



Speech By  
**Melissa McMahon**


**MEMBER FOR MACALISTER**

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Record of Proceedings, 16 June 2020

## **ASSOCIATIONS INCORPORATION AND OTHER LEGISLATION AMENDMENT BILL**

### **CO-OPERATIVES NATIONAL LAW BILL**

 **Mrs McMAHON** (Macalister—ALP) (12.28 pm): I stand before the House to make a brief contribution to the two bills before the House, the Co-operatives National Law Bill and the Associations Incorporation and Other Legislation Amendment Bill. I will speak to the cooperatives bill first as a member of the Legal Affairs and Community Safety Committee that considered the bill. I would like to acknowledge my fellow committee members, the wonderful secretariat team and, of course, the submissions received from the stakeholders.

Cooperatives are democratically controlled, jointly owned enterprises created for common economic, social and cultural needs and goals. There are some 165 cooperatives operating in Queensland across differing fields such as consumer goods, marketing, health and housing services, and community resources. This bill will repeal the Cooperatives Act and apply the cooperatives national law.

As a background, the cooperatives national law was developed with New South Wales appointed as the host jurisdiction but based on Queensland's Cooperatives Act. All states had agreed to participate in the Ministerial Council on Consumer Affairs to implement the national legislation. These laws commenced in New South Wales and Victoria in 2014, South Australia, Northern Territory and Tasmania in 2015, and Western Australia and ACT in 2017. However, despite these laws being modelled on Queensland laws as being the best in the country at the time, the Newman government withdrew Queensland from the national agreement.

Now we consider the benefits of Queensland co-ops participating in the national agreement under the cooperatives national law, and these include the reduction of reporting for small cooperatives. The cost of audited statements on an annual basis can be a large expense for small not-for-profits and other co-ops. They will still be required to report and provide financial records but will only need to produce audited documents when required to do so. It will provide for automatic mutual recognition in other jurisdictions. There is currently a cost for Queensland co-ops that are classed as 'foreign cooperatives' to register and operate in another state. By participating in the national agreement, it will reduce costs and red tape for Queensland co-ops, and they will no longer be disadvantaged in growing their operations into other states. Other improvements include increased governance to modern standards and updated directors' and officers' duties. The submitters supported Queensland participating in the cooperatives national law, and I support the bill as well.

In turning to the Associations Incorporation and Other Legislation Amendment Bill, I thank the Education, Employment and Small Business Committee for its consideration. In coming to the House to contribute to this bill, I did catch a bit of the shadow Attorney-General's contribution in which he indicated that that side of the House appears to have a monopoly on supporting community and other

associated incorporations. While loathe to turn this into some kind of contest where I rattle off a shopping list of how many cooperatives are in our organisations and our electorates—having been and worked in the community sector and as part of an associated incorporation during the Newman government years—the community sector knows exactly how much support they will have from an LNP government. The services of our not-for-profits were being privatised. They were ready to close their doors and sack their staff because they knew the funding dried up under an LNP government. They know exactly what is at stake when an LNP government is in charge and is funding the community sector.

In contributing to this debate, I declare that I hold a management committee position as president of my local Beenleigh District Community Development Association, better known as the Beenleigh Neighbourhood Centre. I have held this voluntary position for over five years. There have been significant changes in the not-for-profit sector over the past 10 years, particularly with the establishment of the Australian Charities and Not-for-profits Commission. I attest that, for small associations managed by predominantly volunteer positions, many of the regulations governing them can be quite daunting and time consuming. If you look at who currently sits on these management committees and boards, you see the same types of people—committed and dedicated volunteers who have a vast amount of localised corporate knowledge. This is great to see, but I am often concerned about how accessible and inviting such positions are for younger people or those with limited experience in the sector. Any attempts to reduce reporting burdens are welcomed.

One of the key objectives of the bill is to reduce regulatory burden. The primary reporting reduction introduced by this bill will be the exemption of associations that are registered with the Australian Charities and Not-for-profits Commission from Queensland government reporting requirements. It is anticipated that the removal of these additional reporting requirements will benefit over 16½ per cent of all incorporated associations in Queensland. Further, reduction in regulatory burdens include instances where a small association would not ordinarily have to report annually but for an unusual, non-reoccurring payment or a payout that triggers a requirement for an annual report as if it were a larger association.

I outline to the House that, even within my small organisation, the preparation of annual financial statements costs thousands of dollars, often an amount out of reach for smaller end associations. In these instances, the association will be able to apply to the chief executive to seek a declaration that the association is small and to report in such a manner. It is also timely that associations have the ability to conduct meetings using communications technology without requiring specific rules in their incorporations allowing such. Whilst I am lucky in my association's instance that we already had rules that gave us the option to continue our management meetings via Zoom, not all have that rule already standing. Certainly, during COVID-19 many committees have not been able to meet to implement rule changes to allow it. The ability to meet remotely has allowed us to be flexible and agile around COVID-19 changes and around the impacts on the community sector. The stakeholders and submitters were supportive of the bill. I commend the bills to the House.