

Question on Notice

No. 678

Asked on 26 May 2021

MR T NICHOLLS ASKED THE ATTORNEY-GENERAL AND MINISTER FOR JUSTICE, MINISTER FOR WOMEN AND MINISTER FOR THE PREVENTION OF DOMESTIC AND FAMILY VIOLENCE (HON S FENTIMAN) –

QUESTION:

Will the Attorney-General advise to what extent has the total interest from solicitors' trust accounts changed, in dollar and percentage terms, in each financial year or part financial year since 2017-18?

ANSWER:

Interest rates for solicitors' trust accounts are based on 80% of the 90-day Bank Bill Rate (BBR). In July 2017 the interest rate was 1.7325%; during 2017-18 this increased to 2.0700%. From this point onwards, it has steadily declined to be at 0.0400% at the end of April 2021.

Low interest rates affect the value of interest received as does the level of funds held in solicitors' trust accounts.

Based on Reserve Bank of Australia forecasts, interest rates are expected to remain at extremely low levels for at least three years.

Interest Revenue (Year)	Total (\$)	% Increase/Decrease on previous year
2017-18	30,520,241.52	Increase 16.73%
2018-19	32,940,632.56	Increase 7.93%
2019-20	17,124,057.75	Decrease 48.02%
Estimated 2020-21	1,197,419.94	Decrease 93.01%