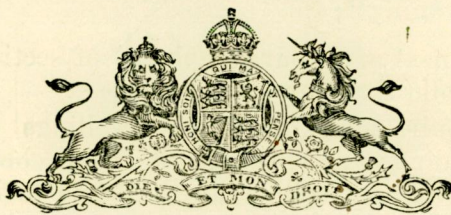


This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

W. R. McCOURT,  
Clerk of the Legislative Assembly.  
Legislative Assembly Chamber,  
Sydney, 28 February, 1945.

## New South Wales.



ANNO NONO

# GEORGII VI REGIS.

\*\*\*\*\*

Act No. 1945.

An Act to amend the Co-operation Act, 1923-1941, and the Income Tax Management Act, 1941, in certain respects; to validate certain matters; and for purposes connected therewith.

**B**E it enacted by the King's Most Excellent Majesty, by 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. (1) This Act may be cited as the "Co-operation (Amendment) Act, 1945."

Short title  
and  
citation.

*Co-operation (Amendment).*

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1945.

2. (1) The Co-operation Act, 1923-1941, is amended—

Amendment of Act No. 1, 1924.

5 (a) by inserting at the end of section eight the following new subsection:—

Sec. 8. (Powers of rural societies.)

(2) A rural society shall have and shall be deemed always to have had power to purchase or otherwise acquire and to sell to its members or other persons any goods or commodities.

10 (b) by omitting from paragraph (c) of section ten the word "trading";

Sec. 10. (Powers of trading societies.)

(c) by inserting next after paragraph (d) of section fifteen the following new paragraph:—

Sec. 15. (Powers of community advancement society.)

15 (di) acquire land on which dwellings or buildings are being or have been erected and sell or let the same to its members;

(d) by inserting next after section fifteen the following new section:—

New sec. 15A.

20 15A. (1) Where a community advancement society is selling or letting dwellings or buildings to its members its objects may include all or any of the objects prescribed for a small loans society in paragraphs (a), (b) and (ei) of subsection one of section twenty-nine of this Act and may also include the guaranteeing of loans made by any person to the members of the society for any of the purposes specified in those paragraphs.

Additional objects and powers.

30 (2) A community advancement society may, if authorised by its rules, exercise all powers which are necessary for or incidental to the carrying out of any objects referred to in subsection one of this section.

35 The provisions of sections thirty-one and 31A of this Act shall apply, mutatis mutandis, and with such modifications as may be prescribed to and in respect of the exercise by the society of such powers.

(e)

*Co-operation (Amendment).*

- (e) by omitting from paragraph (c) of subsection one of section seventeen the words "community advancement" and by inserting in lieu thereof the word "other"; Sec. 17.  
(Powers of building societies.)
- 5 (f) (i) by omitting from section 17A the words "ninety per centum of" wherever occurring; Sec. 17A.  
(Building societies—indemnities.)
- (ii) by omitting from paragraph (c) of subsection one of section 17A all words following the word "lent" and by inserting in lieu thereof the words "does not exceed one thousand two hundred and fifty pounds; and"
- 10 (iii) by omitting from subsection four of section 17A the words "five hundred" and by inserting in lieu thereof the words "seven hundred and fifty";
- 15 (g) (i) by inserting in subsection one of section eighteen after the word "not" where firstly occurring the words "except with the approval of the Co-operative Building Advisory Committee constituted under this Act"; Sec. 18.  
(Second mortgage.)
- 20 (ii) by omitting from the same subsection the words "or is for a fixed period, of which three years at least are then current, whether with or without any right or obligation of repaying by instalments" and by inserting in lieu thereof the words "or of any other building society";
- 25 (h) (i) by inserting at the end of subsection one of section thirty-four the words "And a community advancement society which has been formed for objects which include the sale or letting of dwellings or buildings to its members, and which, in the conduct of its operations, carries out or gives effect thereto may become a component society of
- 30  
: 5

*Co-operation (Amendment).*

5 an association of building societies. And  
an association which is a foreign associa-  
tion as defined in subsection two of section  
thirty-six of this Act may, with the  
approval of the registrar, become a com-  
ponent society of any association formed  
under this Act."

10 (ii) by inserting in subsection three of the same  
section after the words "rural credit  
societies" the words "building societies";

(i) by omitting section thirty-five;

Sec. 25.  
(Rural asso-  
ciations.)

(j) (i) by omitting subsection one of section  
thirty-six and by inserting in lieu thereof  
the following subsection:—

Sec. 36.  
(Trading  
associa-  
tion.)

15 (1) The objects of an association may  
include the acquisition by purchase or  
otherwise of shares in any other associa-  
tion or in any union or in any foreign  
20 association, or in any society or company  
which is incorporated in this State and  
which has undertaken, in consideration of  
such acquisition, to render special services  
to the association, and may also include  
25 the joining with any such other association,  
union, foreign association, society or com-  
pany as aforesaid in any operations  
authorised by its rules.

30 (ii) by omitting from subsection two of the same  
section the words "a trading society  
registered under this Act" and by insert-  
ing in lieu thereof the words "the associa-  
tion which joins with it or takes shares in  
it";

35 (k) (i) by inserting in subsection seven of section  
thirty-nine after the word "regulations"  
where lastly occurring the words "and are  
such as may reasonably be approved by  
him";

Sec. 39.  
(Formation  
of societies.)

(ii)

*Co-operation (Amendment).*

- (ii) by inserting next after subsection seven of the same section the following new subsection:—

5 (7A) Notwithstanding anything contained in subsection seven of this section, where, upon a reference by the registrar to the advisory council constituted under this Act of an application for registration, that council recommends that the application should be refused on the ground that in the area in which the applicant society proposes to operate, the functions and services which it is designed to discharge and perform are capable of being discharged and performed by an existing society or societies, the registrar may refuse the application.

- (l) by omitting from subsection one of section forty-five all words following the word "society" where firstly occurring; Sec. 45.  
(Certificate of incorporation.)
- 20 (m) by omitting from paragraph (ii) of subsection nine of section forty-six the words "value of his share" and by inserting in lieu thereof the words "amount paid up on his shares"; Sec. 46 (9).  
(Cesser of membership.)
- 25 (n) by omitting from subsection fourteen of section forty-seven the word "eight" and by inserting in lieu thereof the word "six"; Sec. 47 (14).  
(Dividend on shares.)
- (o) (i) by omitting from section 48A the word "rural" where firstly occurring; Sec. 48A.  
(Contributions by societies.)
- 30 (ii) by omitting from the same section all words following the word "unincorporate" and by inserting in lieu thereof the words "which includes amongst its objects the rendering of services to such society or its members, or the operations of which are calculated to promote the economic interests of such members";

(ii)

(p)

*Co-operation (Amendment).*

(p) by omitting subsection one of section fifty-four Sec. 54 (1).  
and by inserting in lieu thereof the following  
subsection:—

5 (1) A trading society may repay to a member Repayment  
of shares  
in trading  
society.  
with his consent the whole or any part of the  
amount paid up on any share held by him at  
any time when the money is not required for  
the purposes of the society.

(q) by omitting section fifty-six; Sec. 56.  
(Repeal.)

10 (r) by inserting next after subsection four of section Sec. 61.  
(Use of  
word "co-  
operative.")  
sixty-one the following new subsection:—

15 (4A) Any company or society formed or  
incorporated elsewhere than in the State and  
which has in its name or title the word "co-  
operative" or any word importing a similar  
meaning, or not having any such word in its  
name or title holds out in any manner that its  
trade or business is co-operative, may, if it  
20 desires to trade or carry on business in New  
South Wales, apply to the registrar as pre-  
scribed for exemption from the provisions of  
subsection one of this section.

25 If the registrar is satisfied that such company  
or society is trading or carrying on business  
for the purpose of promoting the economic  
interests of its members in accordance with  
co-operative principles, he may grant such  
exemption for such period and upon such condi-  
30 tions as he thinks fit and shall notify the  
Registrar-General accordingly.

(s) by inserting at the end of section sixty-four the Sec 64.  
(Property.)  
following words "and may sell or lease any such  
real or personal property";

35 (t) (i) by inserting in subsection five of section Sec. 66 (5).  
(Loans and  
deposits.)  
sixty-six after the words "four-fifths of  
the" the words "sum obtained by adding  
the";

(ii),

*Co-operation (Amendment).*

(ii) by inserting at the end of the same subsection the following words "to the amount invested by the society in Government securities";

- 5 (u) by omitting from subsection two of section sixty-seven the words "or insurance";
- (v) by inserting next after section sixty-seven the following new section:—

Sec. 67.  
(Banking and insurance.)

New sec.  
67A.

10 67A. (1) A society or association shall not carry on the business of insurance unless the Governor, after a report and recommendation furnished to the Minister by a committee constituted as hereinafter provided, so approves.

Business of insurance by a society or association.

The committee shall consist of—

- 15 (a) the Under Secretary to the Treasury, or a person nominated in writing from time to time by him, to act on his behalf either generally or for any particular meeting of the committee;
- 20 (b) the Government Actuary; and
- (c) the Registrar of Co-operative Societies.

Any nomination made by the Under Secretary to the Treasury may be revoked by him at any time by writing under his hand.

25 (2) A society or association carrying on the business of insurance pursuant to the approval of the Governor under this section is hereby authorised and empowered, but subject always to any conditions or stipulations imposed

30 by the Governor in granting his approval, to undertake and carry on such business according to the practice, usage, form and procedure which is, for the time being, followed by other persons engaged in the like business.

35 (3) An association carrying on the business of insurance only pursuant to the provisions of subsection one of this section may notwithstanding anything contained in this Act be composed of societies of different kinds.

(w)

*Co-operation (Amendment).*

(w) (i) by omitting from subsection (3A) of section sixty-eight the word "rural"; Sec. 68.  
(Investments.)

(ii) by omitting from the same subsection the figures "1899" and by inserting in lieu thereof the figures "1936";

(x) by inserting at the end of section seventy-two the following new subsection:— Sec. 72.  
(Service of documents.)

(6) A document may be served on a society by leaving it at the registered office of the society with some person apparently in the service of the society or by post enclosed in a prepaid registered letter addressed to the society at its registered office.

The service by post shall be deemed to be effected at the time at which the letter would be delivered in the ordinary course of post.

(y) (i) by omitting from subsection two of section seventy-six the words "before the thirtieth day of September in each year or before such later date" and by inserting in lieu thereof the words "within three months after the close of each of its financial years or within such further time"; Sec. 76.  
(Returns.)

(ii) by omitting paragraph (b) of the same subsection;

(iii) by omitting paragraph (c) of the same subsection and by inserting in lieu thereof the following paragraph:—

(c) a statement of the assets and liabilities of the society at the close of its financial year then last past and of the accounts of the society for that year;

(iv) by inserting next after the same subsection the following new subsection:—

(2A) A society shall, at least once in every three years, within three months after the close of a financial year of the society or within



Co-operation (Amendment).

5 within such further time as the registrar  
may authorise, transmit to the registrar a  
full list of the members as at the close of  
that financial year with such particulars in  
regard thereto as may be prescribed and  
10 in any year in which it does not furnish  
such a list it shall furnish a list in pre-  
scribed form of all the alterations that have  
taken place in the membership since the  
date in respect of which the full list or a  
previous list of alterations, as the case may  
be, was furnished.

(v) by omitting subsection three of the same  
section;

15 (z) by inserting in subsection four of section eighty-  
three after the word "regulations" the words Sec. 83. (Alteration  
of rules.)  
"and is such as may reasonably be approved by  
him";

20 (aa) by inserting in paragraph (c) of subsection nine  
of section eighty-six after the word "liability"  
the words "or of a building society or of a com-  
munity advancement society or of a small loans  
society or of an investment society"; Sec. 86.  
(Voting by  
proxy.)

25 (bb) by inserting next after subsection two of section  
eighty-eight the following new subsection:— Sec. 88.  
New sub-  
sec. 2A.  
(Officers.)

30 (2A) A director of any society, not being a  
rural credit or a small loans society, shall not be  
paid any remuneration for his services other  
than such fees as may be approved at a general  
meeting of the society. The total amount pay-  
able by way of fees to such directors in any  
year shall not exceed the amount fixed by the  
advisory council constituted under this Act.

35 (2) The Income Tax Management Act, 1941, as  
amended by subsequent Acts is amended by inserting  
in paragraph (o) of section nineteen after the word  
"income" wherever occurring the words "(other than  
income from the business of insurance)". Amendment  
of Act No.  
48, 1941,  
s. 19 (o).  
(Exemp-  
tions.)

*Co-operation (Amendment).*

3. (1) The Co-operation Act, 1923-1941, is further amended—

Further  
amendment of  
Act No. 1,  
1924.  
Sec. 92.  
(Winding-  
up.)

- 5 (a) (i) by inserting in subsection one of section ninety-two after the word "court" the words "or subject to the supervision of the court";
- (ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection:—
- 10 (2) In the case of a winding-up voluntarily, or by the court, or subject to the supervision of the court, the society may, subject to the provisions of this Part of this Act, be wound up in the same manner and
- 15 in the same circumstances in which a company formed and registered under the Companies Act, 1936, may be so wound up.
- (iii) by inserting in paragraph (e) of subsection three of the same section after the word "mistake" the words "or fraud";
- 20 (iv) by inserting at the end of subsection five of the same section the following words "Any vacancy occurring in the office of a liquidator so appointed shall be filled by a person appointed by the registrar for the purpose";
- 25 (v) by inserting next after the same subsection the following new subsection:—
- 30 (5A) A winding-up upon a certificate of the registrar shall be deemed to commence at the time of the certificate and the liquidator shall give notice thereof by advertisement in the Gazette.
- 35 (vi) by omitting subsections six, seven, eight and nine of the same section and by inserting in lieu thereof the following subsection:—
- (6) (a) In the case of any winding-up of a society, the provisions of Part X of the Companies

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*Co-operation (Amendment).*

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5 Companies Act, 1936, with respect to the winding-up of a company formed and registered under that Act, including the provisions as to dissolution contained in Division 6 of that Part, shall, subject to this Part of this Act, apply to the winding-up of the society.

10 (b) In the application of the provisions of Part X of the Companies Act, 1936 to the winding-up of a society—

15 (i) a reference in any of those provisions to a special resolution or an extraordinary resolution shall be construed as a reference to a special resolution within the meaning of this Act;

20 (ii) a reference in any of those provisions other than the provisions of section two hundred and ninety-nine and section three hundred to the Registrar-General shall be construed as a reference to the registrar of co-operative societies under this Act;

25 (iii) paragraph (d) of subsection one of section two hundred shall be deemed to be amended by inserting after the words "past member" the words "together with the amount of the contingent liability, if any, attached thereto, and together with any charges payable by him to the society in accordance with the rules";

30  
35 (iv) a reference in sections two hundred and eight and two hundred and ten to a proprietary company shall be construed as a reference to an association or union;

(v)

*Co-operation (Amendment).*

5 (v) a winding-up of a society upon the  
 certificate of the registrar shall be  
 deemed to be a voluntary winding-  
 up, and, without prejudice to the  
 10 generality of this or any other pro-  
 vision of this Part of this Act, the  
 provisions of sections two hundred  
 and sixty-nine, two hundred and  
 seventy and two hundred and  
 15 seventy-one of the Companies Act,  
 1936, shall apply to and in respect  
 of the winding-up of the society as  
 if it were a members' voluntary  
 winding-up within the meaning of  
 that Act.

(b) by inserting next after section ninety-two the following new section:— New sec.  
92A.

20 92A. Where a society is being wound up volun- Liquidator.  
 tarily and a vacancy occurs in the office of  
 liquidator which in the opinion of the registrar  
 is unlikely to be filled in the manner provided by  
 the Companies Act, 1936, the registrar may  
 appoint a person to be liquidator.

(c) by omitting section ninety-three. Sec. 93.  
(Repeal.)

25 (2) Subsection one of this section shall be deemed  
 to have commenced on the first day of January, one thou-  
 sand nine hundred and thirty-seven.

30 (3) Where a society which was registered under the  
 Building and Co-operative Societies Act, 1901, but was  
 not registered under the Co-operation, Community Settle-  
 ment, and Credit Act, 1923, wound up in pursuance of sub-  
 section seven of section forty-one of the last-mentioned  
 Act, all or any of the property real or personal (including  
 35 things in action) of the society which was vested in trus-  
 tees on its behalf, shall be deemed to have vested in the  
 liquidator in his name as liquidator upon his appointment  
 and he shall be deemed to have had full power and  
 authority to bring or defend in his name as liquidator any  
 action or other legal proceeding relating to such property  
 or

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*Co-operation (Amendment).*


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or necessary to be brought or defended for the purposes of effectively winding-up the society or recovering its property.

(4) The special resolution of the No. 3 Argyle  
 5 Starr Bowkett Ballot & Sale Co-operative Society,  
 Limited, to wind up that society, which special resolution  
 was registered on the twenty-seventh day of April, one  
 thousand nine hundred and thirty-nine, shall be and be  
 deemed always to have been a valid and sufficient  
 10 authority for the winding-up of the society as a members'  
 voluntary winding-up within the meaning of the Com-  
 panies Act, 1936, notwithstanding the non-observance of  
 section two hundred and sixty-five of that Act in relation  
 to the winding-up.

15 (5) The Co-operation Act, 1923-1941, is further  
 amended—

Further  
 amendment  
 of Act No. 1,  
 1924.

(a) by inserting next after subsection three of  
 section one hundred and one the following new  
 subsection:—

Sec. 101.  
 (Offences.)

20 (3A) A director of a society who continues to  
 act as such after his office as a director has been  
 vacated shall be guilty of an offence.

(b) by inserting in subsection three of section one  
 hundred and fourteen after the word "and"  
 25 where firstly occurring the words "a majority of  
 them."

Sec. 114.  
 (Advisory  
 Council.)

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Sydney: Thomas Henry Tennant, Government Printer—1945.

[1s. 1d.]

(Continued)

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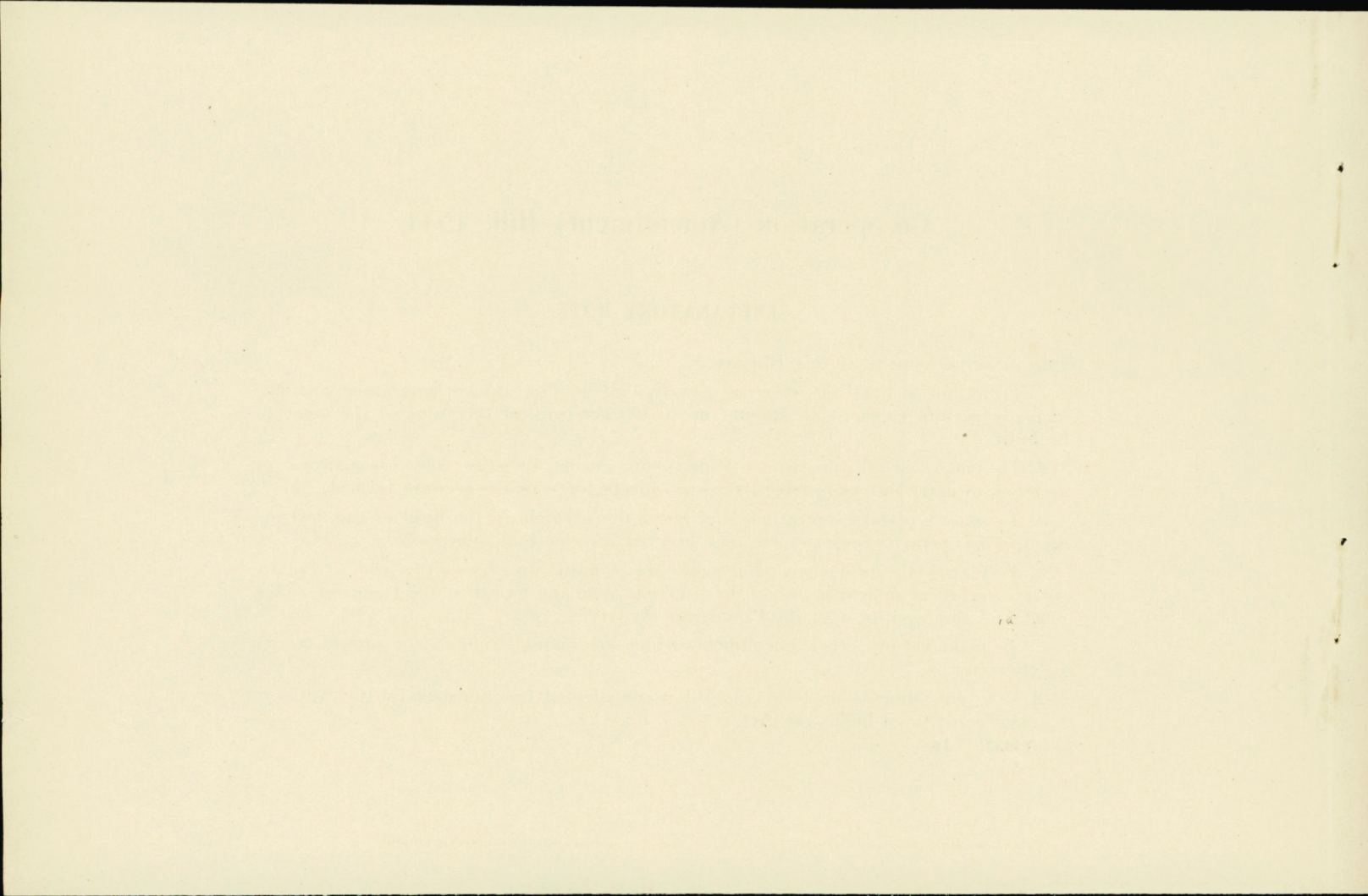
## Co-operation (Amendment) Bill, 1944.

### EXPLANATORY NOTE.

THE principal objects of this Bill are—

1. To authorise building societies operating under Government guarantee to make loans, in certain cases, of an amount up to 100 per cent. of the value of the home to be built.
2. To make certain provisions which will enable societies and associations of societies to carry out more effectively the objects for which they were formed.
3. To remove certain limitations and restrictions which, in the light of the development of co-operative societies are now proving irksome and unnecessary.
4. To clarify the provisions relating to the winding-up of societies and to remove certain technical difficulties which have arisen from the repeal of the Companies Act, 1899, and the enactment of the Companies Act, 1936.
5. To make various other amendments which are mainly technical or administrative in character.

All the amendments made by the Bill were adopted unanimously by the Advisory Council constituted under the Act.





PROOF

No. , 1944.

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## A BILL

To amend the Co-operation Act, 1923-1941, in certain respects; to validate certain matters; and for purposes connected therewith.

[Mr. McKELL;—1 November, 1944.]

---

**B**E it enacted by the King's Most Excellent Majesty, by 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  
5 the same, as follows :—

1. (1) This Act may be cited as the "Co-operation (Amendment) Act, 1944."

Short title  
and  
citation.

61433 16—A

(2)

*Co-operation (Amendment).*

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1944.

2. The Co-operation Act, 1923-1941, is amended—

- 5 (a) by inserting at the end of section eight the following new subsection:—
- (2) A rural society shall have and shall be deemed always to have had power to purchase or otherwise acquire and to sell to its members or other persons any goods or commodities.
- 10 (b) by omitting from paragraph (c) of section ten the word "trading";
- (c) by inserting next after paragraph (d) of section fifteen the following new paragraph:—
- 15 (di) acquire land on which dwellings or buildings are being or have been erected and sell or let the same to its members;
- (d) by inserting next after section fifteen the following new section:—
- 20 15A. (1) Where a community advancement society is selling or letting dwellings or buildings to its members its objects may include all or any of the objects prescribed for a small loans society in paragraphs (a), (b) and (ei) of subsection one of section twenty-nine of this Act and may also include the guaranteeing of loans made by any person to the members of the society for any of the purposes specified in those paragraphs.
- 25 (2) A community advancement society may, if authorised by its rules, exercise all powers which are necessary for or incidental to the carrying out of any objects referred to in subsection one of this section.
- 30 The provisions of sections thirty-one and 31A of this Act shall apply, mutatis mutandis, and with such modifications as may be prescribed to and in respect of the exercise by the society of such powers.
- 35

Amendment of Act No. 1, 1924.

Sec. 8.

(Powers of rural societies.)

Sec. 10.

(Powers of trading societies.)

Sec. 15.

(Powers of community advancement society.)

New sec. 15A.

Additional objects and powers.

(e)

*Co-operation (Amendment).*

- (e) by omitting from paragraph (c) of subsection one of section seventeen the words "community advancement" and by inserting in lieu thereof the word "other"; Sec. 17.  
(Powers of building societies.)
- 5 (f) (i) by omitting from section 17A the words "ninety per centum of" wherever occurring; Sec. 17A.  
(Building societies—indemnities.)
- (ii) by omitting from paragraph (c) of subsection one of section 17A all words following the word "lent" and by inserting in lieu thereof the words "does not exceed one thousand two hundred and fifty pounds; and"
- 10 (iii) by omitting from subsection four of section 17A the words "five hundred" and by inserting in lieu thereof the words "seven hundred and fifty";
- 15 (g) (i) by inserting in subsection one of section eighteen after the word "not" where firstly occurring the words "except with the approval of the Co-operative Building Advisory Committee constituted under this Act"; Sec. 18.  
(Second mortgage.)
- 20 (ii) by omitting from the same subsection the words "or is for a fixed period, of which three years at least are then current, whether with or without any right or obligation of repaying by instalments" and by inserting in lieu thereof the words "or of any other building society";
- 25 (h) (i) by inserting at the end of subsection one of section thirty-four the words "And a community advancement society which has been formed for objects which include the sale or letting of dwellings or buildings to its members, and which, in the conduct of its operations, carries out or gives effect thereto may become a component society of Sec. 34.  
(Associations.)
- 30
- 35

*Co-operation (Amendment).*

an association of building societies. And an association which is a foreign association as defined in subsection two of section thirty-six of this Act may, with the approval of the registrar, become a component society of any association formed under this Act."

5

(ii) by inserting in subsection three of the same section after the words "rural credit societies" the words "building societies";

10

(i) by omitting section thirty-five;

Sec. 35.  
(Rural associations.)

(j) (i) by omitting subsection one of section thirty-six and by inserting in lieu thereof the following subsection:—

Sec. 36.  
(Trading association.)

15

(1) The objects of an association may include the acquisition by purchase or otherwise of shares in any other association or in any union or in any foreign association, or in any society or company which is incorporated in this State and which has undertaken, in consideration of such acquisition, to render special services to the association, and may also include the joining with any such other association, union, foreign association, society or company as aforesaid in any operations authorised by its rules.

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(ii) by omitting from subsection two of the same section the words "a trading society registered under this Act" and by inserting in lieu thereof the words "the association which joins with it or takes shares in it";

30

(k) (i) by inserting in subsection seven of section thirty-nine after the word "regulations" where lastly occurring the words "and are such as may reasonably be approved by him";

35

Sec. 39.  
(Formation of societies.)

(ii)

*Co-operation (Amendment).*

- (ii) by inserting next after subsection seven of the same section the following new subsection:—

5 (7A) Notwithstanding anything contained in subsection seven of this section, where, upon a reference by the registrar to the advisory council constituted under this Act of an application for registration, that council recommends that the application should be refused on the ground that in the area in which the applicant society proposes to operate, the functions and services which it is designed to discharge and perform are capable of being discharged and performed by an existing society or societies, the registrar may refuse the application.

- (l) by omitting from subsection one of section forty-five all words following the word "society" where firstly occurring; Sec. 45.  
(Certificate of incorporation.)
- 20 (m) by omitting from paragraph (ii) of subsection nine of section forty-six the words "value of his share" and by inserting in lieu thereof the words "amount paid up on his shares"; Sec. 46 (9).  
(Cesser of membership.)
- 25 (n) by omitting from subsection fourteen of section forty-seven the word "eight" and by inserting in lieu thereof the word "six"; Sec. 47 (14).  
(Dividend on shares.)
- (o) (i) by omitting from section 48A the word "rural" where firstly occurring; Sec. 48A.  
(Contributions by societies.)
- 30 (ii) by omitting from the same section all words following the word "unincorporate" and by inserting in lieu thereof the words "which includes amongst its objects the rendering of services to such society or its members, or the operations of which are calculated to promote the economic interests of such members";
- 35

(p)

*Co-operation (Amendment).*

(p) by omitting subsection one of section fifty-four and by inserting in lieu thereof the following subsection:—

5 (1) A trading society may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society. Repayment of shares in trading society.

(q) by omitting section fifty-six;

Sec. 56.  
(Repeal.)

10 (r) by inserting next after subsection four of section sixty-one the following new subsection:—

Sec. 61.  
(Use of word "co-operative.")

15 (4A) Any company or society formed or incorporated elsewhere than in the State and which has in its name or title the word "co-operative" or any word importing a similar meaning, or not having any such word in its name or title holds out in any manner that its trade or business is co-operative, may, if it desires to trade or carry on business in New South Wales, apply to the registrar as prescribed for exemption from the provisions of subsection one of this section.

25 If the registrar is satisfied that such company or society is trading or carrying on business for the purpose of promoting the economic interests of its members in accordance with co-operative principles, he may grant such exemption for such period and upon such conditions as he thinks fit and shall notify the Registrar-General accordingly.

30 (s) by inserting at the end of section sixty-four the following words "and may sell or lease any such real or personal property"; Sec 64. (Property.)

35 (t) (i) by inserting in subsection five of section sixty-six after the words "four-fifths of the" the words "sum obtained by adding the"; Sec. 66 (5). (Loans and deposits.)

(ii)

*Co-operation (Amendment).*

- (ii) by inserting at the end of the same subsection the following words "to the amount invested by the society in Government securities";
- 5 (u) by omitting from subsection two of section sixty-seven the words "or insurance"; Sec. 67.  
(Banking and insurance.)
- (v) by inserting next after section sixty-seven the following new section:— New sec.  
67A.
- 10 67A. (1) A society or association shall not carry on the business of insurance unless the Governor, after a report and recommendation furnished to the Minister by a committee constituted as hereinafter provided, so approves. Business of insurance by a society or association.
- The committee shall consist of—
- 15 (a) the Under Secretary to the Treasury, or a person nominated in writing from time to time by him, to act on his behalf either generally or for any particular meeting of the committee;
- 20 (b) the Government Actuary; and
- (c) the Registrar of Co-operative Societies.
- Any nomination made by the Under Secretary to the Treasury may be revoked by him at any time by writing under his hand.
- 25 (2) An association carrying on the business of insurance only pursuant to the provisions of subsection one of this section may notwithstanding anything contained in this Act be composed of societies of different kinds.
- 30 (w) (i) by omitting from subsection (3A) of section sixty-eight the word "rural"; Sec. 68.  
(Investments.)
- (ii) by omitting from the same subsection the figures "1899" and by inserting in lieu thereof the figures "1936";
- 35 (x) by inserting at the end of section seventy-two the following new subsection:— Sec. 72.  
(Service of documents.)
- (6) A document may be served on a society by leaving it at the registered office of the society

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*Co-operation (Amendment).*

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society with some person apparently in the service of the society or by post enclosed in a prepaid registered letter addressed to the society at its registered office.

- 5           The service by post shall be deemed to be effected at the time at which the letter would be delivered in the ordinary course of post.
- 10           (y) (i) by omitting from subsection two of section <sup>Sec. 76.</sup> seventy-six the words "before the thirtieth <sup>(Returns.)</sup> day of September in each year or before such later date" and by inserting in lieu thereof the words "within three months after the close of each of its financial years or within such further time";
- 15           (ii) by omitting paragraph (b) of the same subsection;
- (iii) by omitting paragraph (c) of the same subsection and by inserting in lieu thereof the following paragraph:—
- 20           (c) a statement of the assets and liabilities of the society at the close of its financial year then last past and of the accounts of the society for that year;
- 25           (iv) by inserting next after the same subsection the following new subsection:—
- (2A) A society shall, at least once in every three years, within three months after the close of a financial year of the society or
- 30           within such further time as the registrar may authorise, transmit to the registrar a full list of the members as at the close of that financial year with such particulars in regard thereto as may be prescribed and
- 35           in any year in which it does not furnish such a list it shall furnish a list in prescribed form of all the alterations that have taken place in the membership since the
- date



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*Co-operation (Amendment).*


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date in respect of which the full list or a previous list of alterations, as the case may be, was furnished.

- 5 (v) by omitting subsection three of the same section;
- (z) by inserting in subsection four of section eighty-three after the word "regulations" the words "and is such as may reasonably be approved by him";
- 10 (aa) by inserting in paragraph (c) of subsection nine of section eighty-six after the word "liability" the words "or of a building society or of a community advancement society or of a small loans society or of an investment society";
- 15 (bb) by inserting next after subsection two of section eighty-eight the following new subsection:—
- (2A) A director of any society, not being a rural credit or a small loans society, shall not be paid any remuneration for his services other than such fees as may be approved at a general meeting of the society. The total amount payable by way of fees to such directors in any year shall not exceed the amount fixed by the advisory council constituted under this Act.
- 20
- 25 **3.** (1) The Co-operation Act, 1923-1941, is further amended—
- (a) (i) by inserting in subsection one of section ninety-two after the word "court" the words "or subject to the supervision of the court";
- 30 (ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection:—
- (2) In the case of a winding-up voluntarily, or by the court, or subject to the supervision of the court, the society may, subject to the provisions of this Part of this Act, be wound up in the same manner and
- 35 in

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*Co-operation (Amendment).*

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in the same circumstances in which a company formed and registered under the Companies Act, 1936, may be so wound up.

5 (iii) by inserting in paragraph (e) of subsection three of the same section after the word "mistake" the words "or fraud";

10 (iv) by inserting at the end of subsection five of the same section the following words "Any vacancy occurring in the office of a liquidator so appointed shall be filled by a person appointed by the registrar for the purpose";

(v) by inserting next after the same subsection the following new subsection:—

15 (5A) A winding-up upon a certificate of the registrar shall be deemed to commence at the time of the certificate and the liquidator shall give notice thereof by advertisement in the Gazette.

20 (vi) by omitting subsections six, seven, eight and nine of the same section and by inserting in lieu thereof the following subsection:—

25 (6) (a) In the case of any winding-up of a society, the provisions of Part X of the Companies Act, 1936, with respect to the winding-up of a company formed and registered under that Act, including the provisions as to dissolution contained in Division 6 of that Part, shall, subject to this Part of this Act, apply to the winding-up of the society.

30 (b) In the application of the provisions of Part X of the Companies Act, 1936 to the winding-up of a society—

35 (i) a reference in any of those provisions to a special resolution or an extraordinary resolution shall be construed as a reference to a special

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*Co-operation (Amendment).*

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- special resolution within the meaning of this Act;
- 5 (ii) a reference in any of those provisions other than the provisions of section two hundred and ninety-nine and section three hundred to the Registrar-General shall be construed as a reference to the registrar of co-operative societies under this Act;
- 10 (iii) paragraph (d) of subsection one of section two hundred shall be deemed to be amended by inserting after the words "past member" the words "together with the amount of the contingent liability, if any, attached thereto, and together with any charges payable by him to the society in accordance with the rules";
- 15 (iv) a reference in sections two hundred and eight and two hundred and ten to a proprietary company shall be construed as a reference to an association or union;
- 20 (v) a winding-up of a society upon the certificate of the registrar shall be deemed to be a voluntary winding-up, and, without prejudice to the generality of this or any other provision of this Part of this Act, the provisions of sections two hundred and sixty-nine, two hundred and seventy and two hundred and seventy-one of the Companies Act, 1936, shall apply to and in respect of the winding-up of the society as if it were a members' voluntary winding-up within the meaning of that Act.
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(b)

*Co-operation (Amendment).*

(b) by inserting next after section ninety-two the following new section:—

New sec.  
92A.

5           92A. Where a society is being wound up voluntarily and a vacancy occurs in the office of liquidator which in the opinion of the registrar is unlikely to be filled in the manner provided by the Companies Act, 1936, the registrar may appoint a person to be liquidator.

Liquidator.

(c) by omitting section ninety-three.

Sec. 93.  
(Repeal.)

10           (2) Subsection one of this section shall be deemed to have commenced on the first day of January, one thousand nine hundred and thirty-seven.

15           (3) Where a society which was registered under the Building and Co-operative Societies Act, 1901, but was not registered under the Co-operation, Community Settlement, and Credit Act, 1923, wound up in pursuance of subsection seven of section forty-one of the last-mentioned Act, all or any of the property real or personal (including things in action) of the society which was vested in trustees on its behalf, shall be deemed to have vested in the liquidator in his name as liquidator upon his appointment and he shall be deemed to have had full power and authority to bring or defend in his name as liquidator any action or other legal proceeding relating to such property

20           or necessary to be brought or defended for the purposes of effectively winding-up the society or recovering its property.

30           (4) The special resolution of the No. 3 Argyle Starr Bowkett Ballot & Sale Co-operative Society, Limited, to wind up that society, which special resolution was registered on the twenty-seventh day of April, one thousand nine hundred and thirty-nine, shall be and be deemed always to have been a valid and sufficient authority for the winding-up of the society as a members' voluntary winding-up within the meaning of the Companies Act, 1936, notwithstanding the non-observance of section two hundred and sixty-five of that Act in relation to the winding-up.

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*Co-operation (Amendment).*

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(5) The Co-operation Act, 1923-1941, is further amended—

Further amendment of Act No. 1, 1924.

5 (a) by inserting next after subsection three of section one hundred and one the following new subsection:—

Sec. 101. (Offences.)

(3A) A director of a society who continues to act as such after his office as a director has been vacated shall be guilty of an offence.

10 (b) by inserting in subsection three of section one hundred and fourteen after the word "and" where firstly occurring the words "a majority of them."

Sec. 114. (Advisory Committee.)

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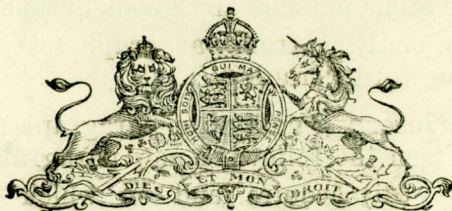
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New South Wales.



ANNO NONO

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Act No. 5, 1945.

An Act to amend the Co-operation Act, 1923-1941, and the Income Tax Management Act, 1941, in certain respects; to validate certain matters; and for purposes connected therewith. [Assented to, 14th March, 1945.]

**B**E it enacted by the King's Most Excellent Majesty, by 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.** (1) This Act may be cited as the "Co-operation (Amendment) Act, 1945." Short title and citation.

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*Co-operation (Amendment).*


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(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1945.

Amendment of Act No. 1, 1924.

Sec. 8.

(Powers of rural societies.)

2. (1) The Co-operation Act, 1923-1941, is amended—

(a) by inserting at the end of section eight the following new subsection:—

(2) A rural society shall have and shall be deemed always to have had power to purchase or otherwise acquire and to sell to its members or other persons any goods or commodities.

Sec. 10.

(Powers of trading societies.)

(b) by omitting from paragraph (c) of section ten the word "trading";

Sec. 15.

(Powers of community advancement society.)

(c) by inserting next after paragraph (d) of section fifteen the following new paragraph:—

(di) acquire land on which dwellings or buildings are being or have been erected and sell or let the same to its members;

New sec. 15A.

Additional objects and powers.

(d) by inserting next after section fifteen the following new section:—

15A. (1) Where a community advancement society is selling or letting dwellings or buildings to its members its objects may include all or any of the objects prescribed for a small loans society in paragraphs (a), (b) and (ei) of subsection one of section twenty-nine of this Act and may also include the guaranteeing of loans made by any person to the members of the society for any of the purposes specified in those paragraphs.

(2) A community advancement society may, if authorised by its rules, exercise all powers which are necessary for or incidental to the carrying out of any objects referred to in subsection one of this section.

The provisions of sections thirty-one and 31A of this Act shall apply, mutatis mutandis, and with such modifications as may be prescribed to and in respect of the exercise by the society of such powers.

(e)



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*Co-operation (Amendment).*


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- (e) by omitting from paragraph (c) of subsection one of section seventeen the words "community advancement" and by inserting in lieu thereof the word "other"; Sec. 17.  
(Powers of building societies.)
- (f) (i) by omitting from section 17A the words "ninety per centum of" wherever occurring; Sec. 17A.  
(Building societies—indemnities.)
- (ii) by omitting from paragraph (c) of subsection one of section 17A all words following the word "lent" and by inserting in lieu thereof the words "does not exceed one thousand two hundred and fifty pounds; and"
- (iii) by omitting from subsection four of section 17A the words "five hundred" and by inserting in lieu thereof the words "seven hundred and fifty";
- (g) (i) by inserting in subsection one of section eighteen after the word "not" where firstly occurring the words "except with the approval of the Co-operative Building Advisory Committee constituted under this Act"; Sec. 18.  
(Second Mortgage.)
- (ii) by omitting from the same subsection the words "or is for a fixed period, of which three years at least are then current, whether with or without any right or obligation of repaying by instalments" and by inserting in lieu thereof the words "or of any other building society";
- (h) (i) by inserting at the end of subsection one of section thirty-four the words "And a community advancement society which has been formed for objects which include the sale or letting of dwellings or buildings to its members, and which, in the conduct of its operations, carries out or gives effect thereto may become a component society of" Sec. 34.  
(Associations.)

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*Co-operation (Amendment).*


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an association of building societies. And an association which is a foreign association as defined in subsection two of section thirty-six of this Act may, with the approval of the registrar, become a component society of any association formed under this Act."

(ii) by inserting in subsection three of the same section after the words "rural credit societies" the words "building societies";

(i) by omitting section thirty-five;

(j) (i) by omitting subsection one of section thirty-six and by inserting in lieu thereof the following subsection:—

(1) The objects of an association may include the acquisition by purchase or otherwise of shares in any other association or in any union or in any foreign association, or in any society or company which is incorporated in this State and which has undertaken, in consideration of such acquisition, to render special services to the association, and may also include the joining with any such other association, union, foreign association, society or company as aforesaid in any operations authorised by its rules.

(ii) by omitting from subsection two of the same section the words "a trading society registered under this Act" and by inserting in lieu thereof the words "the association which joins with it or takes shares in it";

(k) (i) by inserting in subsection seven of section thirty-nine after the word "regulations" where lastly occurring the words "and are such as may reasonably be approved by him";

(ii)

Sec. 35.  
(Rural associations.)

Sec. 36.  
(Trading association.)

Sec. 39.  
(Formation of societies.)

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*Co-operation (Amendment).*


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- (ii) by inserting next after subsection seven of the same section the following new subsection:—

(7A) Notwithstanding anything contained in subsection seven of this section, where, upon a reference by the registrar to the advisory council constituted under this Act of an application for registration, that council recommends that the application should be refused on the ground that in the area in which the applicant society proposes to operate, the functions and services which it is designed to discharge and perform are capable of being discharged and performed by an existing society or societies, the registrar may refuse the application.

- (l) by omitting from subsection one of section forty-five all words following the word "society" where firstly occurring; Sec. 45.  
(Certificate of incorporation.)
- (m) by omitting from paragraph (ii) of subsection nine of section forty-six the words "value of his share" and by inserting in lieu thereof the words "amount paid up on his shares"; Sec. 46 (9).  
(Cesser of membership.)
- (n) by omitting from subsection fourteen of section forty-seven the word "eight" and by inserting in lieu thereof the word "six"; Sec. 47 (14).  
(Dividend on shares.)
- (o) (i) by omitting from section 48A the word "rural" where firstly occurring; Sec. 48A.  
(Contributions by societies.)
- (ii) by omitting from the same section all words following the word "unincorporate" and by inserting in lieu thereof the words "which includes amongst its objects the rendering of services to such society or its members, or the operations of which are calculated to promote the economic interests of such members";

(p)

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*Co-operation (Amendment).*


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Sec. 54 (1). (p) by omitting subsection one of section fifty-four and by inserting in lieu thereof the following subsection:—

Repayment  
of shares  
in trading  
society.

(1) A trading society may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

Sec. 56.  
(Repeal.)

(q) by omitting section fifty-six;

Sec. 61.  
(Use of  
word "co-  
operative.")

(r) by inserting next after subsection four of section sixty-one the following new subsection:—

(4A) Any company or society formed or incorporated elsewhere than in the State and which has in its name or title the word "co-operative" or any word importing a similar meaning, or not having any such word in its name or title holds out in any manner that its trade or business is co-operative, may, if it desires to trade or carry on business in New South Wales, apply to the registrar as prescribed for exemption from the provisions of subsection one of this section.

If the registrar is satisfied that such company or society is trading or carrying on business for the purpose of promoting the economic interests of its members in accordance with co-operative principles, he may grant such exemption for such period and upon such conditions as he thinks fit and shall notify the Registrar-General accordingly.

Sec 64.  
(Property.)

(s) by inserting at the end of section sixty-four the following words "and may sell or lease any such real or personal propërty";

Sec. 66 (5).  
(Loans and  
deposits.)

(t) (i) by inserting in subsection five of section sixty-six after the words "four-fifths of the" the words "sum obtained by adding the";

(ii)

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*Co-operation (Amendment).*

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- (ii) by inserting at the end of the same subsection the following words "to the amount invested by the society in Government securities";
- (u) by omitting from subsection two of section sixty-seven the words "or insurance"; Sec. 67.  
(Banking and insurance.)
- (v) by inserting next after section sixty-seven the following new section:— New sec.  
67A.

67A. (1) A society or association shall not carry on the business of insurance unless the Governor, after a report and recommendation furnished to the Minister by a committee constituted as hereinafter provided, so approves. Business of insurance by a society or association.

The committee shall consist of—

- (a) the Under Secretary to the Treasury, or a person nominated in writing from time to time by him, to act on his behalf either generally or for any particular meeting of the committee;
- (b) the Government Actuary; and
- (c) the Registrar of Co-operative Societies.

Any nomination made by the Under Secretary to the Treasury may be revoked by him at any time by writing under his hand.

(2) A society or association carrying on the business of insurance pursuant to the approval of the Governor under this section is hereby authorised and empowered, but subject always to any conditions or stipulations imposed by the Governor in granting his approval, to undertake and carry on such business according to the practice, usage, form and procedure which is, for the time being, followed by other persons engaged in the like business.

(3) An association carrying on the business of insurance only pursuant to the provisions of subsection one of this section may notwithstanding anything contained in this Act be composed of societies of different kinds.

(w)

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*Co-operation (Amendment).*

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Sec. 68.  
(Invest-  
ments.)

- (w) (i) by omitting from subsection (3A) of section sixty-eight the word "rural";
- (ii) by omitting from the same subsection the figures "1899" and by inserting in lieu thereof the figures "1936";

Sec. 72.  
(Service of  
documents.)

- (x) by inserting at the end of section seventy-two the following new subsection:—

(6) A document may be served on a society by leaving it at the registered office of the society with some person apparently in the service of the society or by post enclosed in a prepaid registered letter addressed to the society at its registered office.

The service by post shall be deemed to be effected at the time at which the letter would be delivered in the ordinary course of post.

Sec. 76.  
(Returns.)

- (y) (i) by omitting from subsection two of section seventy-six the words "before the thirtieth day of September in each year or before such later date" and by inserting in lieu thereof the words "within three months after the close of each of its financial years or within such further time";

(ii) by omitting paragraph (b) of the same subsection;

(iii) by omitting paragraph (c) of the same subsection and by inserting in lieu thereof the following paragraph:—

(c) a statement of the assets and liabilities of the society at the close of its financial year then last past and of the accounts of the society for that year;

(iv) by inserting next after the same subsection the following new subsection:—

(2A) A society shall, at least once in every three years, within three months after the close of a financial year of the society or within

*Co-operation (Amendment).*

within such further time as the registrar may authorise, transmit to the registrar a full list of the members as at the close of that financial year with such particulars in regard thereto as may be prescribed and in any year in which it does not furnish such a list it shall furnish a list in prescribed form of all the alterations that have taken place in the membership since the date in respect of which the full list or a previous list of alterations, as the case may be, was furnished.

- (v) by omitting subsection three of the same section;
- (z) by inserting in subsection four of section eighty-three after the word "regulations" the words "and is such as may reasonably be approved by him"; Sec. 83.  
(Alteration of rules.)
- (aa) by inserting in paragraph (c) of subsection nine of section eighty-six after the word "liability" the words "or of a building society or of a community advancement society or of a small loans society or of an investment society"; Sec. 86.  
(Voting by proxy.)
- (bb) by inserting next after subsection two of section eighty-eight the following new subsection:— Sec. 88.  
New sub-sec. 2A.  
(Officers.)
  - (2A) A director of any society, not being a rural credit or a small loans society, shall not be paid any remuneration for his services other than such fees as may be approved at a general meeting of the society. The total amount payable by way of fees to such directors in any year shall not exceed the amount fixed by the advisory council constituted under this Act.
- (2) The Income Tax Management Act, 1941, as amended by subsequent Acts is amended by inserting in paragraph (o) of section nineteen after the word "income" wherever occurring the words "(other than income from the business of insurance)". Amendment of Act No. 48, 1941, s. 19 (o).  
(Exemptions.)

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*Co-operation (Amendment).*

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Further amendment of Act No. 1, 1924.

Sec. 92.  
(Winding-up.)

**3.** (1) The Co-operation Act, 1923-1941, is further amended—

(a) (i) by inserting in subsection one of section ninety-two after the word “court” the words “or subject to the supervision of the court”;

(ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection:—

(2) In the case of a winding-up voluntarily, or by the court, or subject to the supervision of the court, the society may, subject to the provisions of this Part of this Act, be wound up in the same manner and in the same circumstances in which a company formed and registered under the Companies Act, 1936, may be so wound up.

(iii) by inserting in paragraph (e) of subsection three of the same section after the word “mistake” the words “or fraud”;

(iv) by inserting at the end of subsection five of the same section the following words “Any vacancy occurring in the office of a liquidator so appointed shall be filled by a person appointed by the registrar for the purpose”;

(v) by inserting next after the same subsection the following new subsection:—

(5A) A winding-up upon a certificate of the registrar shall be deemed to commence at the time of the certificate and the liquidator shall give notice thereof by advertisement in the Gazette.

(vi) by omitting subsections six, seven, eight and nine of the same section and by inserting in lieu thereof the following subsection:—

(6) (a) In the case of any winding-up of a society, the provisions of Part X of the Companies



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*Co-operation (Amendment).*


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Companies Act, 1936, with respect to the winding-up of a company formed and registered under that Act, including the provisions as to dissolution contained in Division 6 of that Part, shall, subject to this Part of this Act, apply to the winding-up of the society.

(b) In the application of the provisions of Part X of the Companies Act, 1936 to the winding-up of a society—

- (i) a reference in any of those provisions to a special resolution or an extraordinary resolution shall be construed as a reference to a special resolution within the meaning of this Act;
- (ii) a reference in any of those provisions other than the provisions of section two hundred and ninety-nine and section three hundred to the Registrar-General shall be construed as a reference to the registrar of co-operative societies under this Act;
- (iii) paragraph (d) of subsection one of section two hundred shall be deemed to be amended by inserting after the words "past member" the words "together with the amount of the contingent liability, if any, attached thereto, and together with any charges payable by him to the society in accordance with the rules";
- (iv) a reference in sections two hundred and eight and two hundred and ten to a proprietary company shall be construed as a reference to an association or union;

(v)

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*Co-operation (Amendment).*

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(v) a winding-up of a society upon the certificate of the registrar shall be deemed to be a voluntary winding-up, and, without prejudice to the generality of this or any other provision of this Part of this Act, the provisions of sections two hundred and sixty-nine, two hundred and seventy and two hundred and seventy-one of the Companies Act, 1936, shall apply to and in respect of the winding-up of the society as if it were a members' voluntary winding-up within the meaning of that Act.

New sec.  
92A.

(b) by inserting next after section ninety-two the following new section:—

Liquidator.

92A. Where a society is being wound up voluntarily and a vacancy occurs in the office of liquidator which in the opinion of the registrar is unlikely to be filled in the manner provided by the Companies Act, 1936, the registrar may appoint a person to be liquidator.

Sec. 93.  
(Repeal.)

(c) by omitting section ninety-three.

(2) Subsection one of this section shall be deemed to have commenced on the first day of January, one thousand nine hundred and thirty-seven.

(3) Where a society which was registered under the Building and Co-operative Societies Act, 1901, but was not registered under the Co-operation, Community Settlement, and Credit Act, 1923, wound up in pursuance of subsection seven of section forty-one of the last-mentioned Act, all or any of the property real or personal (including things in action) of the society which was vested in trustees on its behalf, shall be deemed to have vested in the liquidator in his name as liquidator upon his appointment and he shall be deemed to have had full power and authority to bring or defend in his name as liquidator any action or other legal proceeding relating to such property

or

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*Co-operation (Amendment).*


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or necessary to be brought or defended for the purposes of effectively winding-up the society or recovering its property.

(4) The special resolution of the No. 3 Argyle Starr Bowkett Ballot & Sale Co-operative Society, Limited, to wind up that society, which special resolution was registered on the twenty-seventh day of April, one thousand nine hundred and thirty-nine, shall be and be deemed always to have been a valid and sufficient authority for the winding-up of the society as a members' voluntary winding-up within the meaning of the Companies Act, 1936, notwithstanding the non-observance of section two hundred and sixty-five of that Act in relation to the winding-up.

(5) The Co-operation Act, 1923-1941, is further amended—

Further amendment of Act No. 1, 1924.

(a) by inserting next after subsection three of section one hundred and one the following new subsection:—

Sec. 101. (Offences.)

(3A) A director of a society who continues to act as such after his office as a director has been vacated shall be guilty of an offence.

(b) by inserting in subsection three of section one hundred and fourteen after the word "and" where firstly occurring the words "a majority of them."

Sec. 114. (Advisory Council.)

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By Authority:

THOMAS HENRY TENNANT, Government Printer, Sydney, 1945.

[6d.]

Cooperation (Amendment)

...necessary to be printed or defended for the purpose of effectively winding up the society or recovering its property.

(4) The special resolution of the ... The special resolution of the ... was registered on the twenty-seventh day of ... and is ... thousand nine hundred and thirty-nine ... and ... deemed always to have been a valid and sufficient authority for the winding up of the society as a number of voluntary winding up within the meaning of the Companies Act, 1908, notwithstanding the non-observance of section two hundred and sixty-five of that Act in relation to the winding up.

(5) The Co-operation Act, 1913-1914, in further amended—

(a) by inserting next after subsection three of section one hundred and one the following new subsection:—

(2) A director of a society who continues to act as such after his office as a director has been vacated shall be guilty of an offence.

(b) by inserting in subsection three of section one hundred and fourteen after the word "and" where first occurring the words "a majority of them".

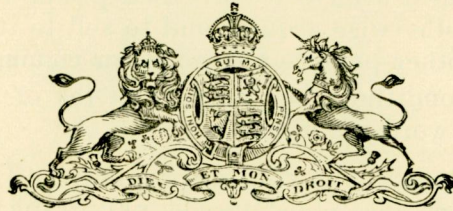
THOMAS HENRY FARMER, Government Printer, Sydney, 1915. By Authority.

*I certify that this PUBLIC BILL, which originated in the LEGISLATIVE ASSEMBLY, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.*

W. R. McCOURT,  
*Clerk of the Legislative Assembly.*

*Legislative Assembly Chamber,  
Sydney, 7 March, 1945.*

## New South Wales.



ANNO NONO

## GEORGII VI REGIS.

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### Act No. 5, 1945.

An Act to amend the Co-operation Act, 1923-1941, and the Income Tax Management Act, 1941, in certain respects; to validate certain matters; and for purposes connected therewith. [Assented to, 14th March, 1945.]

**B**E it enacted by the King's Most Excellent Majesty, by 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.** (1) This Act may be cited as the "Co-operation (Amendment) Act, 1945,"

Short title  
and  
citation.

(2)

*I have examined this Bill, and find it to correspond in all respects with the Bill as finally passed by both Houses.*

G. BOOTH,  
*Chairman of Committees of the Legislative Assembly.*

*Co-operation (Amendment).*

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1945.

Amendment of Act No. 1, 1924.

Sec. 8.  
(Powers of rural societies.)

2. (1) The Co-operation Act, 1923-1941, is amended—

(a) by inserting at the end of section eight the following new subsection:—

(2) A rural society shall have and shall be deemed always to have had power to purchase or otherwise acquire and to sell to its members or other persons any goods or commodities.

Sec. 10.  
(Powers of trading societies.)

(b) by omitting from paragraph (c) of section ten the word “trading”;

Sec. 15.  
(Powers of community advancement society.)

(c) by inserting next after paragraph (d) of section fifteen the following new paragraph:—

(di) acquire land on which dwellings or buildings are being or have been erected and sell or let the same to its members;

New sec. 15A.

(d) by inserting next after section fifteen the following new section:—

Additional objects and powers.

15A. (1) Where a community advancement society is selling or letting dwellings or buildings to its members its objects may include all or any of the objects prescribed for a small loans society in paragraphs (a), (b) and (ei) of subsection one of section twenty-nine of this Act and may also include the guaranteeing of loans made by any person to the members of the society for any of the purposes specified in those paragraphs.

(2) A community advancement society may, if authorised by its rules, exercise all powers which are necessary for or incidental to the carrying out of any objects referred to in subsection one of this section.

The provisions of sections thirty-one and 31A of this Act shall apply, mutatis mutandis, and with such modifications as may be prescribed to and in respect of the exercise by the society of such powers.

(e)

*Co-operation (Amendment).*

- (e) by omitting from paragraph (c) of subsection one of section seventeen the words "community advancement" and by inserting in lieu thereof the word "other"; Sec. 17.  
(Powers of building societies.)
- (f) (i) by omitting from section 17A the words "ninety per centum of" wherever occurring; Sec. 17A.  
(Building societies—indemnities.)
- (ii) by omitting from paragraph (c) of subsection one of section 17A all words following the word "lent" and by inserting in lieu thereof the words "does not exceed one thousand two hundred and fifty pounds; and"
- (iii) by omitting from subsection four of section 17A the words "five hundred" and by inserting in lieu thereof the words "seven hundred and fifty";
- (g) (i) by inserting in subsection one of section eighteen after the word "not" where firstly occurring the words "except with the approval of the Co-operative Building Advisory Committee constituted under this Act"; Sec. 18.  
(Second Mortgage.)
- (ii) by omitting from the same subsection the words "or is for a fixed period, of which three years at least are then current, whether with or without any right or obligation of repaying by instalments" and by inserting in lieu thereof the words "or of any other building society";
- (h) (i) by inserting at the end of subsection one of section thirty-four the words "And a community advancement society which has been formed for objects which include the sale or letting of dwellings or buildings to its members, and which, in the conduct of its operations, carries out or gives effect thereto may become a component society of

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*Co-operation (Amendment).*


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an association of building societies. And an association which is a foreign association as defined in subsection two of section thirty-six of this Act may, with the approval of the registrar, become a component society of any association formed under this Act."

(ii) by inserting in subsection three of the same section after the words "rural credit societies" the words "building societies";

(i) by omitting section thirty-five;

(j) (i) by omitting subsection one of section thirty-six and by inserting in lieu thereof the following subsection:—

(1) The objects of an association may include the acquisition by purchase or otherwise of shares in any other association or in any union or in any foreign association, or in any society or company which is incorporated in this State and which has undertaken, in consideration of such acquisition, to render special services to the association, and may also include the joining with any such other association, union, foreign association, society or company as aforesaid in any operations authorised by its rules.

(ii) by omitting from subsection two of the same section the words "a trading society registered under this Act" and by inserting in lieu thereof the words "the association which joins with it or takes shares in it";

(k) (i) by inserting in subsection seven of section thirty-nine after the word "regulations" where lastly occurring the words "and are such as may reasonably be approved by him";

(ii)

Sec. 35.  
(Rural associations.)

Sec. 36.  
(Trading association.)

Sec. 39.  
(Formation of societies.)



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*Co-operation (Amendment).*


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- (ii) by inserting next after subsection seven of the same section the following new subsection:—

(7A) Notwithstanding anything contained in subsection seven of this section, where, upon a reference by the registrar to the advisory council constituted under this Act of an application for registration, that council recommends that the application should be refused on the ground that in the area in which the applicant society proposes to operate, the functions and services which it is designed to discharge and perform are capable of being discharged and performed by an existing society or societies, the registrar may refuse the application.

- (l) by omitting from subsection one of section forty-five all words following the word “society” where firstly occurring; Sec. 45.  
(Certificate of incorporation.)
- (m) by omitting from paragraph (ii) of subsection nine of section forty-six the words “value of his share” and by inserting in lieu thereof the words “amount paid up on his shares”; Sec. 46 (9).  
(Cesser of membership.)
- (n) by omitting from subsection fourteen of section forty-seven the word “eight” and by inserting in lieu thereof the word “six”; Sec. 47 (14).  
(Dividend on shares.)
- (o) (i) by omitting from section 48A the word “rural” where firstly occurring; Sec. 48A.  
(Contributions by societies.)
- (ii) by omitting from the same section all words following the word “unincorporate” and by inserting in lieu thereof the words “which includes amongst its objects the rendering of services to such society or its members, or the operations of which are calculated to promote the economic interests of such members”;

(p)

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*Co-operation (Amendment).*


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Sec. 54 (1). (p) by omitting subsection one of section fifty-four and by inserting in lieu thereof the following subsection:—

Repayment  
of shares  
in trading  
society.

(1) A trading society may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

Sec. 56.  
(Repeal.)

(q) by omitting section fifty-six;

Sec. 61.  
(Use of  
word "co-  
operative.")

(r) by inserting next after subsection four of section sixty-one the following new subsection:—

(4A) Any company or society formed or incorporated elsewhere than in the State and which has in its name or title the word "co-operative" or any word importing a similar meaning, or not having any such word in its name or title holds out in any manner that its trade or business is co-operative, may, if it desires to trade or carry on business in New South Wales, apply to the registrar as prescribed for exemption from the provisions of subsection one of this section.

If the registrar is satisfied that such company or society is trading or carrying on business for the purpose of promoting the economic interests of its members in accordance with co-operative principles, he may grant such exemption for such period and upon such conditions as he thinks fit and shall notify the Registrar-General accordingly.

Sec 64.  
(Property.)

(s) by inserting at the end of section sixty-four the following words "and may sell or lease any such real or personal property";

Sec. 66 (5).  
(Loans and  
deposits.)

(t) (i) by inserting in subsection five of section sixty-six after the words "four-fifths of the" the words "sum obtained by adding the";

(ii)

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*Co-operation (Amendment).*


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(ii) by inserting at the end of the same subsection the following words "to the amount invested by the society in Government securities";

(u) by omitting from subsection two of section sixty-seven the words "or insurance";

Sec. 67.  
(Banking and insurance.)

(v) by inserting next after section sixty-seven the following new section:—

New sec.  
67A.

67A. (1) A society or association shall not carry on the business of insurance unless the Governor, after a report and recommendation furnished to the Minister by a committee constituted as hereinafter provided, so approves.

Business of insurance by a society or association.

The committee shall consist of—

- (a) the Under Secretary to the Treasury, or a person nominated in writing from time to time by him, to act on his behalf either generally or for any particular meeting of the committee;
- (b) the Government Actuary; and
- (c) the Registrar of Co-operative Societies.

Any nomination made by the Under Secretary to the Treasury may be revoked by him at any time by writing under his hand.

(2) A society or association carrying on the business of insurance pursuant to the approval of the Governor under this section is hereby authorised and empowered, but subject always to any conditions or stipulations imposed by the Governor in granting his approval, to undertake and carry on such business according to the practice, usage, form and procedure which is, for the time being, followed by other persons engaged in the like business.

(3) An association carrying on the business of insurance only pursuant to the provisions of subsection one of this section may notwithstanding anything contained in this Act be composed of societies of different kinds.

(w)

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*Co-operation (Amendment).*


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Sec. 68.  
(Invest-  
ments.)

- (w) (i) by omitting from subsection (3A) of section sixty-eight the word "rural";
- (ii) by omitting from the same subsection the figures "1899" and by inserting in lieu thereof the figures "1936";

Sec. 72.  
(Service of  
documents.)

- (x) by inserting at the end of section seventy-two the following new subsection:—

(6) A document may be served on a society by leaving it at the registered office of the society with some person apparently in the service of the society or by post enclosed in a prepaid registered letter addressed to the society at its registered office.

The service by post shall be deemed to be effected at the time at which the letter would be delivered in the ordinary course of post.

Sec. 76.  
(Returns.)

- (y) (i) by omitting from subsection two of section seventy-six the words "before the thirtieth day of September in each year or before such later date" and by inserting in lieu thereof the words "within three months after the close of each of its financial years or within such further time";
- (ii) by omitting paragraph (b) of the same subsection;
- (iii) by omitting paragraph (c) of the same subsection and by inserting in lieu thereof the following paragraph:—
- (c) a statement of the assets and liabilities of the society at the close of its financial year then last past and of the accounts of the society for that year;
- (iv) by inserting next after the same subsection the following new subsection:—

(2A) A society shall, at least once in every three years, within three months after the close of a financial year of the society or **within**

*Co-operation (Amendment).*

within such further time as the registrar may authorise, transmit to the registrar a full list of the members as at the close of that financial year with such particulars in regard thereto as may be prescribed and in any year in which it does not furnish such a list it shall furnish a list in prescribed form of all the alterations that have taken place in the membership since the date in respect of which the full list or a previous list of alterations, as the case may be, was furnished.

(v) by omitting subsection three of the same section;

(z) by inserting in subsection four of section eighty-three after the word "regulations" the words "and is such as may reasonably be approved by him"; Sec. 83.  
(Alteration of rules.)

(aa) by inserting in paragraph (c) of subsection nine of section eighty-six after the word "liability" the words "or of a building society or of a community advancement society or of a small loans society or of an investment society"; Sec. 86.  
(Voting by proxy.)

(bb) by inserting next after subsection two of section eighty-eight the following new subsection:— Sec. 88.  
New sub-sec. 2A.  
(Officers.)  
(2A) A director of any society, not being a rural credit or a small loans society, shall not be paid any remuneration for his services other than such fees as may be approved at a general meeting of the society. The total amount payable by way of fees to such directors in any year shall not exceed the amount fixed by the advisory council constituted under this Act.

(2) The Income Tax Management Act, 1941, as amended by subsequent Acts is amended by inserting in paragraph (o) of section nineteen after the word "income" wherever occurring the words "(other than income from the business of insurance)". Amendment of Act No. 48, 1941, s. 19 (o).  
(Exemptions.)

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*Co-operation (Amendment).*


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Further  
amendment of  
Act No. 1,  
1924.

Sec. 92.

(Winding-  
up.)

**3.** (1) The Co-operation Act, 1923-1941, is further amended—

(a) (i) by inserting in subsection one of section ninety-two after the word “court” the words “or subject to the supervision of the court”;

(ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection:—

(2) In the case of a winding-up voluntarily, or by the court, or subject to the supervision of the court, the society may, subject to the provisions of this Part of this Act, be wound up in the same manner and in the same circumstances in which a company formed and registered under the Companies Act, 1936, may be so wound up.

(iii) by inserting in paragraph (e) of subsection three of the same section after the word “mistake” the words “or fraud”;

(iv) by inserting at the end of subsection five of the same section the following words “Any vacancy occurring in the office of a liquidator so appointed shall be filled by a person appointed by the registrar for the purpose”;

(v) by inserting next after the same subsection the following new subsection:—

(5A) A winding-up upon a certificate of the registrar shall be deemed to commence at the time of the certificate and the liquidator shall give notice thereof by advertisement in the Gazette.

(vi) by omitting subsections six, seven, eight and nine of the same section and by inserting in lieu thereof the following subsection:—

(6) (a) In the case of any winding-up of a society, the provisions of Part X of the  
**Companies**

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*Co-operation (Amendment).*

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Companies Act, 1936, with respect to the winding-up of a company formed and registered under that Act, including the provisions as to dissolution contained in Division 6 of that Part, shall, subject to this Part of this Act, apply to the winding-up of the society.

(b) In the application of the provisions of Part X of the Companies Act, 1936 to the winding-up of a society—

- (i) a reference in any of those provisions to a special resolution or an extraordinary resolution shall be construed as a reference to a special resolution within the meaning of this Act;
- (ii) a reference in any of those provisions other than the provisions of section two hundred and ninety-nine and section three hundred to the Registrar-General shall be construed as a reference to the registrar of co-operative societies under this Act;
- (iii) paragraph (d) of subsection one of section two hundred shall be deemed to be amended by inserting after the words "past member" the words "together with the amount of the contingent liability, if any, attached thereto, and together with any charges payable by him to the society in accordance with the rules";
- (iv) a reference in sections two hundred and eight and two hundred and ten to a proprietary company shall be construed as a reference to an association or union;

(v)

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*Co-operation (Amendment).*


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(v) a winding-up of a society upon the certificate of the registrar shall be deemed to be a voluntary winding-up, and, without prejudice to the generality of this or any other provision of this Part of this Act, the provisions of sections two hundred and sixty-nine, two hundred and seventy and two hundred and seventy-one of the Companies Act, 1936, shall apply to and in respect of the winding-up of the society as if it were a members' voluntary winding-up within the meaning of that Act.

New sec.  
92A.

Liquidator.

(b) by inserting next after section ninety-two the following new section:—

92A. Where a society is being wound up voluntarily and a vacancy occurs in the office of liquidator which in the opinion of the registrar is unlikely to be filled in the manner provided by the Companies Act, 1936, the registrar may appoint a person to be liquidator.

Sec. 93.  
(Repeal.)

(c) by omitting section ninety-three.

(2) Subsection one of this section shall be deemed to have commenced on the first day of January, one thousand nine hundred and thirty-seven.

(3) Where a society which was registered under the Building and Co-operative Societies Act, 1901, but was not registered under the Co-operation, Community Settlement, and Credit Act, 1923, wound up in pursuance of subsection seven of section forty-one of the last-mentioned Act, all or any of the property real or personal (including things in action) of the society which was vested in trustees on its behalf, shall be deemed to have vested in the liquidator in his name as liquidator upon his appointment and he shall be deemed to have had full power and authority to bring or defend in his name as liquidator any action or other legal proceeding relating to such property

or



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*Co-operation (Amendment).*


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or necessary to be brought or defended for the purposes of effectively winding-up the society or recovering its property.

(4) The special resolution of the No. 3 Argyle Starr Bowkett Ballot & Sale Co-operative Society, Limited, to wind up that society, which special resolution was registered on the twenty-seventh day of April, one thousand nine hundred and thirty-nine, shall be and be deemed always to have been a valid and sufficient authority for the winding-up of the society as a members' voluntary winding-up within the meaning of the Companies Act, 1936, notwithstanding the non-observance of section two hundred and sixty-five of that Act in relation to the winding-up.

(5) The Co-operation Act, 1923-1941, is further amended—

Further  
amendment  
of Act No. 1,  
1924.

(a) by inserting next after subsection three of section one hundred and one the following new subsection:—

Sec. 101.  
(Offences.)

(3A) A director of a society who continues to act as such after his office as a director has been vacated shall be guilty of an offence.

(b) by inserting in subsection three of section one hundred and fourteen after the word "and" where firstly occurring the words "a majority of them."

Sec. 114.  
(Advisory  
Council.)

*In the name and on behalf of His Majesty I assent to this Act.*

F. R. JORDAN,

*By Deputation from His Excellency the Governor.*

*Government House,  
Sydney, 14th March, 1945.*

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