On 1 July 2015, a new regulatory regime for legal practitioners in New South Wales came into operation, with the commencement of the substantive provisions of the Legal Profession Uniform Law (NSW), the Legal Profession Uniform Law Application Act 2014 (NSW), and the associated regulations and rules. Although the structure of the new regulatory regime is new, the substance has not greatly changed: the new regulatory regime is evolutionary rather than revolutionary, building upon earlier moves towards a single, uniform regulatory regime for all legal practitioners in Australia.

The background to the introduction of the new regulatory regime
Since the late 1980s and early 1990s, changes to the regulation of legal services in Australia have largely been driven by economic considerations. By the late 1980s, a belief had taken hold among policymakers that the markets for professional services in Australia, including legal services, were uncompetitive, and that a significant contributing factor to that uncompetitiveness was burdensome professional regulation. It was widely considered by policymakers that professional regulation – which was then primarily or solely the province of the relevant professional body itself – was directed towards reducing competition rather than upholding minimum standards of competence and discipline.

As a result of that view, recent changes to the regulation of the legal profession in Australia have been influenced by two main themes: (i) ‘harmonisation’, and (ii) ‘co-regulation’. Regulatory reforms have sought to harmonise the regulatory regime for the legal profession across jurisdictions in Australia, with the aim of increasing competition for the provision of legal services by creating a national market. Reforms have also sought to introduce a co-regulatory model by which the regulation of the legal profession is not solely the province of the professional bodies but also includes independent (non-legal) regulatory authorities. For example, a series of legislative changes made it possible for a legal practitioner admitted in one Australian jurisdiction to practise in any other Australian jurisdiction.

Since the early 2000s, policymakers have been seeking ways to implement a single national regulatory regime for the legal profession. In 2001, the Standing Committee of Attorneys-General (SCAG) resolved to develop model laws for the regulation of certain aspects of the legal profession, with the view to the model laws being implemented by each Australian jurisdiction. Under the model laws project, uniformity was sought in the following areas: standards for law degrees and practical legal training; a national practising certificate scheme; requirements for the disclosure of information on costs to clients; definitions of misconduct; rules for trust accounts and fidelity funds; and the regulation of incorporated legal practices and multi-disciplinary practices. In 2004, a draft of the Model Laws was released by SCAG, and between 2004 and 2008 new legislation based on the Model Laws was introduced in all Australian jurisdictions except South Australia. However, despite the adoption of new legislation based on the Model Laws, the regulatory regime was still not uniform, since the wording, numbering and structure of each Act differed significantly between jurisdictions.

Building upon the progress towards a uniform national law made by the Model Laws, in 2009 the Council of Australian Governments (COAG), under the auspices of its microeconomic and regulatory reform agenda, set up a taskforce on reform of the regulation of the legal profession which was tasked with, inter alia, drafting a national law for regulation of the legal profession, with the aim that this law would be implemented by all Australian jurisdictions. In December 2010, the taskforce presented final draft versions of the Legal Profession National Law and the National Rules to COAG and to SCAG. The draft National Law and National Rules were largely based upon the provisions of the earlier Model Laws, supplemented by a new national governance structure for the legal profession, including the proposed creation of a National Legal Services Board.

However, following the presentation of the final draft of the National Law, enthusiasm for its adoption diminished among the states and territories. By December 2013, only New South Wales and Victoria remained committed to the implementation of a uniform law. For that reason, in December 2013 New South Wales and Victoria abandoned the COAG process and instead entered into a bilateral Intergovernmental Agreement to develop a uniform law applicable to New South Wales and Victoria. Thereafter, further drafting work was done by New South Wales and Victoria to the National Law and National Rules. The final result of that work is the Legal Profession Uniform Law and associated statutes and regulations, which is based on the draft National Law and National Rules but has been further altered by New South Wales and Victoria and which now more resembles a joint project between the two jurisdictions rather than a national scheme. That legislative scheme commenced in New South Wales and Victoria on 1 July this year.

Even though the new uniform law applies (at least initially) only in New South Wales and Victoria, about 75 per cent of
Australian legal practitioners practise in those two jurisdictions, and so the new regulatory regime constitutes a significant step towards a single, national regulatory regime for the Australian legal profession. Furthermore, the regime has been designed so that the other Australian jurisdictions may join in the future.

The new regulatory regime: continuity and change

For barristers in New South Wales, the regulatory regime is now comprised of the following instruments:

- Legal Profession Uniform Law;
- Legal Profession Uniform Law Application Act 2014 (NSW);
- Legal Profession Uniform Law Application Regulation 2015 (NSW);
- Legal Profession Uniform General Rules 2015;
- Legal Profession Uniform Conduct (Barristers) Rules 2015; and
- Legal Profession Uniform Continuing Professional Development (Barristers) Rules 2015.

These instruments replace the Legal Profession Act 2004 (NSW), the Legal Profession Regulation 2005 (NSW) and the New South Wales Barristers’ Rules 2014.

Despite the legislative regime being entirely new, the substantive changes to the rules and regulations applicable to barristers in New South Wales are not significant. This is because many of the rules and regulations which have been implemented by the uniform laws replicate or are based on rules and regulations that have were previously in place in New South Wales under the old regulatory regime.

Bar News met with Philip Selth, the executive director of the New South Wales Bar Association, and Jennifer Pearce, the association’s in-house counsel, to discuss the new regulatory regime. Both Mr Selth and Ms Pearce were involved in the drafting and implementation of the new legislation.

Mr Selth said that the Bar Association’s members probably noticed little change in their day-to-day practice when the new regulatory regime commenced on 1 July this year. ‘As a jurisdiction, New South Wales has been at the forefront of moves towards the adoption of uniform legislation for some time. The New South Wales Bar Association – both its members and staff – has been deeply involved in drafting the new legislative regime. This has had the result that the new uniform rules and regulations for barristers largely reflect the rules and regulations that already applied to barristers in New South Wales. For example, the provisions of the uniform legislation are mostly carried over from the 2004 Act and 2005 Regulation, generally with only minor substantive changes. The new Barristers’ Conduct Rules are based on the Australian Bar Association’s Model Rules, which were adopted by the New South Wales Bar Association in 2011. The new Barristers’ Continuing Professional Development Rules are based on the Continuing Professional Development Rules that applied in New South Wales immediately prior to 1 July 2015.

Jennifer Pearce, the New South Wales Bar Association’s in-house counsel, agreed that regulatory changes for barristers in New South Wales are relatively minor, at least compared with the changes that have been experience of our Victorian brethren. ‘For barristers in Victoria, the changes have been more significant, because the Victorian Barristers’ Rules which previously applied were not based on the ABA Model Rules. Similarly, the Victorian CPD system was different to the new CPD Rules.’

However, Ms Pearce did emphasise that the new provisions relating to costs, which appear in Part 4.3 of the Legal Profession Uniform Law, effect some substantive changes to the previous provisions relating to costs in Part 3.2 of the Legal Profession Act 2004 (NSW). To that end, earlier in the year, the Costs & Fees Committee of the Bar Association conducted seminars to outline these changes, and published new model Costs Disclosure and Costs Agreement documents in accordance with the terms of Legal Profession Uniform Law. That information is available at the Bar Association’s website: http://www.nswbar.asn.au/for-members/costs-and-billing/

What, then, are the main benefits of the new regulatory regime? Ms Pearce identified the main benefit as being the introduction of a uniform law in both New South Wales and Victoria, the two largest jurisdictions. ‘Previously, the legislation was similar but had important differences. Now, the Legal Profession Uniform Law is a single legislative instrument that applies in both New South Wales and Victoria. Uniform legislation has been finally introduced’, she said. Mr Selth identified the new regime as being the foundation of a national profession for barristers: ‘If you are a New South Wales barrister appearing in a court or tribunal in Victoria, the norms of conduct are now identical, whether the norms of conduct appear in the legislation or professional rules.’

Both Mr Selth and Ms Pearce expressed confidence that other Australian jurisdictions will join the new uniform law regime in the future. ‘The scheme has been designed so that other jurisdictions can join in the future, and there are positive indications that other jurisdictions are considering doing so’, Mr Selth said.
An overview of the Legal Profession Uniform Law and associated legislation, regulations and rules

The new regulatory regime is essentially comprised of: (i) a uniform law and uniform professional rules which are applicable to all practitioners in New South Wales and Victoria; (ii) some state-specific rules and regulations contained in a state Act and Regulations which apply only in the particular state; (iii) new ‘national’ regulatory bodies which are responsible for overseeing the development and implementation of the uniform law, rules and regulations; and (iv) state-based regulatory bodies (called ‘local regulatory authorities’) which are responsible for enforcing the rules and regulations in their jurisdiction.

Legal Profession Uniform Law.

The new regulatory regime has been implemented partly as an ‘applied law scheme’, that is, a cooperative legislative scheme whereby one jurisdiction enacts a model law which is then picked up or applied by another jurisdiction or group of jurisdictions as a law of the jurisdiction.10 Victoria is the host jurisdiction for the Legal Profession Uniform Law (the Uniform Law). In 2014, Victoria passed the Legal Profession Uniform Law Application Act 2014 (Vic) (the Victorian Application Act). The Uniform Law is set out in Schedule 1 to the Victorian Application Act. The Uniform Law applies as a law of Victoria (see s 4 of the Victorian Act). Also in 2014 the New South Wales Parliament enacted the Legal Profession Uniform Law Application Act 2014 (NSW) (the NSW Application Act). Section 4 of the NSW Application Act provides that the Uniform Law applies as a law of New South Wales, as if it were an Act of the New South Wales Parliament.11

The Uniform Law contains provisions relating to: threshold requirements for legal practice (Ch 2); legal practice (Ch 3), including the issuing, suspension and cancellation of practising certificates; business practice and professional conduct (Ch 4), including legal costs (Pt 4.3); dispute resolution and professional discipline (Ch 5); external intervention (Ch 6); investigatory powers (Ch 7); and regulatory authorities (Ch 8).

Legal Profession Uniform Law Application Act 2014 (NSW)

The NSW Application Act, as well as the Legal Profession Uniform Law Application Regulation 2015 (NSW), contain state-specific legislative provisions that apply only to legal practitioners in New South Wales. Similarly, the Victorian Application Act provides rules that apply only to Victorian legal practitioners. The NSW Application Act contains provisions relating to, inter alia: local regulatory authorities (Pt 3); practising certificates and registration certificates (Pt 4); trust accounts and the Public Purpose Fund (Pt 5); particular kinds of legal costs (Pt 6), including a rule-making power for fixed costs in particular types of matters (s 59), maximum costs in personal injury matters (s 61), and costs in civil claims where there are no reasonable prospects of success (s 62); costs assessment (Pt 7); and professional indemnity insurance (Pt 8). The Legal Profession Uniform Application Regulation 2015 (NSW) contains regulations relating to, inter alia: prescribed costs in particular kinds of matters (Pt 5) and costs assessment (Pt 6).

Legal Profession Uniform General Rules 2015

The Legal Profession Uniform General Rules 2015 (the General Rules) are made by the Legal Services Council (a new regulatory body, whose function is discussed below in further detail) under the rule-making power contained in Part 9.2 of the Uniform Law. Therefore, the General Rules apply to all legal practitioners in New South Wales and Victoria. The content of the General Rules is similar to the types of regulations that were previously included in the Legal Profession Regulation 2005 (NSW). Relevantly, the General Rules contain provisions relating to legal costs (Pt 4.3), and conditions of practising certificates (Pt 3.3), including notification requirements for certain offences (reg 15).

Legal Profession Uniform Conduct (Barristers) Rules 2015

The Legal Profession Uniform Conduct (Barristers) Rules 2015 (Barristers’ Conduct Rules) replace the New South Wales Barristers’ Rules 2014. The Barristers’ Conduct Rules are made by the Legal Services Council pursuant to Part 9.2 of the Uniform Law, and apply to barristers in both New South Wales and Victoria.

As noted above, the Barristers’ Conduct Rules are based on the Australian Bar Association’s Model Rules, and so the applicable rules are similar to those contained in the New South Wales Barristers’ Rules 2014 which were also based on the Model Rules. However, there is a substantive change to the rules in relation to a barrister appearing as counsel assisting an investigative or inquisitorial tribunal. Barristers appearing as counsel assisting are no longer bound by any prosecutor’s duties;22 however rules 97–100 of the Barristers’ Conduct Rules set out new rules applying to barristers appearing as counsel assisting. Another substantive change is to the anti-discrimination and harassment rules, with new definitions of ‘discrimination’, ‘sexual harassment’ and ‘workplace bullying’.
Legal Profession Uniform Continuing Professional Development (Barristers) Rules 2015

This set of rules, which may be referred to as ‘the Barristers’ CPD Rules’, is also made by the Legal Services Council pursuant to Part 9.2 of the Uniform Law, and so apply to barristers in both New South Wales and Victoria. As noted above, the Barristers’ CPD Rules are based on the CPD Rules that applied to barristers in New South Wales prior to 1 July 2015. Therefore, barristers’ CPD obligations are generally unchanged. However, there is now a requirement to keep a record of engagement in CPD activities by filling out a form provided by the Bar Association, which must be retained for three years (rule 12). The prescribed form is available at the Bar Association website.

The categories of CPD activities have also been renamed, with ‘Ethics and Professional Responsibility’, ‘Practice Management and Business Skills’, ‘Substantive Law, Practice and Procedure and Evidence’ and ‘Barristers’ Skills’ replacing the previous categories.

The regulatory framework established by the Uniform Law

Chapter 8 of the Uniform Law establishes several new regulatory bodies to oversee the new regulatory regime: the Standing Committee of Attorneys-General, the Legal Services Council, the Commissioner for Uniform Legal Services Regulation, and the Admissions Committee.

These new regulatory bodies are effectively a ‘national’ or ‘inter-jurisdictional’ regulatory superstructure for the legal profession in New South Wales and Victoria, because they are intended to operate alongside the regulatory bodies that previously exercised functions under the Legal Profession Act 2004, which will continue to exercise functions under the Uniform Law. The Uniform Law continues to rely on ‘local regulatory authorities’ to exercise regulatory powers in a particular ‘local’ jurisdiction. These reforms further continue and entrench the co-regulatory model of regulation of the legal profession, since most of the positions on the new regulatory bodies may be filled by persons without legal expertise.

In the carve up of responsibilities between New South Wales and Victoria, Victoria was designated as the ‘host jurisdiction’ for the Uniform Law and New South Wales was designated as the ‘host jurisdiction’ for the Legal Services Council and the Commissioner for Uniform Legal Services Regulation. Therefore, both the council and the commissioner are based in Sydney.

The Standing Committee

In order of precedence, the first new regulatory body (if it may be described as such) is the Standing Committee of Attorneys-General (the Standing Committee), which is comprised by the attorneys-general of the participating jurisdictions (therefore, presently only the attorneys-general for New South Wales and Victoria). The Standing Committee has a general supervisory role in relation to the Legal Services Council, the commissioner for Uniform Legal Services Regulation, and local regulatory authorities (s 391). The Uniform Law also confers other functions on the Standing Committee, such as the power to appoint members of the Legal Services Council.

The Legal Services Council

The Legal Services Council (the council) is established by s 394(1) of the Uniform Law. Section 394(2) of the Uniform Law sets out the objectives which the council is to pursue, which include: monitoring the implementation of the Uniform Law and ensuring its consistent application across participating jurisdictions (s 394(2)(a)); ensuring that the Legal Profession Uniform Framework remains ‘efficient, targeted and effective’ and promotes the maintenance of professional standards (s 394(2)(b)); and also ensuring that the Framework accounts for the interests and protection of clients (s 394(2)(c)). Schedule 1 to the Uniform Law sets out further provisions relating to the constitution, functions and powers of the council.

As to its membership, the council is constituted by five members drawn from the participating jurisdictions, with the council appointed for a term of three years. The appointment of members to the council is by the ‘host attorney general’, which apparently is the Victorian attorney-general, with appointments made on the recommendation of the Law Council of Australia (as to one member), on the recommendation of the Australia Bar Association (as to one member), and on the recommendation of the Standing Committee (as to three members, including the chair). The members of the inaugural council were appointed in October 2014, and are: the Hon Michael Black AC QC (chair), Ms Fiona Bennett, Ms Kim Boettcher, Mr Steven Stevens and Mr Brett Walker SC.

An important function of the council is its power to make Legal Profession Uniform Rules. The rule-making function of the council is set out in Part 9.2 of the Uniform Law and is quite complex (and it is unnecessary to examine in any detail). As noted above, pursuant to that power the council has made the General Rules, the Barristers’ Conduct Rules and the Barristers’ CPD Rules. The council has made equivalent rules
for solicitors. The council has also made the *Legal Profession Uniform Admission Rules 2015*, which apply in both New South Wales and Victoria in relation to the qualifications and training required for admission, as well as admission procedure.

The Commissioner for Uniform Legal Services Regulation

The office of Commissioner for Uniform Legal Services Regulation (the commissioner) is established by s 398(1) of the Uniform Law. The objectives of the office of commissioner are set out in s 398(2) and include: promoting compliance with the requirements of the Uniform Law and the Uniform Rules; and ensuring the consistent and effective implementation of the provisions of the Uniform Law and the Uniform Rules concerning complaints and discipline. Schedule 2 to the Uniform Law sets out further provisions relating to the office of the commissioner. The commissioner is appointed by the host attorney-general on the recommendation of the Standing Committee and with the concurrence of the council. In September 2014 Mr Dale Boucher was appointed as the commissioner.

The Admissions Committee

The council is responsible for establishing an Admissions Committee (s 402(1)). The Admissions Committee has the functions of developing uniform admission rules pursuant to s 426 of the Uniform Law (s 402(2)(a)), giving advice to the council about guidelines and directions of the council relating to admission and any other matters relating to admission (s 402(2)(b)), and giving advice to the council about any matters referred by the council to the Admissions Committee. Schedule 1 to the Uniform Law sets out further provisions relating to the constitution and powers of the Admissions Committee. The Admissions Committee consists of seven persons drawn from the participating jurisdictions, who are appointed by the council in accordance with cl 21 of Schedule 1 to the Uniform Law.

Local regulatory authorities

The new regulatory regime maintains a local regulatory regime for legal practitioners in New South Wales that is similar to the previous regulatory provisions under the *Legal Profession Act 2004*. Section 6 of the Uniform Law defines a ‘local regulatory authority’ as ‘a person or body specified or described in a law of this jurisdiction for the purposes of a provision, or part of a provision, of [the Uniform Law] in which the term is used’. Section 11 of the NSW Application Act then designates particular bodies as a ‘designated local regulatory authority’ to exercise particular functions under a provision of the Uniform Law in New South Wales. The Victorian Application Act does the same for local regulatory authorities in Victoria by designating certain Victorian bodies to exercise particular functions under the Uniform Law in Victoria.

In New South Wales, the local regulatory authorities are: the Council of the New South Wales Bar Association (the ‘Bar Council’), the Council of the Law Society of New South Wales (the ‘Law Society Council’), the NSW legal services commissioner (the ‘NSW Commissioner’), the Legal Profession Admission Board (the ‘NSW Admission Board’) and the Civil and Administrative Tribunal of New South Wales (‘NCAT’).

These authorities all exercised regulatory functions previously under the *Legal Profession Act 2004*, and each authority continues to exercise the same or similar functions under the Uniform Law as it did under the previous legislation.

The Bar Council is the designated local authority for the following regulatory functions under the Uniform Law:

- Investigating instances of and instigating proceedings in respect of unqualified legal practice (s 14);
- Recommending the removal of the name of a person from the Supreme Court roll (s 23(1)(b));
- The grant, renewal, variation, suspension and cancellation of practising certificates; the imposition of conditions on practising certificates; show cause events; and applications for disqualification orders (Chapter 3);
- Compliance audits and management system directions (ss 256, 257);
- Appointment of a manager for a barrister’s law practice (Part 6.4);
- Investigatory powers, except those provisions relating to complaint investigations (Chapter 7);
- Exchanging information (ss 436, 437);
- Issuing evidentiary certificates (s 446); and
- Applying for an injunction to restrain contraventions of the Uniform Law and the Uniform Rules (ss 447–449).

The Law Society Council is the designated local authority for many of the same functions in respect of the regulation of solicitors in New South Wales.

The NSW Commissioner is the designated local authority in New South Wales in respect of complaints (Chapter 5) and complaint investigations (Chapter 7). However, the
Uniform Law provides a power for the NSW Commissioner to delegate any complaints functions under Chapter 5 to a professional association, so long as the professional association is a ‘prescribed entity’ (see ss 405, 406). The NSW Application Act has prescribed both the Bar Council and the Law Society Council as delegates of the NSW Commissioner (see ss 29(c) and 31(1)(c)).

Sections 414 and 415 of the Uniform Law make clear that the relevant designated local authority has exclusive jurisdiction with respect to complaints and investigations concerning any particular practitioner. Section 415 states that nothing in Chapter 8 of the Uniform Law authorises the Standing Committee, the council or the commissioner to investigate a matter relating to ‘any particular conduct’, or to reconsider a prior investigation of ‘any particular matter’, or to reconsider any decision of a local regulatory authority or its delegate. Such investigations are solely for the relevant designated local authority to conduct.

Conclusion

The Legal Profession Uniform Law and the associated legislation, regulations and rules represents an important development in the approach to the regulation of the legal profession in Australia. Finally, after many years of discussion and false starts, two jurisdictions in Australia (in which approximately 75 per cent of the nation’s legal practitioners are based) have adopted a uniform legislative scheme to provide uniform regulations for the legal professionals based in those two jurisdictions. That on its own is a significant achievement. Furthermore, the way in which the legislation is drafted provides the possibility for other jurisdictions to join in the future, and so it may well be that the Legal Profession Uniform Law has finally laid the foundations for a single uniform law regulating all Australian legal practitioners.

Endnotes


2. See Mutual Recognition Act 1992 (Cth), s 17(1); Legal Profession Act 1987 (NSW), s 48Q, Legal Profession Act 2004 (NSW), s 100.

3. See Legal Profession Act 1987 (NSW), s 59D; Legal Profession Act 2004 (NSW), s 686.


5. See Legal Profession Act 2004 (NSW); Legal Profession Act 2004 (Vic); Legal Profession Act 2006 (ACT); Legal Profession Act 2006 (NT); Legal Profession Act 2007 (Qld); Legal Profession Act 2007 (Tas); Legal Profession Act 2008 (WA); Legal Practitioners Act 1991 (SA).


8. Ibid.

9. Other materials relating to the introduction of the new regulatory regime published by the Bar Association can also be accessed via the Bar Association’s website: http://www.nswbar.asn.au/for-members/uniform-law/.


11. Note that because Victoria is the host jurisdiction of the Uniform Law, and to ensure uniformity in its interpretation, the Victorian Interpretation Act 1987 (Vic) applies to interpretation of the Uniform Law and rules made under the Uniform Law, in both jurisdictions: see s 7 of the Uniform Law and s 5 of the NSW Application Act: However, the NSW Interpretation Act 1987 (NSW) applies to the NSW Application Act and any regulations and rules made under that Act.

12. See Barristers’ Conduct Rules, r 96, which provides that the prosecutor’s duties set out in rules 83–95 do not apply to a barrister who appears as counsel assisting an investigative tribunal. Rule 96 also provides that rule 77 (which concerns publication of material concerning a current proceeding in which the barrister is appearing) does not apply to a barrister who appears as counsel assisting.

13. See s 5 of the Uniform Law.

14. That is, the Bilateral Agreement between New South Wales and Victoria.

15. See Schedule 1 to the Uniform Law, d 2.

16. This is despite the New South Wales attorney general being designated as the ‘host attorney general’ for the council: see s 5(4) of the Uniform Law.


18. See Schedule 2 to the Uniform Law, d 2.

19. NSW Application Act, Pt 3.