



The Hon Greg Smith SC
Attorney-General
New South Wales Minister for Justice



The Hon Robert Clark MP
Attorney-General
Minister for Finance
Minister for Industrial Relations

Joint Media Statement

Friday, 6 December 2013

NSW and Victoria sign up to uniform legal profession regulation

The Victorian and New South Wales governments have agreed on a uniform scheme for regulation of the legal profession in their two states.

Attorney-General for Victoria Robert Clark, and Attorney-General for NSW Greg Smith SC, yesterday signed an Intergovernmental Agreement on a Legal Profession Uniform Framework for the new scheme.

The scheme will create a common legal services market across the two jurisdictions, which together house almost three quarters of Australia's lawyers.

Other jurisdictions will be encouraged to join the scheme in future, and will be able to do so without the need for changes to the framework or legislation.

The scheme originated in a COAG process in 2009 that sought uniform national regulation for the legal profession.

Victoria and NSW have now agreed upon substantial changes to improve the original COAG proposal in order to avoid duplication of regulatory bodies and functions, halve the costs of the scheme and decentralise its administration.

The signing of the IGA has been welcomed by both Attorneys-Generals.

"This reform has been a long time coming and I am pleased NSW and Victoria have today signed this agreement. This is fantastic news for consumers and lawyers alike," Mr Smith said.

"We look forward to kicking off the uniform scheme next year, and to housing the administrative bodies in Sydney. I also acknowledge the benefits this scheme will bring to practitioners in border towns, who will be able to practise more easily on both sides of the NSW/Victorian border.

"I also thank the Law Society of NSW for their generous contribution to the start-up costs of the scheme and their leadership in helping to make these reforms a reality."

"The changes to the scheme negotiated between Victoria and NSW mean the scheme will have much lower costs and provide far greater autonomy for each jurisdiction in how their local regulators are structured," Mr Clark said.

"However, at the same time the uniform scheme means that lawyers and clients in NSW and Victoria will operate under a single seamless set of laws, rules and policies.

“We believe this revised structure will make the uniform scheme much more affordable and attractive for other jurisdictions, and we hope that other jurisdictions will decide to join the scheme once they have had the chance to see it in operation.”

The scheme will see the establishment of a new Legal Services Council with members from each participating jurisdiction. The Council will have responsibility for recommending any future changes to the Uniform Framework, and for making Uniform Rules and, along with the Commissioner for Uniform Legal Services Regulation, issuing guidelines under the scheme.

A statutory Admissions Committee is also to be established, which will include judicial representatives nominated by the NSW and Victorian Chief Justices. The Committee will be responsible for developing the Admissions Rules and advising the Council on matters relating to admissions.

Local regulatory bodies including professional associations and legal services commissioners will continue to carry out regulation in each jurisdiction in accordance with the uniform laws, rules and policies.

The new arrangements will make it simpler for lawyers to do business within and across state borders, will strengthen the standing of Australian lawyers in international legal services markets, and will improve protections for clients.

Under the uniform arrangements:

- Clients will benefit from a new requirement that law firms may only charge legal costs that are fair and reasonable.
- Law firms will benefit from a single set of rules governing matters such as the requirements for maintaining and auditing trust accounts, continuing professional development requirements and billing requirements.
- Firms seeking to engage foreign lawyers to undertake specialised legal work will benefit from a simplified process for admitting foreign lawyers to practise Australian law.
- Smaller firms and sole practitioners will benefit from a short, standard-form of costs disclosure which may be provided as an alternative to full costs disclosure in matters where total costs are not likely to exceed \$3,000. As is presently the case, no costs disclosure will be required for matters worth less than \$750.
- The scheme clarifies that in-house practitioners may act for related entities.
- Prospective lawyers will benefit from a single set of admissions requirements.

Each jurisdiction will fund a share of the ongoing and start-up costs of the scheme and the Law Society of NSW has also contributed to the start-up costs of the scheme.

As the ‘host’ jurisdiction for the uniform law, Victoria intends to introduce the Uniform Legal Profession Law to its Parliament with the law to be applied in NSW through subsequent NSW legislation. NSW will host the administrative bodies established by the uniform scheme.

The scheme has target commencement date of 1 July 2014.