



## LEGAL PROFESSION UNIFORM LAW

The initial roll-out of the uniform scheme will create a common legal services market across New South Wales and Victoria, encompassing almost three quarters of Australia's lawyers. The scheme aims to harmonise regulatory obligations while retaining local performance of regulatory functions.

Benefits for large firms include the following:

### 1. Role of the legal profession in regulation

- In NSW, the Law Society will continue to carry out existing regulatory functions, issue practising certificates and work with the Office of the Legal Services Commissioner in relation to complaints handling.

### 2. Uniform requirements

- Firms operating in both NSW and Victoria will benefit from a single set of rules governing matters such as practising certificate types and conditions, maintaining and auditing trust accounts, continuing professional development requirements, complaints handling processes and billing arrangements.

### 3. Mobility between jurisdictions

- It will be easier for practitioners to move from one jurisdiction to another, not only due to common admission and practising certificate requirements, but also because those who move will not be required to learn the obligations and regulatory requirements of the new jurisdiction.

### 4. Compliance audits

- A compliance audit can only be conducted if there are reasonable grounds to do so based on conduct and complaint. Under the current law, there is no threshold test for conducting an audit.

### 5. Foreign lawyers

- There are new arrangements for foreign lawyers who will be able to practice without meeting all of the usual requirements for admission.

### 6. Insurance arrangements

- It will be easier for firms operating across jurisdictions to arrange professional indemnity insurance.

### 7. Business structures

- There is scope for the emergence of new business structures as the new definition of an "unincorporated legal practice" is more expansive than the existing definition of a "multi-disciplinary partnership".

### 8. Costs disclosure

- Costs disclosure will no longer be required for government and commercial clients.

### 9. Liability of principals

- The onus of proof has been corrected for liability of principals. A principal may be liable for contravention by the law practice if the principal knowingly authorised or permitted the contravention, or if the principal was in or reasonably ought to have been in a position to influence the conduct of the law practice in relation to the contravention and failed to take reasonable steps to prevent it. Under the current law, the principal is deemed liable unless he/she can establish otherwise as set out in the legislation.