

# ACTUARIES AND THE LAW

Actuaries and lawyers have been practicing in Australia for well over 100 years, yet there has been little interaction between the two professions. In fact, there are a range of areas where issues facing lawyers can be resolved or assisted with the involvement of an actuary.

## Do you come across these issues with your clients?

- lump sum settlements in lieu of future regular income payments (perhaps arising from negligent action)
- termination of long term leave contracts.
- division of superannuation entitlements as part of divorce settlements.
- corporate litigation involving loss of or reduction of future revenue.
- placing values on life interests or perpetuities.

These are examples of issues where an actuary may be able to provide you with professional support, to assist you in successfully serving your client.

The training of an actuary is in statistical, economic and financial disciplines, which means that they are able to evaluate future financial or contingent events, and to place current day values on these future events.

As part of our practice in Adelaide, we are often asked by local solicitors to provide actuarial certificates to support a case for lost potential income. The approach used to produce the "actuarial multipliers", allowing for future interest rates, inflation and mortality, is accepted in legal processes in South Australia.

An area where actuaries are likely to provide useful advice is for superannuation in divorce cases. The Federal Attorney General has set up a working party to consider the treatment of superannuation entitlements as a separate discrete asset in divorce settlements.

As a result, where entitlements are payable in pension form or are partly vested, it will be necessary to either place a value on the superannuation entitlements or to determine an appropriate scheme for allocating benefits as they become payable in the future.

An actuary may be able to assist you in a difficult financial or superannuation case. I believe that actuaries can provide valuable assistance to the legal profession, which is ultimately to the benefit of your clients.

*Peter Crump  
Managing Director  
Palmer Gould Evans Pty Limited*

## AUSTRADE

### *Helping You Help Your Clients*

Austrade - The Australian Trade Commission, is a Commonwealth Government Statutory Authority with a mission to help exporters win business overseas and to bring investment to Australia.

Located in the Department of Foreign Affairs and Trade portfolio, Austrade provides a wide range of services to exporters, including access to expert support from staff within Australia and in more than 70 overseas posts located in all major export markets around the world.

When companies decide to enter the international marketplace they have to make many decisions. To assist them in this process, Austrade offers a diverse range of services to help companies assess and develop export markets.

Services range from:

- \* advice to help exporters prepare

for the marketplace, including exporter education and counselling, overseas import requirements, seminars, workshops, newsletters and publications.

- \* access to Austrade's world-wide network which identifies market opportunities and makes the information available to Australian companies.

- \* market research services which enable clients to maximise their export potential.

- \* in-market support to assist exporters optimise the time they spend in the market and help minimise their costs.

- \* financial support through a number of export development programs based on joint financial commitment from exporters. These schemes help qualified Australian

exporters prepare, enter and develop overseas markets.

Austrade is seeking the support of members of professional bodies such as the Law Society of the Northern Territory to inform their clients about the range of Austrade services and in particular the availability of export development funding.

Your identification and encouragement of clients who may have export potential, could well set them on the successful path to earning export dollars.

To gain further information about Austrade services and export development, grants which may be available to your clients, write to Austrade, GPO Box 5302, Sydney NSW 2001 or call this dedicated Australia-side number

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