

AUSTRALIAN CAPITAL TERRITORY

MAGISTRATES COURT (CIVIL JURISDICTION) REGULATIONS
(AMENDMENT)

EXPLANATORY STATEMENT

No. 2 of 1988

The amending Regulation amends the Magistrates Court (Civil Jurisdiction) Regulations ('the Principal Regulations') to prescribe a new rate for pre-judgment interest in the ACT Magistrates Court for the period after 29 February 1988.

The Principal Regulations prescribe the rate of interest applicable in the Magistrates Court for the period between the date on which a cause of action arises and the date when judgment is entered, in cases where interest has been claimed and judgment is entered by default, confession or agreement.

Under section 227B of the Magistrates Court (Civil Jurisdiction) Ordinance 1982 pre-judgment interest, calculated as prescribed by the Regulations, may be included in the amount for which judgment is entered by default, confession or agreement.

The table of interest rates contained in the Principal Regulations is representative of interest costs on small commercial loans during the relevant period. The rates prescribed are based on figures published in the Reserve Bank Bulletin.

As was foreshadowed when the Principal Regulations were made it is proposed to review the last rate prescribed in the table twice yearly. The last rate prescribed is for the period after 30 June 1987.

The amending Regulation reflects the first review of the table. It prescribes a rate of 16.125% for the period after 29 February 1988. It is based on figures for December 1987 contained in the Reserve Bank Bulletin for January 1988.

Authorised by the Minister
for Justice