

REGULATION IMPACT STATEMENT

The following is a Regulation Impact Statement relating to the Second-hand Dealers Regulations (the Regulations). The regulations list the second-hand goods that are to be regulated by the *Second-hand Dealers Act 1906* (the Act) and the records that second-hand dealers are to keep on the items they buy and sell. The regulations give effect to recent amendments to the Act.

This sector of the retail market has traditionally been regulated due to its proximity to the stolen goods market. Thieves have, in the past, utilised unsuspecting second-hand dealers to dispose of the proceeds of their crimes. Regulating this industry limits the potential for stolen goods to be disposed of via second-hand dealers and increases the likelihood of the police recovering any stolen goods sold to second-hand dealers.

Identification of the problem

- The recent amendments to the Act provide that the regulations are to specify the goods to be regulated as ‘second-hand goods’ and the specific records that second-hand dealers are to keep on the goods that they buy and sell. Without these regulations, there will be no requirement for second-hand dealers to keep records on the goods they buy or sell and there will be confusion in the market as to the goods to be regulated by the Act.

Objectives of the Regulations

- The recent amendments to the Act provide that the regulations are to specify the goods to be regulated as ‘second-hand goods’ and the specific records that second-hand dealers are to keep on the goods that they buy and sell.

Options for achieving the objectives

- The only option for defining ‘second-hand goods’ and making record keeping requirements is to amend the Act. This will not simplify the process, and will cause confusion in the industry prior to the commencement of any amendment to the Act.
- A further option is to remove the requirements for second-hand dealers to keep records of the goods they buy and sell. Removing this requirement would decrease the likelihood of the police recovering stolen goods sold to second-hand dealers and would remove a valuable source of police intelligence on theft.

Conclusion and recommended option

- The making of these regulations is recommended, as it will clarify the rights and responsibilities of second-hand dealers by specifying the goods to be regulated as ‘second-hand goods’ and the specific records that second-hand dealers are to keep on the goods that they buy and sell.