

Tuesday, 26 February 2019

Opposition's legal assistance boost would help Australians access justice against banks, financial institutions

Legal assistance for everyday Australians wronged by banks and financial institutions will be substantially increased under a proposed scheme announced by the Federal Opposition today, which has been welcomed by the Law Council of Australia.

Labor's [Financial Rights Access to Justice Package](#) would see a \$120 million contribution over four years from the Banking Fairness Fund to increase the number of financial rights legal assistance lawyers from 40 to 240. These lawyers would work specifically with those impacted by financial service sector misconduct.

Law Council President, Arthur Moses SC, said the need for a significant funding injection into the legal assistance sector was a key finding of the Law Council's landmark [Justice Project Final Report](#), describing Labor's proposed scheme as a major step forward.

"This funding will help consumers, who have been wronged by banks and other financial institutions, pursue justice," Mr Moses said.

"A large number of the cases in front of the Royal Commission were already known. Sadly, many individuals could not afford to make claims because of a lack of legal assistance.

"The Law Council's Justice Project found that credit and debt issues are among the most common legal issues in Australia.

"If this significant announcement comes to fruition, it will make a difference to the lives of countless Australians.

"Money invested in legal assistance is money invested in a fairer Australia. Legal representation should not just be for the rich or powerful," Mr Moses said.

The Justice Project found only a fraction of community legal assistance funding was dedicated to supporting civil matters. The Law Council has called for an annual increase of \$310 million in Commonwealth legal assistance funding. Even the Government's own Productivity Commission has recommended allocating an extra \$200 million a year to address the funding shortfall for civil legal assistance alone.

"The Justice Project reinforced that many disadvantaged groups – including poorer, rural, migrant and elderly Australians – are in critical need of civil legal assistance," Mr Moses said.

"Successive cuts to legal aid funding have resulted in stricter eligibility rules, which means people who are asset rich but money poor are unlikely to receive legal aid. This includes many older people and rural families. This leaves poorly funded community legal centres to pick up the slack.

"While more funding is needed to completely address the crisis in legal assistance funding in Australia, this announcement is a significant step in the right direction."

Mr Moses said he looked forward to working with all sides of politics to increase legal assistance funding across the board.

Patrick Pantano

P 02 6246 3715

E Patrick.Pantano@lawcouncil.asn.au

Anne-Louise Brown

P 0406 987 050

E Anne-Louise.Brown@lawcouncil.asn.au

The Law Council of Australia is the national voice of the legal profession, promoting justice and the rule of law.