

EXPLANATORY STATEMENT

**AUSTRALIAN CAPITAL TERRITORY
CO-OPERATIVE SOCIETIES (AMENDMENT) ORDINANCE
(NO.2) 1987
ORDINANCE NO. 8 OF 1987**

ISSUED BY AUTHORITY OF THE MINISTER OF STATE FOR TERRITORIES

The Co-operative Societies Ordinance 1939 (the Principal Ordinance) provides for the administration and control of co-operative societies (such as building and credit societies), with a view to protecting the interests and investments of members.

The Principal Ordinance was amended in 1982 to apply to a co-operative society the provisions of the Companies Act 1981 relating to the winding-up of a company.

Modifications to the Companies Act introduced into the Principal Ordinance by those amendments have not proved wide-ranging enough for the Act to be applied effectively in the case of the winding-up of a society.

The amending Ordinance ensures that a society can, subject to necessary modifications, use the same mechanism for winding-up as a company.

The amending Ordinance applies retrospectively from 1 January 1984, in order to remove any doubt as to the validity of any winding-up action taken since that time.

The effect of each of the provisions in the amending Ordinance is outlined in the attachment.

CO-OPERATIVE SOCIETIES (AMENDMENT) ORDINANCE (NO. 2) 1987

Section 1 cites the short title of the Ordinance as the Co-operative Societies (Amendment) Ordinance (No. 2) 1987.

Section 2 defines the Principal Ordinance as the Co-operative Societies Ordinance 1939.

Section 3 amends section 4 of the Principal Ordinance by incorporating definitions of "contributory"; "promoter" and "related corporation"; and by amending the definition of "Insurance Corporation" so as to reflect the Insurance Corporation's change of name.

Section 4 repeals section 60 of the Principal Ordinance which deals with the application of the Companies Act 1981 in the winding-up of a society and inserts a new section 60 as follows:

- . subsection (1) provides that the provisions of the Companies Act 1981 relating to winding-up shall apply, as modified by the amending Ordinance, to the winding-up of a society.
- . paragraphs (2)(a)-(g) and (i)-(j) provide that particular terms relating to companies in the provisions of the Companies Act 1981, shall be taken to be read, for the purposes of the Principal Ordinance, as referring to related terms appropriate to co-operative societies.
- . paragraph (2)(h) provides that the operation of section 44 of the Principal Ordinance continues notwithstanding anything to the contrary in section 429 of the Companies Act 1981.
- . paragraph (2)(k) provides that where a society is wound-up on the certificate of the Registrar, the provisions of the Companies Act 1981 relating to a voluntary winding-up by members, are to apply.

Section 5 includes in section 81 of the Principal Ordinance power for the Minister to make regulations to apply, to co-operative societies; regulations in force under the Companies Act 1981 subject to appropriate modifications.

Section 6 applies the Principal Ordinance as amended by the amending Ordinance, to any winding-up of a society that commenced on or after 1 January 1984.