

EXPLANATORY STATEMENT

AUSTRALIAN CAPITAL TERRITORY

SALE OF GOODS (VIENNA CONVENTION) ORDINANCE 1987

No 11, 1987

The Sale of Goods (Vienna Convention) Ordinance 1987 ('the Ordinance') provides that the United Nations Convention on Contracts for the International Sale of Goods (adopted at Vienna in 1980) has the force of law in the Territory.

The Convention applies to contracts for the international sale of goods between parties whose places of business are in different countries or where the rules of private international law lead to the application of the law of a country which has adopted the Convention. It contains provisions relating to the formation and operation of such contracts, including provisions as to -

- . the sequence of offer and acceptance necessary for formation of a contract;
- . obligations of the seller, including those concerning delivery of the goods, the time and place of delivery, conformity of the goods with the contract, making good of any deficiency and freedom from third party claims;
- . remedies for breach of contract by the seller, including damages, requirement of performance, delivery of substitute goods, repair, reduction in price and rescission of the contract;

- . obligations of the buyer relating to such matters as the payment of the purchase price and acceptance of delivery;
- . remedies for breach of contract by the buyer, including damages, specific performance and rescission of the contract;
- . passing of risk in the goods;
- . general provisions in regard to anticipatory breach and instalment contracts, damages, interest, exemptions from liability due to an impediment beyond the party's control, the effects of avoidance and preservation of the goods.

The Convention does not apply in general to consumer sales, nor to sales by auction or on execution, sales of stocks, shares etc., of ships or aircraft, or of electricity.

Notes on particular provisions of the Ordinance follow:-

The Preamble refers to the adoption of the Convention at Vienna, Austria and its opening for signature and accession, and to the agreement concluded between the Commonwealth, the States and the Northern Territory that the Convention should be implemented in Australia by separate uniform legislation of the respective States and Territories.

Section 1 cites the short title of the Ordinance.

Section 2 provides that substantive provisions of the Ordinance are to commence on a date to be fixed by notice in the Gazette, but not earlier than the date on which the Convention enters into force in respect of Australia.

Section 3 contains a definition of 'Convention'.

Section 4 provides that the Ordinance is to bind the Crown.

Section 5 gives the Convention the force of law in the Territory.

Section 6 provides that the Convention is to prevail in the event of inconsistency with any other law of the Territory.

Section 7 facilitates the giving of evidence as to the application of the Convention in relation to other countries.

Section 8 makes a consequential amendment of the Seat of Government (Administration) Ordinance 1930, the effect of which is that administration of the Ordinance will be the responsibility of the Attorney-General.

The Schedule contains the full English text of the Convention.

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Authorised by the  
Attorney-General