

GOVERNMENT LIFE INSURANCE AMENDMENT BILL

EXPLANATORY NOTE

Clause 1 relates to the Short Title.

Clause 2 amends section 25 of the principal Act which specifies the types of securities on which money in the Government Life Insurance Account may be invested.

The amendment extends the types of securities to include all types of leaseholds approved as trustee securities (not just Crown leaseholds), stratum estates under the Unit Titles Act 1972, and cross leases.

Clause 3 amends section 29 (4) of the principal Act, which empowers the Government Insurance Commissioner to grant options for a period not exceeding 6 months to purchase or take on lease any land or buildings owned by the Commissioner.

The amendment removes the limit of 6 months.

Clause 4 repeals section 31 of the principal Act, which relates to the purchase and disposal of motor vehicles, and substitutes a new section.

Under the new section, the Commissioner may finance the purchase of motor vehicles by employees and canvassing agents whose duties necessitate the use of a motor vehicle, without the Commissioner first acquiring ownership.

In addition the provision requiring vehicles to be purchased from retailers is omitted.

Hon. Mr Walker

GOVERNMENT LIFE INSURANCE AMENDMENT

ANALYSIS

Title	2. Authorised investments
1. Short Title	3. Acquisition of land and buildings
	4. Purchase of motor vehicles

A BILL INTITLED

An Act to amend the Government Life Insurance Act 1953

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,
5 as follows:

1. **Short Title**—This Act may be cited as the Government Life Insurance Amendment Act 1976, and shall be read together with and deemed part of the Government Life Insurance Act 1953* (hereinafter referred to as the principal
10 Act).

2. **Authorised investments**—(1) Section 25 (1) (e) of the principal Act is hereby amended by omitting the word “Crown”.

(2) Section 25 (1) of the principal Act is hereby further
15 amended by adding the following paragraphs:

“(g) In loans on first mortgage of stratum estates in freehold and stratum estates in leasehold under the Unit Titles Act 1972:

*1957 Reprint, Vol. 5, p. 669
Amendments: 1959, No. 9; 1962, No. 72; 1964, No. 89; 1967, No. 76; 1968, No. 84; 1970, No. 66; 1972, No. 63

“(h) In loans on first mortgage in New Zealand of any leasehold interest in land in any case where such mortgage is also a first mortgage over the mortgagor’s share or interest in the fee simple estate relating to the said leasehold interest in land.” 5

(3) Section 25 (2) of the principal Act is hereby amended by omitting the words “an estate in fee simple in any land”, and substituting the words “any estate in fee simple or leasehold or on any stratum estate in fee simple or stratum estate in leasehold”. 10

(4) Section 25 of the principal Act is hereby further amended by repealing subsection (3), and substituting the following subsection:

“(3) Notwithstanding anything in subsection (2) of this section, advances may be made to any employee or canvassing agent of the Office on the security of— 15

“(a) Land in New Zealand in fee simple in possession; or

“(b) An interest in land in New Zealand held under a lease or licence the terms of which are acceptable to the Commissioner; or 20

“(c) A stratum estate in freehold or a stratum estate in leasehold under the Unit Titles Act 1972—

owned by the employee or canvassing agent either solely or jointly with his or her wife or husband, as the case may be, up to an amount not exceeding nine-tenths of the valuation of the security made in the manner provided in that subsection.” 25

(5) The following enactments are hereby consequentially repealed:

(a) Section 2 (1) of the Government Life Insurance Amendment Act 1967: 30

(b) The Government Life Insurance Amendment Act 1970.

3. Acquisition of land and buildings—Section 29 (4) of the principal Act (as substituted by section 8 of the Government Life Insurance Amendment Act 1959), is hereby amended by omitting the words “; but no such grant of option shall enure for a period exceeding six months from the date of the grant”. 35

4. Purchase of motor vehicles—The principal Act is hereby further amended by repealing section 31, and substituting the following section:

“31. (1) In order to assist in the transaction of the business of the Office, the Commissioner may from time to time purchase and dispose of motor vehicles.

5 “(2) The Commissioner may advance money on the security of any motor vehicle by way of chattels security, hire purchase, or bailment to those employees and canvassing agents of the Office whose duties necessitate the use of a motor vehicle, on such terms and conditions as the Minister of Finance from time to time directs.

10 “(3) All payments and advances relating to motor vehicles made under the authority of this section shall be made out of money in the Government Life Insurance Account.”