

The Hon Robert Clark MP Attorney-General Minister for Finance

Thursday 10 February 2011

## Coalition Government simplifies civil litigation rules

The Victorian Government will amend civil procedure rules to ensure parties to a dispute are not disadvantaged by unnecessary delays or obstructive tactics, Attorney-General Robert Clark said today.

A Bill to amend the Civil Procedure Act 2010, introduced into Parliament today, will remove the obligation on parties to follow mandatory pre-litigation requirements before pursuing their civil claims in court.

"The Government recognises the benefit of people trying to resolve their legal disputes without the cost and complexity associated with going to court, but people shouldn't be forced into such negotiations by heavy-handed mandatory requirements," Mr Clark said.

"The Act at present requires parties to engage in pre-litigation procedures whether or not they are likely to be useful in a particular case. It can also allow parties who are only interested in avoiding their responsibilities to postpone and frustrate proceedings.

"Our view, and the view of many in the legal profession and among other stakeholders with whom we have consulted about this issue, is that forcing parties to follow a broad, heavy-handed approach will simply add to the complexity, expense and delay of bringing legal proceedings.

"If not amended, the Act would require parties to engage in mandatory pre-litigation requirements in all but a few cases before launching a civil action in the Supreme, County or Magistrates' Courts."

Mr Clark said the changes to the law would be a relief for small to medium-sized businesses attempting to recover legitimate debts through the courts.

"Where a debtor simply won't pay up or even reply to repeated requests for payment, creditors should be entitled to go to court to recover debts without the need to comply with pre-litigation requirements that will almost certainly be fruitless."

Mr Clark said the courts will retain the power to take action against parties who act unreasonably in not seeking to resolve their dispute, but will achieve this without burdening all parties with unnecessary procedural requirements.

The Bill also amends the Legal Profession Act 2004, to allow lawyers to make declarations over the internet when applying for or renewing their practising certificates online.

This change removes the need for lawyers to complete a paper-based statutory declaration, thus opening the way for a streamlined, online lodgement process that the Legal Services Board plans to introduce later this year.

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