

**CO-OPERATION AND OTHER ACTS
(AMENDMENT) ACT.**

New South Wales



ANNO VICESIMO SECUNDO

ELIZABETHÆ II REGINÆ

Act No. 15, 1973.

An Act to amend the law relating to the formation of associations of building societies; to make further provision with respect to payments by certain societies and credit unions of assets held on behalf of deceased members or other persons, the appointment of representatives of body corporate members of societies, the investment powers of permanent building societies and their liquidity and loans to members of credit unions; for these and other purposes to amend the Co-operation Act, 1923, the Permanent Building Societies Act, 1967, the Credit Union Act, 1969, and certain other Acts; to validate certain matters; and for purposes connected therewith. [Assented to, 17th April, 1973.]

BE

Co-operation and Other Acts (Amendment).

BE it enacted by the Queen's Most Excellent Majesty, by No. 15, 1973 and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows : —

1. This Act may be cited as the "Co-operation and Other Acts (Amendment) Act, 1973". Short title.

2. The Co-operation Act, 1923, is amended—

Amendment
of Act
No. 1, 1924.

(a) by inserting next after section 15 (g) the following new paragraph :— Sec. 15.
(Powers.)

(gi) receive money on deposit;

(b) by inserting next after section 46 (7) the following new subsection :— Sec. 46.
(Members.)

(7AA) On and after the commencement of the Co-operation and Other Acts (Amendment) Act, 1973, a person may not be appointed under subsection (7) to represent a body corporate which is a member of a non-terminating building society or a society mentioned in the Second Schedule if that person holds an appointment under that subsection to represent another body corporate which is a member of that non-terminating building society or society.

(c) (i) by omitting from section 59 (1) the words "to a sum of money not exceeding four hundred dollars"; Sec. 59.
(Deceased members.)

(ii) by inserting in section 59 (1) after the word "sufficient" the words "and subject to subsection (2A)";

(iii) by inserting in section 59 (1A) after the word "sufficient" the words "and subject to subsection (2A)";

(iv)

Co-operation and Other Acts (Amendment).

No. 15, 1973

(iv) by omitting from section 59 (2) the words "shall extend to any surplus, not exceeding four hundred dollars," and by inserting instead the words "shall, subject to subsection (2A), extend to any surplus";

(v) by inserting next after section 59 (2) the following new subsection :—

(2A) The provisions of subsection (1), (1A) or (2) do not authorise a payment or transfer of any assets of a deceased member or person, the total value of which, together with the total value of any other assets of that deceased member or person already paid or transferred under any of those subsections, exceeds the amount of \$1,200 or, where some other amount is prescribed, that other amount.

Sec. 66A.
(Indemnity
against
losses and
preservation
of
liquidity.)

(d) (i) by omitting from section 66A (1) the words "an association" and by inserting instead the words "an approved association or an approved federation";

(ii) by omitting from section 66A (1) the words "a society" where secondly occurring and by inserting instead the words "an approved society";

(iii) by inserting in section 66A (4) after the words "this section" the words "entered into before the commencement of the Co-operation and Other Acts (Amendment) Act, 1973,";

(iv) by inserting next after section 66A (4) the following new subsections :—

(5) On and after the commencement of the Co-operation and Other Acts (Amendment) Act, 1973, a society shall not enter into an arrangement under this section or vary any such arrangement unless the arrangement or any variation thereof has been approved by the registrar.

(6)

Co-operation and Other Acts (Amendment).

(6) In this section a reference to an "approved association" and "approved federation" or an "approved society" is a reference to—

- (a) an association or a society registered under this Act;
- (b) a society mentioned in the Second Schedule;
- (c) an association or a federation of building societies or a building society registered or incorporated under any other Act or under a law of another State or of a Territory of the Commonwealth,

as the case may be.

- (e) by inserting next after section 66B the following new section :—

New sec.
66c.

66c. (1) A non-terminating building society or a society mentioned in the Second Schedule may, if so authorised by its rules, join an association or federation of building societies of whatsoever kind which is not registered under this Act and whether or not it is registered under any other Act or under a law of any place outside New South Wales.

Power
to join
associations
and
federations.

(2) Nothing in subsection (1) authorises a non-terminating building society or a society mentioned in the Second Schedule to subscribe an amount to the funds of an association or federation if that amount exceeds, or if that amount together with the sum of any amounts already so subscribed by the society and then held by the association or federation, as the case may be, for and on behalf of the society would exceed, \$2,000 or, where the regulations prescribe some other amount for the purposes of this section, that other amount.

(3)

*Co-operation and Other Acts (Amendment).***No. 15, 1973**

(3) For the purposes of subsection (2) contributions or deposits made pursuant to section 66A or in respect of periodical contributions for the purpose of meeting the working expenses of the association or federation shall be deemed not to be amounts subscribed to the funds of an association or federation.

Sec. 84A.
(Power to
appoint
director
of certain
societies.)

(f) by omitting from section 84A (6) the words "be paid such fees as may be prescribed by regulation" and by inserting instead the words "be paid such fees, allowances and expenses as the Governor may, either generally or in any particular case, approve";

Sec. 92.
(Winding
up.)

(g) by omitting from section 92 (6) (b) (v) the words "that Act." and by inserting instead the following words and new subparagraph :—

that Act;

(vi) subsection (2) of section 277A shall be deemed to be amended by inserting after the words "exempt proprietary company" the words "or of a society that is a terminating building society as defined in paragraph (a) of subsection (2) of section 16 of the Co-operation Act, 1923,";

Sec. 114.
(Advisory
council.)

(h) (i) by omitting from section 114 (5) the words ", and members shall be paid fees,";

(ii) by inserting next after section 114 (5) the following new subsection :—

(6) Each member of the council shall, unless he is an officer of the Public Service or a member of the Legislative Council or of the Legislative Assembly of New South Wales, be paid such fees, allowances and expenses as the Governor may, either generally or in any particular case, approve.

(i)

Co-operation and Other Acts (Amendment).

- (i) by omitting from section 114A (5) the words "be paid such fees as may be prescribed by regulation" and by inserting instead the words ", be paid such fees, allowances and expenses as the Governor may, either generally or in any particular case, approve"; No. 15, 1973
Sec. 114A.
(Co-operative
Building
Advisory
Committee.)
- (j) by omitting from section 114B (5) the words "be paid such fees as may be prescribed by regulation" and by inserting instead the words "be paid such fees, allowances and expenses as the Governor may, either generally or in any particular case, approve"; Sec. 114B.
(Co-operative
Farms
Purchase
Promotion
Committee.)
- (k) by omitting from section 114C (5) the words "be paid such fees as may be prescribed by regulation" and by inserting instead the words "be paid such fees, allowances and expenses as the Governor may, either generally or in any particular case, approve"; Sec. 114C.
(Co-operative
advisory
committees.)
- (l) by omitting section 124 (2), (3), (4) and (5) and by inserting instead the following subsection :— Sec. 124.
(Regulations.)

(2) Section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.

- (m) (i) by inserting in the Third Schedule after the matter "41A;" the matter "subsections (7), (7AA), (7A), (7B) and (7C) of section 46;"; Third
Schedule.
- (ii) by omitting from the Third Schedule the matter "and 54" and by inserting instead the matter ", 54 and 59";
- (iii) by omitting from the Third Schedule the matter "section 66A;" and by inserting instead the matter "sections 66A and 66C;";
- (iv) by omitting from the Third Schedule the matter "and (1C)" and by inserting instead the matter ", (1C) and (3A)".

Co-operation and Other Acts (Amendment).

No. 15, 1973 3. The Permanent Building Societies Act, 1967, is amended—

Amendment
of Act
No. 18,
1967.

Sec. 3.
(Interpreta-
tion.)

Sec. 21.
(Invest-
ment.)

(a) by omitting from the definition of "Association" in section 3 (1) the words "of permanent building societies";

(b) (i) by omitting from section 21 (1) the words "following securities" and by inserting instead the words "following modes of investment";

(ii) by omitting from section 21 (1) (a) the word "securities" and by inserting instead the word "investments";

(iii) by omitting from section 21 (1) (c) the word "or" where secondly occurring;

(iv) by omitting section 21 (1) (d) and by inserting instead the following paragraphs :—

(d) the purchase of transferable deposits issued by the Australian Resources Development Bank Limited notwithstanding that the deposit may be redeemable, and that the price therefor exceeds the face value of the deposit; or

(e) any other investment (other than a loan secured by mortgage over land) that is a prescribed investment.

(v) by inserting next after section 21 (1) the following new subsections :—

(1A) For the purposes of paragraph (a) of subsection (1), subsection (4) of section 14 of the Trustee Act, 1925, shall be deemed to be amended by inserting after the words "of this State" the words " , any debentures or securities guaranteed by the Government of New South Wales or any debentures or securities issued by the municipal council of Sydney, any municipal shire or county council or any statutory body in New South Wales".

(1B)

Co-operation and Other Acts (Amendment).

(1B) Without limiting the generality of sub- No. 15, 1973
 section (1), a regulation made for the purposes
 of paragraph (e) of that subsection may
 prescribe as a prescribed investment any loan
 or any class or description of loans secured by
 a prescribed security.

- (vi) by inserting in section 21 (2) after the words
 "paragraph (a)" the matter "or (d)";
- (c) (i) by omitting from section 23 (1) the words "an Sec. 23.
 association" and by inserting instead the words (Guarantee
 "an approved association or an approved fund.)
 federation";
- (ii) by omitting from section 23 (1) the words
 "a society" where secondly occurring and by
 inserting instead the words "an approved
 society";
- (iii) by inserting next after section 23 (1) the
 following new subsection :—

(1A) Without limiting the powers of an
 association under subsection (1), an associa-
 tion may enter into arrangements referred to
 in subsection (1) with any approved society
 which is a member of the association.
- (iv) by inserting in section 23 (4) after the words
 "this section" the words "entered into before
 the commencement of the Co-operation and
 Other Acts (Amendment) Act, 1973,";
- (v) by inserting next after section 23 (4) the
 following new subsections :—

(5) On and after the commencement of
 the Co-operation and Other Acts (Amend-
 ment) Act, 1973, a society or an association
 shall not enter into an arrangement under this
 section or vary any such arrangement unless
 the arrangement or any variation thereof has
 been approved by the registrar.

(6)

Co-operation and Other Acts (Amendment).

No. 15, 1973

(6) In this section a reference to an "approved association", an "approved federation" or an "approved society" is a reference to—

- (a) an association or a society registered under this Act; or
- (b) an association or a federation of building societies or a building society, registered or incorporated under any other Act or under a law of another State or of a Territory of the Commonwealth,

as the case may be.

Sec. 25.
(Power
to join
association.)

- (d) by omitting from section 25 (1) the words "this Act" and by inserting instead the words "this or any other Act or under a law of any place outside New South Wales";

Sec. 47.
(Associations.)

- (e) by inserting next after section 47 (1) the following new subsections :—

(1A) An association so formed may, subject to subsection (1B), admit as a member any one or more of the following societies :—

- (a) a non-terminating building society registered under the provisions of the Co-operation Acts;
- (b) a society mentioned in the Second Schedule to the Co-operation Acts; or
- (c) a building society registered under another Act or a law of any place outside New South Wales.

(1B) Nothing in subsection (1A) authorises an association to admit as a member a society referred to in subsection (1A) if the association would thereby be comprised of a proportion of societies so referred to in excess of the prescribed proportion.

(1C)

Co-operation and Other Acts (Amendment).

(1C) For the purposes of subsection (1B) the No. 15, 1973 prescribed proportion is forty-nine per centum or where the regulations prescribe a higher proportion for the purposes of this subsection, that higher proportion.

(1D) A regulation for the purposes of subsection (1C) may specify different proportions in respect of different specified associations.

(f) (i) by inserting in section 49 (4) after the words Sec. 49. "any other societies" the words "(including (Members.) the societies referred to in subsection (1A) of section 47)";

(ii) by inserting in section 49 (5) after the word "societies" wherever occurring the words "(including the societies referred to in subsection (1A) of section 47)";

(g) (i) by inserting next after section 51 (1) the Sec. 51. following new subsection :— (Corporate body as member.)

(1A) On and after the commencement of the Co-operation and Other Acts (Amendment) Act, 1973, a person may not be appointed under subsection (1) to represent a body corporate which is a member of a society if that person holds an appointment under that subsection to represent another body corporate which is a member of that society.

(ii) by inserting in section 51 (3) after the word "society" the words "registered under this Act or a society referred to in subsection (1A) of section 47";

(h)

*Co-operation and Other Acts (Amendment).***No. 15, 1973**Sec. 60.
(Deceased
members.)

- (h) (i) by omitting from section 60 (1) the words
“, to a sum of money not exceeding four
hundred dollars”;
- (ii) by inserting in section 60 (1) after the word
“sufficient” the words “and subject to sub-
section (3A)”;
- (iii) by inserting in section 60 (2) after the word
“sufficient” the words “and subject to sub-
section (3A)”;
- (iv) by omitting from section 60 (3) the words
“shall extend to any surplus, not exceeding
four hundred dollars,” and by inserting instead
the words “shall, subject to subsection (3A),
extend to any surplus”;
- (v) by inserting next after section 60 (3) the
following new subsection :—

(3A) The provisions of subsection (1), (2)
or (3) do not authorise a payment or transfer
of any assets of a deceased member or person,
the total value of which, together with the
total value of any other assets already paid or
transferred under any of those subsections,
exceeds the amount of \$1,200 or, where some
other amount is prescribed, that other amount.

Sec. 63.
(Liquidity.)

- (i) (i) by omitting from section 63 (2) (b) the word
“and”;
- (ii) by omitting from section 63 (2) (c) the word
“Act.” and by inserting instead the following
word and new paragraphs:—

Act;

- (d) as investments made in the manner
authorised by paragraph (d) of sub-
section (1) of section 21; and

(e)

Co-operation and Other Acts (Amendment).

- (e) as investments in such other investments as are prescribed under paragraph (e) of subsection (1) of section 21 and as are prescribed for the purposes of this paragraph. No. 15, 1973
- (j) by omitting from section 107 (5) the words “who shall be the person for the time being holding the office of Deputy Registrar of Co-operative Societies” and by inserting instead the words “appointed by the Governor and until such an appointment is made the Deputy Registrar of Co-operative Societies shall hold office as Deputy Registrar of Permanent Building Societies”; Sec. 107.
(Registrar.)
- (k) by omitting from section 117 (6) the words “as may be prescribed” and by inserting instead the words “as the Governor may, either generally or in any particular case, approve”; Sec. 117.
(Advisory
Committee.)
- (l) by omitting section 119 (4), (5) and (6) and by inserting instead the following subsections :— Sec. 119.
(Regulations.)
- (4) Subject to subsection (5), section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.
- (5) A regulation made for the purposes of paragraph (e) of subsection (1) of section 21 shall take effect on and from the date of expiry of the later of the periods during which either House of Parliament may under section 41 of the Interpretation Act, 1897, disallow the regulation or on and from a later date specified in the regulation.

Co-operation and Other Acts (Amendment).

No. 15, 1973

4. The Credit Union Act, 1969, is amended—Amendment
of Act No. 8,
1969.

Sec. 6.

(Loans.)

- (a) (i) by inserting in section 6 (5) after the words “a board” the words “or its delegate”;
- (ii) by omitting from section 6 (5) the words “the board” and by inserting instead the words “the credit union”;
- (iii) by omitting section 6 (7A) (b) (iii) and by inserting instead the following subparagraph :—
- (iii) the amount fixed by the rules of the credit union as the specified amount applicable in respect of that credit union in accordance with paragraph (a) of subsection (7) or where a higher amount has been fixed by the rules of that credit union as the specified amount in accordance with paragraph (b) of that subsection, that higher amount,

Sec. 47.

(Deceased
members.)

- (b) (i) by omitting from section 47 (1) the words “If any member, or any other person, entitled in respect of any share in, loan to or deposit with a credit union, to a sum of money not exceeding four hundred dollars or, where a greater sum is prescribed by the regulations, the sum so prescribed,” and by inserting instead the words “If any member, or any other person (including an employee of an association who has, at the date of his death, moneys deposited with that association pursuant to paragraph (f) of subsection (2) of section 35) entitled in respect of any share in, loan to or deposit with a credit union or association”;
- (ii) by inserting in section 47 (1) after the word “sufficient” the words “and subject to subsection (3A)”;

(iii)

Co-operation and Other Acts (Amendment).

- (iii) by inserting in section 47 (2) after the word No. 15, 1973
 “sufficient” the words “and subject to sub-
 section (3A)”;
- (iv) by omitting from section 47 (3) the words
 “shall extend to any surplus, not exceeding
 four hundred dollars or, where a greater sum
 is prescribed by the regulations, the sum so
 prescribed,” and by inserting instead the words
 “shall, subject to subsection (3A), extend to
 any surplus”;
- (v) by inserting in section 47 (3) after the words
 “credit union” wherever occurring the words
 “or association”;
- (vi) by inserting next after section 47 (3) the
 following new subsection :—
- (3A) The provisions of subsection (1),
 (2) or (3) do not authorise a payment or
 transfer of any assets of a deceased member
 or other person, the total value of which,
 together with the total value of any other
 assets of that deceased member or other person
 already paid or transferred under any of those
 subsections, exceeds the amount of \$1,200 or,
 where some other amount is prescribed, that
 other amount.
- (vii) by inserting in section 47 (5) after the words
 “credit union” the words “or association”;
- (viii) by inserting in section 47 (6) after the words
 “credit union” the words “or association”;
- (c) (i) by omitting from section 72 (8) (d) the word **Sec. 72.**
 “and”; (Winding
up.)

(ii)

Co-operation and Other Acts (Amendment).

No. 15, 1973

- (ii) by omitting from section 72 (8) (e) the words "that Act." and by inserting instead the following words and new paragraph :—

that Act; and

- (f) subsection (2) of section 277A shall be deemed to be amended by inserting after the words "exempt proprietary company" the words "or of a credit union registered under the Credit Union Act, 1969,".

Sec. 103.
(Regulations.)

- (d) by omitting section 103 (4), (5), (6) and (7) and by inserting instead the following subsection :—

(4) Section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.

Amendment
of Act No.
46, 1912.

5. The Friendly Societies Act, 1912, is amended—

Sec. 5.
(The registry
office
and the
Registrar.)

- (a) by omitting section 5 (3) and by inserting instead the following subsection :—

(3) The duties, powers and authorities of the Registrar may be performed and exercised by a deputy appointed by the Governor and until such an appointment is made the Deputy Registrar of Co-operative Societies shall hold office as Deputy Registrar of Friendly Societies.

Sec. 118.
(Regulations.)

- (b) by omitting section 118 (2) and by inserting instead the following subsection :—

(2) Section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.

6.

Co-operation and Other Acts (Amendment).

6. (1) The Money-lenders and Infants Loans Act, 1941, No. 15, 1973 is amended—

Amendment
of Act No.
67, 1941.

(a) by inserting in section 3 (1) next after paragraph (b2) of the definition of "Money-lender" the following new paragraph :—

Sec. 3.
(Interpreta-
tion.)

(b3) any society mentioned in the Second Schedule to the Co-operation Act, 1923; or;

(b) by omitting section 51 (2) and by inserting instead the following subsection :—

Sec. 51.
(Regula-
tions.)

(2) Section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.

(2) For the purposes of any transaction entered into by it before the date of assent to this Act, a society registered under the provisions of the Building and Co-operative Societies Act, 1901, whether or not the society subsequently became registered under the Co-operation Act, 1923, is not and shall be deemed never to have been a money-lender within the meaning of the Money-lenders and Infants Loans Act, 1905, and the Money-lenders and Infants Loans Act, 1941.

(3) For the purposes of any transaction entered into by it before 1st January, 1942, a society registered under the Co-operation Act, 1923, is not and shall be deemed never to have been a money-lender within the meaning of the Money-lenders and Infants Loans Act, 1905.

Co-operation and Other Acts (Amendment).

No. 15, 1973 7. The Housing Indemnities Act, 1962, is amended—

Amendment
of Act
No. 4, 1962.
Sec. 10.
(Adminis-
trator.)

- (a) by omitting from section 10 (2) the words “Deputy Administrator who shall be the person for the time being holding the office of Deputy Registrar of Co-operative Societies” and by inserting instead the words “deputy appointed by the Governor and until such an appointment is made the Deputy Registrar of Co-operative Societies shall hold office as Deputy Administrator of Housing Indemnities”;

Sec. 11.
(Regula-
tions.)

- (b) by omitting section 11 (2) and by inserting instead the following subsection :—

(2) Section 41 of the Interpretation Act, 1897, applies in respect of a regulation as if this Act had been passed after the commencement of the Interpretation (Amendment) Act, 1969.