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NORTHERN TERRITORY GOVERNMENT MEDIA RELEASE

July 2, 2004

DR PETER TOYNE MLA

Minister for Justice

UNCOLLECTED GOODS LAWS GOOD FOR SMALL BUSINESS

(information sessions start next week)

Businesses left with unwanted goods after people failed to pay for repairs will finally get help to compensate their losses.

Minister for Justice Peter Toyne said the commencement of the Uncollected Goods Act on July 1 allows businesses to sell the items left at their shops to recoup losses.

Businesses who will benefit from these changes are being encouraged to attend information centres throughout the Territory. (see bottom of release)

“This is a great leap forward for small business people – auto shops, electrical repairers, shoe shops and dry cleaners - they’ll all now be able to sell uncollected goods, which have until now, merely taken up valuable space,” Dr Toyne said.

President of the Motor Trade Association Graeme Bevis said he is delighted the former antiquated, complicated, and anti-business laws have been replaced.

“This means motor traders (and others) will be able to sell vehicles when work has been done, and the owners have neither picked the goods up nor paid for them,” Mr Bevis said.

“Up until now it has difficult for traders to follow the legislative requirements let alone fight their way through the jungle of bureaucratic red tape to secure a Court Order to dispose of uncollected goods.”

“With the new streamlined and “business friendly” legislation this process will be much easier whilst maintaining protection and transparency for both consumers and traders,” he said.

Self-storage operators have also welcomed the moved after the Government changed the original legislation so they were also covered by the new laws.

Dr Toyne said the reforms are about commonsense, and making the system fairer for everybody.

“Generally there is no right of sale by the person who has received the goods, unless an agreement has been reached between the parties for their disposal of goods,” Dr Toyne said.

“Yet the person who has received the goods has a duty to take care of the goods.”

The new regime will make it easier for businesses to dispose of goods and will mean they won't be stuck with the cost for insurance, maintenance and storage of the property.

- for goods valued at less than \$200 the receiver may dispose of them after 28 days if the owner is given notice of the intention to dispose of the goods and does not claim them.
- for goods valued at \$200 or more, but less than \$1,000; the owner is given two months notice and then the goods are sold at auction for a fair price.
- for goods valued at \$1,000 or more, but less than \$7,000, the owner is given 3 months notice and the Commissioner of Police must be informed, and a newspaper ad placed, before the goods are auctioned.
- for goods valued over \$7000 a receiver will need a certificate from the Commissioner of Police to certify that the vehicle is not stolen, a REVS search and a court to dispose of the goods.

Why is this change needed?

In 1977, the Northern Territory introduced legislation intended to give those persons with possession of goods a legal avenue for their disposal.

That legislation has undergone little change since its commencement and has been criticised as being unnecessarily complex, confusing, and containing remedies which are time consuming and inappropriate.

Agitation from the community over a number of years and a report by the Northern Territory Law Reform Committee in 2001, prompted the release of an Issues Paper by the Department of Justice in May 2003.

The Review was finalised in August 2003, and it is against the framework of the Review recommendations that the new legislative scheme has been developed.

Based on the Review, this Bill will make a significant difference, primarily for small business, by creating a simpler, more equitable regime for disposal of uncollected goods.

INFORMATION SESSIONS:

Winnellie – Monday July 5, 9/41 Sadgroves Crescent

Palmerston – Wednesday July 7, Palmerston Sports Club

Nhulunbuy – Tuesday 6 July, The Arnhem Club

Katherine – Thursday 8 July, Knotts Crossing Conference Room

Casuarina – Tuesday 13 July, Casuarina Club

Tennant Creek – Wednesday 14 July, Bluestone Motor Inn Conference Room

Alice Springs – Thursday July 15, Mercure Inn Diplomat (Noonies Room)

