

TANGANYIKA



No. 72 OF 1962

I ASSENT

R. J. M. M. M.
Governor-General

27TH NOVEMBER, 1962

An Act to amend the Co-operative Societies Ordinance

[-----]

ENACTED by the Parliament of Tanganyika.

1. This Act may be cited as the Co-operative Societies Ordinance (Amendment) Act, 1962, shall be read as one with the Co-operative Societies Ordinance (hereinafter called the Ordinance) and shall come into operation on such date as the Minister may, by notice in the *Gazette*, appoint.

Short title
construction
and
commence-
ment
Cap. 211

2. Section 2 of the Ordinance is hereby amended-

(a) by inserting immediately after the definition "agricultural produce" contained therein the following new definitions: -

Section 2
of Cap. 211
amended

"annual net surplus" means such portion of the total income received or accrued during any year as remains after deductions have been made therefrom in respect of all expenditure incurred during that year and after adequate provision has been made for the depreciation of fixed assets and against future bad debts, depreciation, taxation and losses;

"annual net balance" means such portion of the net surplus for any year as remains after deductions have been made therefrom in respect of the reserve fund and the share transfer fund and after provision has been made for the proper conduct of the society and a dividend (if any) has been paid on the share capital;"

(b) by inserting immediately after the definition "Minister" contained therein the following new definition: -

"national society" means a registered society the area of whose operations extends throughout Tanganyika;" and

(c) by deleting the definition "secondary society" and substituting therefor the following new definition: -

" 'secondary society' means a registered society which does not contain any members who are individuals."

3. Section 7 of the Ordinance is hereby amended as follows:-

(a) by re-numbering the same as section 7 (1);

Section 7 of
Cap. 211
amended

(b) by deleting from the last line of subsection (1) thereof as so re-numbered the comma and words ", whose decision shall be final"; and

(c) by adding immediately after subsection (1) thereof the following new subsection:-

"(2) Any person aggrieved by a decision of the registrar given under subsection (1). may in writing appeal to the Minister whose decision shall be final."

Section 9 of
Cap. 211
amended

4. Section 9 of the Ordinance is hereby amended by deleting subsection (2) thereof and substituting therefor the following new subsection:-

"(2) The application shall be signed-

- (a) in the case of a society which after registration will be a primary society, by at least ten members thereof qualified in accordance with the requirements of subsection (1) of section 6; and
- (b) in the case of a society which after registration will be a secondary society by a duly authorized person on behalf of every registered society or other body which is a member of such society."

Section 16 of
Cap. 211
amended

5. Section 16 of the Ordinance is hereby amended by deleting the proviso thereto and substituting therefor the following new proviso:-

"Provided that the by-laws of a secondary society may provide for the attendance at general meetings of delegates from the societies or other bodies who are members of such secondary society, and the member societies and other bodies shall each be entitled to so many votes, not exceeding three, as may be provided for in the by-laws of the secondary society."

New section
inserted in
Cap. 211

6. The Ordinance is hereby amended by inserting immediately after section 35 thereof the following new section to be numbered 35A:-

'Constitution
of committee
35A.-(1) Every committee shall consist of not less than four members including the chairman of the committee and the vice-chairman (if any).

(2) The members of a committee who are elected at an election held after the date of coming into operation of the Co-operative Societies Ordinance (Amendment) Act, 1962, shall hold office for a period of three years from the date of their election, and shall be eligible for re-election:

Provided that in the case of those members of a committee who are elected to the committee at the first election to be held after the date of coming into operation of the aforesaid Act, one-third of such members, to be determined by ballot drawn by the Chairman at the first meeting of the committee held after such election, shall retire at the expiration of a period of one year from the date of their election and of the remaining members one-half, to be determined as aforesaid, shall retire at the expiration of a period of two years from the date of their election.

(3) For the purposes of the proviso to subsection (2), the expressions 'one-third' and 'one-half' shall mean respectively the nearest whole number below one-third and the nearest whole number below one-half."

7. Section 36 of the Ordinance is hereby repealed and replaced by the following new section:-

Section 36 of
Cap. 211
repealed and
replaced

"Restrictions on payments to committee" **36.** No member of the committee of a registered society shall-

- (a) hold any office of profit under the society; or
- (b) receive any honorarium from the society:

Provided that a member of the committee of a primary society may, if a resolution to that effect is passed at a general meeting of the society, and with the prior written permission of the registrar, be paid annually out of the annual net balance of that society, an honorarium not exceeding five hundred shillings."

8. Section 37 of the Ordinance is hereby amended as follows:-

Section 37 of
Cap. 211
amended

- (a) in subsection (1) thereof, by deleting from the fifth and sixth lines the words "by order in writing" and substituting therefor the words "report the matter to the Minister and, on receiving such report, the Minister may, by order in writing";
- (b) in subsection (2) thereof, by deleting from the first line of the proviso the word "registrar" and substituting therefor the word "Minister";
- (c) in subsection (3) thereof, by deleting from the first line the word "registrar" and substituting therefor the word "Minister";
- (d) in subsection (4) thereof, by deleting from the first line the word "registrar" and substituting therefor the word "Minister";
- (e) in subsection (5) thereof, by deleting from the first line the word "registrar" and substituting therefor the word "Minister"; and
- (f) in subsection (7) thereof, by deleting from the first line the word "registrar" and substituting therefor the word "Minister"

9. Section 45 of the Ordinance is hereby amended as follows:-

Section 45 of
Cap. 211
amended

- (a) by deleting the words "Governor in Council of Ministers" wherever they appear therein, save where they appear in subsection (3) and substituting therefor in each case the word "Minister"; and
- (b) in subsection (3) thereof, by deleting from the third and fourth lines the words "and shall inform the Governor in Council of Ministers of the substance of such objections"

10. Section 45c of the Ordinance is hereby amended by deleting the words "Governor in Council of Ministers" wherever they appear therein and substituting therefor in each case the word "Minister"

Section 45C of
Cap. 211
amended

11. Section 46 of the Ordinance is hereby amended by deleting subsection (4) thereof and substituting therefor the following new subsection:-

"(4) In the case of a marketing or consumers' society, the annual net balance may be divided up amongst members in proportion to the volume of business which each member has transacted with the society, and, in the case of any other society, the annual net balance may be devoted to reducing the cost of services to members."

Section 46 of
Cap. 211
amended

- Section 47 of
Cap. 211
amended
- 12.** Section 47 of the Ordinance is hereby amended as follows:-
- (a) in subsection (2) thereof, by deleting from the third line the words "net balance in each year" and substituting therefor the words "annual net surplus"; and
 - (b) in subsection (3) thereof, by deleting from the second line the words "net balance in each year" and substituting therefor the words "annual net surplus"
- Section 48 of
Cap. 211
amended
- 13.** Section 48 of the Ordinance is hereby amended by deleting the first line thereof and substituting therefor the following:-
"Subject to the provisions of this Ordinance, the annual net balance,".
- Section 49 of
Cap. 211
amended
- 14.** Section 49 of the Ordinance is hereby amended as follows:-
- (a) by inserting immediately after the word "registrar" in the first line thereof the words "in the case of a primary society and to the consent of the Minister in the case of any other society";
 - (b) by deleting the words "twenty per centum" in the fourth line thereof and substituting therefor the words "fifty per centum"; and
 - (c) by deleting the words "the net balance in any accounting period after such allocations to the reserve fund as the rules and by-laws required have been made" and substituting therefor the words "the annual net balance of that society".
- Section 50 of
Cap. 211
amended
- 15.** Section 50 of the Ordinance is hereby amended as follows:-
- (a) in subsection (1) thereof-
 - (i) by deleting the word "registrar" in the first line and substituting therefor the word "Minister"; and
 - (ii) by deleting from the third and fourth lines the words "hold an inquiry or";
 - (b) in subsection (2) thereof-
 - (i) by deleting from the third line the words "the registrar or , and
 - (ii) by deleting the word "registrar" in the last line and substituting therefor the word "Minister"
- Section 55 of
Cap. 211
amended
- 16.** Section 55 of the Ordinance is hereby amended by adding immediately after subsection (2) thereof the following new subsection:-
"(3) The registrar may, after inquiry and with the prior approval of the Minister, cancel the registration of any primary society which, having been a member of a secondary society, is expelled or withdraws from membership of such secondary society."
- Section 60 of
Cap. 211
amended
- 17.** Section 60 of the Ordinance is hereby amended by deleting from paragraph (t) of subsection (2) thereof the word and figures "section 54" and substituting therefor the words "this Ordinance"
- New sections
inserted in
Cap. 211
- 18.** The Ordinance is hereby amended by inserting immediately after section 60 thereof the following new sections to be numbered 60A and 60B: —

"Appointment
of special
members
to committees

60A.-(1) Notwithstanding any other provisions of this Ordinance, the Minister may, subject to the provisions of this section, appoint special members to the committee of any national society or of any secondary society all the members of which are themselves secondary societies if such national society or secondary society is in receipt of financial assistance from the Government or if the Minister considers such appointments to be necessary in the interests of the national economy.

(2) The number of special members appointed to a committee under this section shall not exceed one-third of the number of ordinary members, including the chairman and vice-chairman (if, any) of the committee.

(3) For the purposes of this section-

(a) a society shall be deemed to be in receipt of financial assistance from the Government-

(i) if within the immediately preceding three years the society has received any grant of money from the Government;

(ii) if any money has been lent to the society by the Government and the loan has not been repaid: or

(iii) if any loan made to the society has been guaranteed by the Government and either the guarantee is still outstanding or the guarantee has been honoured by the Government and the society has not paid to the Government all sums (including interest, if any, thereon) paid by the Government under the terms of the guarantee; and

(b) the expression 'one-third' shall mean the nearest whole number below one-third.

Term of
appointment
and power
of special
members

60B.-(1) A special member of a committee appointed under section 60A shall remain a member of the committee until his appointment is determined by the Minister.

(2) Where the Minister has appointed special members to a committee any such special member may require that any decision taken by such committee shall not have effect until the approval of the Minister has been obtained and, where any such requirement is made in respect of any such decision, the decision shall be of no force or effect and shall not in any way be acted upon until the Minister has signified his approval thereof.

(3) In addition to the powers conferred by subsection (2), a special member appointed to a committee shall, unless the Minister otherwise directs, have all the powers which are had by the ordinary members of that committee."

19. Section 64 of the Ordinance is, hereby amended by deleting from paragraph (a) of subsection (1) thereof the words "by the registrar or other person duly authorized by him in writing in this behalf" and

Section 64 of
Cap. 211
amended

substituting therefor the words "by the Minister, the registrar or any other person duly authorized in that behalf by the Minister or the registrar, as the case may be".

General
amendment
of Cap. 211

20. The Ordinance is hereby amended by deleting the words "Governor in Council" wherever they appear therein except where they form part of the expression "Governor in Council of Ministers" and substituting therefor in each case the word "Minister".

Passed in the National Assembly on the twenty-third day of November, 1962.



Clerk of the National Assembly