

Recession forces law firms to adopt tech, ditch hourly rates

Hannah Wootton

The recession brought about by the coronavirus pandemic will force Australian law firms to adopt more legal technology and shift from billables to fixed price projects in the face of reduced client spending, according to a lawyer who saw the same transition happen in Britain after the global financial crisis.

Jason McQuillen, who worked at Australian big six law firms before starting his own successful legal tech business in London, said the recession

would fuel clients' unmet demand for lawyers to modernise their manual work processes.

Firms have historically been reluctant to do this as new legal technologies, which automate or speed up manual tasks, challenge the billable hourly fee model where the longer a task takes, the more lucrative it is.

Back in Australia as KPMG Law's newest partner – and taking a welcome sea change from COVID-19-blighted London to Bondi – Mr McQuillen said the Australian market now needed to catch up on changes already adopted in



Jason McQuillen. PHOTO: PETER BRAIG

COVID ... is forcing the legal industry to innovate and digitise.

Jason McQuillen, KPMG Law

the US and Britain after the financial crisis. "The GFC hit really hard in London and it became harder and harder to sell traditional legal services to big corporates," he said.

Demand rose for fixed fee work to drive down costs, with firms out-

sourcing a portion of their work abroad including to India and South Africa, as well as for lawyers that used and created legal tech.

The Australian market was largely shielded from the GFC so avoided the forced NewLaw adoption, but now it needed to catch up following the pandemic-induced recession, Mr McQuillen said.

"Now COVID ... is forcing the legal industry to innovate and digitise, but also to look at the best way to resource everything against the backdrop of belts tightening."



Christopher Southwick, below, and his Royal Davui Island resort, which has welcomed wealthy pandemic escapees.

Fiji's luxury rescue plan – just Google it

Fiona Carruthers
Travel editor

As the world anticipates a potential nightmare in attempting tourism in the COVID-19 era, one of our closest neighbours is offering a textbook lesson in how to manage it.

Since Fiji set up its superyacht "Blue Lane" in September last year, 95 yachts and pleasure craft have been approved under the initiative, allowing 307 passengers and crew to enter Fiji. Yet more have flown in on private jets, which are also welcome as long as those on board have negative test results, and are prepared to quarantine in a luxury resort or similar place.

Longtime Fiji fans Google co-founder Larry Page and his family, plus a huddle of his Google senior executives, are among those who have made use of the Blue Lane. His \$45 million superyacht, Senses, is based in Fiji, and before the pandemic the Page family spent up to four months a year there.

A further 300 wealthy investors, students and tech experts have also safely entered Fiji under the "special requests with significant economic value" program, designed to boost investment and business confidence through the pandemic.

So far so good: the nation of more than 890,000 people has just passed 272 COVID-19-free days with no local community transmission of the virus.

"Fiji's tourism industry has really felt the lack of international guests,



but it really is business as usual in Fiji for the most part," says Christopher Southwick, the Australian owner of one of Fiji's most luxurious properties, Royal Davui Island, south of Fiji's main island, Viti Levu.

"Walking around Fiji's capital Suva you would not know that there was a pandemic – other than the signs about washing your hands," he says.

Don't get me wrong, it's not all cocktails and lounging by the pool in the sun.

Christopher Southwick

"Don't get me wrong, it's not all cocktails and lounging by the pool in the sun. It's a difficult time for everyone on some level, be that financially, mentally and/or physically."

Like quite a few of the big luxury resorts, Royal Davui has been open for quarantine stays, and also lunches and dinners to cater for the increasing number of superyachts cruising around. The island has just 16 private villas.

Southwick has been in Fiji since last March. The Australian citizen arrived at his property then when it

became clear COVID-19 was going to shut down the resort – "for what we thought would be a couple of weeks".

"I came over with the view of staying a few weeks to caretake while my general managers took off home. As the weeks went by, it became very clear that this was a long-term thing."

As it looks to stimulate the economy, the Fijian government has dropped its hotel taxes from 25 per cent to 14 per cent.

"The reduction in taxes mean rates in Fiji have come down for most hotels," Southwick says.

The nightly rate at Royal Davui is about \$F2350 (\$1503) per couple including all meals.

The government also recently announced the "luxury vacation in paradise" initiative in partnership with Fiji Airways and the tourism industry.

It allows foreign tourists to incorporate their 14-day quarantine period as part of their Fijian holiday. Only eight secluded private island resorts are part of the potentially lucrative vacation in paradise program, including Royal Davui and Lang Walker's spectacular Kokomo Private Island.

Sydney-based Walker built Kokomo and opened it in March 2017 with a fitting pricetag for "barefoot luxury" in paradise.

Given he has been losing about \$130,000 a night on the property sans guests, no doubt efforts by the Fijian government to lure back tourists is welcome news.

Notice of intention to make an application to the Federal Court of Australia for confirmation of a Scheme for the transfer of the life insurance business of The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 to AIA Australia Limited ABN 79 004 837 861 under Part 9 of the Life Insurance Act 1995 (Cth)

TAKE NOTICE that The Colonial Mutual Life Assurance Society Limited (CMLA) and AIA Australia Limited (AIAA) propose to make a joint application at 10:15am on Monday, 8th March 2021 (or such other date and time as the Court determines) in the Federal Court of Australia (Court) at the Law Court's Building located at Queen's Square, Sydney for orders confirming a scheme for the transfer of the life insurance business of CMLA to AIAA under Part 9 of the Life Insurance Act 1995 (Cth) (Scheme).

If the Scheme is confirmed by the Court all in-force policies of CMLA (including expired policies under which benefits remain payable) or policies that have a guaranteed renewal right at the proposed transfer date, as well as all assets of its statutory funds, will be transferred to AIAA as follows:

- all policies referable to CMLA's statutory funds containing investment-linked policies (ie. CMLA's Statutory Fund No.1L, Statutory Fund No.2L and Statutory Fund No.4) will become referable to equivalent new statutory funds of AIAA; and
- all policies referable to CMLA's other statutory funds (ie. CMLA's Statutory Fund No.1, Statutory Fund No.3 and Statutory Fund No.5) will become referable to AIAA's Statutory Fund No.1.

effective from the effective date determined by the Court, but which is proposed to be 12:01am on 1 April 2021 (Transfer Date).

At the same time, AIAA will be substituted for CMLA as the insurer under these policies. The contractual benefits and rights of CMLA policy owners and insured beneficiaries will remain unchanged, other than:

- a change to the insurer; and
- a change to the relevant statutory fund.

There will be no change to AIAA policies as a result of the Scheme.

Any person who, in the Court's opinion, may be affected by the Scheme (Affected Policy Owners) can ask the Court, at the hearing, to be heard on the application. It is important that Affected Policy Owners take notice of the Scheme and consider whether they wish to attend the hearing. If you wish to be heard at the hearing please contact AIAA and CMLA's lawyers, Ashurst (Attention: Con Tzeretos), Level 26, 181 William Street, Melbourne, VIC 3000 (telephone 03 9679 3000) between 9am and 5pm Monday to Friday, before the hearing date.

Each policy owner of CMLA and any owner of an AIAA policy referable to AIAA's Statutory Fund No.1 may obtain a copy of the Scheme, a summary of the Scheme approved by the Australian Prudential Regulation Authority (Scheme Summary), this Notice of Intention, the actuarial reports in respect of CMLA and AIAA on which the Scheme is based and an independent actuarial report on the Scheme (Actuarial Reports) free of charge to download, by email request or by calling on the details below:

CMLA Scheme Contact Centre
Telephone: 13 10 56 during the hours of 8.00am to 6.00pm AEST
(on any day until the Transfer Date (except weekends and public holidays))
Email: supportpart9@cmla.com.au
Website: www.aia.com.au/part9scheme

AIAA Scheme Contact Centre
Telephone: 1800 333 613 during the hours of 8.00am to 6.00pm AEST
(on any day until the Transfer Date (except weekends and public holidays))
Email: supportpart9@aia.com
Website: www.aia.com.au/part9scheme

Copies of these documents will also be available for inspection during the hours of 9.00am to 5.00pm during the period 20 January 2021 to 12 February 2021 (except public holidays in the relevant State or Territory) at the places set out below. You can also request a free copy of the scheme documents at the locations set out below at these times.

ACT	TAS	QLD
Ashurst Level 11, 12 Moore Street Canberra ACT 2601	Dobson Mitchell Allport 59 Harrington Street Hobart TAS 7000	Ashurst Level 38, Riverside Centre 123 Eagle Street Brisbane QLD 4000
SA	NT	WA
Minter Ellison Level 10, Grenfell Centre 25 Grenfell Street Adelaide SA 5000	Minter Ellison Level 1, 60 Smith Street Darwin NT 0800	Ashurst Level 10 and 11 Brookfield Place Tower II 123 St Georges Terrace Perth WA 6000
NSW	VIC	
Ashurst Level 11, 5 Martin Place Sydney NSW 2000	Ashurst Level 26, 181 William Street Melbourne VIC 3000	

A Scheme Summary will be sent to Affected Policy Owners of CMLA.

In order to promote disclosure of the Scheme, if you are insured under an AIAA policy referable to AIAA's Statutory Fund No.1, or a CMLA policy referable to a CMLA statutory fund described in this notice but are not the owner of that policy, you may inspect, request or download a copy of the Scheme and associated documents in the manner described above. To assist you in assessing whether you are an insured person, but not a policy owner, of a CMLA or AIAA policy described in this notice, please note that CMLA and AIAA issue:

- policies to trustees of superannuation funds, who are the policy owners, for the benefit of fund members, who are the insureds, and
- other group policies to entities such as employers, who are the policy owners, for the benefit of their employees, who are the insureds.

If you are a member of a superannuation fund or an insured under a group policy, we recommend you check whether CMLA or AIAA is the insurer.

Affected Policy Owners, superannuation fund members and insureds under policies as described in this notice are not required to take any action if they have no objection to the Scheme.

Should you require further information or have any concerns about the proposed Scheme, please contact the CMLA Scheme Contact Centre on 13 10 56 or the AIAA Scheme Contact Centre on 1800 333 613 during the hours of 8.00am to 6.00pm AEST on any day until the Transfer Date (except weekends and public holidays) if you are an Affected Policy Owner or an insured under such a policy.

We recommend that each Affected Policy Owner obtain a copy of and review the Scheme, the Scheme Summary and the Actuarial Reports, which contain a discussion of the impact of the Scheme on policy owners.

Signed by the Company Secretary of

The Colonial Mutual Life Assurance Society Limited and

AIA Australia Limited

M. Tropea
Michael Tropea

