

AUSTRALIAN CAPITAL TERRITORY

CREDIT REGULATIONS (AMENDMENT) 1987

EXPLANATORY MEMORANDUM

No. 4 of 1987

The Credit Ordinance 1985 (“the Ordinance”) regulates the provision of consumer credit in the Australian Capital Territory. In particular, the Ordinance requires consumer credit providers (except banks) to be either licenced or registered under the Ordinance.

Regulations 26 and 27 of the Credit Regulations provide for the application of certain provisions of the Credit Ordinance to registered credit providers and also make transitional arrangements for these credit providers.

The effect of the Credit Regulations (Amendment) 1987 is to set 1 September 1987 as the date from which the obligations of registered credit providers set out in section 171 of the Ordinance will accrue, and to create a transitional period ending on 1 September 1987. During the transitional period, a non-licenced credit provider required to be registered may apply for registration and if application is made within the transition period, the credit provider will be deemed to be registered until the application is determined by the Director of Consumer Affairs.

Details of the amendment are as follows:

Regulation 1 cites the Credit Regulations as the “Principal Regulations”.

Regulation 2 omits the date “1986” in column 2 of the table in sub-regulation 26(4) of the Principal Regulations relating to section 171 and substitutes “1987”.

Regulation 3 omits the date “1986” from paragraph (1)(b) and 5(c) of regulation 27 of the principal Regulations and substitutes “1987”.