

Question No: 136

Question: **Territory Insurance Office**

Date: **11/08/92**

Member: **Mr EDE**

To: **MINISTER for LANDS and HOUSING**

1. How many directions have been issued to the Territory Insurance Office by the minister, or his predecessors, under section 7 of the Territory Insurance Office Act 1979.
2. What were the terms of these directions.
3. What directions have been issued to the Territory Insurance Office by the minister, or his predecessors, under section 5(d) and (e) of the Territory Insurance Office Act 1979.
4. Which investments, or class of investments, have been approved by the minister, or his predecessors, under section 6(2)(n) of the Territory Insurance Office Act 1979.

ANSWER

Territory Insurance Office

1. 2.
2. (i) A direction to act as agent for the NT and the relevant prescribed statutory corporations in the management of claims for compensation or benefits under the Work Health Act; and
(ii) a direction that, in providing a financial service, TIO is to follow sound commercial and business principles and adopt sound commercial and business practices.
3. 5(d) (i) Refer to 2(i) above; and
(ii) a direction relating to the management of the Self Insurance Fund by the TIO on behalf of the Northern Territory of Australia.
- 5(e) (i) Refer to 2(i) above; and
(ii) a direction authorising the TIO to transact certain general insurance business viz -

Classes of Insurance Business

Fire insurance including sprinkler leakage, Loss of Profits, Industrial Special Risks, Crop, including hailstone;
Houseowners' and Householders' Insurance;
Contractors' Risks;
Marine - Hull, Protection and Indemnity, Cargo and Aviation; and
Motor Vehicle, including Third Party Property Damage.

4. 6(2)(n)

(i) Approved Classes of Investments

Government securities issued by the Commonwealth, a state or territory government; Debentures or securities guaranteed by the Commonwealth, a state or territory government;
Securities issued by local government bodies;
Ordinary and preference shares, rights and options, company debentures, registered unsecured and convertible notes issued by companies listed on an Australian stock exchange, units in a unit trust and promissory notes issued by companies approved by the Board;
Deposits with any bank, building society, and cooperative society approved by the Board;
Official short-term money market dealers and unofficial dealers approved by the Board;
Certificates of deposit in companies approved by the Board;
Bank accepted and endorsed bills of exchange;
Asset Management Funds approved by the Board utilising such investment instruments as may be ordinarily used by those funds at their discretion;
Letters of credit issued or endorsed by companies approved by the Board;
Loans secured by mortgage on real estate;
Loans secured by mortgage on debentures and securities issued or guaranteed by the Commonwealth, a state or territory government or issued by a local government body;
Loans on other security approved by the Board;
Lending on leverage lease transactions; and
As approved by the minister.

(ii) Ministerial approval was sought and given for the following specific investments which did not fall in the above categories -

Hungerford Refrigeration Pty Ltd; and
Darwin Joinery and Furniture Manufacturing Pty Ltd.