

A-Gs make up as they go along

Integrated and Slaters profits up

Alex Boxsell

Listed legal groups Integrated Legal Holdings and Slater & Gordon have booked healthy profit and revenue growth for the 2009-10 financial year in a sign of renewed confidence in the legal services market.

ILH's operating revenue rose by 41 per cent, from \$16.95 million to \$23.87 million, and net profit after tax by 44 per cent, from \$590,000 to \$853,000, in what it said was a "year of consolidation".

Meanwhile, Slater announced revenue growth of 21.1 per cent to \$124.7 million and net profit after tax up 16.1 per cent to \$19.8 million for the 2009-10 financial year. Slater managing director Andrew Grech said revenue for the current year was forecast to be about \$160 million. Slater plans to increase its market share in the personal injury sector to 30 per cent by 2015 and add more firms to its national network.

ILH aims to acquire one new firm and "a number of small tuck-in acquisitions" every financial year, adding about \$10 million in annualised revenue, its results report revealed.

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Integrated Legal Holdings

In the next five to 10 years, ILH wants to have acquired 15 to 20 firms across Australia that operate in mid-market, small to medium enterprise and high net-worth individual legal services markets.

ILH owns three legal practices: Talbot Olivier in Western Australia, Argyle Lawyers in Sydney and Melbourne and Brett Davies Lawyers in South Australia. ILH estimates there are 150 to 200 of these firms in Australia, which struggle to attract and retain good senior lawyers and provide broad services.

"For small law firms, it is just difficult to survive with challenges in attracting and retaining staff, providing training [and] an appropriate service to clients, finding capital and resources for growth and business succession generally," ILH said.

ILH's earnings per share increased 33 per cent to 1.18¢, and it declared a fully franked final dividend of 0.5¢. Slater declared a fully franked final dividend of 5¢ per share and earnings per share of 17.9¢, up 12.6 per cent.

George Brandis and Robert McClelland...
Would you get rid of the Federal Magistrates Court or the biscuits?!



organisations, including human rights advocates, to prevent them criticising the government; and the withdrawal of funds from the national association of Community Legal Centres to hold their national conference, McClelland offered: "Would you agree these are not the actions of a modern progressive democracy and would you undertake an elected Coalition would not return to those policies and actions?"

Brandis held firm, arguing these were not rule of law issues and pointing out there was "a narrow line to be trodden by statutory agencies, particularly those charged with advocacy by their statutes".

Brandis gave the example of the bill of rights debate, which he had earlier referred to as "Robert's ETS", and said the AHRC should have maintained the good faith and confidence of all participants in the discussion rather than be seen to be taking a partisan point of view.

"Occasionally, one couldn't help thinking that merely to have a different view from the prevailing view of the human rights commission was, in fact, to be against human rights itself, which was a grotesque mischaracterisation of the argument," he said.

The debate wasn't only a point-scoring exercise. It also allowed some exchanges of mutual affection.

Brandis said: "It has been a pleasure to be a shadow minister to Robert McClelland, because although we have differences on the issues of substance and performance, Robert is a decent man and has done his best to be a competent Attorney-General."

McClelland responded by saying: "I have to say if it wasn't for George as shadow attorney-general, I think we would have had real trouble removing discrimination against same-sex couples and their children from some 80 different pieces of legislation."

When they shook hands at the end, you could have been forgiven for thinking the men were friends.

Former commonwealth solicitor-general David Bennett, QC, who attended the debate, told Hearsay: "I was very impressed by the fact that both men said nice things about the other. In that respect, I thought that both were right in what they said and right to say it."

"It was a lovely and unusual piece of bipartisanship."

High price of schmoozing

Still on the election, Robert McClelland was wheeled out to campaign on the Sunshine Coast on Tuesday, attending lunch at the 4th Floor Restaurant overlooking Mooloolaba Beach, where he spoke in support of the underdog Labor candidate for Fisher, Chris Cummins, a former electrician.

Cummins's opponent is Liberal Peter Slipper, who in March famously complained that a colleague had used a mobile phone to take a photo of him apparently asleep in the chamber during a speech by Indonesian President Susilo Bambang Yudhoyono.

McClelland conceded that staying awake during certain parliamentary sessions could be "hard work", but without mentioning any names, said

to do so was "a matter of respect for the institution".

The event was a sort of schmooze 'n' surf, Paul Brennan, a Sunshine Coast lawyer and blogger at 10reasonstokillallthelawyers.com tells Hearsay.

Brennan says McClelland told the crowd that he had been misquoted when he was reported as saying anyone using a lawyer to resolve a dispute was "well and truly up the creek without a paddle".

In dealing with constituents, McClelland revealed he asks them the same question he asked clients when he was a lawyer in private practice: "There are two ways that we can play this, what you want to hear or honest advice?". Surprisingly, his clients and his constituents have always picked the honest advice option, he said.

When asked why lawyers were so unpopular, McClelland joked it was because they were like politicians, before offering that they suffered from a lack of communication skills and did not always advise people on what they were up for. "Never be a bastard over a buck," he warned the audience.

Perhaps Cummins was catching a Slipper-style nap and missed McClelland's words of wisdom. After the event, Brennan says he received a call from the budding member, seeking an increase in the "donation" for the lunch from \$25 to \$100.

"I did not know that I would face the problems identified by the A-G so soon," Brennan says.

Edited by James Eyers with Alex Boxsell



HEARSAY

Just when you thought it was safe to enter a Family Court tea room... In an infamous 2006 incident once described by Family Court Chief Justice Diana Bryant as "small bikkies", a Family Court judge berated an employee of the Federal Magistrates Court for taking tea bags and biscuits from the Family Court tea room in Adelaide. A magistrate, meanwhile, had his computer disconnected by Family Court staff for trying to work in their offices.

As federal Attorney-General Robert McClelland rightly noted in the debate hosted by *The Australian Financial Review* and the G+T Centre of Public Law at the University of NSW on Friday (you can watch it on AFR TV), these were emotional issues that needed to be sorted out from the top when he arrived in office the following year.

The Semple report had found the family law system was "essentially dysfunctional", McClelland offered in response to a question from Senator George Brandis, probing why the government considered it appropriate to abolish the FMC.

"I came to power and I literally had almost tears from the respective courts about fights over biscuits, a federal magistrate putting a tyre lock on someone's car..."

But before McClelland could reveal further details of "Lockgate", Brandis interjected, to some laughter: "You could have solved the biscuits without getting rid of the whole court!"

When McClelland was given the opportunity to question Brandis, he highlighted an apparent inconsistency in his shadow's approach to the rule of law. Pointing to the moves by the Howard government to prevent the Environmental Defenders Office engaging in advocacy; impose a veto to be exercised by the Attorney-General on the right of the Australian Human Rights Commission to intervene in proceedings; introduce clauses in contracts with non-government