

26th April 2005

The Competition Authority
Parnell House
14 Parnell Square
Dublin 1

Dear Sirs

Study of Competition in Legal Services

The Medical Protection Society is a non profit making mutual organisation providing professional indemnity cover, on a discretionary basis, to doctors and dentists worldwide, including the Republic of Ireland. The assistance provided to our members includes indemnity for claims and legal costs. We have almost 7,000 in Ireland and as such MPS has considerable exposure to the Irish litigation system.

We have considered the Competition Authority's study in relation to legal services, with interest. We do not propose to make submissions in relation to the parts of the report which deal with regulatory issues. However, we would like an opportunity to comment on Chapter 11 dealing with Senior Counsel, and Chapter 12 dealing with legal fees and taxation of costs.

The issue of legal costs is of concern to MPS and its members worldwide. However the issue of costs in Ireland is of particular concern to MPS for many of the reasons highlighted in the report. Counsel's fees generally are considerably in excess of fees paid to Counsel of similar experience in England and Wales. We are rarely provided with an estimate of Counsel's fees prior to trial itself. We note the Commission's proposals in relation to Junior Counsel's fees, that Junior Counsel should only charge for work done when acting on a case. We would certainly welcome this proposal and we would suggest that it would also be appropriate for Senior Counsel to charge on a similar basis.

In relation to legal fees and the taxation of costs, we are greatly troubled by the lack of transparency in relation to legal costs generally. Again, we welcome proposals that Counsel be asked to provide letters, providing fee information when first briefed (Proposal 29).

In relation to taxation, it has been of some concern to us that it is apparent that there is very little scrutiny of the amount of work actually undertaken when taxing costs. The unofficial 'precedent' system lacks transparency and is, quite simply, unfair to the paying party.

MPS very much welcomes the opportunity to comment on the Authority's study and we look forward to reviewing the Authority's final report in due course.

Yours faithfully

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