

SOCIAL SECURITY FOR LAWYERS IN EUROPE

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1. GENERAL THEMES

The present system of social protection for lawyers in England and Wales could be better. However, at least for lawyers, it is not as much of a problem as some others, as the average salaries for lawyers are higher than other parts of the population.

Many lawyers make very large contributions to their pension funds and other social security needs. On retirement most people, if necessary, will sell their houses and move to a smaller house and use the finance gained so as to fund their retirement.

2. STATE INSURANCE FOR LAWYERS (AN ALTERNATIVE TO THE INDIVIDUAL'S PRIVATE INITIATIVE)

It would be very interesting to see a demand for this type of approach in England and Wales. The state in itself would not allow lawyers to “contract out” of paying taxes and national insurance for social security benefit. Lawyers, of course, can set up their own private pension schemes, and manage their own funds to a degree, but in reality this is much the same as the private arrangements that exist at present.

However, in principle, I believe that direct management by lawyers would be a very good idea. Financial “experts” manage billions of Euros, and don’t always do a great job. There have been a number of financial investment scandals recently.

If such a state insurance scheme for lawyers were set up I do believe that the national and regional bars would have a role to play.

3. STATE INSURANCE FOR LAWYERS AS A LEGAL COMPULSORY SYSTEM

State insurance for lawyers as a legal compulsory system does not exist in England and Wales. It is hard to envisage a scenario where it will ever exist.

It might be the case that in future the state compels people to make pension provision (based on earnings). However, it is very unlikely that the state would then go further and introduce legislation to particular groups of professions such as lawyers. It would be difficult, on the surface to see how such a system would be compliant with the general principles of free competition.

What would be interesting would be some sort of pension scheme on a regional or territorial basis. For example, a pension scheme for the members of the Devon and Somerset Law Society (and those for the Florence Bar). This is a nice thought but perhaps difficult to establish – more's the pity.