

Funding initiative

Council of the Law Society has resolved to amend the Public Purposes Trust Act.

The Attorney-General will be asked to amend the Act to enable a seeding grant of up to \$200,000 (under the present Act, there is a ceiling on the percentage of funds allocated for legal aid purposes each year) to be made to a legal assistance fund which will be administered by practitioners under the auspices of the Legal Aid Commission. The object of the fund will be provision of out-of-pocket expenses to claimants whose cases are meritorious but constrained by the costs of litigation.

The eligibility criteria are being settled by a committee comprising Richard Coates, Garry Schneider and Alan Lindsay.

The fund is designed to assist middle-Australia gain access to justice and will not necessarily be means tested. The primary test will be the merits of the action.

Conditional upon granting assistance will be an undertaking that in the event of success the applicant will pay a "contingency" fee back into the fund.

This will be possible because the scheme will be administered under the umbrella of the NT Legal Aid Commission.

There is clearly a need for such an arrangement in the Northern Territory and, indeed, throughout the country.

Many of you will be aware of Victoria's predicament in relation to legal aid -- practitioners accepting legal aid briefs have been requested to donate \$1000 *pro bono* work per annum to help alleviate the legal aid crisis in that state.

Additionally, Victorian practitioners are donating 36 per cent of costs that would otherwise be charged.

I believe most firms would have actions which don't qualify for legal aid but which have merit and could proceed if the solicitors had guaranteed funding for out-of-pocket expenses. There would be no reduction on the party-party costs recovered.

Hopefully, an amendment can be presented to Parliament during the May sittings.

We anticipate that once a seeding grant is available the scheme should become self-funding.

The Society is monitoring a proposal put to the SA Attorney-General by its law society that legal firms should be entitled to a costs "uplift" if they agree to undertake legal work in circumstances where the client is without funds.

The "uplift" term means that a multiplier is applied to the party-party costs recovered.

The multipliers being discussed are 50 per cent where the client provides disbursements and 100 per cent where all costs are met by the solicitors.

This scheme is not dissimilar to one called for by the President of the NSW Law Society, John Marsden, which was reported in the February issue of *Balance*.

The South Australian Attorney, Chris Sumner, has indicated that he has no philosophical objection to the proposal.

This Society will be discussing the issue with our Attorney-General and believes that it could provide more accessibility to the legal system for the general public.

The Society is interested in the views of practitioners and asks for comment by the 22 May.

The Professional Conduct Rules are being amended (still).

In the short term, it is anticipated that the rules in relation to advertising will be amended to allow individual practitioners and firms to decide what is in good taste.

We will model such amendments on the Victorian rules.

The next Council meeting (28 May) will consider allowing fee advertising as a further amendment.

Again, practitioners' views would be appreciated.

It is with great regret that we publish another obituary.

David Barrett practised in the Territory for some twelve years.

He was memorable both professionally and personally. Many of us will mourn his passing.