

**NORTHERN TERRITORY OF AUSTRALIA**

**ABSCONDING DEBTORS ACT 1978**

As in force at 22 November 2017

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# NORTHERN TERRITORY OF AUSTRALIA

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As in force at 22 November 2017

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## ABSCONDING DEBTORS ACT 1978

**An Act to make provision for and in respect of the apprehension of certain debtors**

### **Part 1 Preliminary matters**

#### **1 Short title**

This Act may be cited as the *Absconding Debtors Act 1978*.

#### **2 Commencement**

This Act shall come into operation on a date to be fixed by the Administrator by notice in the *Gazette*.

#### **4 Interpretation**

(1) In this Act:

***applicant*** means a person who applies for an order or warrant under this Act.

***Court*** means the Local Court or the Supreme Court.

***debt*** means a liquidated debt, whether pursuant to a judgment or otherwise, that is due and payable in the Territory.

***debtor*** includes a person who an applicant alleges owes a debt to the applicant.

***Local Court's jurisdictional limit*** means the jurisdictional limit of the Local Court's civil jurisdiction, as defined in section 12 of the *Local Court Act 2015*.

***property*** includes realty and personalty or an interest, whether legal or equitable, in property.

***wages*** means:

(a) any sum due under:

(i) a contract of employment; or

- (ii) an award or industrial agreement regulating conditions of employment; and
- (b) any sum due for long service leave, annual holidays or sick leave.
- (2) A reference in this Act to the transfer of property includes a reference to the sale, or the assignment otherwise than for valuable consideration, of that property.
- (3) For this Act, a person is satisfied as to all material matters in relation to a debtor if the person is satisfied that there are reasonable grounds for believing that:
  - (a) the debtor owes a debt to the applicant; and
  - (b) the debtor is about to leave the Territory; and
  - (c) failure to arrest the debtor would defeat, endanger or materially prejudice an applicant's prospects of recovering a debt; and
  - (d) the debt:
    - (i) is for wages due by the debtor to the applicant; or
    - (ii) is for an amount not less than the prescribed amount.

## **Part 2                    Issue of warrants**

### **5                    Application for warrant**

- (1) Subject to this Act, a person may, at any time, apply to a Court for a warrant to issue for the arrest of a debtor for the purpose of preventing that debtor from leaving the Territory.
- (2) An application under subsection (1) must be:
  - (a) in the prescribed form; and
  - (b) supported by an affidavit as to all material matters in relation to which the Court is, under section 6(2), required to be satisfied.

### **6                    Issue of warrant**

- (1) A Court may issue a warrant for which an application has been made under section 5 in accordance with this Part.

- (2) A Court must not issue a warrant under subsection (1) unless it is satisfied, after reasonable inquiry, as to all material matters.
- (3) A warrant issued under subsection (1) must:
  - (a) be in the prescribed form; and
  - (b) specify:
    - (i) the amount of the alleged debt; and
    - (ii) the costs, if any, which are claimed by the applicant; and
    - (iii) the name of the person to whom it is addressed; and
  - (c) bear such other endorsements as are prescribed.

## **7 Transmission to Court**

A Court that issues a warrant under this Part must within 24 hours after the warrant has been issued:

- (a) if the debt claimed is not more than the Local Court's jurisdictional limit, transmit:
  - (i) the application for the warrant; and
  - (ii) any affidavit lodged with the application; and
  - (iii) a copy of the warrant;to a registrar of the Local Court; or
- (b) if the debt claimed is more than that limit, transmit:
  - (i) the application for the warrant; and
  - (ii) any affidavit lodged with the application; and
  - (iii) a copy of the warrant;to an Associate Judge.

## **Part 3 Execution of warrants**

### **8 Execution of warrants**

A warrant issued under Part 2 may be executed in the Territory by:

- (a) the person to whom the warrant is addressed; or

(b) a police officer;

within one month from the date of issue of the warrant.

**8A Circumstances in which police officer may execute warrant without having warrant in officer's possession**

- (1) Where, having regard respectively to the location of the place where a warrant under Part 2 is purported to have been issued and the place where it is to be executed, it is not practicable for a police officer to obtain the warrant or a copy of it, the officer may, if he or she believes on reasonable grounds that the warrant is in existence, execute it even though the officer does not have it or a copy of it in his or her possession.
- (2) Where a police officer executes, pursuant to subsection (1), a warrant issued under Part 2, the officer must comply with the requirements of sections 9 and 10(a) in respect of the warrant as soon as practicable after receiving it or a copy of it.
- (3) Where a police officer has executed, pursuant to subsection (1), a warrant purported to be issued under Part 2, and after that execution it is found that the warrant is not in existence, the person for the time being having custody of the person arrested in the purported execution of that warrant must, as soon as practicable after he or she is satisfied that that warrant is not in existence, discharge the arrested person from custody.

**9 Endorsement**

Subject to section 8A(2), a person who executes a warrant issued under Part 2 must endorse the warrant with the time and place of its execution.

**10 Service of warrant**

A person who executes a warrant issued under Part 2 must serve the debtor with a copy of the warrant:

- (a) where the person serving the warrant is a police officer – subject to section 8A(2), as soon as is practicable after the execution of the warrant; and
- (b) otherwise – on the execution of the warrant.

**11 Debtor to be brought before Court**

- (1) A person who executes a warrant issued under Part 2 must immediately take the debtor to the nearest police station.

- (2) The police officer in charge of a police station to whom a debtor is brought in pursuance of subsection (1) must:
  - (a) hold the debtor in custody; and
  - (b) within 24 hours of, or as soon as practicable after, receiving the debtor into custody, bring the debtor:
    - (i) if the debt claimed is not more than the Local Court's jurisdictional limit – before a Court; or
    - (ii) if the debt claimed is more than that limit – before the Supreme Court.
- (3) An endorsement in accordance with section 9 is sufficient authority for a General Manager (as defined in section 10 of the *Correctional Services Act 2014*, to receive the debtor named in the warrant into custody.

## **12 Release**

The police officer in charge of a police station referred to in section 11(1) or the officer referred to in section 11(3) must release a debtor held in custody if:

- (a) the debtor:
  - (i) tenders to the applicant the amount of money specified in the warrant as the debt and costs; or
  - (ii) deposits with that member or the officer for payment into court that amount of money to abide the determination of the claim; or
- (b) the applicant consents in writing to the release; or
- (c) a Court orders that the debtor be released from custody.

## **Part 4 Restraint on transfer or removal of property**

### **13 Application for order restraining transfer or removal of property**

- (1) Subject to this Act, a person may, at any time, apply to a Court for an order restraining:
  - (a) the transfer of any of the property of the debtor situated in the Territory; or

- (b) the removal of any of the property of the debtor out of the Territory.
- (1A) Where an application under subsection (1)(a) relates to property the value of which, in the opinion of the applicant, is not more than the Local Court's jurisdictional limit, the application must be made to the Local Court and, in any other case, to the Supreme Court.
- (2) An application under subsection (1) must be:
  - (a) in the prescribed form; and
  - (b) supported by an affidavit as to the matters in relation to which the Court is, under section 14(2), required to be satisfied.

#### **14 Order restraining transfer or removal of property**

- (1) Upon an application made under section 13, a Court may make such order as it thinks fit.
- (2) A Court must not make an order under subsection (1) unless it is satisfied that there are reasonable grounds for believing that:
  - (a) the debtor owes a debt to the applicant; and
  - (b) the debtor has an interest in property situated in the Territory; and
  - (c) the property in which the debtor has an interest is about to be:
    - (i) transferred; or
    - (ii) removed from the Territory; and
  - (d) failure to make the order would defeat, endanger or materially prejudice the applicant's prospects of recovering the debt; and
  - (e) the debt:
    - (i) is for wages due by the debtor to the applicant; or
    - (ii) is for an amount not less than the prescribed amount.

#### **15 Hearing of applications**

- (1) Subject to this section, a Court may hear and determine an application under section 13 *ex parte*.
- (2) A Court may order that:
  - (a) a copy of the application under section 14 be served on; or



(b) notice of that application be given to;  
any person.

(3) If a person other than the debtor has an interest in property specified in an application under section 13 the Court must order that:

(a) a copy of the application be served on; or  
(b) notice of that application be given to;

that person, and that person may take part in the proceedings as if he or she were a party to the proceedings.

## **Part 5                   Hearing of proceedings**

### **16           Powers of Court**

Subject to this Part, the Court before whom a debtor is brought under section 11(2)(b) or 14(2) may make such order as it thinks fit including an order:

- (a) that the debtor be released, either conditionally or unconditionally, from custody; and
- (b) that the debtor undertakes, in writing in a form approved by the court, that he or she will not leave the Territory or a specified part of the Territory, as the case may be, until an amount of money specified by the court is paid; and
- (c) that the debtor give security, either with or without surety, for the payment of a specified sum; and
- (d) that the debtor pay a specified sum to the applicant or to another person; and
- (e) that the debtor pay a specified sum into court to await the finalisation of any other action upon the debt; and
- (f) that the debtor be committed into the custody of the Commissioner of Correctional Services:
  - (i) in such a manner; or
  - (ii) for such a period; or
  - (iii) under such conditions;as the court considers just; and

- (g) that the applicant take such action within such time and in such manner as the Court considers necessary or desirable for the recovery of the debt.

### **17 Release of debtors**

If the Court referred to in section 16 is not satisfied beyond reasonable doubt as to all material matters, it must order that the debtor be released from custody.

### **18 Failure to comply with conditions**

- (1) A police officer may arrest without a warrant a debtor who is conditionally released from custody under section 17 and whom the officer reasonably suspects has failed, or is about to fail, to comply with a condition to which the debtor's release from custody was subject.
- (2) A police officer who arrests a debtor under subsection (1) must within 24 hours of, or as soon as practicable after, the arrest of the debtor:
- (a) if the order under which the debtor was released from custody was made by the Local Court – bring the debtor before the Local Court; or
- (b) if that order was made by the Supreme Court – bring the debtor before a Supreme Court Judge.
- (3) The Court referred to in subsection (2) may revoke the order under which the debtor was released if it is satisfied that:
- (a) there has been a failure by the debtor to comply with a condition under which the debtor was released; or
- (b) the debtor is about not to comply with that condition.
- (4) A Court that revokes an order under subsection (3) may make such further order as it thinks fit including any order which it could have made, had the revoked order not been made.

### **19 Hearing of claims for debt**

- (1) A Court before whom proceedings are brought under this Act may, subject to this section, hear and determine a claim for the alleged debt as if the proceedings under this Act were proceedings for the recovery of the alleged debt.

- (2) A Court must not hear and determine a claim for a debt in any proceedings brought under this Act unless the debtor and the creditor agree.
- (3) The Court may make such orders as it thinks fit to enable the matter to be continued as proceedings in an action in the Court.
- (4) A decision in any proceedings under this section has effect as a decision of the Court, and may be enforced accordingly.

## **Part 6                      Review**

### **20                      Applications for review**

- (1) A debtor may, at any time, apply to the Supreme Court for an order that:
  - (a) any warrant issued against the debtor be set aside; or
  - (b) the debtor be discharged from custody; or
  - (c) any order previously made under this Act by the Local Court be varied or quashed.
- (2) Subject to subsection (3), an application under subsection (1) must be:
  - (a) in writing; and
  - (b) in the prescribed form; and
  - (c) filed in the Supreme Court.
- (3) An application under subsection (1) may, at the discretion of the Supreme Court, be made, heard and determined:
  - (a) by telephone; or
  - (b) by radio; or
  - (c) in such other manner as the Supreme Court may direct.

### **21                      Review**

The Supreme Court may make such orders in respect of an application under section 20 as it thinks fit.

**22 Restraint on further applications**

If:

- (a) a warrant issued under this Act is set aside; or
- (b) an order made under this Act is quashed;

under this Part, the applicant must not make any further application for a warrant under Part 2 or an order under Part 4 against the debtor in respect of the same debt or part thereof within 6 months after the date of that warrant or order, as the case may be, unless the applicant introduces further information in support of his or her application that was not and could not reasonably have been introduced at the time when the warrant or order set aside or quashed, as the case may be, was applied for.

**23 Appeals**

Proceedings in the nature of an appeal brought by any person from any order made under this Act do not in any way restrict or limit the powers of the Court under this Part.

**Part 7 Miscellaneous matters****24 Protection of persons executing warrants**

- (1) A person who executes under this Act a warrant for the arrest of a person does not incur any civil liability if the person acts reasonably and without actual knowledge of a defect in the warrant or of lack of jurisdiction in the person who issued the warrant.
- (2) A police officer who executes under section 8A(1) a warrant purported to be issued under Part 2 does not incur any criminal liability if, after that execution, it is found that the warrant is not in existence.

**25 Offence**

A person must not falsely, frivolously, vexatiously or oppressively make an application under section 5 (which relates to applications for warrants) or 13 (which relates to applications for orders restraining the transfer or removal of property).

Maximum penalty: 35 penalty units or imprisonment for 2 years.

**26 Procedure**

Subject to:

- (a) this Act; or
- (b) any Rules of Court; or
- (c) any order or direction of the Court;

where:

- (d) the amount of the debt is more than the Local Court's jurisdictional limit – the practice and procedure applicable to proceedings in the Supreme Court, in so far as is practicable, apply to proceedings under this Act; or
- (e) the amount of the debt is not more than that limit – the practice and procedure applicable to proceedings in the Local Court, in so far as is practicable, apply to proceedings under this Act.

**27 Other jurisdictions or powers**

Nothing in this Act restricts or limits:

- (a) any other jurisdiction or powers exercisable by or vesting in the Supreme Court; or
- (b) any other remedies a person may have against a debtor.

**29 Rules of Court**

The Chief Justice may make Rules of Court under the *Supreme Court Act 1979* prescribing:

- (a) the practice and procedure to be followed; and
- (b) the forms to be used; and
- (c) the fees to be paid;

under this Act.

**30 Regulations**

The Administrator may make regulations not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act (matters in respect of which Rules of Court may be made under section 29 excepted).

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**ENDNOTES**
**1****KEY**

Key to abbreviations

**amd = amended**  
**app = appendix**  
**bl = by-law**  
**ch = Chapter**  
**cl = clause**  
**div = Division**  
**exp = expires/expired**  
**f = forms**  
**Gaz = Gazette**  
**hdg = heading**  
**ins = inserted**  
**lt = long title**  
**nc = not commenced**

**od = order**  
**om = omitted**  
**pt = Part**  
**r = regulation/rule**  
**rem = remainder**  
**renum = renumbered**  
**rep = repealed**  
**s = section**  
**sch = Schedule**  
**sdiv = Subdivision**  
**SL = Subordinate Legislation**  
**sub = substituted**

**2****LIST OF LEGISLATION*****Absconding Debtors Act 1978 (Act No. 125, 1978)***

Assent date           21 December 1978  
 Commenced           5 December 1980 (*Gaz G49*, 5 December 1980, p 1)

***Statute Law Revision Act 1979 (Act No. 98, 1979)***

Assent date           10 August 1979  
 Commenced           26 October 1979 (*Gaz G43*, 26 October 1979, p 1)

***Absconding Debtors Act 1979 (Act No. 114, 1979)***

Assent date           28 September 1979  
 Commenced           1 August 1981 (s 2, s 2 *Local Courts Act (No. 2) 1979* (Act No. 115, 1979 and *Gaz G29*, 23 July 1981, p 10)

***Statute Law Revision Act (No. 2) 1981 (Act No. 63, 1981)***

Assent date           20 July 1981  
 Commenced           20 July 1981

***Statute Law Revision Act (No. 4) 1981 (Act No. 4, 1982)***

Assent date           12 February 1982  
 Commenced           12 February 1982

***Absconding Debtors Amendment Act 1983 (Act No. 22, 1983)***

Assent date           24 June 1983  
 Commenced           24 June 1983

***Local Courts (Consequential Amendments) Act 1989 (Act No. 14, 1989)***

Assent date           5 June 1989  
 Commenced           1 January 1991 (s 2, s 2 *Local Court Act 1989* (Act No. 31, 1989) and *Gaz G49*, 12 December 1990, p 2)

***Statute Law Revision Act 2003 (Act No. 12, 2003)***

Assent date           18 March 2003  
 Commenced           18 March 2003

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**Police Administration Amendment (Powers and Liability) Act 2005 (Act No. 11, 2005)**

Assent date 17 March 2005  
Commenced 20 April 2005 (*Gaz* G16, 20 April 2005, p 5)

**Justice Legislation Amendment (Penalties) Act 2010 (Act No. 12, 2010)**

Assent date 20 May 2010  
Commenced 1 July 2010 (*Gaz* G24, 16 June 2010, p 2)

**Statute Law (Miscellaneous Provisions) Act 2011 (Act No. 44, 2011)**

Assent date 21 December 2011  
Commenced 27 January 2012 ((other than amdts to *Darwin Port Corporation Act 1983* and *Marine Act 1981* listed in the Sch to Act) *Gaz* S3, 27 January 2012))

**Correctional Services (Related and Consequential Amendments) Act 2014 (Act No. 27, 2014)**

Assent date 4 September 2014  
Commenced 9 September 2014 (*Gaz* S80, 9 September 2014, p 2)

**Local Court (Related Amendments) Act 2016 (Act No. 8, 2016)**

Assent date 6 April 2016  
Commenced 1 May 2016 (s 2, s 2 *Local Court (Repeals and Related Amendments) Act 2016* (Act No. 9, 2016) and *Gaz* S34, 29 April 2016)

**Supreme Court Amendment (Associate Judges) Act 2017 (Act No. 18, 2017)**

Assent date 5 September 2017  
Commenced 22 November 2017 (*Gaz* S84, 21 November 2017, p 1)

### 3 GENERAL AMENDMENTS

General amendments of a formal nature (which are not referred to in the table of amendments to this reprint) are made by the *Interpretation Legislation Amendment Act 2018* (Act No. 22, 2018) to: ss 1, 4, 11 and 29.

### 4 LIST OF AMENDMENTS

pt 1 hdg	ins No. 44, 2011, s 10
s 3	rep No. 14, 1989, s 7
s 4	amd No. 98, 1979, s 4; No. 63, 1981, s 2; No. 14, 1989, s 7; No. 44, 2011, s 27; No. 8, 2016, s 45; No. 18, 2017, s 36
pt 2 hdg	amd No. 44, 2011, s 27
ss 5 – 6	amd No. 14, 1989, s 7; No. 44, 2011, s 27
s 7	amd No. 114, 1979, s 3; No. 14, 1989, s 7; No. 44, 2011, s 27; No. 8, 2016, s 45; No. 18, 2017, s 36
pt 3 hdg	amd No. 44, 2011, s 27
s 8	amd No. 44, 2011, s 27
s 8A	ins No. 22, 1983, s 3 amd No. 44, 2011, s 27
s 9	amd No. 22, 1983, s 4; No. 44, 2011, s 27
s 10	amd No. 22, 1983, s 5; No. 44, 2011, s 27
s 11	amd No. 114, 1979, s 3; No. 14, 1989, s 7; No. 12, 2003, s 18; No. 44, 2011, s 27; No. 27, 2014, s 57; No. 8, 2016, s 45
s 12	amd No. 14, 1989, s 7; No. 44, 2011, s 27
pt 4 hdg	amd No. 44, 2011, s 27



## ENDNOTES

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- s 13            amd No. 98, 1979, s 4; No. 4, 1982, s 3; No. 22, 1983, s 6; No. 14, 1989, s 7; No. 8, 2016, s 45
- s 14            amd No. 98, 1979, s 4; No. 14, 1989, s 7; No. 44, 2011, s 27
- s 15            amd No. 63, 1981, s 2; No. 14, 1989, s 7; No. 44, 2011, s 27
- pt 5 hdg        amd No. 44, 2011, s 27
- s 16            amd No. 14, 1989, s 7; No. 44, 2011, s 27; No. 27, 2014, s 57
- s 17            amd No. 14, 1989, s 7; No. 44, 2011, s 27
- s 18            amd No. 14, 1989, s 7; No. 44, 2011, s 27; No. 8, 2016, s 45
- s 19            amd No. 63, 1981, s 2; No. 14, 1989, s 7; No. 44, 2011, s 27
- pt 6 hdg        amd No. 44, 2011, s 27
- s 20            amd No. 14, 1989, s 7; No. 44, 2011, s 27
- s 21            sub No. 14, 1989, s 7
- s 22            amd No. 44, 2011, s 27
- s 23            amd No. 14, 1989, s 7; No. 44, 2011, s 27
- pt 7 hdg        amd No. 44, 2011, s 27
- s 24            sub No. 22, 1983, s 7  
amd No. 11, 2005, s 15; No. 44, 2011, s 27
- s 25            amd No. 12, 2010, s 3; No. 44, 2011, s 27
- s 26            amd No. 114, 1979, s 3; No. 14, 1989, s 7; No. 44, 2011, s 27; No. 8, 2016, s 45
- s 27            amd No. 14, 1989, s 7
- s 28            rep No. 14, 1989, s 7
- s 29            amd No. 63, 1981, s 2; No. 44, 2011, s 27