



# Co-opsInfo

Newsletter published by The Consumer Protection Division of Department of Commerce



## 2012 The International Year of Co-operatives

The United Nations General Assembly has declared 2012 to be the International Year of Co-operatives. Throughout the year there will be numerous events to increase awareness of the co-operative business model and to promote growth and international cooperation amongst co-operatives and government.

The Australian launch was held on 22 November 2011. Representatives of Western Australian co-operatives attended a launch event at the UWA Business School. Commemorative stamps and coins will aim to raise community awareness of the co-operative business model.

As co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity, the theme of the International Year of Co-operatives is "co-operative enterprises build a better world".

*"Through their distinctive focus on values, co-operatives have proven themselves a resilient and viable business model that can prosper even during difficult times."*

- UN Secretary-General Ban Ki-moon.



## Help us help you

The date for repeal of the *Companies (Co-operative) Act 1943* is fast approaching. The final date for an existing co-operative to apply to be registered under the new *Co-operatives Act 2009* is 31 May 2012. From 31 August 2012 all co-operatives must be registered under this new Act.

Details of how these changes will affect your co-operative are contained in this newsletter and advice is available through the Co-operatives Unit on (08) 6364 3070.

## Out with the old and in with the new

Goodbye to the *Companies (Co-operative) Act 1943*!

As you are no doubt aware, the *Co-operatives Act 2009*, which came into effect in 2010, contains provisions which repeal the *Companies (Co-operative) Act 1943* at the end of a two year transition period.

**The transition period will end on 31 August 2012.**

The new Act requires all co-operatives registered under the "1943 Act" to commence winding up, assume another form of incorporation or apply to register under the new *Co-operatives Act 2009* before 31 May 2012.

The Department of Commerce has attempted to contact all co-operatives which have not applied to transfer so far to find out whether they are still trading. If we are unable to establish contact with a co-operative, or are informed that it is no longer active, it may be struck off the register and cease to be incorporated.

If the co-operative is still active but has simply not registered, the Registrar can determine what action should be taken. Using the model rules or an amended version of the model rules, the Registrar has the power to register the co-operative under the new Act without an application being made but it would be better to have the cooperative make that decision.

## IN THIS ISSUE

- Year of Co-operatives
- Out with the old and in with the new
- Help us help you
- Changes to Charges
- Director Details
- Failing to register

Welcome to the fourth edition of *Co-opsInfo*.

We encourage all co-operatives to circulate this newsletter to members and shareholders so that everyone benefits from the information in it.

## Changes to Charges

Does your co-operative have any charges registered with the Registrar of Co-operatives at the Department of Commerce?

On 30 January 2012, the Register of Co-operative Charges (WA) was replaced by the Personal Property Securities Register (PPSR). The national PPSR will replace more than 70 different Commonwealth, State and Territory acts and registers used to regulate personal property used as security.

The *Personal Property Securities Act 2009* (Cth) (PPS Act) is responsible for bringing about the national register. It **removes the need for co-operatives to maintain their own register of charges** under section 95 of the *Companies (Co-operatives) Act 1943* or **to report charges to the Registrar of Co-operatives** under Schedule 3 of the *Co-operatives Act 2009*. Creditors who hold charges will be required to register those charges on the PPSR to protect their interests.

Under the PPS Act reforms, co-operatives can no longer rely solely on retaining title to their goods to reclaim them if they supply to customers who become insolvent or bankrupt. They **need** to register on the PPSR.

The PPSR website is now up and running and co-operatives can follow the steps online to register their securities.

For more information on the PPSR or to register, go to **[www.ppsr.gov.au](http://www.ppsr.gov.au)** or call **1300 007 777**



## Director Details

Does your co-operative make directors' details available to the public?

Under the *Co-operatives Act 2009*, co-operatives are required to notify the Registrar of details of their directors and other officers. This replaces the requirement for co-operatives to make the details available to the public at the registered office of the co-operative. The information will be available to the public through the Department of Commerce.

This means that director, secretary and chief executive officer details **must** be provided to the Registrar. These requirements are in addition to the obligations under section 230(1)(a) of the Act for co-operatives to maintain a list of current directors, members and shares for the information of members.

The Registrar must be notified within **28 days** of any changes to director positions. A Form 04 - Statement of Directors' Details should be completed and lodged with the Department.

The good news is that there are no fees to lodge or change this information. The form is available from the Department website at **[www.commerce.wa.gov.au](http://www.commerce.wa.gov.au)** or by calling the Co-operatives Unit on **6364 3070**.



## Failing to register – the consequences

A co-operative which continues to trade, or to own assets, after 31 August 2012 without ensuring that it is registered under the new *Co-operatives Act 2009* will place its officers, members and customers **at risk**. Such a co-operative may be in breach of its legal obligations under the new Act. In addition, common law rights and obligations may continue to exist for members, but the nature of those obligations will be unclear and the Department of Commerce will have no power to intervene or assist.

If you are unsure about any of these obligations please call the Co-operatives Unit on **6364 3070**.

**Don't forget you can now follow us on Twitter @ConsumerWA or become a fan of our Facebook page - Consumer Protection WA**

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