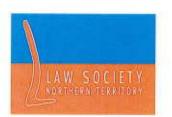
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16 January 2015

Legal Services Council Level 17, 170 Phillip Street Sydney NSW 2001

Via Email: submissions@legalservicescouncil.org.au

Dear Sir/Madam

Uniform Law - General Rules

The Law Society Northern Territory (Society) welcomes the opportunity to make a submission on the proposed Legal Profession Uniform General Rules.

Although the Society is generally supportive of the uniform law, the Society maintains concerns about the impact of the uniform law on a small jurisdiction such as the Northern Territory, particularly in the areas of additional regulation, costs and associated burdens and is not set to adopt it at this stage.

The Society notes the changes proposed in the General Rules in the particular areas of:

- Costs disclosure.
- 2. Providing legal advice on managed investment schemes.
- 3. Exceptions to the prohibition on unqualified legal practice and the definition of a "qualified entity".
- 4. When professional indemnity insurance is required.
- 5. Costs assessment participation.

The above areas are all very topical in the Northern Territory, for example:

- 1. In the Northern Territory a law practice is not required to provide costs disclosure if the total legal costs in the matter (excluding disbursements) are not likely to exceed \$1,500.00 (excluding GST).
 - The Society notes the proposed reduction of this sum to \$750.00 under the General Rules but also the use of a short-form disclosure in matters where the estimate of costs is between \$750.00 and \$3,000.00.
- 2. Professional indemnity insurance and the ongoing viability of a professional indemnity insurance scheme.
- 3. Costs assessments. The Society notes that s.338 of the *Legal Profession Act* (NT) permits a costs assessment to proceed in the absence of a party; consistent with the proposal under the General Rules.

4. Further, the *Legal profession Act* (NT) makes provision for law practices providing legal services to managed investment schemes in general circumstances including where the practice has a prescribed interest in the scheme.

However, there are approximately only 550 legal practitioners in the Northern Territory and in these circumstances it cannot enjoy the benefits of economies of scale. The Society holds general and broad concerns about the implementation costs of the uniform law and the impact it would have by way of additional burdens on legal practitioners, particularly the small and medium sized legal practices, sole practitioners and legal practices outside of the greater Darwin area.

Notwithstanding the above issues, the Society would consider adopting guidelines consistent with the uniform law in any areas deemed appropriate. Any such guidelines could be adopted without legislative reform.

Yours Sincerely

Megan Lawton

Chief Executive Officer

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