

KELLEHERS AUSTRALIA

In-House Memorandum

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Mental Health and Legal Support: COVID packages

Two major stimulus packages impact legal services. However, it is far from clear how responsive these are to the mental health impacts on highly stressed and distressed clients concerning unresolved legal disputes.

Since the outbreak of COVID-19 in March, Kellehers has witnessed long-term and valued clients struggle with acute stress and trauma, exacerbated by the significant change in normal circumstances due to the COVID-19 crisis. Our experience undoubtedly represents the surface of a much larger issue throughout the legal profession at this time.

Currently, no government support is anticipated for persons facing immediate litigation, whose income or assets have been affected by COVID-19, and those experiencing acute mental health distress, where such persons do not meet the means test for government funded legal aid or community legal centre advice and support – as is the case for a majority of landowners involved in property-related cases. This is so, notwithstanding that in certain instances legal aid and CLCs have amended their means test to ensure eligibility is unaffected by the federal Government's economic stimulus and support packages.

Availability of legal assistance at this time is, in many cases, critical. It has the potential to offer a lifeline of support to those facing acute economic and personal distress: and to ensure the protection of assets and income in the longer term. Without access to specialist legal advice, many persons risk detrimental outcomes. This NewsFlash examines the relevant packages.

Legal sector funding

On 5 May 2020, two key initiatives were announced:

- Legal Sector Funding; and
- Fast-tracking the National Legal Assistance Partnership (**NLAP**).

Funding Measure 1.

\$48.9 million for **frontline legal services**, including legal advice and legal representation, of which forty percent (40%) is to be allocated to domestic violence legal services. The term **frontline legal services** is not defined, but connotes court, legal aid commissions and community legal centre support organisations.

Funding Measure 2.

\$13.5 million for IT costs to support a legal industry transition to virtual and online legal service delivery.

NLAP being brought forward to guarantee funding support for legal aid commissions and community legal centres over the next three years. Current funding agreement to expire on 30 June 2020.

Mental Health Packages

For mental health support, Government introduced a digital mental health portal, [Head to Health](#). This website contains information and guidance on maintaining good mental health during isolation and COVID, how to support children and loved ones and access to further mental health services and care.

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KELLEHERS AUSTRALIA: www.kellehers.com.au / e: kelllegal@kellehers.com.au

497 Swan Street, Burnley, 3121, Victoria, Australia

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The Government also announced \$74M of funding to a raft of existing mental health support networks such as LifeLine and KidsHelpLine.

Financial support lines include:

- **Emergency Relief** - for vulnerable Australians who need assistance with bills, food, clothing or petrol and to increase/retain workforce capacity including volunteers.
- **National Debt Helpline** - often a first point of contact for people experiencing financial difficulties, supporting one-on-one tele-financial counselling.
- **No Interest Loan Scheme** - immediate financial relief as an alternative to other high-risk, high-interest products such as credit cards and payday loans.

A growing number of Australians fall outside current mental health and legal support packages, but are struggling with acute anxiety, stress, aloneness and severe financial distress.

Kellehers is concerned that these Australians are deciding to forego legal rights, or deferring resolution of disputes, due to current acute mental and financial pressure and fears arising from legal costs. We are also seeing a widening power disadvantage between Corporations, more capable of litigation, and individuals. Unless other methods of support are created it is likely that many more Australians will compound their suffering by neglecting their legal support needs. This needs urgent attention by governments at all levels.

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