

A busy year ahead

By Simon Morrison

TORT REFORM

The last few months have been a busy time for our tort reform campaign, as we have been actively engaging federal politicians from all parties on the need to roll back reforms.

Recent figures from APRA have exposed the soaring profits of the general insurance industry, with 2006 data revealing profits hitting a high of \$5.6bn. Underwriting profits have also escalated.

In our discussions with politicians, we have focused on three key messages:

1. Victims are consistently losing out on compensation, to an extent well beyond the original expectations;
2. Insurers are enjoying massive profits, courtesy of the reforms; and
3. Taxpayers are footing the bill for the injured victims who miss out.

In our most recent meeting with the commonwealth attorney-general, we urged him to bring the matter to the Standing Committee of Attorneys-General. We also indicated our intention to embark on a series of discussions with the insurance industry to try and reach some consensus on the current imbalance, and this will be the focus of the next phase of our campaign on the tort reform issue.

WORKCOVER AND OPTUS

The long-awaited Optus decision has been handed down by the High Court which, by a majority of 5:2, decided that Optus is entitled to obtain a licence for self-insurance under the *Safety Rehabilitation and Compensation Act 1988*.

The judgment is likely to open the way for the Commonwealth to legislate for a national, premium-

paying workers' compensation scheme, one of the recommendations of the Productivity Commission three years ago.

The consequences of such a move could be devastating for state-based insurers.

We discussed the ramifications of the judgment with politicians of all parties during our recent trip to Canberra. Given the fact that it is almost inevitable that one of the political parties will pick up the national workers' compensation ball and run with it, we have been busy trying to educate politicians on the ingredients that we believe will make for sustainable workers' compensation schemes around the country.

Central to our view is that common law can play a viable and critical role in these schemes, providing that both the schemes and the applicable legislation are set up properly. Our primary concern is to ensure that governments structure these schemes in such a way that they remain reliably sustainable into the future.

Much work remains to be done, but the groundwork is well under way.

PRACTICE SUPPORT

At the recent NSW state conference, Mariano Rossetto, from Furzer Crestani, outlined the forthcoming practice management survey being prepared by his firm for the Alliance. This follows the last national member survey, which identified practice support as one of your priorities.

The first step is to gather comparative data across the membership, in order to benchmark a series of criteria. I would encourage all members to participate in this survey when it is available. The more data we can obtain, the more



accurate and useful the benchmarking will be – and the more beneficial the outcome should be in terms of helping our member firms to be as productive as possible in their practices.

ELECTIONS

I would also encourage as many people as possible to nominate for leadership positions within the organisation. With such a busy year ahead – notably on tort reform – we need an 'army' of talented lawyers to help promote our objectives in every state and territory.

2006/07 has already been a busy year for us. I am extremely grateful for all the hard work that has been put in by the board, the branch committees and the staff. Particular thanks go to the NSW branch for its recent *Fair Go for Injured People* campaign. A number of committee members worked tirelessly on this campaign in the run-up to the state elections. Such extraordinary effort inspires all of us to give more to this great organisation. ■

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