



Senator Tim Storer
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The BRC has highlighted the significant power imbalance between banks and borrowers.

Nowhere is it more pronounced than in the legal representation financial institutions can afford, compared with the everyday punter, farmer, or small business owner.

This underscores the necessity to adequately fund community law centres, such as the Consumer Action Law Centre in Melbourne and similar organisations across the country, including in my home state of South Australia, to ensure every day Australians have access to adequate legal advice in these matters when they need, regardless of whether they can afford it.

The Consumer Action Law Centre, and others like them, do a tremendous job. The CALC estimates it assists 15,000-20,000 people each year in the types of issues examined by the Royal Commission.

Despite the important service these centres provide, the sector is chronically underfunded, leaving people unrepresented. The CALC, for example, received only \$320,000 from the Commonwealth in 2017/2018 to support its legal assistance services, and is only able to answer around a fifth of the 3,000-4,000 calls it receives on its consumer advice service hotline each year.

Furthermore, the funding agreement for the centres generally limit them to helping individuals, leaving sole traders, small business, and farmers with nowhere to turn for free legal advice and representation.

With the growth of the gig economy, there is even more justification for extending these types of services to a broader range of people.

That is why I am calling on the Government to significantly increase funding to community legal centres active for these purposes, and to include dedicated funding to support sole traders, small businesses and farmers.

Thought should also be given to establishing a dedicated small business legal centre.

I'm pleased that the Government has also recently boosted funding to rural financial counsellors.

Indeed, Hayne's interim report noted that many farmers still struggle to gain access to appropriate support services. But they are no substitute for lawyers, who perform a different, albeit complementary, service.

Therefore, consideration should also be given to expanding the [Rural Financial Counselling Service](#) to include legal advice and representation.

I acknowledge the Government's decision to consolidate the three existing external dispute resolution schemes (the Financial Ombudsman Service, Credit and Investment Ombudsman and

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Superannuation Complaints Tribunal) into the one-stop-shop Australian Financial Complaints Authority.

It is a welcome step in the right direction.

However, there are limits to the types of matters that will be able to be brought before the AFCA, and the process, while simpler than a court, will still be confusing for many, meaning there is still a need for the assistance of lawyers.

It would make sense for this funding boost to be paid for out of the Major Bank Levy. The levy is expected to raise around \$1.5 to \$1.6 billion per year, and it's only fitting for some of that revenue to be used to enhance services of these types.

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