

AUSTRALIAN CAPITAL TERRITORY

Co-operative Societies (Amendment) Ordinance 1984

No. 11 of 1984

I, THE GOVERNOR-GENERAL of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, hereby make the following Ordinance under the *Seat of Government (Administration) Act 1910*.

Dated 4 April 1984.

N. M. STEPHEN
Governor-General

By His Excellency's Command,

TOM UREN
Minister of State for Territories and Local Government

An Ordinance to amend the *Co-operative Societies Ordinance 1939*

Short title

1. This Ordinance may be cited as the *Co-operative Societies (Amendment) Ordinance 1984*.¹

Principal Ordinance

2. In this Ordinance, "Principal Ordinance" means the *Co-operative Societies Ordinance 1939*.²

Interpretation

3. Section 4 of the Principal Ordinance is amended by inserting after the definition of "inspector" in sub-section (1) the following definition:

“ ‘Insurance Corporation’ means the Australian Building Societies Shares and Deposits Insurance Corporation Limited, a company incorporated under the Companies Act;”.

4. After section 5B of the Principal Ordinance the following section is inserted:

Access by Insurance Corporation to Registrar’s records

“5C. (1) The Registrar shall, on payment of the prescribed fee (if any), make available for search by an officer of the Insurance Corporation any record made by the Registrar or an inspector while exercising his powers under sub-section 5B (1) in relation to a building society that has entered into an agreement under paragraph 16A (1) (e) with the Insurance Corporation.

“(2) A person who is or has been an officer of the Insurance Corporation shall not publish or communicate to any person who is not an officer of the Insurance Corporation any information concerning the affairs of a building society acquired by an officer of the Insurance Corporation in the course of making a search of a record referred to in sub-section (1).

Penalty: \$1,000.

“(3) In this section, ‘officer’ has the same meaning as in the Companies Act.”.

Second mortgages

5. Section 14B of the Principal Ordinance is amended by adding at the end thereof the following sub-section:

“(4) This section does not apply in relation to a loan by a registered building society to the Insurance Corporation.”.

6. Sections 14CC and 14CD of the Principal Ordinance are repealed and the following sections substituted:

Advertising by building societies

“14CC. (1) The Registrar may, by notice served on a building society, give a direction to the society—

- (a) prohibiting the publishing by the society of all advertisements;
- (b) prohibiting the publishing by the society of advertisements of a kind described in the direction;

- (c) prohibiting the publishing by the society of advertisements that are, or are substantially, repetitions of an advertisement referred to in the direction; or
- (d) requiring the society to take all reasonable steps to cause the publication of an advertisement referred to in the direction to cease.

“(2) The Registrar shall not give a direction under sub-section (1) to a building society unless he is satisfied that it is expedient to do so in the interests of members or prospective members of, or persons lending money to, or depositing money with, or otherwise investing in, the society.

“(3) If a building society fails to comply with a direction given to it under sub-section (1), the society and any officer of the society who is in any way, by act or omission, directly or indirectly, knowingly concerned in or party to that failure are each guilty of an offence punishable, on conviction, by a fine not exceeding—

- (a) in the case of a society—\$1,000; and
- (b) in the case of an officer—\$500.

Advertising re agreement with Insurance Corporation

“14CD. (1) A building society shall not publish an advertisement containing a false representation to the effect that it is a party to an agreement under paragraph 16A (1) (e) with the Insurance Corporation.

“(2) Where an agreement under paragraph 16A (1) (e) entered into by a building society with the Insurance Corporation is terminated, the building society shall include in every advertisement published by it in the period of 3 months commencing on the day following the date of termination a statement to the effect that the agreement has been terminated.

“(3) If a building society contravenes or fails to comply with sub-section (1) or (2), the society and any officer of the society who is in any way, by act or omission, directly or indirectly, knowingly concerned in or party to that contravention or failure are each guilty of an offence punishable, on conviction, by a fine not exceeding—

- (a) in the case of a society—\$1,000; and
- (b) in the case of an officer—\$500.”.

7. Section 16A of the Principal Ordinance is repealed and the following section substituted:

Powers of registered societies

“16A. (1) A society has power to do all things necessary for the purpose of carrying out its objects and, for that purpose, a society may, if so authorized by its rules—

- (a) raise money on loan;
- (b) raise money by negotiating prescribed bills of exchange;
- (c) receive money on deposit;
- (d) acquire shares in another society; and
- (e) in the case of a building society, enter into an agreement with the Insurance Corporation for or with respect to—
 - (i) indemnifying persons who lend money to, deposit money with, or otherwise invest in, the society; or
 - (ii) maintaining the liquidity of the society.

“(2) A building society may, for the purposes of an agreement under paragraph (1) (e)—

- (a) subscribe for or purchase shares in the capital of the Insurance Corporation;
- (b) make contributions or deposits in connection with the agreement;
- (c) make secured or unsecured loans to the Insurance Corporation;
- (d) receive money from the Insurance Corporation, whether on loan or otherwise;
- (e) give to the Insurance Corporation a mortgage, charge, lien or other security over assets of the society; and
- (f) transfer or assign to the Insurance Corporation mortgages or other securities held by the society.”

Investments

8. Section 37 of the Principal Ordinance is amended—

- (a) by omitting from paragraph (1) (d) “or”; and
- (b) by adding at the end of sub-section (1) the following word and paragraph:

“; and (f) in the case of a registered building society, in a manner authorized by sub-section 16A (2).”.

NOTES

1. Notified in the *Commonwealth of Australia Gazette* on 11 April 1984.
2. No. 9, 1939 as amended by No. 1, 1946; No. 14, 1950; No. 14, 1954; No. 10, 1956; No. 18, 1958; Nos. 3 and 7, 1962; No. 10, 1963; No. 18, 1966; No. 6, 1972; Nos. 16 and 29, 1973; Nos. 35 and 47, 1974; Nos. 13 and 15, 1975; No. 14, 1977; No. 46, 1978; No. 35, 1979; Nos. 38, 39 and 90, 1982.