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Title:
Credit Union League's 10th anniversary dinner

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ALAN HODGSON, MR O'MEARA, MR LOUGHTON, MY PARLIAMENTARY COLLEAGUES,
 MR NOBLETT, LADIES AND GENTLEMEN , 2.10.76
 THANKS VERY MUCH FOR ASKING ME TO JOIN YOU FOR YOUR 10TH ANNIVERSARY DINNER.
 THE CREDIT UNION LEAGUE HAS MADE A GREAT CONTRIBUTION IN THOS TEN YEARS,
 TO THE POINT WHERE YOUR ORGANISATION HEAS 19 MEMBER CREDIT UNIONS , AND
 ALMOST 40,000 PEOPLE BELONG TO THOSE CREDIT UNIONS. I'M SURE THE
 REPRESENTATIVES OF THOSE FOUR CREDIT UNIONS WHICH STARTED THE LEAGUE
 IN 1966 MUST FEEL PROUD OF THE WAY THE LEAGUE HAS PROGRESSED SINCE THEN.
 THERE IS A STILL A GREAT DEAL TO DO, OF COURSE, PARTICULARLY IN BRINGING
 THE CREDIT UNION S TO MORE PEOPLE AND ALSO IN BRINGING CREDIT UNIONS
 IN THE STATE TOGETHER. BUT THE ENTHUSIASM AND E DEDICATION WHICH THE
 LEAGUE HAS SHOWN SINCE 1966 WILL MAKE THOSE OBJECTIVES ATTAINABLE, TOO.
 CREDIT UNIONS ARE A VERY OLD FORM OF CO-OPERATIVE ORGANISATION. THEY
 ALLOW PEOPLE TO GET TOGETHER, POOL THEIR RESOURCES ANDMAKE THEIR OWN CAPITAL.
 THE IMPORTANT DIFFERENCE IS THAT CREDIT UNION MEMBERS ARE WORKING TO
 SHARE THE GAINS EQUALLY AND MUTUALLY, AND NOT MAKE PROFITS FOR PEOPLE

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OUTSIDE THE ORGANISATION.

WHEN WE CONSIDER THAT CREDIT UNIONS IN THIS STATE HAVE ASSETS OF MORE THAN
 \$42 MILLION, IT'S OBVIOUS THAT CREDIT UNIONS ARE BECOMING AN INCREASINGLY
 POPULAR SOURCE OF FINANCE AND ALSO AN INCREASINGLY POPULAR PLACE FOR
 DEPOSITING MONEY.

AS MORE PEOPLE JOIN CREDIT UNIONS AND AS THEIR WAGES RISE, THE AMOUNT OF
 MONEY ENTRUSTED TO YOUR MOVEMENT WILL INCREASE AND THAT MEANS ADDITIONAL
 RESPONSIBILITIES FOR EACH CREDIT UNION INDIVIDUALLY AND THE WHOLE MOVEMENT
 GENERALLY.

CREDIT UNIONS MUST ENSURE THAT THEY HAVE THE FINANCIAL AND ADMINISTRATIVE
 EXPERTISE TO BEST ADMINISTER THEIR MEMBER'S FUNDS. THAT NEED HAS PROBABLY
 BEEN MADE EVEN MORE ESSENTIAL BECAUSE OF THE INFLATIONARY TREND OF RECENT
 YEARS AND THE GENERAL DEPRESSED ECONOMIC SITUATION

I KNOW CREDIT UNIONS WITHIN YOUR LEAGUE ARE VERY CONSCIOUS OF THIS PROBLEM. THE GOVERNMENT FOR ITS PART WANTS TO ENCOURAGE THE CREDIT UNION MOVEMENT IN SOUTH AUSTRALIA WHILE AT THE SAME TIME FULFILLING ITS RESPONSIBILITIES TO ENSURE THAT THEY ARE WELL MANAGED AND SOUND.

THAT'S VERY MUCH A MUTUAL OBJECTIVE AND I KNOW, FROM THE ASSISTANCE YOU HAVE GIVEN THE GOVERNMENT WHILE WE HAVE BEEN WORKING ON THE NEW CREDIT UNION ACT, HOW CONCERNED YOU ARE TO ENSURE THAT THIS COMES ABOUT.

THE CREDIT UNION ACT WILL BE BEFORE PARLIAMENT SOON. IT HAS TAKEN LONGER TO ANALISE THAN WE EXPECTED BUT, AS YOUR LEAGUE WOULD KNOW, WE HAVE BEEN ANXIOUS TO ENSURE THAT THIS ACT IS THE BEST WE CAN DEVISE. THE STATE GOVERNMENTS ARE TRYING TO ENSURE UNIFORMITY BETWEEN THE STATES WITH REGARD TO THIS TYPE OF LEGISLATION, AND THIS HAS SLOWED DOWN OUR WORK. THERE WILL, OF COURSE, BE SOME CHANGES IN EACH STATE TO TAKE ACCOUNT OF LOCAL SITUATIONS.

OUR NEW LEGISLATION WILL COVER THE OBJECTIVES AND POWERS OF CREDIT UNIONS - BORROWING, LENDING AND INVESTMENT POLICIES, CAPITAL AND RESERVES AND ANNUAL ACCOUNTS.

A NEW SYSTEM OF REGISTRATION WILL BE ESTABLISHED FOR CREDIT UNIONS AND ASSOCIATIONS OF CREDIT UNIONS BECAUSE WE REALISE THAT CREDIT UNIONS ARE NOW A SPECIALISED ORGANISATION AND SHOULD BE TAKEN OUT FROM UNDER THE INDUSTRIAL AND PROVIDENT SOCIETIES ACT.

ONE IMPORTANT FEATURE OF THE LEGISLATION WILL BE A CREDIT UNION STABILISATION FUND TO PROVIDE FINANCE FOR CREDIT UNIONS WHO ARE IN TEMPORARY FINANCIAL DIFFICULTIES. THE FUND WILL BE ADMINISTERED BY A BOARD OF MANAGEMENT AND WILL BE FINANCED BY A LEVY ON CREDIT UNIONS OF A PROPORTION OF THEIR NET SHARE CAPITAL AND MONIES DEPOSITED. THE BOARD

WILL BE ABLE TO SUPERVISE THE AFFAIRS OF A CREDIT UNION, TO APPOINT AN ADMINISTRATOR AND IN SPECIAL CASES, BE ABLE TO DIRECT THE AMALGAMATION OF CREDIT UNIONS.

THE LEGISLATION HAS BEEN DRAWN UP AFTER A GREAT DEAL OF DISCUSSION WITH YOUR MOVEMENT AND THE PROVISIONS OF THE NEW LEGISLATION ARE IN NO WAY INTENDED TO IMPLY THAT WE DON'T HAVE FAITH IN THE ABILITY OF CREDIT UNIONS TO HELP A SIGNIFICANT SECTION OF THE COMMUNITY.

INDEED, WE WANT CREDIT UNIONS TO HELP MORE PEOPLE AND WE WANT THIS ACT TO STRENGTHEN THE CREDIT UNION MOVEMENT AND TO PROVIDE A QUICKER AND MORE EFFICIENT SYSTEM FOR THEIR FORMATION , REGISTRATION AND MANAGEMENT.

IN KEEPING WITH THE GOVERNMENT'S PHILISOPHY THAT CONSUMERS SHOULD BE GIVEN CERTAIN PROTECTIONS IN TRANSACTIONS, CREDIT UNION AFFAIRS WILL NOW BE PARTIALLY UNDER THE CONSUMER CREDIT ACT SO THAT CREDIT UNIONS WILL HAVE TO COMPLY WITH REQUIREMENTS SUCH AS THE DISCLOSURE OF TRUE RATE OF INTEREST

AND OTHER ESSENTIAL TERMS. DESPITE THE CO-OPERATIVE NATURE OF CREDIT UNIONS THEIR MEMBERS ARE STILL CONSUMERS AND THE GOVERNMENT IS PLEDGED TO PROVIDE PROTECTIONS FOR ALL CONSUMERS, REGARDLESS OF THE STATUS OR IDENTITY OF THE LENDER.

THE BILL WILL, I AM CONFIDENT, PROVIDE CLEAR AND UP TO DATE GUIDELINES FOR YOUR MOVEMENT AND WILL ALSO ENABLE YOU TO INCREASE YOUR MEMBERSHIP KNOWING THAT THERE ARE GUARANTEES AND PROTECTIONS FOR BOTH THE INDIVIDUAL AND THE CREDIT UNION.

THE GOVERNMENT HAS GREAT FAITH IN THE CREDIT UNION MOVEMENT AND WE ARE VERY THANKFUL FOR THE CO-OPERATION WE HAVE RECEIVED IN DRAFTING THIS BILL, PARTICULARLY FROM YOUR LEAGUE.

THANKS VERY MUCH FOR ASKING ME TO YOUR DINNER. IT'S BEEN A VERY SUCCESSFUL FIRST TEN YEARS AND I'M SURE THE NEXT TEN WILL LEAD TO EVEN MORE SPECTACULAR GROWTH.