

1991

AUSTRALIAN CAPITAL TERRITORY LEGISLATIVE ASSEMBLY

*MAGISTRATES COURT (CIVIL JURISDICTION) ACT 1982*

**MAGISTRATES COURT (CIVIL JURISDICTION) REGULATIONS  
(AMENDMENT)**

**EXPLANATORY STATEMENT**

Circulated by authority of

**Terry Connolly  
ATTORNEY GENERAL**

## **MAGISTRATES COURT (CIVIL JURISDICTION) REGULATIONS (AMENDMENT)**

The Regulation amends the Magistrates Court (Civil Jurisdiction) Regulations (the Principal Regulations) to prescribe a new rate of interest for the period after 14 January 1992.

Section 308 of the *Magistrates Court (Civil Jurisdiction) Act 1982* (the Principal Act) provides that the Executive may make rules or regulations, not inconsistent with the Act, prescribing matters necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Section 227B of the Principal Act provides that pre-judgement interest, calculated as prescribed by Regulation may be included in the amount for which judgement is entered by default, confession or agreement.

The Principal Regulations prescribe the rate of interest pursuant to section 227B of the Principal Act for the period between the date on which a cause of action arises and the date when judgement is entered in cases where interest has been claimed and judgement is entered by default, confession or agreement.

The Table of prescribed interest rates (the Table) is derived from figures published in the Reserve Bank Bulletin: F3 Interest Rates and Yields - Overdrafts less than \$100,000. This rate provides a relevant and objective base from which to derive an appropriate interest rate. The interest rate is based on the mean interest rate for a particular month or months.

The Table is normally reviewed as soon as possible after the relevant figures are available in June and December for the previous months of May and November. It is amended only when the change to the prescribed rate would vary up or down by 1% or more.

The downward trend in interest rates in the last quarter of 1991 necessitated a change in the prescribed interest rate. The rate of 15.75% was prescribed for the period after 14 July 1991.

The continued downward trend in interest rates in the second half of 1991 is reflected in the Reserve Bank figures for November 1991, including the rates on which the prescribed rate is based. The amending Regulation reflects these figures. The Regulations prescribe an interest rate of 13.75% for the period after 14 January 1992.

The Regulations will commence on Gazettal.

**Authorised by the Attorney General**