## **EXPLANATORY STATEMENT**

Statutory Rules 1994 No. 17

Issued by the Authority of the Judges of the Supreme Court of the Australian Capital Territory

## **AMENDMENT TO THE SUPREME COURT RULES**

These amendments allow for an increase of 4.35% in the scale of costs chargeable by solicitors for litigious work. They follow acceptance of recent recommendations of the Federal Costs Advisory Committee. The Committee was established to advise the Judges of the Court on variations to the quantum of costs for solicitors which should be fixed in the Rules.

The last increase to the scale of solicitors' costs specified in the Fourth Schedule to the Supreme Court Rules took effect on 1 April 1993. The present increase of 4.35% in the scale of costs takes into account movements in the Consumer Price Index and the Award Rates of Pay Index between 30 June 1992 and 30 June 1993 and movements in the Average Weekly Ordinary Time Earnings between 15 May 1992 and 21 May 1993. The Committee accepted that 37% of solicitors' gross fee costs were attributable to employees' wages and salaries, 35% to other overheads and the remaining 28% to partners' salaries and profit share. As a result of these findings the Committee has recommended an overall increase of 4.35%. The Judges of the Court have accepted this recommendation. The increase has been applied to the Scale of Costs in the Fourth Schedule to the Supreme Court Rules (except items 36 and 37, which relate to witness' fees and disbursements) for work done or services performed by a solicitor on or after 1 June 1994. This increase has also been applied to the costs provided for in Order 4 rule 6 in respect of claims for a debt or liquidated demand (except insofar as those costs include the disbursement of a Court filing fee) as well as to photocopying charges specified in Order 65 rule 7.

As a matter of explanation, the reference in Rule 5(c) of these amending rules to an increase of 7.62% in Schedule 4 costs and charges includes the previous increase of 3.13% which took effect on 1 April 1993.