

# **BUILDING SOCIETIES FUND BILL 1992**

## **EXPLANATORY NOTES**

The objects of the Bill are fourfold—

- 1.** To establish the Building Societies Fund which will be utilised to defray the costs of supervision for building societies under the Financial Institutions Scheme;
- 2.** To appropriate a specified amount from the Consolidated Fund to be paid to statutory reserves of continuing building societies;
- 3.** To reduce the balance of the Permanent Building Societies Contingency Fund and to provide for its closure;
- 4.** To provide that any surplus remaining on the winding up of the Combined Bowkett and Building Society Limited be paid to the Building Societies Fund.

## **PART 1—PRELIMINARY**

*Clause 1* specifies the short title.

*Clause 2* provides for the commencement of the Act.

*Clause 3* defines expressions used in the Act.

*Clause 4* binds the Crown.

## **PART 2—BUILDING SOCIETIES FUND**

*Clause 5* establishes the Fund

*Clause 6* provides that the Fund is established for the purposes of—

- (a)** using the income earned by the Fund to defray the cost of supervision incurred by building societies under the Financial Institutions Legislation;

(b) contributing to the establishment and operational expenses of AFIC and QOFS;

(c) paying the expenses incurred in administering the Fund.

*Clause 7* provides that the Building Societies Fund consist of \$25 000 000 which is appropriated from the Consolidated Fund and that the Fund also consist of interest and other income gained from the investment of money comprising the Fund and all other money lawfully paid into the Building Societies Fund.

*Clause 8* allows QOFS to invest money standing to the credit of the Fund in any way it considers appropriate.

*Clause 9* specifies payments which may be made from either the capital of the Fund or the capital and income of the Fund

*Clause 10* requires QOFS to provide a report on the operations of the Building Societies Fund during the year to the Minister within 4 months after the end of each financial year. The Minister must cause a copy of the report to be laid before the Legislative Assembly within 14 sitting days of the Minister receiving the Report.

### **PART 3—PAYMENT TO CONTINUING BUILDING SOCIETIES**

*Clause 11* provides that an amount be paid from the Consolidated Fund to a statutory reserve of each of those continuing building societies that were in operation at the commencement of the Financial Institutions Scheme.

### **PART 4—AMENDMENT OF BUILDING SOCIETIES ACT 1985**

*Clause 12* provides that the balance of the Permanent Building Societies Contingency Fund, less \$500 000, be paid to the Consolidated Fund. The provision also provides for the closure of the Contingency Fund.

## **PART 5—WINDING UP OF COMBINED BOWKETT AND BUILDING SOCIETY LIMITED**

*Clause 13* provides that the winding up of Combined Bowkett and Building Society Limited is to continue as for a voluntary winding up of a company under the Corporations Law and that on the completion of the winding up the remaining property is to be paid into the Building Societies Fund.

*Clause 14* provides that compensation is not payable to a certain persons in relation to the distribution of the property of Combined Bowkett and Building Society Limited.

### **SCHEDULE**

Sets out the names of the continuing building societies and the amounts to be appropriated to each.