Be From the Deputy Premier and Attorney-General

Friday, 13 March, 2009

Victoria calls for national legal regulator

The Brumby Government today proposed a national regulator for the legal profession to simplify rules across jurisdictions and reduce regulatory costs for law firms.

Deputy Premier and Attorney-General Rob Hulls said a national regulator would promote more consistent regulatory practice and iron out variations between jurisdictions.

"The Brumby Government is a national reform leader, putting forward actions so Governments can work together to achieve the best for our people, our State and Australia," Mr Hulls said.

"If we are going to be fair dinkum about a national legal profession, then we have to be fair dinkum about having a single national regulator. We can't have eight different sets of rules operating across eight different jurisdictions."

Mr Hulls said a single national regulatory regime could be administered through branch offices in each jurisdiction. States and Territories could continue to have a role through an Intergovernmental Agreement.

Mr Hulls said a national regulator would help streamline a range of areas including:

- Admissions and practising certificates;
- Incorporated legal practices and multi-disciplinary practices;
- Trust account handling:
- · Costs disclosure and billing; and
- Complaints handling and professional discipline.

"These reforms, if enacted, would be the most significant undertaken in relation to legal profession regulation," Mr Hulls said.

"A uniform national approach to the regulation of lawyers would be consistent with an increasingly national and international economy."

Mr Hulls said there could be several approaches to establishing a national regulator. One would be the referral of powers to the Commonwealth by the States, which would enact complementary legislation to allow the Commonwealth to legislate on this topic. Another option would be for the Commonwealth to enact legislation which was then applied in each jurisdiction.

Mr Hulls said he expected States would continue to receive interest earned on solicitors' trust accounts to fund State-based activities, such as law reform, education and legal aid. Other issues to be considered would include the likely impact on professional indemnity and fidelity insurance arrangements.

"Some lawyers have been critical of the costs imposed by different trust accounting, client cost disclosure and professional development requirements between state and territory jurisdictions," Mr Hulls said.

"A national scheme would promote consistency, simplify the regulatory burden, reduce legal costs and assist with the national reform agenda."

Media contact: Meaghan Shaw 9651 5799 or 0409 536 652 www.premier.vic.gov.au