

2017

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**CO-OPERATIVES NATIONAL LAW (ACT) REGULATION 2017
SL2017-11**

EXPLANATORY STATEMENT

**Presented by
Shane Rattenbury MLA
Minister for Justice, Consumer Affairs and Road Safety**

CO-OPERATIVES NATIONAL LAW (ACT) REGULATION 2017

Introduction

This explanatory statement relates to the *Co-operatives National Law (ACT) Regulation 2017* (the Regulation). It has been prepared in order to assist the reader of the Regulation. It does not form part of the Regulation and has not been endorsed by the Assembly.

The statement is to be read in conjunction with the Regulation. It is not, and is not meant to be, a comprehensive description of the Regulation.

Outline

Purpose of the Regulation

The purpose of this Regulation is to prescribe matters relating to the local application provisions of the *Co-operatives National Law (ACT) Act 2017* (the Act) and the Co-operatives National Law (CNL). Section 35 of the Act allows the Executive to make provision by regulation for the administration of the Act and any procedural matters.

The CNL and Co-operatives National Regulation (ACT) provide that the Registrar must not register a co-operative's name containing anything that has been declared unsuitable by the National Regulations. The Regulation supplements these instruments by clarifying that a name will be unsuitable for a co-operative if the Registrar is satisfied that the name is likely to mislead.

Under sections 220(4) and 225(1), a corporation or person must not register in the ACT under a name including the word 'Co-operative', 'Cooperative' or abbreviations 'Co-op' or 'Coop'. The Regulation exempts specified types of corporation or person from these offence provisions.

The Regulation also makes provision for existing co-operatives to continue operating under rules in force immediately before the commencement of the Act, subject to some conditions.

For administrative matters, the Regulation transfers the prescribed fees under the previous *Cooperatives Act 2002* to the new Act. The amount payable for each fee is unchanged.

Regulatory impact statement

A regulatory impact statement is not required for this regulation as it does not impose appreciable costs on the community, or a part of the community.

Human Rights Implications

The Regulation does not engage the *Human Rights Act 2004*.

Detail

Clause 1 (Name of regulation) names the Regulation – the *Co-operatives National Law (ACT) Regulation 2017*.

Clause 2 (Commencement) provides that the Regulation commences on the commencement of the Act, section 3.

Clause 3 (Dictionary) notes that the dictionary at the end of the regulation forms part of the regulation.

Clause 4 (Notes) recognises that a note in the regulation is explanatory and does not form part of the regulation.

Clause 5 (Unsuitable names for co-operatives – the Law s 220 (5), the Regulation reg 3.7) prescribes that a proposed name for a co-operative is unsuitable if the Registrar is satisfied it is likely to mislead.

Clause 6 (Exemption from restriction on corporations registering name including word ‘co-operative’ or similar words – the Law, s 220 (7)) exempts corporations from the requirement not to register a name that includes the word ‘co-operative’ or other similar words in limited circumstances.

Clause 7 (Exemption from restriction on use of word ‘co-operative’ or similar words – the Law, s 225 (2)) exempts a person from the requirement not to register a name that includes the word ‘co-operative’ or other similar words in limited circumstances.

Clause 8 (Application for transfer – the Law, s 403 (b)) prescribes legislation under which a co-operative may apply to transfer its registration to the Act.

Clause 9 (Procedures regarding giving of exemptions – the Law, s 621) provides that an application for one or more exemptions under the Act must be made in writing and a reasonable time before the event or occurrence for which exemption is sought.

Clause 10 (Co-operatives may continue to operate under old rules) allows a co-operative to continue to operate under the rules that applied to it immediately before the commencement of the Act.

This provision also sets out how co-operatives are to deal with situations where the old rules are inconsistent with the new law or where the old rules contain outdated references.

Clause 11 (Prescribed fees) describes the fees payable to the Territory for various services under the Act by reference to the table in schedule 1.

Schedule 1 (Prescribed fees) identifies the GST-exclusive fees payable to the Territory for:

- i. an application for registration of a proposed co-operative;
- ii. an application for registration of an existing corporation;
- iii. issue of a duplicate certificate;
- iv. application to use an abbreviation or elaboration of the name of a co-operative;
- v. filing fee for registration of each special resolution;
- vi. inspection of the register of co-operatives;
- vii. an application to the Registrar to grant an extension or shortening of time limits.

These fees are unchanged from those under the previous *Cooperatives Act 2002* and *Cooperatives Regulation 2003*.