## **AUSTRALIAN CAPITAL TERRITORY LEGISLATIVE ASSEMBLY**

## **ASSOCIATIONS INCORPORATION (AMENDMENT) BILL 1993**

## **EXPLANATORY MEMORANDUM**

Circulated by authority of Terry Connolly Attorney General

# ASSOCIATIONS INCORPORATION (AMENDMENT) BILL 1993

### **OUTLINE**

The Associations Incorporation Act 1991 provides for the incorporation of voluntary associations and for their management. Among other things it sets out what is required for a special resolution to be passed. Originally the legislation did not allow for associations which give members more than one vote each. The Associations Incorporation (Amendment) Bill 1993 will change the provision on special resolutions to cover situations where each member has a number of votes. The change is of special importance to those associations whose members are themselves incorporated associations which each have a number of votes. Those votes may be cast by delegates who may not all vote in the same way.

### **CLAUSE NOTES**

#### Clause 1 - Short title

The Act may be cited as the Associations Incorporation (Amendment) Act 1993.

## Clause 2 - Commencement

The Act will commence on the day on which it is notified in the Gazette.

### Clause 3 - Principal Act

The "Principal Act" is the Associations Incorporation Act 1991.

Clause 4 - Special Resolutions

Section 70 of the Associations Incorporation Act 1991, which sets out what is required for a special resolution of an incorporated association, is amended to provide that it is the majority of <u>votes</u> which must be in favour rather than the majority of <u>members</u>. That is done by inserting "of the votes" into paragraph (b) so that a special resolution is one which is passed "...by at least three-quarters of the votes of those members of the association who, being entitled to vote, vote in person or ....by proxy ...".

This minor alteration allows for the situation where members have more than one vote each which may not all be cast in the same way. Where each member has only one vote the effect of the provision will be the same as it was without the amendment.