

Review laws on bankruptcy

Written by Administrator

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I WAS having high tea with a couple of fellow computer systems engineers. As the conversation became more personal, one engineer said his father has been a bankrupt for the last 20 years or so.

Most of us were taken aback by this revelation, especially by the fact that someone can be a bankrupt for 20 long years. That evening I called up a lawyer friend of mine to chat over this topic. My lawyer friend pointed out that while businesses are protected by a seven-year limit from creditors, the same protection is not available to individuals. To me, this sounds rather unusual. This young engineer's father was a contractor working with a housing developer. The owners of this company abandoned the entire project and migrated to Canada, leaving the contractor with a mountain of debts which eventually led to his bankruptcy.

But the story doesn't end here. Because this contractor is a bankrupt, he cannot take legal action against the owners of the housing developer.

My question is, if convicted criminals can take legal action against anyone, even while in prison, how is it that this contractor cannot have access to the courts just because he is a bankrupt?

Now, looking at the number of people losing their jobs and the number of businesses closing down due to the slowdown, let's hope and pray that this will not turn the country into a nation of bankrupts, and that the best business is the loan shark business.

Since the new administration is going to review some of our laws, perhaps it should give some thought to our bankruptcy laws.

At least many of us out there can sleep better at night if it does.

SHELL-SHOCKED, Puchong.

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