

FOR QUALITY LEGAL HELP IN YOUR COMMUNITY

Community Law Australia



MEDIA RELEASE

Friday 10 August 2012

Economic benefit of Community Legal Centres strong, says cost benefit analysis

Community Law Australia today released a Cost Benefit Analysis that shows community legal centres are providing strong return on investment.

The study finds that, on average, CLCs have a cost benefit ratio of 1:18; that is, for every dollar spent by government on funding CLCs, they return a benefit to society that is 18 times that cost. To express this in dollar terms, if the average held constant for CLCs across Australia, the \$47 million spent on the program nationally in 2009/10 would yield around \$846 million of benefit to Australia.

Community Law Australia Chair, Michael Smith said given the cost benefit to the community with existing levels of funding, CLCs were performing well despite overwhelming levels of demand for their services.

“We are hearing from community legal centres around the country that they are having to turn people away because they can’t meet the constantly rising demand for legal help,” said Mr Smith.

“The cost benefit ratio of 1:18 in CLCs is far more than the ratio of 1:2 or 1:3 that governments usually regard as a sufficient return for taxpayer investment.

“We know that Community Legal Centres have vital access, equity and community benefits, but on an economic basis alone, CLCs provide extraordinary value for money.

“With a stronger commitment to funding free quality legal help in our community, the inequity of access in our legal system could begin to be addressed.

“By conservative estimates, the Australia Institute has assessed that each year, half a million Australians miss out on legal help – mainly for financial reasons.

“It doesn’t take much – a dodgy landlord, a family breakdown, debts from avaricious lenders – for people to find themselves in need of quality free legal advice.

“However our CLCs need more support to service the growing demand for their skills and to increase access to justice in our legal system,” said Mr Smith.

The study was undertaken by independent consultants Judith Stubbs & Associates commissioned by the National Association of CLCs.

About Community Law Australia

Community Law Australia is a campaign by a coalition of community legal centre bodies led by the National Association of Community Legal Centres. Community Law Australia is highlighting the crisis in access to Australia’s legal system and advocating for a proper safety net for legal support.

For a copy of the Cost Benefit Analysis or to arrange an interview, please contact media officer Anaya Latter on 0432 121 636. www.communitylawaustralia.org.au