

REGISTERED TRADE MARK No: 15292249

ADJ Consultancy Services

To: The Productivity Commission
From: ADJ Consultancy Services

CC: Not applicable
Date: 5/11/2014

Re: Access to Justice – Draft Report

Submission

Opinions differ. - English Proverb¹

Dear Commissioners,

1. INTRODUCTION: HOW MUCH OF MY EXPERIENCE COUNTS FOR NOUGHT

I write to this enquiry, both as an admitted though unemployed solicitor² and, as someone with cerebral palsy, which has confined me to a wheelchair for all of my life. One is also the sole proprietor of a small business, ADJ Consultancy Services. Further, while an active member of my State's Law Society, I make this submission in a purely personal capacity and, in what I perceive to be my business's interest.

This is equally true of references I will make to several periods of contracted employment in Ombudsman offices, where one took many calls from people seeking financial redress, restoration of property or some other measure of damages.

The conclusions of this submitter will, at times, be markedly different from those of the professional bodies and public instrumentalities which will no doubt approach the Commission. Yet if this inquiry is to achieve anything, opinions

¹ See Daily Quotes for Wed 23 Apr 2014, Just-Quotes <u>quotes@just-quotes.com</u> as at 23 April 2014

² I acknowledge that one is far from unique in this context: see for example Anna Patty, *Women lawyers settle for less as family affairs hold court,* Sydney Morning Herald, April 26, 2014, http://www.smh.com.au/national/tertiary-education/women-lawyers-settle-for-less-as-family-affairs-hold-court-20140425-379q0.html as at 26 April 2014



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must and should differ. Equally, success should be marked by how current institutional players in the legal fraternity have to adapt, give way, or what they give up. This is because numerous bodies have conducted similar reviews in the past, only for there to be negligible change.³

Resistance to change has largely been achieved through the maintenance of statutory monopolies over training, admission and regulation of legal practitioners. One has had personal experience of these rigidities in my own professional career, which prompts me to write to you now. Without drilling down into too much detail, my first doubts about the effectiveness of administrative and regulatory structures to produce well trained professionals equipped for employment came from higher education.⁴

Again, despite numerous reviews, tertiary education is an institutional structure very resistant to change, though opportunities would open up for students and academics alike, if we departed from an educational model from the 19th century, which still has some governance elements dating from the Middle Ages. ⁵ Similarly, the law does not provide steady, ready work for many and, the

What this process taught me was to be far more sceptical about (and questioning of) authorities in all situations. I had been too willing to rely on advice and, as stated in Appendix 1a, happily assumed for most of my undergraduate years that university authorities knew what they (and I) were doing, as academics signed off on my subject selection each year. These are assumptions one does not make any more, particularly when dealing with government instrumentalities, even though I have previously worked for government myself

³ See for example, Louis Schetzer & Judith Henderson, *Access to justice and legal needs. Stage 1: public consultations*, Law and Justice Foundation of NSW, Sydney, 2003, http://lawfoundation.net.au/report/consultations; a summary is available at http://www.lawfoundation.net.au/lif/print/C1BB9873980404ADCA257060007D4EA6.html as at 26 April 2014. I contributed to this report a decade ago, yet many of the issues it raises are still germane to this inquiry

⁴ Appendix 1a and Appendix 1b relate my experiences within and observations about the tertiary education sector. I wrote these documents after discovering that, even after studying in the Law Facility since 1996, I could not graduate with a BA/LLB in 2003, because this would involve double counting of Arts subjects. And besides, I wasn't even listed as a Law Student, somehow still being listed as an Arts student. After completing a year of Arts studies in 2004, I formally graduated from university, the College of Law and was admitted as a Solicitor in the NSW Supreme Court in 2005.

⁵ See generally Appendix 1b, where I describe how the tertiary sector could have reformed itself. Equally, note my submission to the Research Quality Framework (Building University Diversity) Inquiry at http://www.innovation.gov.au/highereducation/StudentSupport/NationalProtocolsForHigherEducationA



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same is true for many professionals, as the economy has transformed into a piecework or temporary contractual arrangement for many workers, including myself. And increasingly, this does not discriminate between blue and white collar workers. We are all in the same "who has a job today, but possibly not tomorrow" boat.

Regardless, the law follows a craft or collegiate mentality, which while very comforting on a human level, fails to address the modern marketplace. A classic example is that during a period of extended unemployment last year, my employment agent suggested I undertake a Certificate IV in Small Business Management.

This seemed then (and still does now) to be a very good idea; out of it has come ADJ Consultancy Services. I was assured by both my agent and the course provider that the qualification received from NEIS⁷ was both nationally accredited and thus, nationally recognised. Setting up my own business also provided an alternative to the increasingly unstable and unreliable paid workforce, while providing a launching pad for me to unpick the red-tape nightmare of the National Disability Insurance Scheme for people with disabilities and their families. In this sense unbundling legal services could potentially help many practitioners, as well as their clients. With my experience, particularly in public administration, part of me actively resents the notion that says the legal regulator deems me too inexperienced and/or unfit to give advice in my own right; there is readily available evidence to the contrary. 9

<u>pprovalProcesses/Documents/NationaProtocolsforHEApprovalProcesses/JohnstonAdam.pdf</u> as at 4 May 2014. A latter submission on the RQF can be found as Appendix 1c. All outline reform proposals one would have liked to see, but knew they faced vested interests in the sector

⁶ This has ramifications not only for the day-to-day stability of employment, but whether many workers will ever accumulate sufficient superannuation, as I tried to outline to the Commission during your inquiry into Modern Awards; see http://www.pc.gov.au/ data/assets/pdf file/0009/116685/sub054-default-super.pdf as at 4 May 2014. I made similar comments to Mr. David Murray's *Financial Systems Inquiry* http://fsi.gov.au/files/2014/04/Johnston_Adam.pdf (submission) and http://fsi.gov.au/files/2014/04/Johnston_Adam.appendix 1.pdf (appendix) as at 4 May 2014

NEIS stands for New Enterprise Incentive Scheme; see http://employment.gov.au/help-available-and-eligibility-neis as at 4 May 2014.

⁸ Draft Report, pp. 24-25 (40-41 of 891)

⁹ See Appendix 1d – "Introducing ADJ Consultancy Services". This is a brief flyer I developed for my business, as a result of the NEIS business course



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Registering the business with ASIC and applying for my trade mark were relatively straight forward; it was the Law Society Registry which decided not to recognise the business entity, ¹⁰ while the nationally accredited business course also went unrecognised when I sought advanced standing for the Practise Management Course. ¹¹ At the same time, submissions to recognise some of my work in Ombudsman Offices as counting towards supervision for an unrestricted Practising Certificate were declined, largely on the basis that I could not say that all my workplace supervisors were solicitors with unrestricted practising certificates. Yet no-one in the modern workforce could seriously walk into a potential employer and put all these pre-conditions on their employment; just finding a job (any job) can be challenging enough for anyone. ¹²

Again, the assumptions built into existing regulations do not appear to reflect the contemporary workforce. And while Law Societies around the country are taking some action to keep people 'engaged with the profession,' it is still very much an engagement on the Law Society's terms. In my case, maintaining professional accreditation in part involved returning to legal study. The thesis produced by my Research Masters was both more rewarding and less expensive than many Continuing Legal Education (CLE) offerings. Furthermore, the well-known rush on CLE bookings in February and early March, so everyone

¹⁰ See Appendix 2a

¹¹ See Appendixes 2b and 2c

¹² See for example, my submission to the Senate regarding Disability Employment Service Providers at https://senate.aph.gov.au/submissions/comittees/viewdocument.aspx?id=a6fa4e6a-eb31-49de-bb0f-c9f11849c86c as at 4 May 2014

¹³ For example, I have secured a voluntary position at a Community Legal Centre under the supervision of an 'unrestricted' Solicitor. However, this is temporary, due largely to the high demand for these roles ¹⁴ For example, see Law Society of NSW, *Thought Leadership: Advancement of women in the profession:* Progress Report,

http://www.lawsociety.com.au/cs/groups/public/documents/internetcontent/752919.pdf and Flexible Working http://www.lawsociety.com.au/cs/groups/public/documents/internetcontent/671890.pdf as at 4 May 2014. Despite this, I note: Anna Patty, Women lawyers settle for less as family affairs hold court, Sydney Morning Herald, 26 April 2014, http://www.smh.com.au/national/tertiary-education/women-lawyers-settle-for-less-as-family-affairs-hold-court-20140425-379q0.html as at 6 May 2014

¹⁵ See *Staying in touch during an absence and subsequent return to work,*http://www.lawsociety.com.au/ForSolictors/advocacy/thoughtleadership/Advancementofwomen/Online resource/index.htm

¹⁶ See Adam Johnston, *Question: How does the Common Law look at (a) the body and (b) property as it might relate to the body or body parts, cells or cellular information?* https://e-publications.une.edu.au/vital/access/manager/Repository/une:11568 as at 4 May 2014



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can claim enough "points" before renewing their certificates, tends to undermine the idea that continuing education is the real aim of the exercise.

Yet, few seem to ask critically, whether this system really works, while even less query if it should continue. I do increasingly question a system which exercises such tight internal controls and, whose governance has negligible external oversight. Fortunately, some others do ask similar questions in Australia¹⁷ and they are being asked overseas as well. ¹⁸

And as I observed in Appendix 1b, periodically universities in the UK have to justify their status;¹⁹ a similar idea would not be out of place in terms of the Law Societies and other legal regulators, such as the Legal Services Commissioner in NSW. A periodic Parliamentary review would put the current 'legislative monopoly' on notice. This is important for all potential clients and the significance goes well beyond the cost of legal services. It goes to questions of how, when and why individuals must deal with the legal system.

In this context, there has been some controversy in the UK about plans to allegedly 'privatise' court services. ²⁰ The balance of the articles seem to suggest that the UK Government was only ever going to privatise (or contract out) certain services like property management and court administration itself, short of the

¹⁷ See e.g.: Frank Zumbo, Law: The Ultimate Monopoly http://www.thepunch.com.au/articles/Law-the-ultimate-monopoly/ as at 6 May 2014.; Zumbo, Cost of justice spirals out of control, http://www.thepunch.com.au/articles/cost-of-australian-justice-spirals-out-of-control/ as at 6 May 2014 See e.g.: George C. Leef, Lawyer Fees Too High?: The Case for Repealing Unauthorized Practice of Law Statutes, http://www.cato.org/sites/cato.org/files/serials/files/regulation/1991/1/reg20n1c.html; Jacqueline M. Nolan-Haley, Article: Lawyers, Non-Lawyers and Mediation: Rethinking the Professional Monopoly from a Problem-Solving Perspective, 7 Harv. Negotiation L. Rev. 235, Harvard Negotiation Law Review, Spring 2002, Copyright © 2002 Harvard Negotiation Law Review; Jacqueline M. Nolan-Haley, http://www.hnlr.org/wp-content/uploads/2012/04/LAWYERS NON-LAWYERS AND MEDIATION RETHINKING THE PROFESSIONAL MONOPOLY FROM A PR.doc as at 6 May 2014

¹⁹ See Appendix 1b, footnote 4

²⁰ See e.g.: Ben Bryant, *Courts may be privatised to save Ministry of Justice £1bn*, The Telegraph, 8:15AM BST 28 May 2013, http://www.telegraph.co.uk/news/politics/spending-review/10083214/Courts-may-be-privatised-to-save-Ministry-of-Justice-1bn.html; this was denied by the Government; see e.g.: Michael Cross, *Grayling rules out privatised courts*, The Law Society Gazette, 11 March 2014, http://www.lawgazette.co.uk/practice/grayling-rules-out-privatised-courts/5040315.article as at 10 May 2014



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Judges and Magistrates themselves. And it is not as if similar ideas (sometimes even more radical) have not been floated both here in Australia and overseas.²¹

It does make me question the State's monopoly over law enforcement, the courts and legal practitioners generally. It is not hard to find references, such as those contained in footnote 21, to say this has been far from the historical norm. I would suggest that the current State run monopoly does much to inflate price and ensure justice is inaccessible to many. The earlier cited article of Jacqueline M. Nolan-Haley also highlighted how the American Bar Association campaigned consistently for ever-greater licencing. In part, I live with the consequences of such campaigns today, where I feel twenty years of training is shackled by regulation to uphold a creaking old monopoly.

2. ADR: WHAT IT IS AND WHAT IT ISN'T

Generally, binding decisions which involve awards of damages can only be made by the courts. An Ombudsman, by contrast, can only make recommendations relating to matters within their jurisdiction. The only exception to this rule (to my knowledge) is the Energy and Water Ombudsman NSW, who can make binding decisions regarding unresolved complaints. ²² Otherwise, Ombudsman Offices' can only make recommendations to parties in dispute, hoping that the parties will see the sense in following the "independent umpire's suggestion".

While this can be helpful, a great many people who rang the Ombudsman offices in which I have worked variously said they were seeking "Justice" and "wanted their day in court". It then became my role to explain that the Ombudsman was not an alternative to the court system and, that if people were seeking an order for damages, then they needed to seek the advice of a solicitor about lodging the appropriate papers. To further queries about my preparedness to give free legal

http://www.google.com.au/url?sa=t&rct=j&q=&esrc=s&source=web&cd=6&ved=0CEsQFjAF&url=http%3
A%2F%2Fworks.bepress.com%2Fcontext%2Fric_simmons%2Farticle%2F1000%2Ftype%2Fnative%2Fviewcontent&ei=GFFvU5KkKYf3kAWAsoGADg&usg=AFQjCNG90z2FE1rziyGPEGS2ycc5LDi1Zg&bvm=bv.6633010
0,d.dGl&cad=rja as at 11 May 2014

²¹ See e.g.: Michael Robertson, *Privatising justice in Australia?*, 1-1-1999, ADR Bulletin, Vol. 1, No. 7, Article 1, http://epublications.bond.edu.au/cgi/viewcontent.cgi?article=1032&context=adr; Hans-Hermann Hoppe, *The Idea of a Private Law Society,* Mises Daily: Friday, July 28, 2006, http://mises.org/daily/2265; Ric Simmons, *Private Criminal Justice*,

²² See http://www.ewon.com.au/index.cfm/about-us/binding-decisions/ as at 23 October 2013



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advice over the phone, this was a quick decline; it was not a part of my role, I was not authorised to give such advice and, neither was the office insured for such a contingency. People were referred to Legal Aid or a Community Legal Centre.

Furthermore, some matters have a legislatively prescribed dispute resolution pathway. For example, with regard to most development applications in New South Wales, people can currently object to notifications published by the local council, by making a submission. If they object to a decision made by Council they can complain to the Council General Manager and, if still dissatisfied, consider lodging an appeal with the Land and Environment Court. The NSW Ombudsman is prohibited from enquiry into the courts²³ and, will be cautious (if not highly unlikely) to investigate any matter where "there is or was available to the complainant an alternative and satisfactory means of redress". From this point, some people would object that the courts were neither a viable financial alternative or satisfactory means of redress. However, to have accepted this line of argument would have overwhelmed an administrative body with legal disputes. Therefore, I would recommend that the Commission be cautious in its discussion and expectations around what alternative dispute resolution (ADR) mechanisms can and should do and, what organisations should conduct ADR.

Certainly, ADR has its place, but like anything, if it is to be done properly, it needs resources. As I suspect you may recommend an enhancement of such processes, a priority will need to be resourcing ADR, alongside the building of public confidence. In my personal view, many people still struggle with the idea of ADR, on the basis of its legitimacy and, their expectations. Again, many people in Australia having been exposed to US television and movies which have a very Americanised view of what law and justice should look like. ²⁵ This is often unrealistic and unhelpful, but nonetheless the public holds to the notion that the courts are where "justice" is delivered; and we should not dismiss (in the pursuit

http://www.austlii.edu.au/au/legis/nsw/consol act/oa1974114/s13.html as at 26 October 2013

²³ See Ombudsman Act 1974 (NSW), Schedule 1, clauses 2, 2A, 3, 7 and 8, available at http://www.austlii.edu.au/au/legis/nsw/consol act/oa1974114/sch1.html as at 26 October 2013 ²⁴ Ibid., Section 13 (4)(b)(v) – available at

While I cannot base this observation on anything more than my personal impression, US drama appears fixed on "the court" as a central plot-line. By contrast UK drama, even when a plot involves lawyers, rarely seems to rely as heavily on the presentation of court-like proceedings



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of ADR) the value of an independent judiciary and court system in a liberal democracy, where there is separation between executive and judicial power. ²⁶ Nor should we, as contributors to the public policy debate, dismiss the public mood because *we think* it ill-advised or ill-informed.

Nonetheless, the Commonwealth has made legislative attempts to mandate ADR. You note in the *Issues Paper* that:

There are a number of initiatives to encourage parties to avoid litigation and/or consider the use of ADR mechanisms. In business and other disputes, parties may have contractual obligations to use arbitration. Under the *Civil Dispute Resolution Act 2011* (Cwlth) parties are encouraged to take genuine steps to resolve a dispute before commencing legal proceedings in the Federal Court and Federal Circuit Court. Similar obligations are imposed on parties who wish to commence proceedings in the Family Court of Australia. While ADR is often associated with early dispute resolution it can be employed at any point in the dispute resolution process, and courts and tribunals can also require parties in dispute to participate in ADR as part of litigation proceedings.²⁷

I have to wonder about the effectiveness of enforced ADR; in my experience, parties who want to resolve problems will do so, because they see it as in their interests. Those who are "forced" into a so-called resolution will not necessarily bring their goodwill to a meeting. Some complainants approaching Ombudsman

http://www.ombudsman.bc.ca/images/resources/reports/Special Reports/Special%20Report%20No%20-%2027.pdf as at 26 October 2013. I cited this report in a co-authored article for the NSW Law Society Journal - Chris Wheeler & Adam Johnston, Lawyers Encouraging Apologies: Not a contradiction in terms, Law Society Journal, November 2009, Vol. 47, No. 10, pp. 74-79

http://www.lawsociety.com.au/resources/journal/archives/Archivelssue/index.htm?issueVolume=47&issueYear=2009&issueMonth=November as at 27 October 2013 (login required)

²⁶ This is not to deny that ADR can be highly effective, but it relies on parties wanting to maintain an ongoing relationship after an incident, an early concession and apology surrounding the incident, as well as a willingness on the part of all parties to find solutions which deliver something that the parties want, but are unlikely to resolve every grievance. A worthwhile report on the effectiveness of ADR was produced by the Ombudsman of British Columbia – Special Report 27: *The Power of An Apology: Removing the Legal Barriers,*

²⁷ Productivity Commission, *Access to Justice Arrangements* – Productivity Commission Issues Paper, September 2013, p.15 (23 of 53)



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offices were so angry and estranged from the agency they were dealing with, that thoughts of going back to the relevant department and seeking a settlement of their dispute were unrealistic. If they had to keep dealing with an issue, say, because of a court order, exchanges would remain terse and tense. If there was not an obligation to continue dealing with a dispute, it may be better in some instances for people to drop a matter altogether, for the sake of their health and well-being, as well as that of their family.

Effective ADR really requires early identification of a problem and, a desire by all concerned to solve it in such a way that everyone will still be talking to each other at the conclusion. Where this involves individuals, there can be at least a rough equity in power between the parties. Where the dispute involves government, a corporation or a not-for-profit entity and an individual the power relationships are very much inequitable. Settlement of a dispute in these situations may represent mere acquiescence by a party, who feels they have too much to lose by pursuing a matter even though they may believe they have a just cause and an arguable case.

Equally, as stated earlier, there is little public understanding of how contemporary the notion of State run courts and State monopolised justice actually is.

3. Practical examples

I attempted to provide the Commission with practical examples of the power imbalance between parties, in the context of my submissions to your *Inquiry into Disability Care and Support*. My first submission focussed on the bullying that both I and my mother were subjected to by a case officer from a not-for-profit care agency, while the latter documents concentrated on flaws in the arguments presented by proponents of a National Disability Insurance Scheme (NDIS) and, significant flaws in the final proposition itself.²⁸

For the purposes of this enquiry, it needs to be emphasised that access to justice

²⁸ See generally http://www.pc.gov.au/ data/assets/pdf file/0009/99486/sub0055.pdf as well as my second submission at http://www.pc.gov.au/ data/assets/pdf file/0016/100726/sub0186.pdf and my final submission at http://www.pc.gov.au/ data/assets/pdf file/0007/108664/subdr0716.pdf as at 3 November 2013



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is not necessarily synonymous with increased funding or the creation of new bureaucracies to *allegedly* support people or deal with a specific (or perceived) disadvantage. Indeed, it would be my contention that if you truly wanted to improve access to justice for many disadvantaged groups the first thing to do is to reduce the amount of regulation which envelops their lives *simply because* they are deemed "vulnerable" or "needy". Again, drawing on my own experience, a submission to Father Frank Brennan's enquiry into human rights several years ago, provided an opportunity to reflect on the almost oppressive nature of official intervention into the lives of individuals; particularly those deemed vulnerable, such as people with disabilities.²⁹

The passage of time has only given me more cause for concern, as I see a growing level of prescription amid the language of freedom of choice. The NDIS is a particularly pernicious example here, because while it is generally perceived as a benefit to people with disabilities, a close examination of the legislation demonstrates that much of its operation will occur outside the realm of Parliamentary and (potentially) judicial oversight. This is because the Rules, while listed as legislative instruments under Chapter 7, Part 5 of the *National Disability Insurance Scheme Act 2013* (the Act) are made by the Minister and not presented to the Governor-General in Council for the Royal Assent.

In my opinion, the existence of Section 210 of the Act and its creation of a discretionary power for the Governor-General (on advice) to approve Regulations, means the Rules (the subject of Section 209) and Regulations are discernibly different in character. My conclusion is that the latter must clearly be tabled in Parliament and is subject to disallowance, while the former may not; being more akin to guidelines. If the distinction is meaningless, then why make it, as all words in law have potential to impact on the interpretation and application

²⁹ See generally Key Consultation Questions by Adam Johnston (submission) 10 April 2009, pp. 1 -2 <http://www.health.gov.au/internet/main/publishing.nsf/Content/eHealth2-010/\$FILE/010 Adam%20Johnston%20pt2 31-12-09.doc> as at 22 May 2010

³⁰ See *National Disability Insurance Scheme Act 2013,* section 209 http://www.comlaw.gov.au/Details/C2013C00388/Download as at 3 November 2013, pp. 165-167 (177-179 of 189)



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of a statute? Certainly, this was one of my objections to the Act when it was presented to the Senate as a Bill.³¹

In my view, my consultancy could if it was permitted, effectively represent people with disabilities and their families, at agreeable prices which most could afford. Current regulation though, is unlikely to permit it.

Yours faithfully,

Adam Johnston
Proprietor, ADJ Consultancy Services

³¹ As the Senate web-link is invalid as at 5 November 2013, http://www.aph.gov.au/Parliamentary Business/Committees/Senate Committees?url=membership/inde x.htm, please refer to Appendix 1,