



26 May 2022

Kia ora koutou,

Legal Aid Outcomes of Budget 2022

You will be aware by now that as part of Budget 2022 the Government has made an investment which will ensure continued access to justice by significantly strengthening the legal aid scheme.

As you will know, a 2018 review of legal aid settings highlighted a number of barriers to accessing legal aid, including eligibility and repayment thresholds as well as issues with remuneration and the administrative burden legal aid places on lawyers. Many of these issues were reiterated in the New Zealand Law Society's Access to Justice Survey report in October last year.

While the Ministry of Justice (the Ministry) has tried to address these issues where possible, significant funding was required to make any adjustments to key legal aid settings. I am pleased to advise that the Ministry has been successful this year and the Government is investing \$148.7 million over the next four years, which will see much needed changes made to legal aid settings regarding eligibility and repayments, and legal aid lawyer remuneration.

An additional \$41.4 million has also been secured which will ensure the Ministry will be able to continue to meet the expected increase in demand for legal aid over the next 4 years.

Increasing the hourly rates of legal aid lawyers

The funding will provide a one-off 12 per cent increase to the hourly rates for legal aid lawyers. This 12 per cent increase will be available for grants made after 1 July 2022, and for work completed after this date on existing grants. The new hourly rates for family, civil, and criminal legal aid can be found in the attached appendix.

This is exciting and a huge step in the right direction for the legal aid scheme, one I hope will incentivise experienced legal aid lawyers to continue providing the service and also encourage new lawyers to come on board.

I acknowledge that this investment will not fund any changes to the fixed fee schedules. A key focus of this investment was on addressing the hourly rates which have not been increased in over 10 years. Significant changes have been made to the fixed fee schedules between 2014-2018 with the last revision in 2016-2018 for criminal fixed fees.

The rates for the Duty Lawyer Service are not included in this increase, however I am aware that there are challenges with the service that need to be addressed. As a result, Legal Aid Services will be completing a review of the Duty Lawyer Service in the next year. This review will explore existing coverage and rostering issues, particularly on weekends and public holidays. We will be engaging with you throughout this review.

In addition to this, as part of the Criminal Process Improvement Programme there are proposed changes to the duty lawyer policy being trialled that provides additional remuneration to Duty Lawyers for completing specific duties, further information on this trial can be found on the Ministry's website:

<https://www.justice.govt.nz/about/lawyers-and-service-providers/legal-aid-lawyers/whats-new/2021-archive/#CPIP-Policy>

Legal aid settings regarding eligibility and repayments to change

In addition to the increase in hourly rates, the investment will also allow the Ministry to implement changes to key policy settings. These changes include:

- Increasing eligibility thresholds by 15% on 1 January 2023 and increasing them by a further 1.9% per year (for three years) so that they keep pace with wage inflation, ensuring that a greater proportion of people will qualify for legal aid.
- Increasing the repayment thresholds by 16.5% on 1 January 2023 and likewise increasing them by a further 1.9% per year for three years thereafter, and no longer charging interest on legal aid debt. This will mean that more legal aid recipients will have a lesser repayment obligation.
- The removal of the \$50 user charge for civil and family legal aid

Legal Aid Services' policies, including the grants handbook for providers, will be updated prior to these changes being made on 1 January 2023.

I would like to convey my appreciation for all the work you have done advocating for change to the legal aid scheme, and for your patience over the years as we have worked to make these changes.

Thank you for your ongoing commitment to the legal aid service, particularly over the last couple of years where COVID-19 has presented further challenges. I look forward to continuing to work together as we implement these changes and continue to make further improvements in the future.

Nāku iti noa, nā



Tracey Baguley

Legal Services Commissioner

Table 1: hourly rates for criminal legal aid from 1 July 2022

Criminal Provider Approval Level (PAL)	Other (\$/hour)	Level of experience (\$/hour)		
		Level 1	Level 2	Level 3
PAL 1	-	103	108	119
PAL 2	-	108	134	139
PAL 3	-	130	139	150
PAL 4	-	146	161	178
Court of Appeal/Supreme Court	-	146	161	178
Supervised Providers	103	-	-	-

Table 2: hourly rates for civil and family legal aid from 1 July 2022

Proceedings category	Other (\$/hour)	Level of experience (\$/hour)		
		Level 1	Level 2	Level 3
FC1 (Other tribunal/judicial authority)	-	103	130	139
FC2 (Family Court, District Court, etc)	-	119	134	150
FC3 (High Court)	-	134	150	167
FC4 (Court of Appeal/Supreme Court)	-	146	161	178
Supervised Providers	103	-	-	-