Ref:

Date:



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Hon Kate Doust MLC
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C/o Tracey Sharpe, Committee Clerk
Standing Committee on Uniform Legislation and Statutes Review Committee
Legislative Council
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Dear Member,

Inquiry into Co-operatives Amendment Bill2015

Thank you for your letter of 24 November 2015 inviting the Ord Irrigation Co-operative Ltd (OIC) to make a submission to the Inquiry.

The Committee's terms of reference for the Inquiry concern whether the clauses of the Bill may impact upon the sovereignty and law making powers of the Parliament of Western Australia.

OIC has reviewed the Bill and makes the following comments.

OIC considers that bringing Western Australian co-operatives law into closer alignment with the co-operatives laws of other States, as expressed in the Co-operatives National Law being adopted by other States, is a positive step for our State.

Co-operatives are an intrinsic and valuable part of Australian economic production and regional community life. Western Australia is home to the nation's largest co-operative, CBH, and the State's co-operatives also make the largest contribution of all the States to the national economy, as a proportion of GDP.

Much of that valuable economic contribution comes from regional food and businesses, all associated with rural and regional businesses, run by farmers and people in farming supply chains prepared to commit their capital and effort to the State's food and fibre sectors. This means, in economic and social terms, that Western Australian co-operatives lie at the centre of regional town and country life, which make up so much of the unique character of what it is to be Western Australian, from the South-West to the East Kimberley.

Our irrigation co-operative in in the iconic Ord River district of the internationally-renowned East Kimberley region of Australia's fast-developing North, has been and will be in the future an essential part of Western Australian economic and social development. OIC and its members are proud to be part of Western Australian history, and are just as enthusiastic about the Ord district's potential to contribute to the development of Northern Australia, as both the State and the nation embark on the major project of developing the regions above the tropic of Capricorn, including through the extension of existing and creation of new agriculture, horticulture and food and fibre enterprises.

In our experience, co-operative business structures are ideal for lowering costs and promoting development and prosperity for farmers and related services, especially in areas such as ours, which confront typically Western Australian challenges of remoteness, distance, developing infrastructure and other supply chain and distribution costs.

Accordingly, we support the approach the State is taking to amending the existing Co-operatives Act, which dates from as recently as 2009. We are comfortable that this approach is appropriate for Western Australia. By adopting this approach, rather than simply enacting verbatim the Co-

operatives National Law model text in the manner of other Australian jurisdictions, OIC feels that the unique character of Western Australian co-operatives' approach to food, fibre, farming and governance will be preserved, while at the same time enabling WA co-operatives and new enterprises to take advantage of the national integration of co-operative structures through consistent regulations across the States. Growth prospects will be greatly facilitated by this, without sacrificing State autonomy or sovereignty or the law making powers of the Parliament of Western Australia.

For these reasons and with respect to specific clauses, we do not consider that the State's sovereignty and the law making powers of the Parliament of Western Australia are adversely impacted in any material aspect.

We would be happy to consider further any issue the Committee identifies in this regard, prior to finalisation of the Committee's report.

Yours faithfully

Mathew Dear

General Manager

Ord Irrigation Cooperative Ltd

And on behalf of the Ord Irrigation Asset Mutual Cooperative Ltd