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MEDIA RELEASE

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LANDMARK DEAL TO SUPPORT FREE LEGAL SERVICES

Disadvantaged people in need of free legal services will benefit from a groundbreaking agreement reached between the NSW Government and the Law Society of NSW to secure the long-term future of a fund supporting the legal assistance sector.

Attorney General Mark Speakman said the landmark agreement will guarantee the Public Purpose Fund (PPF) an income stream of \$55 million per annum over the next 10 years.

“This agreement will ensure that Legal Aid NSW and other legal assistance services that rely on PPF funds can continue to help vulnerable people in need of support,” Mr Speakman said.

The PPF also supports other entities that regulate the legal profession, including the Office of the Legal Services Commissioner, the NSW Civil and Administrative Tribunal, the Law Society and the NSW Bar Association.

Mr Speakman said the arrangement provides certainty for the PPF, which has suffered declining revenue in recent years due to record low interest rates.

“It is no longer viable for the PPF to rely solely on the revenue it draws from interest earned on NSW solicitors' trust accounts, which is why the NSW Government and the Law Society have worked together to find a solution,” Mr Speakman said.

Treasurer Matt Kean said that as we bounce back from the pandemic we need to make sure no one is left behind.

“A strong economy depends on everyone being able to benefit from the rule of law and this deal will help achieve that goal,” Mr Kean said.

Under the deal, the NSW Treasurer will accept a deposit of around \$1 billion in funds held as statutory deposits from the Law Society under the *Legal Profession Uniform Law Application Act 2014* and the NSW Government will provide the PPF with an income stream of \$55 million (indexed annually) to help boost financial security for the critical services this fund supports.

President of the Law Society of NSW, Juliana Warner, said the new funding agreement will provide important benefits for the broader legal profession and the NSW community that it serves.

“At the heart of this agreement is ensuring that the Public Purpose Fund continues to do what it was set up to do – ensuring the ongoing integrity of the legal profession, the preservation of public confidence in professional standards and funding crucial legal services for some of

the most vulnerable citizens in our state,” Ms Warner said.

A working group with representatives from Legal Aid NSW, the Law Society of NSW, the NSW Department of Communities and Justice and NSW Treasury recommended the new funding model to improve the PPF’s financial sustainability.

The NSW Government is also providing \$16.2 million for Legal Aid NSW from 1 July 2021 to 31 December 2021 to ensure continuity of funding until the new financial arrangement commences on 1 January 2022.

Legal Aid’s Acting CEO Monique Hitter said long-term certainty in relation to the service’s PPF funding will benefit thousands of disadvantaged clients across NSW.

“This arrangement will help Legal Aid to continue providing access to justice for everyone from domestic and family violence victims to vulnerable people needing help with criminal, family and civil law matters,” Ms Hitter said.