by  
No. 31 of  
1948, s. 17.

15. Where the death of or bodily injury to any person is caused by or arises out of the use of a motor vehicle to which a contract of insurance under this Act relates, and that motor vehicle was at the time of the occurrence out of which such death or injury arose, driven by a person without the authority of the owner or without reasonable grounds for believing that he had the authority of the owner, then, notwithstanding anything to the contrary in this Act—

- (a) such driver shall not be entitled to recover from the Trust any sum on account of any moneys (including costs) paid or payable by such driver in respect of his liability in respect of such death or bodily injury and
- (b) any sum paid by the Trust in discharge of such liability of such driver shall be recoverable by the Trust from such driver.

Actions to  
be tried  
without  
jury.  
No. 32 of  
1943, s. 16,  
amended by  
No. 31 of  
1948, s. 18.

16. Every action brought against the owner or driver of a motor vehicle or against the Trust for damages in respect of the death of or bodily injury to any person caused by or arising out of the use of that vehicle shall be tried without a jury. In so far as this section is inconsistent with or repugnant to or may be deemed to be inconsistent with or repugnant to any provision contained in any other Act in force at the commencement of this Act, this section shall prevail and such provision contained in such other Act aforesaid shall be subject to this section and shall be read and construed and have effect accordingly.



17. Subject to subsection (4) of section three of this Act, no temporary license in respect of any motor vehicle of a person visiting the State shall be granted unless, in the opinion of the local authority to which application for such temporary license is made, that person is adequately insured against any liability which may be incurred by him in respect of the death of or bodily injury to any person caused by or arising out of the use of that motor vehicle in the State.

Insurance by visiting motorists.  
No. 32 of 1943, s. 17, amended by No. 31 of 1948, s. 19.

18. (1) Any police officer or constable or the Trust may apply on complaint to a court of summary jurisdiction for an order that any person be disqualified for such period as the Court fixes from holding and obtaining a driver's license under the Traffic Act.

Power to suspend or cancel licenses.  
No. 32 of 1943, s. 18 amended by No. 31 of 1948, s. 20.

(2) If it is proved to the satisfaction of the Court that the defendant is likely, in the event of his continuing to drive motor vehicles, to endanger unduly the safety of the public the Court may make such order under subsection (1) of this section as it thinks fit.

(3) This section shall have effect and be construed as being supplementary to section thirty-two<sup>1</sup> of the Traffic Act.

19. The Trust shall not terminate a policy of insurance under this Act before its expiry by effluxion of time, except in cases where the motor vehicle concerned is no longer required to be insured under this Act.

Trust not to terminate policy.  
New section substituted for No. 32 of 1943, s. 19, by No. 31 of 1948 s. 21.

20. (1) Notwithstanding any agreement to the contrary, a policy of insurance issued under and for the purposes of this Act—

Policy of insurance to continue notwithstanding change of ownership of vehicle.  
Inserted as s. 19A by No. 40 of 1944, s. 7. Amended by No. 36 of 1954, s. 7.

(a) shall not be deemed to be cancelled or otherwise deemed to terminate solely by reason of a change of ownership of the vehicle in relation to which the policy was issued; but

<sup>1</sup> Renumbered s. 33 in the reprint of the Traffic Act, 1919-1949, made pursuant to the Amendments Incorporation Act, 1938, and published in Vol. 3 of the Reprinted Acts of the Parliament of Western Australia (1950).

- (b) shall, subject to any lawful termination thereof, enure in favour of every person who during the period for which the policy was granted or renewed becomes an owner for the time being of the vehicle in relation to which the policy was issued and in favour of every person who during that period drives that vehicle whether with or without the consent of the owner.

(2) So long as a policy of insurance is in force as aforesaid every owner of the vehicle in relation to which the policy was issued (whether originally a party to the policy or not), and every person who during that period drives the vehicle whether with or without the consent of the owner shall be bound by all the terms, warranties and conditions in the policy as if he had expressly agreed to them.

Term of policy of insurance deemed to be extended in certain cases.

Inserted as s. 19B by No. 40 of 1944, s. 7, and amended by No. 7 of 1945, s. 4, and No. 36 of 1954, s. 8.

21. (1) (a) Where a policy of insurance complying with the requirements of this Act, and a license under the Traffic Act, have been issued in respect of a motor vehicle, and both would, but for this subsection, expire by effluxion of time on the same expiry day, if the provisions of paragraph (b) of this subsection apply, the operation of the policy is extended by, and in accordance with those provisions.

(b) If a new policy complying with the requirements of this Act is issued in respect of the motor vehicle within the period of fifteen days of the expiry day of the policy mentioned in paragraph (a) of this subsection, the operation of the policy mentioned in that paragraph, is, by this paragraph, and notwithstanding any provisions to the contrary of the policy mentioned in that paragraph, extended until the new policy is issued.

Cf. s. 4 (8) (a) ante, and s. 10 (5) of the Traffic Act.

(c) If however, the new policy is not issued until after the expiration of that period of fifteen days, the motor vehicle is, notwithstanding any provision to the contrary of paragraph (a) of subsection (8)

of section four of this Act, or of subsection (5) of section ten of the Traffic Act, an uninsured vehicle until the new policy is issued.

(2) Nothing in subsection (1) of this section shall operate or be deemed or construed to operate so as to render any policy of insurance aforesaid liable to payment of further stamp duty in consequence of the currency of such policy being extended by the operation of this section.

22. (1) Where the owner of a motor vehicle in respect of which a policy of insurance complying with this Act is in force uses such vehicle in connection with or for the purpose of the performance of his service as a servant of the employer of such owner, and the employer acquiesces in such use of the vehicle as aforesaid, the said policy of insurance shall, subject to any lawful termination thereof, when such vehicle is being so used enure in favour of the employer as well as of the owner to the same extent as if the employer were an owner of such vehicle, and the employer shall be bound by all the terms, warranties and conditions in the policy as if he had expressly agreed to them.

Provision regarding motor vehicle of employer used by employee in employer's business. Inserted as s. 19C by No. 40 of 1944, s. 7.

(2) Where the owner of a motor vehicle in respect of which a policy of insurance complying with this Act is in force uses the vehicle in connection with or for the purposes of the performance of his service as a servant of the employer of such owner, without the knowledge or contrary to the instructions of the employer, the employer shall not in any manner whatsoever be liable in respect of any claim for damages or compensation by any person injured by such vehicle whilst being so used by the owner thereof as such servant.

23. When any Act comes into operation which alters the insurance required to be given by a policy of insurance complying with this Act or the rights or liabilities of the Trust under any such policy, every policy of insurance which has been issued for the purpose of providing insurance required by this

Policies to give cover required by amending Acts.

Inserted as s. 19D by No. 40 of 1944, s. 7, and amended by No. 31 of 1948, s. 22.

Act and is in force when the said Act comes into operation or at any time thereafter shall be deemed to be altered so as to provide the insurance required by this Act as altered by the said first-mentioned Act.

Reference to issue of policy to extend to renewal of policy.

Inserted as s. 19E by No. 40 of 1944, s. 7.

24. Where in any provision of this Act reference is made to the issue of a policy of insurance complying with this Act such reference shall extend to and include the issue of a renewal of such policy of insurance.

Information to be furnished by the Trust.

No. 32 of 1943, s. 20, amended by No. 31 of 1948, s. 23.

25. (1) The Trust shall, whenever so required by the Minister, furnish to the Minister such information as the Minister reasonably requires relating to the following matters:—

- (a) Premiums received for insurance under this Act.
- (b) Claims paid under this Act.
- (c) Persons insured under this Act.
- (d) Any other matters relevant to this Act.

*[Subsections (2), (3) and (4) repealed by No. 31 of 1948, s. 23.]*

Contracting out of liability for negligence.

No. 32 of 1943, s. 21.

26. Any contract (whether under seal or not) by virtue of which any person in advance contracts out of any right to claim damages or any other remedy for the negligence of any other person in driving a motor vehicle shall to that extent be void.

Soliciting instructions from persons claiming.

No. 32 of 1943, s. 22, amended by No. 31 of 1948, s. 24.

27. (1) No person shall—

- (a) for or in the expectation of directly or indirectly receiving any reward accept instructions or authority to act on behalf of any person in respect of the making, commencement, resisting, compromise or settlement of any claim or action for damages for the death of or bodily injury to any person or for the injury to the property of any person arising out of the use of a motor vehicle;

- (b) for or in the expectation of directly or indirectly receiving any reward, make, commence, cause to be made or commenced, negotiate, settle or compromise on behalf of any person any such claim or action;
- (c) hold himself out as being willing to act for reward on behalf of any person in making, commencing, resisting, negotiating, settling or compromising any such claim or action.

(2) This section shall not apply to any solicitor or barrister who is carrying on his profession in the ordinary way, or to any officer of an association acting in the course of his duties for a member of such association, or to any person employed or instructed by the Trust to act on its behalf in connection with any claim or action.

(3) Any agreement to pay any money for work done or services rendered contrary to this section shall be void, and any money so paid shall be recoverable by the person who has paid it.

28. (1) Any person who does or attempts to do any act, matter, or thing in breach of any of the provisions of this Act, or fails or neglects faithfully to observe and perform any duty or obligation imposed on him by any provision of this Act shall be guilty of an offence against this Act.

Offences.  
General  
penalty.  
No. 32 of  
1943, s. 23.

(2) Every person who commits any offence under this Act shall, if no penalty is expressly specified for the offence in this Act, be liable on conviction to a penalty not exceeding one hundred pounds.

(3) Proceedings for any offence under this Act shall be heard and disposed of summarily.

29. Where any person has suffered death or bodily injury as the result of the use of a motor vehicle by another person which may, under the provisions of this Act give rise to an action for

Notice of  
claim to be  
given  
within one  
month.

No. 32 of  
1943, s. 24,  
as amended  
by No. 40 of  
1944, s. 8,<sup>1</sup>  
and by No. 31  
of 1948, s. 25.

<sup>1</sup>No. 40 of 1944, s. 8, subs. (2), provides that the amendment made by subs. (1) of that section shall be deemed to have had effect and to have been in operation as from and including the date of commencement of the principal Act.

damages against either an insured person or the Trust, no such action shall be commenced or be maintainable unless notice in writing as prescribed by the regulations is given by the person proposing to claim damages or some person on his behalf to the insured person or the Trust from whom he proposes to claim such damages, of his intention to claim such damages as soon as practicable after the happening of the accident out of which such claim for damages arises and the claim for damages has been made within twelve months from the happening of the said accident, or, in case of death, within twelve months from the date of death of the person in respect of whom the claim is made. Provided that—

- (a) the want of or any defect or inaccuracy in such notice shall not be a bar to the maintenance of such action, if it is found in such action that the defendant is not or would not if a notice or any amended notice were then given and the hearing of the action postponed, be prejudiced in his defence by the want, defect or inaccuracy, or that such want, defect, or inaccuracy was occasioned by mistake, absence from the State or other reasonable cause; and
- (b) the failure to make the claim for damages within the period above specified shall not be a bar to the maintenance of such action if it is shown that the defendant has not been prejudiced in his defence by such failure or if it is found that the failure was occasioned by mistake, absence from the State, or other reasonable cause.

Medical  
examination  
of injured  
person.  
No. 32 of  
1943, s. 25,  
amended by  
No. 31 of  
1948, s. 26.

30. (1) Where, in accordance with section twenty-nine of this Act, an insured person or the Trust has received notice of a claim for damages in relation to the bodily injury of a person who has suffered bodily injury, the insured person or the Trust may, subject to the regulations require the injured person aforesaid from time to time to submit

himself for medical examination by a legally qualified medical practitioner nominated and paid for such examination by the insured person or by the Trust, as the case may be. The medical adviser of the injured person shall be entitled to attend upon any such examination but no legal advisers shall be entitled to do so.

(2) If the injured person, without reasonable excuse, refuses to submit himself to any such medical examination, no action for damages shall be commenced, or any action commenced shall not be proceeded with, unless and until the injured person aforesaid shall have submitted himself to the medical examination aforesaid.

(3) The costs (if any) allowed by a court to an insured person or to the Trust as the successful defendant in any action for damages brought against him or it, may, in the discretion of and upon the certificate of the court, include any expenses incurred by such insured person or the Trust in the payment of professional fees to a legally qualified medical practitioner who has made a medical examination of an injured person as provided for by this section.

31. (1) Upon the recommendation of the Minister, the Governor may from time to time appoint a committee—

Appointment of Committee to make inquiries, etc.  
No. 32 of 1943, s. 26, amended by No. 31 of 1948, s. 27.

- (a) to inquire into and report upon the question whether the premiums charged for insurance under this Act are, or whether any term, warranty, or condition contained in any policy of insurance issued for the purposes of this Act, is fair and unreasonable; and
- (b) to exercise any other powers and functions and to perform any other duties which by the provisions elsewhere contained in this Act are expressly required or permitted to be exercised or performed by the committee appointed under this section.

(2) The committee shall consist of six members as follows:—

- (a) The Auditor General as chairman.
- (b) The manager of the State Government Insurance Office.
- (c) Two persons, being owners of motor vehicles, appointed as representing owners of motor vehicles, one of whom shall be resident outside the Metropolitan Area as constituted under and for the purposes of the Traffic Act; and
- (d) Two persons appointed as representing the Trust.

No. 31 of  
1948, s. 27.

(3) (a) The members referred to in paragraph (c) of the last preceding subsection shall be appointed after consultation with such body or bodies as in the opinion of the Minister, represent the interests of owners of motor vehicles.

No. 31 of  
1948, s. 27.

(b) The members referred to in paragraph (d) of the last preceding subsection shall be appointed on the nomination of the Trust.

(4) The committee when making inquiries shall have all the powers of a Royal Commission and the Royal Commissioners' Powers Act, 1902,<sup>1</sup> with the necessary modifications shall apply to the chairman and other members of the committee and its proceedings and to witnesses and persons summoned as witnesses before the committee.

(5) The Minister shall lay a copy of every report of the committee before both Houses of the Parliament.

Governor  
may suspend  
operation of  
this Act in  
certain cir-  
cumstances.  
No. 32 of  
1943, s. 27,  
amended by  
No. 31 of  
1948, s. 28.

32. (1) Notwithstanding anything to the contrary contained elsewhere in this Act, where the committee appointed under section thirty-one of this Act reports that all or any of the premiums charged

<sup>1</sup> Reprinted in Appendix to Sessional Volume 1928.



for insurance under this Act are unfair and unreasonable, the Governor may, on the recommendation of the Minister, by proclamation suspend the operation of this Act either indefinitely until such proclamation is revoked by a subsequent proclamation or for an express period specified in the proclamation.

(2) Any proclamation issued by the Governor under subsection (1) of this section may be revoked or varied by a subsequent proclamation.

(3) While the operation of this Act continues to be suspended by virtue of a proclamation issued under this section, owners of motor vehicles shall not be required to obtain any policy of insurance as required by this Act, and vehicle licenses under the Traffic Act for motor vehicles may be issued to the owners thereof without the local authority issuing the same being bound to comply with the provisions of subsection (8) of section four of this Act.

(4) The suspension of the operation of this Act as provided for by this section shall not in any way affect or diminish the obligations or liabilities of the Trust under policies of insurance issued by it under this Act and current at the time of the issue of the proclamation by which the operation of this Act has been suspended and, in so far as the death of or bodily injury to any person caused by or arising out of the use of the motor vehicle specified in any such policy of insurance has occurred during the currency of such policy, whether before or after the issue of the proclamation suspending the operation of this Act as aforesaid, the liabilities and rights of the Trust in respect of the contract of insurance under this Act in respect of the death of or bodily injury to the person aforesaid shall continue, and to that extent and for that purpose the provisions of this Act shall be deemed to be still in operation.

33. The Governor may make any regulations necessary or convenient for carrying this Act into effect or for facilitating the operation of this Act,

and may by any such regulation impose penalties recoverable summarily and not exceeding twenty pounds for breach of any regulation.

Amendment  
to Traffic  
Act.  
No. 32 of  
1943, s. 29.

34. The Traffic Act, 1919-1941, is hereby amended as follows:—

(a) Section one is amended by adding at the end thereof the words “and shall be read in conjunction with the Motor Vehicle (Third Party Insurance) Act, 1943.”

(b) Section thirty-two<sup>1</sup> is amended by adding thereto a subsection as follows:—

(3) Nothing in this section shall affect or in any way limit the operation of section eighteen of the Motor Vehicle (Third Party Insurance) Act, 1943.

(c) Section fifty-seven is hereby repealed.

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<sup>1</sup> See now s. 33 of Traffic Act, 1919-1956.