

Legal Affairs

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Rural practices suffer as clients dry up

Rachel Nickless

The drought is taking its toll on the lawyers who service Australian farmers. Combined with legal reforms, legal aid funding problems and major talent shortages, it is threatening the viability of many firms.

The chairwoman of the NSW Law Society's rural issues committee, June McPhie, said the fabric of rural NSW and its law firms was under "great threat".

"Our traditional country clients are hurting whether they are in primary agricultural production or small business," she said. "Those people should look to their lawyer and ask for insolvency advice, but they can't pay for it."

Property transactions were lower than usual, and while foreclosures were expected to pick up, many farmers lacked the funds to get legal advice even at that point, she said.

Other previously lucrative areas of business had largely dried up due to legislative change, such as reforms to personal injury laws around Australia.

The Law Institute of Victoria's treasurer, Danny Barlow, took a similar view.

"People aren't spending the money on commercial disputes," Mr Barlow, a partner at Shepparton firm Riordan Legal Lawyers, said.

But he said that the drought was affecting firms differently. His firm had grown 30 per cent in the past

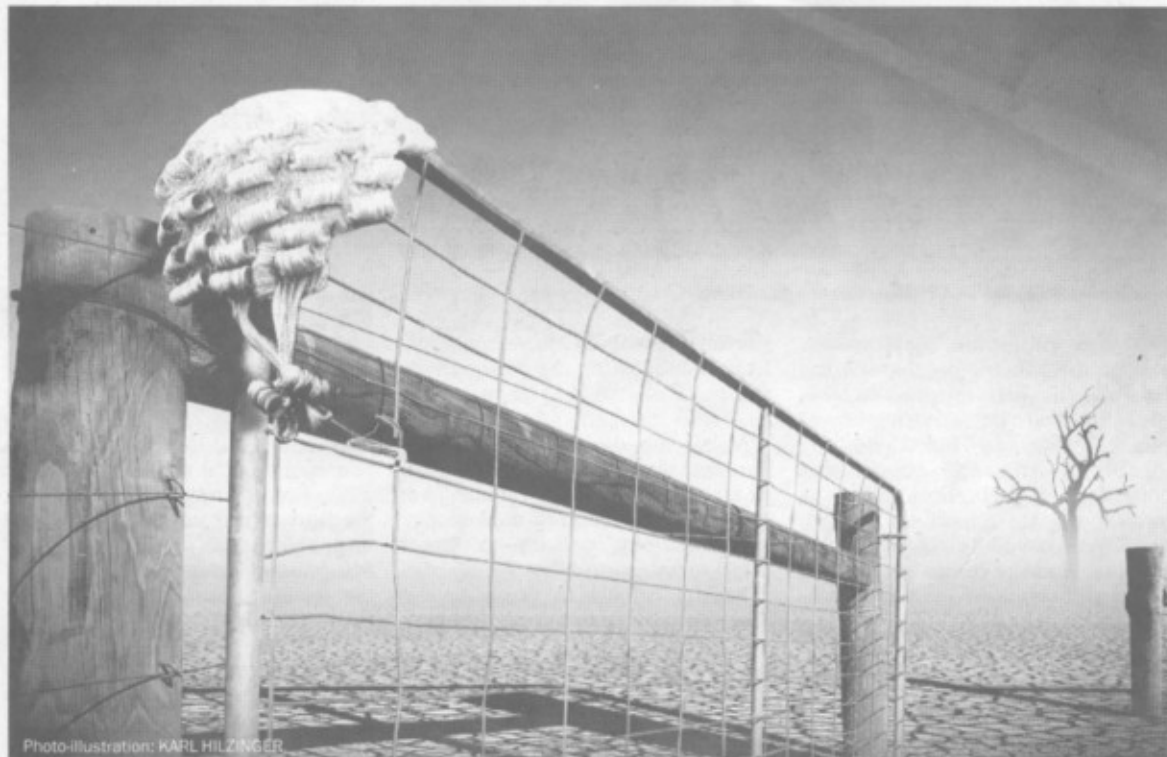


Photo-illustration: KARL HILZINGER

of country to city firms had slipped from 15.4 per cent 10 years ago to 13.3 per cent this year. The society said this still masked the true extent of the problems in some areas where small firms had closed.

In Victoria, country practitioners account for fewer than 9 per cent of

costs and a good lifestyle, the salaries tend to be lower than in the city.

One Queensland regional firm, Fox and Thomas, has even opened a Brisbane office to solve the problem.

Managing partner Norman Fox said many regional rural practices had partners in their 40s or 50s, but

Fox and Thomas set up in Brisbane in February and has three lawyers there, in addition to four in Goondawindi and one in St George.

Fox said his firm invested in technology so files could be shared electronically among its three offices.

All new documents were scanned and

to the three Brisbane-based lawyers via video link, he said.

The Queensland Law Society is trying to get government support for a legal traineeship program for country secondary schools, to help local students consider a career in law. QLS deputy president Ian Berry said he had started offering student traineeships of a day a week at his sole partner practice in Ipswich.

Julian Midwinter & Associates' practice development consultant Linda Julian suggested firms could further internal growth by encour-

"Recruitment and retention remains the biggest frustration."

aging support staff to become qualified paralegals or lawyers.

While there was an acute skills shortage in rural and regional areas, many suburban solicitors should consider a tree change, she said.

"I know of firms where a competent general practitioner could walk into equity partnership right now. They would get varied work, have reasonable working hours and be a prominent member of a local community," she said.

Ms McPhie said government action was needed to address other problems.