

Question No: 242

Question: Territory Loans Management Corporation

Date: 17/11/92

Member: Mr EDE

To: TREASURER

1. Did the Chief Minister announce on 23 April 1991, that outstanding loans managed by the Territory Loans Management Corporation would be sold to private sector financiers.
2. Have these loans been sold; if not, why not.
3. What are the future plans for these loans.

ANSWER

1. The Chief Minister stated on 23 April 1991 that -

Outstanding industry support loans of the Northern Territory Development Corporation, now managed by the Territory Loans Management Corporation, will be sold.

2. No. However, 9 loans have been repaid ahead of their repayment schedules as a result of negotiations with the borrowers and their financiers, and 4 other loans have been finalised.

The remaining loans remain unsold to this point essentially because of -

- (a) legal difficulties in selling loans without approval of the borrower; and
- (b) difficulties in finding a buyer for the poorer-performing loans without a government guarantee of their repayment.

3. The Territory Loans Management Corporation will continue to encourage all borrowers to repay their loans as soon as possible, on terms that yield the best possible financial outcome for the Territory.