



# MEDIA RELEASE

Hon. John Hatzistergos MLC  
Attorney General  
Minister for Industrial Relations

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Friday, April 17, 2009

## AGREEMENT ON FINES FOR LAWYERS WHO OVERCHARGE

The Standing Committee of Attorneys General (SCAG) today agreed to examine a list of proposals which would take action against law firms that overcharge and exploit their clients.

The proposals, which were put to the committee by NSW Attorney General John Hatzistergos, included one to impose financial penalties.

“Attorneys General have expressed their support for these proposals, which seek to better regulate the legal profession,” said Mr Hatzistergos.

“While the overwhelming majority of the legal profession act with integrity, there have been allegations of a number of lawyers grossly overcharging clients, particularly those with limited English-language skills.”

The following proposals were included in the resolution:

- Strengthening the existing provision that a written disclosure to a client may be in a language other than English if the client is more familiar with that language;
- Requiring law practices to provide periodic, itemised bills to clients in personal injury matters;
- Prohibiting law practices from seeking clients’ authorities to deduct legal costs from a settlement amount without having first informed the client of the settlement amount and issued the client with a bill (which must be itemised in personal injury matters);
- Providing that a bill or covering letter must be signed by a principal of a law practice (rather than a legal practitioner or other person); and
- Prohibiting law practices from charging excessive costs in a legal matter, and providing a financial penalty for breach of this provision without a reasonable excuse.

SCAG agreed to refer the proposals to a national working party which would consult stakeholders in home states and territories and report back to SCAG on the outcomes at the earliest opportunity.