



## Adverse consequences of legal problems in New South Wales

**Abstract:** *The Legal Australia-Wide (LAW) Survey examined the adverse consequences that legal problems can have on a range of health, social and financial circumstances. Adverse impacts were common, and, not surprisingly, some types of legal problems tended to have more adverse impacts than others. This paper summarises the LAW Survey findings for New South Wales (NSW) on the adverse consequences of legal problems.*

### Source

This paper is a simplified excerpt from the report, **Legal Australia-Wide Survey: Legal need in New South Wales** by Christine Coumarelos, Deborah Macourt, Julie People, Hugh M. McDonald, Zhigang Wei, Reiny Iriana and Stephanie Ramsey (Law and Justice Foundation of NSW, 2012).

### About the LAW Survey

The LAW Survey provides a comprehensive assessment of a broad range of legal needs on a representative sample of the population. It covered 129 different types of civil, criminal and family law problems. It examined the nature of legal problems, the pathways to their resolution and the demographic groups that struggle with the weight of their legal problems.

With 20 716 respondents across Australia, including over 2000 in each state/territory, the LAW Survey allows for in-depth analysis at both the state/territory and national level. The major findings were published in a series of nine reports, with a report on Australia as a whole and each state/territory. Some key findings were:

- legal problems are widespread and often have adverse impacts on many life circumstances
- disadvantaged people are particularly vulnerable to legal problems
- many people do nothing to resolve their legal problems and achieve poor outcomes
- most people resolve their legal problems without using lawyers or the formal justice system.

The nine LAW Survey reports are available at:

[www.lawfoundation.net.au](http://www.lawfoundation.net.au)

**Several overseas legal needs surveys** have examined the adverse consequences that legal problems can have on a range of economic, health and social circumstances. Adverse impacts are common and can be severe and debilitating. In the English and Welsh Civil and Social Justice Survey, respondents spent all or most of their time worrying about almost 40 per cent of legal problems (Pleasence 2006). In Canada, almost 60 per cent of legal problems made daily life somewhat to extremely difficult (Currie 2007). In Northern Ireland, 40 per cent of legal problems had a severe impact (Dignan 2006).

### Prevalence of legal problems with a substantial impact

The LAW survey examined 129 different types of civil, criminal and family law problems, which were further categorised into 12 problems groups – accidents, consumer, credit/debt, crime, employment, family, government, health, housing, money, personal injury and rights. Respondents were asked whether they had experienced each type of problem in the 12 months prior to interview. Legal problems were widespread. In NSW, 50 per cent of respondents experienced one or more legal problems.

Respondents were asked to rate the severity of their legal problems in terms of the impact these problems had on everyday life. Legal problems often had considerable impacts. Twenty-eight per cent of respondents experienced a ‘substantial’ legal problem that had a ‘severe’ or ‘moderate’ impact on their everyday life. This percentage translates to an estimated 1 586 000 people in NSW aged 15 years or over experiencing a legal problem that has a substantial impact in a one-year period.<sup>1</sup>

### Types of adverse consequences

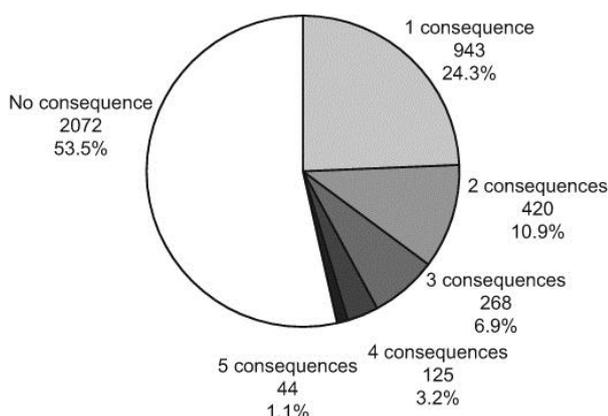
The LAW Survey measured five different types of adverse health and social consequences resulting from legal problems. NSW respondents reported that their legal problems caused:

- income loss or financial strain (in 29% of cases)
- stress-related illness (21%)
- physical ill health (20%)
- relationship breakdown (10%)
- having to move home (6%).

### Prevalence of adverse consequences

At least one of the five adverse consequences measured was reported for almost half (47%) of the legal problems examined. One consequence was reported for 24 per cent of problems, two consequences were reported for 11 per cent of problems, and at least three consequences were reported for a further 11 per cent (see Figure 1).

Figure 1: Number of adverse consequences per legal problem, NSW



Note: N=3872 problems. Data were missing for 31 problems.

The LAW Survey found a greater number of adverse consequences were experienced when respondents had multiple legal problems. For example, three or more adverse consequences were reported by 31 per cent of the respondents who had at least three problems, but by only 4 per cent of the respondents who had one problem.

### Adverse consequences of different types of legal problems

Some types of legal problems were more likely than others to result in adverse consequences. Most notably, family problems were rated as having the most adverse consequences, with an average of 2.2 adverse consequences resulting from each family problem.

Personal injury (1.6) and health (1.5) problems resulted in the next highest mean numbers of adverse consequences, while accidents<sup>ii</sup> (0.2) and consumer (0.4) problems resulted in the lowest.

Relatively high proportions of the family problems experienced were reported to cause income loss or financial strain (57% of family problems), relationship breakdown (51%), stress-related illness (46%), physical ill health (36%) and having to move home (33%). The corresponding percentages for the accidents problem group ranged from 0 to 13 per cent, while those for the consumer problem group ranged from 1 to 23 per cent.

### Conclusion

The considerable adverse impacts of legal problems stress the potential value of prevention and early intervention strategies so that legal problems can be resolved before they resonate throughout numerous life areas. In addition, the considerable negative impacts that legal problems can have on a person's personal circumstances have been argued to translate to an enormous cost to society at large. For example, based on the English and Welsh Civil and Social Justice Survey, it was estimated that the economic impact on health and other public services of the adverse consequences of legal problems was at least £13 billion over a 3.5-year period and prompted the Lord Chancellor to conclude that solving peoples' legal problems must remain a priority (see Pleasence 2006, p. i). The LAW Survey findings suggest that the adverse consequences of legal problems in NSW may also have a considerable economic impact.

### References

- Currie, A 2007, *The legal problems of everyday life: the nature, extent and consequences of justiciable problems experienced by Canadians*, Department of Justice Canada, Ottawa.
- Dignan, T 2006, *Northern Ireland Legal Needs Survey*, Northern Ireland Legal Services Commission, Belfast.
- Pleasence, P 2006, *Causes of action: civil law and social justice*, 2nd edn, Stationery Office, Norwich.

### Endnotes

- <sup>i</sup> This figure is based on estimated NSW population numbers as at June 2008.
- <sup>ii</sup> The accidents problem group by definition consisted only of injury-free motor vehicle accidents. Accidents involving injury were captured within the personal injury problem group.