

THE CO-OPERATIVE FEDERATION OF QUEENSLAND



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Committee Secretary
Legal Affairs and Community Safety Committee Parliament House
George Street
Brisbane Qld 4000

RE: CO-OPERATIVE NATIONAL LAW 2020 SUBMISSION TO PARLIAMENTARY COMMITTEE

The Co-operative Federation of Queensland was established in 1945 and has continuously represented its members to government and provided practical advice and assistance to co-operatives generally at a local level across Queensland. It also provides input and support on matters of relevance to all states and on items of substance or direct benefit to all co-operatives (existing or potentially new) for continued co-operative development.

Our major concerns historically have been the discrimination against small co-operatives compared to small proprietary companies with regard to the administration and reporting requirements in previous proposals and capital raising.

We support the progress made in this legislation and its applicable regulations.

However, it is still of major concern that governments at all levels have recognized that growth and inflation have significantly increased the values to which exemptions should apply to decrease red tape. It is our strong belief that these should be automatically equated to the small proprietary companies' exemption levels.

Small co-operatives continue to be discriminated against compared to small proprietary companies with the definitions of consolidated revenue less than \$8 million (small proprietary companies \$50 million), consolidated gross assets including controlled entities \$4 million (small proprietary companies \$25 million) and employee numbers including controlled entities 30 (small proprietary companies 100).

We strongly endorse the proposed exemption provisions for very small co-operatives.

We note that the CNL provides for additional capital raising (CCU's).

We note that the expense of developing new Rules will not be required in most instances. Aspects of the CNL reducing compliance costs that have been approved at an Annual General Meeting consistent with the CNL provisions will apply.

We also note that the fees and charges to be set have been revised to be consistent with previous fees and charges in Queensland.

Because of the benefits to Queensland Co-ops, we support the proposed legislation.

A handwritten signature in black ink that reads "James Howard". The signature is written in a cursive style and is positioned above the printed name.

James Howard

**EXECUTIVE DIRECTOR
CO-OP QLD**