

BY PRESIDENT
TERRY GARDNER

OFF BALANCE

National Professional Indemnity Insurance

On June 16 I attended a meeting of Law Societies in Canberra and attended the Law Council of Australia meeting the following day.

One of the main topics of conversation was again professional indemnity insurance cover for a national practising certificate. The working party formed to investigate the availability of top-up cover for national professional indemnity insurance has so far been unsuccessful in obtaining a standard premium for the top-up cover due to differing terms of cover in master policies of the various jurisdictions.

I feel, as an interim, it may be necessary to continue to register a national practising certificate in the states or territories where practice is intended and provide proof of professional indemnity cover to the level required in such states or territories. Such a requirement would, I believe, only cause a problem to members of independent bars as our records indicate that these are currently the most likely practitioners to practise outside their home state or territory.

Eventually it is hoped that a uniform master policy can be agreed upon and a national mutual professional indemnity insurance scheme established. This would hopefully reduce premiums and make us masters of our own destiny in professional indemnity insurance.

It is noted that there was no mention at either meeting of our financial problems due to the loss of approximately \$65,000 in practising certificate fees brought about by the introduction of a national practising certificate.

As much as I hate the thought of increased practising certificate fees, it may be our only option. This will enable all Territory practitioners to obtain a national practising certificate and we will not have to rely on other states or territories for a subsidy or hand-out.

Trust accounts

As you are all no doubt aware the Legal Practitioners Act contains very strict provisions in respect of the operation of trust accounts by legal practitioners.

Strict observance of the provisions is absolutely necessary if we are to maintain the excellent record to date in regard to claims history.

Unfortunately, due to pressure of business or in some cases ignorance of the requirements of the Act, breaches of the provisions occur. This should not happen. Once the proper systems are in place in a practitioner's office, compliance with the provisions should be automatic.

It is noted that a breach of the Act can amount to professional misconduct. In an endeavour to assist practitioners, the Society will in the near future arrange a course in trust account management. The course should not be seen as one for accountants or book keepers to attend but for all practitioners to attend. Details of the course will be published in *Balance*.

I wish I could report good news in respect of the formation of the Legal Practitioners Act Advisory Committee, but I cannot. There have been no volunteers to date.

Comments requested: National Vehicle Security Register Legislation Project

National REVS is seeking comments by interested groups concerning the National Vehicle Security Register Legislation Project.

Although all Australian jurisdictions have laws relating to the registration of vehicle securities, the present laws are neither uniform nor consistent.

A national working party, consisting of representatives from various State/Territory Consumer Affairs agencies and Road Transport Authorities, agreed on the project to develop the proposal of uniform legislation.

The National Working Party feels that close consultation with interested groups is an important part in facilitating the implementation of a consistent legislation in a national vehicle security register.

For a copy of the discussion paper or more information contact Senior Policy Officer Compton on (02) 895 0381 or National REVS Project Manager Devlin on (02) 821 4970.

Comments are required to be submitted no later than Friday July 14, 1995.



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