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Queensland hesitant on national regulation

CHRIS MERRITT

The expansion around the nation of uniform regulation for lawyers has hit a roadblock that can only be cleared by providing a more attractive deal to entice Queensland to join the scheme.

The uniform system already covers NSW, Victoria and Western Australia but Queensland Law Society president Bill Potts is concerned that most of his members could see it as an extra layer of bureaucracy in which the costs would outweigh the benefits.

"As a matter of policy the Queensland Law Society council has always been open to entering a uniform or national scheme but has always insisted on a value proposition — that there be a demonstrable benefit to the broadest group of our membership," Mr Potts said.

"The Law Society has also been conscious of the need to balance the increased cost to practitioners to fund the operations of the Legal Services Council and Commissioner with the benefit to the local profession. We still wish to see the evidence that there is going to be a value proposition and a significant benefit to Queensland Law Society members."

His assessment comes soon after Law Firms Australia, which represents the nation's largest legal practices, said uniform regulation of the profession, if adopted across the nation, would lead to cost savings.

Ross Drinnan, who chairs Law Firms Australia, said the lack of consistency in the regulation of the legal profession imposed an avoidable cost on clients that operated nationally.

Savings from uniform regulation of law firms would be experienced by clients who would no longer need to grapple with cost disclosure and other rules that differed between jurisdictions.

"The compliance burden on law firms that operate in multiple jurisdictions would also be simplified," he said.

Law Firms Australia represents Allens, Ashurst, Clayton Utz,



Queensland Law Society president Bill Potts and, inset, Law Firms Australia chairman Ross Drinnan

MIKE BATTERHAM

Corrs Chambers Westgarth, DLA Piper Australia, Herbert Smith Freehills, King & Wood Mallesons, Minter Ellison and Norton Rose Fulbright.

Mr Potts said the Queensland Law Society would always be open to any scheme that provided direct benefits to its 12,000 solicitors, but "we need to be convinced that the uniform scheme will work effectively for everybody within our membership".

"We don't just mean by that the big firms — while they are a very important part of our demographic and we exist to serve them as well as all of the other 1800

firms throughout Queensland," Mr Potts said.

Western Australia announced last month it would be joining the uniform scheme from July next year, expanding the scheme's coverage from 70 per cent to 75 per cent of the nation's lawyers. From that date, the Legal Services Council that oversees the scheme will be expanded to include at least one representative from Western Australia.

Mr Potts said the move by Western Australia meant it was appropriate for Queensland to again consider joining the scheme — which meant considering

whether it was in the interests of the society's broader membership.

He noted that the current uniform scheme had been preceded by failed moves towards uniform regulation of the profession by the Council of Australian Governments.

"That process came to an end in 2012 with the withdrawal of a number of jurisdictions including Western Australia, South Australia, the ACT, Tasmania and finally Queensland," Mr Potts said.

"At the time the then attorney-general cited his serious concerns about the additional cost and regulations that Queensland

firms would incur under the uniform model.

"The additional layer of central bureaucracy was, at that stage, not considered to be in the best interests of Queensland."

He said the current scheme, which had been initiated by NSW and Victoria in 2015, aspired to be uniform but "different permissible business structures are available to practitioners in each of these jurisdictions".

The experience of lawyers in the states covered by the uniform scheme had also been "quite different".

Mr Drinnan from Law Firms

Australia recognised that many law firms did business only within their home state, but said corporate clients that operated nationally were looking for efficiency gains and uniform approaches to the way they acquired legal services across jurisdictions.

"The legal profession sits uncomfortably within all of that while we maintain differentiated regulatory frameworks in different states," Mr Drinnan said.

He believed Law Firms Australia had the onus of demonstrating to Queensland the extent of the benefits of being part of the uniform scheme.