

## 7JONES

ALAN JONES WELL RESEARCHED COMMENT

THE SOARING PRICE OF THE LEGAL INDUSTRY

24th August 2000

Well, people often ask what price justice, and I suppose anyone who's tried to seek it knows the answer – a high price. The Australian Bureau of Statistics recently released some interesting figures on the profit of the legal industry. No one will be surprised to learn that they're up and they're huge. The ABS found the legal services industry generated seven-point-seven billion dollars (\$7,700,000) in income during 1998/1999.

Ninety-one per cent of that was generated by solicitor and barrister practices, They made a profit of two-point-four billion dollars (\$2,400,000), solicitors operating with a profit margin of thirty-one-point four per cent.

Now, I can hear solicitors and barristers listening to this and saying, well, I don't know where these figures come from, but they don't represent me.

Well, they represent someone and someone has to pay and those paying are you.

Solicitors and barristers made one-point eight billion dollars (\$1,800,000) from property work and almost one billion (\$1,000,000) from personal injury work. To be fair they carried out one-point-seven million hours of pro bono work, working for the community for nothing. But surely if this is the industry whereby justice is secured, then its clear it may be beyond the capacity of most Australians to afford it.

You can barely find a solicitor or barrister for under a hundred and thirty dollars an hour, and they don't write a letter or answer a phone without meticulously timing it so that you can be charged for it. Are we forced to the conclusion that justice is for the rich or for the corporate world? The Bureau of Statistics figures are telling us that the legal industry is a highly profitable industry if you're in it; if you are using it, a highly expensive one.

I'm Alan Jones.

TV#9 and radio 2UE later 2GB

Note:

Articles in 'The Bulletin' by Pierpont/Trevor Sykes 16/9/95, and 'The Australian Financial Review' 29/12/99 by Trevor Sykes, and in 'The AFR' by John Hurst 7/1/00, and in 'The Bulletin' 4/11/97 by Geoffrey Maslen and Maria Kapardis detail the problem suggesting \$20 billion a year is a realistic figure for fraud. In 'The Courier Mail' 26/5/00 Louise Branelly suggests fraud costs companies \$6 billion a year.

On the 13/11/08 at the AIR Association of independent retirees Noosa Xmas Luncheon, speaker Detective Senior Constable Rod Shelton after a career as a teacher for 17 years and 24 years of police experience said Identity Fraud costs Australians \$5billion a year with \$500,000 victims.

Why is it so?

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