

**LETONA CO-OPERATIVE (FINANCIAL ASSISTANCE)
ACT 1993 No. 85**

NEW SOUTH WALES



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**LETONA CO-OPERATIVE (FINANCIAL ASSISTANCE)
ACT 1993 No. 85**

NEW SOUTH WALES



Act No. 85, 1993

An Act to recommend the provision of Government financial assistance to the Letona Co-operative Limited; and for other purposes. [Assented to 25 November 1993]

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Letona Co-operative (Financial Assistance) Act 1993.

Commencement

2. This Act commences on the date of assent.

Definitions

3. In this Act:

“**Business Plan**” means the Business Plan and Restructure Document for Letona prepared by the Letona Community Action Team and dated 27 September 1993, a copy of which was presented to the President of the Legislative Council (by the Member who introduced the Bill for this Act) when the Bill was read a second time in the Council;

“**Letona**” means the Letona Co-operative Limited;

“**State Bank**” means the State Bank of New South Wales Limited.

Parliament endorses Business Plan

4. Parliament endorses the Business Plan and recommends that steps be taken to implement it.

Government financial assistance to Letona

5. (1) To assist in the implementation of the Business Plan, Parliament recommends that the State provide financial assistance to Letona by means of a grant in the sum of \$5,000,000.

(2) The assistance recommended by this section is in addition to any financial assistance to be provided by the Commonwealth.

Rural assistance to growers

6. Parliament also recommends that financial assistance in the amount of \$2,500,000 be provided by way of a special scheme under the Rural Assistance Act 1989 to growers who supply farm produce to Letona to assist them until payments due to them from Letona can be made.

Appointment of administrator for Letona

7. (1) It is declared by this Act that the necessary grounds exist as referred to in section 343 of the Co-operatives Act 1992 for the appointment of an administrator under Division 6 of Part 12 of that Act to conduct the affairs of Letona.

(2) Parliament recommends that the State Bank revoke its appointment of a receiver and manager in respect of Letona for the purpose of permitting the appointment of an administrator to conduct the affairs of Letona so as to enable Letona to trade on.

(3) If the State Bank revokes the appointment of the receiver and manager, the Registrar under the Co-operatives Act 1992 is to appoint an administrator under Division 6 of Part 12 of that Act to conduct the affairs of Letona for such period as the Registrar considers desirable.

Rural Assistance Act to apply to State Bank loans to Letona

8. (1) Section 35 (Authority's powers with respect to debtors etc.) of the Rural Assistance Act 1989 applies to all money owed by Letona to the State Bank under loans existing at the commencement of this Act, so as to enable (for example) the Rural Assistance Authority to suspend or allow further time for payment of principal and interest under those loans.

(2) Parliament recommends that the Rural Assistance Authority give immediate consideration to the assistance that may reasonably be extended to Letona under that Act in respect of money owed by Letona to the State Bank.

Source of assistance

9. The financial assistance recommended by sections 5 and 6 is to be provided out of money to be provided by Parliament or that is otherwise legally available.

*[Member's second reading speech made in—
Legislative Council on 27 October 1993
Legislative Assembly on 11 November 1993]*