

Community Legal Centres

– An investment in value Investing in Community Law

AN EXTRACT:

Community Legal Centres: Serving Australia

The 207 community legal centres (CLCs) last year provided around 700,000 services to 400,000 Australians with their ordinary and routine legal issues, as well as with those bigger legal crises that hit most people or families at some point in their lives.

Over the last eight years, community legal centres have served around 2.4 million individuals living in all parts of Australia – city, coast, country, regional towns and remote outback locations.

A true community partnership

CLCs are an important community resource. They make a major contribution to their communities – whether this is a geographical area or a section of society with special needs.

CLCs work quite differently to either private law firms or government legal aid commissions. They are independent non-profit organisations that are managed by elected boards or committees. Ordinary members of the local community, or of the particular population group being served, are usually part of these unpaid management structures.

Volunteers are an essential part of CLCs. They provide many of the direct client and community services. Lawyers and other skilled workers in private practice or public agencies transform themselves into 'CLC workers' in their free time. Last year 3,560 volunteers gave their expertise and energy to help their fellow citizens, contributing the equivalent of \$21.5 million to their community.

This harnessing of community effort adds to the cost-efficiency of CLCs. They have always given good value for the money they receive from federal and state funding programs.

A unique legal practice

Community legal centres conduct a unique form of legal practice called 'Community

Law'. Most people's interactions with the legal system are about everyday things – renting a house, getting a loan, making a will, dealing with a government department or troublesome neighbours. People also need legal help when things go wrong in their lives – when they have a car accident, are refused a pension or benefit, can't pay their debts, become a victim of crime or have a relationship breakdown.

CLCs have a special expertise in these sorts of everyday legal matters – in the area of Community Law. Some centres provide assistance to their local community in all areas, while others specialise in a particular area of law such as credit and debt, disability or youth issues. And this expertise is not readily available elsewhere.

The clients of CLCs receive more than just advice. CLCs act as their solicitors in the fullest sense – providing timely and expert assistance that often prevents matters from having to proceed as far as court or tribunal hearings.

CLCs go beyond helping individuals with their immediate problems. They look for the patterns emerging in the casework and try to play a preventative role. Many people's problems occur because they don't understand the law, so all centres provide legal education to the community. Other problems stem from flaws in the law itself, so CLCs also work to reform laws and public policy when this is necessary.

The CLC method of service delivery is... a unique and highly effective system. It is a sophisticated approach which acts in the long term to change individual legal problems into solutions which wider groups can access.

[Report of the] Review of Community Legal Centre Funding [Queensland], The Wright Consultancy, 1997.

The current funding situation

All centres raise money and donations from a variety of sources, and most of them receive the bulk of their funds from government in recognition of the important contribution they make to the public good.

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The Commonwealth Government through the Attorney General's Department plays the lead role in this public financing. 125 centres are funded in whole or in part from this source. In 2002-03, the Commonwealth contributed \$20.4 million to the work of centres.

The State and Territory Governments collectively contributed another \$9.7 million to the Community Legal Services Program – but some (NSW, Victoria and Queensland) gave more than others, while a few (Tasmania, NT and the ACT) gave nothing at all to the Program.

There has been an increase in the national CLC funding program over recent years, but this extra money has gone to: setting up new centres (especially in rural and regional areas); starting new services or activities (such as regional law hotlines); and meeting new operating requirements (such as data systems). Existing programs being provided by existing centres have received little additional funding.

The cumulative impact of changes in society and the law mean that more and more people need the help of CLCs. Yet the increases to CLC funding over recent years have been modest. With an already low base level of funding, the increases have not helped centres meet the increased demand nor, unfortunately, have they matched increasing costs. Centres have to do too much with too little.

Over-stretched and under-paid

A survey in July 2003 of 80 CLCs reveals that the average centre manager's salary is \$42,147 and that most are only able to pay their senior solicitors \$40,000 to \$50,000. Yet new lawyers with a single year's experience are getting \$55,000 to \$65,000 in Sydney and not much less elsewhere. Solicitors with 5 years experience in private practice in Sydney are paid between \$90,000 and \$110,000.

This situation is unsustainable for centres. The gap is now so large that serious staff recruitment and retention problems threaten the efficient and effective operation of many services, especially those in rural and regional areas.

Funding has not kept pace with costs, and particularly with the aspirations of CLC staff for their wages to keep pace with

community standards. CLCs have never expected to match salaries in the private sector yet they must be able to offer a remuneration that will attract and maintain skilled staff. Unfortunately, the gap is such that good will is no longer enough.

The greatest asset of any community legal centre is its people, and its biggest cost – around 70% of its budget – is its wages bill. This is the heart of the day-to-day financial struggle facing every CLC.

" Working here has reminded me of why I went into the law. I feel like my work matters, that I make a difference. ... but I just cannot afford the \$30,000 drop in salary to take up the position being offered."

Pro Bono Secondee after 6 months at a Victorian CLC

The cost of Community Law

The National Association of Community Legal Centres, on behalf of CLCs, requests an additional \$23.561 million be contributed to the Community Legal Services Program funding over the next 3 years. \$18 million of this is required to increase the wages of existing staff at centres, \$896,000 to provide an additional loading for regional, rural and remote centres and an extra \$4.665 million is required for operational overheads.

The financial analysis commissioned by NACLC reveals that for the 125 centres currently part of the Program to be funded to a minimum level, the cost would be over \$75.3 million. NACLC recognises that this is a substantial increase. While we request that the Government work towards this level of funding for centres, the level of increase we request in this submission is aimed at assisting centres with their most urgent funding problem – the issue of recruitment and retention of staff, particularly for rural centres.

Community legal centres are a unique and effective service provider within the legal system. They provide expertise in short supply elsewhere. Through their recruitment and management of volunteers, they contribute the equivalent of over \$21.5 million to the Program. They play a preventative role and regularly divert clients away from costly court and tribunal proceedings. An investment in community legal centres is an investment in value. ■