

UNCOLLECTED GOODS

The Northern Territory Government's [Uncollected Goods Act 2004](#) will benefit any business left holding unwanted goods as a result of customers failing to pay for or collect goods that have been repaired.

What does the Act do?

The *Uncollected Goods Act 2004* provides a simple and cost-effective way for businesses to dispose of items left on their premises and reclaim any financial losses associated with repairs, storage and insurance.

Businesses such as dry cleaners, watch repairers, shoe repairers, electrical repair shops and motor repair shops are able to take advantage of the uncollected goods process.

Key elements of the Act include:

Simplified methods of disposal

A four tiered value system for disposal notification.

- For uncollected goods valued at less than \$200 the receiver may dispose of them after 28 days if the provider is given notice of the intention to dispose of the goods and does not claim them. Goods may be disposed of by sale, destruction, appropriation or any other means.
- For uncollected goods valued at \$200 or more, but less than \$1,000; the provider, owner and/or any other person having or claiming an interest in the goods is given two months' notice of the impending sale and then the goods can be sold at auction or private sale for a fair price.
- For uncollected goods valued at \$1,000 or more, but less than \$7,000, the provider, owner and any other person having or claiming an interest in the goods is given three months' notice, the Commissioner of Police must be informed, and a newspaper advertisement must be placed 28 days before the goods are disposed of. Goods can be auctioned or sold by private sale for a fair price.
- For uncollected goods valued at \$7,000 or more a receiver will need a Court order to dispose of the goods.

There are special provisions for the disposal of motor vehicles.

Priority payment for repairs

The cost of repairs or services that have not been paid for will take priority over any other security interest holder claiming an interest in the goods. This means the proceeds of sale can be put towards unpaid repairs and the cost of selling the goods.

Record keeping requirements

Businesses need to keep records for three years from the date of disposal of the goods.

Protection for consumers

The Act provides protection for consumers with regard to any uncollected goods.

- Consumers must be notified in accordance with the Act before their goods are disposed of;
- After paying the relevant amount for the repairs, the consumer can still claim the goods at any time prior to the goods being sold;
- Interested parties are able to inspect the records of the receiver;
- The Act provides for dispute resolution for the cost of repairs of the goods; and
- If a receiver does not dispose of uncollected goods in accordance with the Act, the receiver may be liable to a consumer.

Protection for purchasers

A purchaser of uncollected goods can obtain good title to the goods as long as:

- the purchaser is not aware of any failure by the receiver to comply with the Act; and
- the purchaser is not aware that the provider did not have good title to the goods.

A receiver must give a purchaser of a motor vehicle, a receipt that complies with the Act.

A purchaser of a motor vehicle, with an existing registered interest, can apply to have that interest removed.

PPSR Check

The Personal Property Securities Register, most commonly known as the PPSR, is an official government register. It is a public noticeboard of security interests in personal property that is managed by the Registrar of Personal Property Securities.

You can do an online PPSR search to find out if personal property has a security interest against it. If it does, it may mean the property has money owing on it. When you search, you'll get a certificate you can keep as proof of whether or not a security interest was registered at that time. The search only costs a few dollars. If you don't do a search and buy property that has a security interest registered over it, you're at risk of the goods being repossessed even though you've paid for them.

To conduct a PPSR check, go to their website here: <https://www.ppsr.gov.au/>

Notice

The notice that you send to the owner, give to the Police and place in the NT News must contain the following:

- Your name
- A description of the motor vehicle
- The address where the motor vehicle can be collected
- Details of any outstanding service fees
- The amount of money you will keep to cover service fees, storage costs and the sales costs

Disclaimer

NT Consumer Affairs does not provide legal advice and provides no assurance as to the legal accuracy of this flowchart. If you are unsure you should seek independent advice or refer directly to the [Uncollected Goods Act 2004](#) or phone NT Consumer Affairs on 1800 019 319 or email at: consumer@nt.gov.au