

11 March 2026

The Hon Michael Daley MP
Attorney General of NSW
52 Martin Place, Sydney NSW 2000

By email to: office@daley.minister.nsw.gov.au

Dear Attorney General

Solicitors Professional Indemnity Insurance Policies - 2026-27 Practising Year

I refer to your letter dated 26 February 2026 (received on 2 March 2026) informing us that you did not approve ABC Insurance's application under s 95 of the LPUA for the approval of its proposed policies for the 2026-27 practising year and your reasons for doing so.

As with your determination for the 2025-26 practising year, the sole basis for the decision set out in your letter is the preference for the continuation of the monopoly with Lawcover as the sole provider, and our application would have otherwise been approved.

With respect, this decision is not in the public interest and does not serve the statutory objects of the LPUL to which your intervention (if necessary) is intended to be supplemental. Among other things, it drives up insurance costs for solicitors which are ultimately passed on to consumers and businesses. We therefore request an urgent review of your unnecessary intervention which has blocked competition which, as your letter acknowledges, 'can drive premium decreases and policy innovation'.

We make this request for the following reasons:

1. The intervention stops competition flowing automatically via s 210 of the Legal Profession Uniform Law (NSW) (LPUL), undermining the objectives of the legislation.
2. You have intervened in a market to prevent competition and in doing so you have denied NSW solicitors access to the choice of a broader and more cost-effective policy.
3. The stated reasons for your determination are contradictory, incoherent and productive of an absurd conclusion that competition (which is a cornerstone of our market economy and your government's policies) is not appropriate for the majority of solicitors while leaving a sizeable minority with access to choice. The reasons contain several assertions that are unsupported and lack credibility, including 'special features' of solicitors, as distinct from all other professions including barristers. This simply cannot be a threshold for market intervention much less consistent with the statutory objects to the extent such considerations are relevant or appropriate.

4. The intervention produces obviously inappropriate consequences including, among other examples, the division of NSW practitioners into two separate classes. One class (which comprises about 30% of NSW practitioners – generally those working in large law practices) which by reason of physical office in another state enjoy choice and competition and the other (about two-thirds of NSW practitioners – generally smaller solicitors) are denied choice and competition by reason that these solicitors only have an office in NSW. The consequence is that a solicitor working in a small practise faces a substantially higher premium rate than would apply to the equivalent solicitor working in a larger practice.
5. As you will appreciate, an increasing number of solicitors (even though they only have a physical office in NSW) participate in the national market for the provision of legal services, a development in the provision of legal services which the LPUL anticipated. Your determination continues to place an inappropriate and unfair burden on the interstate trade of at least those solicitors contrary to the constitutional requirements that such trade be absolutely free. In this context, it is even more astonishing that the NSW Government would see fit to impede the free interstate trade of its own citizens (with all the consequences on the cost of providing those services to the general public).
6. Consistent with the advice of Bret Walker SC, the legislative scheme:

'gives no support whatever to consideration by the Attorney General of the question of whether Lawcover should be maintained as a monopoly'.

In short, your determination to refuse ABC Insurance's application for that purpose is beyond your power, and there has been no advice provided to the contrary.

Disappointingly, the intervention to prevent free and fair competition is unsurprising. The outcome appears to be consistent with the longstanding agreement, arrangement and/or understanding between the Law Society, Lawcover Insurance and policy makers described by the now Secretary of the Department (who was formerly the longstanding CEO of the Law Society and a director of Lawcover Insurance) as a 'partnership' to 'bulletproof' the compulsory insurance arrangements for the majority of NSW solicitors.

The millions of dollars of annual income generated by Lawcover for the Law Society of NSW has created a structural dependency that risks undermining the profession. Having a regulator also control the only provider of compulsory insurance for the majority of a profession is in itself deeply alarming but the ongoing conduct of the government to protect this arrangement raises serious questions.

The status quo is no longer acceptable to solicitors who are demanding choice and we urge you to reconsider your decision in the best interests of the public and the majority of NSW solicitors.

We look forward to hearing from you.

Yours sincerely

[Redacted signature]

David Sandig, Director

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cc.

Paul McKnight, Department of Communities and Justice: [Redacted]

Paul Baker, Meridian Lawyers: [Redacted]

Enclosure: Letter from the Attorney General dated 26 February 2026.