

Budget does nothing to address crisis in legal aid

Legal aid continues to be underfunded to the tune of hundreds of millions of dollars following the release of the 2016-17 federal budget. With the budget intended to be directed toward growth and economic sustainability, Law Council President, Stuart Clark AM, said budgetary inaction on legal aid was a false economy.

“The Productivity Commission’s advice is that money invested in legal aid would yield substantial economic savings, a finding which has not been heeded,” Mr Clark said.

“The ongoing funding crisis in legal aid means thousands of disadvantaged and middle Australians are having to represent themselves in court, causing untold stress and injustice. Without legal aid, many Australians ignore their legal problems with devastating consequences.

“Successive governments have ripped hundreds of millions of dollars from legal aid, meaning many Australians living below the poverty line are now ineligible to receive it. Even people facing the prospect of imprisonment if convicted may not be eligible for a legal aid lawyer.”

Mr Clark said that the Law Council’s concern tonight follows Friday’s disappointing official [response](#) to the Productivity Commission’s [Access to Justice Arrangements](#) report.

“The Productivity Commission recommended an immediate injection of \$200 million for civil law matters alone,” Mr Clark said.

“Unfortunately, the Government has stood by cuts announced in the 2014-15 Budget, as well as further cuts in 2017, which will strip \$12.1 million from community legal centres and \$4.5 million from Aboriginal and Torres Strait Islander Legal Services. In the lead-up to the election campaign we are calling on all parties to reverse these cuts and put an end to the legal aid crisis.”

The Law Council will now officially launch a campaign on legal aid funding, with rallies around the country during National Law Week (16-20 May).

The Law Council also expressed disappointment that the Budget contained no new funding for seriously under-resourced Federal Courts.

“Failing to properly fund the federal courts, including the Family Court and Federal Circuit Court, has significant social and economic costs, which are felt throughout the entire community.

“Projected savings through amalgamation of courts’ administrations should be immediately reinvested back into the court system, which desperately needs it. Quite simply, diminishing the capacity of the courts increases cost and uncertainty for business and is anathema to economic growth and productivity.”

On the positive side, the Law Council noted that the staged cuts to small business and company tax would be of benefit to law firms across the nation.

“The staged reduction in business and company tax will allow legal practices to invest in greater resources and this will provide a benefit to the economy broadly,” Mr Clark said.

“The Australian legal sector has huge potential for growth across our region, and reductions in business and company tax will provide an important boost.”

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