



## Class Actions What are the benefits?

- **Sharing legal costs:** The driving force behind Australia's class action system is access to justice. A class action enhances access to justice for victims of mass wrongs who may otherwise be prevented from pursuing justice due to the potentially prohibitive cost of legal action. Group members of a class action are, in effect, banding together to share the legal costs associated in pursuing a claim for compensation against the defendant. This helps to avoid the increased costs and inefficiencies associated with each person individually engaging their own legal team to run separate court proceedings and separately determine an answer to the same legal question.
- **Professional and experienced legal representation:** Due to cost sharing benefits group members can access a team of experienced legal representatives and experts required to best advance a case. This level of representation is largely unavailable to individuals and is another reason the class action regime was introduced – to level the playing field between victims of mass wrongs and their often well – resourced corporate opponent.
- **Strength in numbers:** Pursuing a claim for compensation as a member of a larger group can help to empower a community or group of people who are 'in the same boat'. Joining together also assists in ensuring the defendant pays attention as the potential risks and adverse outcomes for the defendant are greater.
- **Protection from costs risks:** Group members to a class action are shielded from a number of risks. For instance, group members cannot be ordered to pay any part of the defendant's legal costs if the action is unsuccessful (this risk is borne by the lead plaintiff). This allows group members to pursue a claim for compensation at no risk to themselves and is an advantage that would not be available outside the vehicle of a class action.
- **Oversight by the Court:** Because a class action can impact a large number of people, the Court takes an active supervisory role in ensuring that the rights and interests of all group members are protected. This includes a requirement that any proposed settlement be approved by the Court as being fair and reasonable. Any legal fees proposed to be charged in the event of a successful outcome are also required to be approved by the Court. This level of supervision is generally not required for other types of legal proceedings.
- **Greater certainty:** Collectively pursuing a claim for compensation means that the outcome for everyone will be consistent. When pursuing individual claims for compensation, there is a risk that each claim will be progressed differently. Different approaches can result in different outcomes leading to imbalances, inefficiencies and confusion.

The information in this brochure is general in nature, and you may require additional advice. For more information contact our Class Action Department on 1800 815 228 or [info@maddenslawyers.com.au](mailto:info@maddenslawyers.com.au)

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