

**CO-OPERATIVES AMENDMENT BILL 2015**

*Introduction and First Reading*

Bill introduced, on motion by **Hon Michael Mischin (Minister for Commerce)**, and read a first time.

*Second Reading*

**HON MICHAEL MISCHIN (North Metropolitan — Minister for Commerce)** [4.12 pm]: I move —

That the bill be now read a second time.

The Co-operatives Amendment Bill 2015 amends the Co-operatives Act 2009, the WA co-operatives act, to achieve consistency with the Co-operatives National Law and to allow Western Australian cooperatives to participate in a national regulatory scheme for the registration and regulation of cooperatives. Participation in the scheme will remove barriers to the development and expansion of cooperative enterprises and offer investment opportunities by allowing those WA-registered cooperatives wishing to expand their operations to carry on business nationally, without any requirement to register in other jurisdictions.

Cooperatives are organisations that are owned and democratically controlled by members who have united to meet common economic, social or cultural needs. Capital is used to service the common needs of active members of the enterprise, rather than generating a dividend to shareholders. There are currently 52 cooperatives registered in Western Australia. They operate a variety of enterprises including agriculture and aquaculture, grain distribution and marketing, value-added production, export development, retail trading, transport, arts and crafts, and construction and engineering. The majority of registered cooperatives are small to medium-sized businesses, but the sector also includes some significant enterprises. The reported revenue of the sector was over \$3 billion last financial year, and the largest cooperative in Australia—Co-operative Bulk Handling or CBH—is registered in Western Australia. Each state and territory has legislation regulating the registration and operation of cooperatives. Since 2007, Australian jurisdictions have been working to develop uniform legislation, recognising that fragmented, overly prescriptive and, in some instances, outdated legislation has placed cooperatives at a competitive disadvantage against entities registered under the commonwealth Corporations Act 2001.

The Australian Uniform Co-operative Laws Agreement came into effect in February 2012. The agreement is aimed at providing a modern scheme that minimises regulatory burden, allows co-operatives to compete with other forms of enterprise on equal terms and facilitates interstate expansion and trade. Western Australia and the other signatories to the agreement agreed to either apply the Co-operatives National Law—developed by a national working party and enacted in New South Wales—or enact alternative but consistent legislation. In 2010, Western Australia replaced the outdated Companies (Co-operative) Act 1943 with its current WA Co-operatives Act. As the national law was still under consideration at that time, the WA Co-operatives Act was developed in consultation with the Co-operatives National Law working group. Consequently, the WA Co-operatives Act already incorporates most elements of the national law.

Debate interrupted, pursuant to temporary orders.

[Continued on page 8460.]

*Sitting suspended from 4.15 to 4.30 pm*