



LORD CHIEF JUSTICE
OF ENGLAND AND WALES

THE RIGHT HON. THE LORD BURNETT OF MALDON

LAUNCH OF THECITYUK'S LEGAL SERVICES REPORT 2017

23 November 2017

1. I have found the TheCityUK's Legal Services report for 2017 an absolutely fascinating source of information. It exposes the vitality and importance of the legal services industry in this country, not only in London but throughout the rest of England and Wales, and in our sister jurisdictions in Scotland and Northern Ireland. It is a particular pleasure to join you and the Lord Chancellor at its launch.
2. The report is of real value to government, the judiciary, and also to the market. It once more shows the attraction of the United Kingdom as a world leading jurisdiction; the great strength of English law as a world leader; and London's importance as a centre for international dispute resolution. A centre that, in 2016, saw 1,100 claims issued in the Admiralty and Commercial Court, over 70% of which involved a party from outside England and Wales. 45% of those claims had no party from the jurisdiction. 2017's figures follow suit. Many of these parties are true volunteers and might have litigated elsewhere.
3. Given this, it is not surprising that *LegalUK* is a major contributor to our global influence and our nation's wealth. It is, as you say, '*a vital national asset*'. English law and legal expertise are central to that. We can, as a nation, be slightly reticent in advertising our achievements. Your work promoting the value and importance of *LegalUK*, of our courts, our arbitral centres, and our Alternative Dispute Resolution services to the international business community, cannot be underestimated. It is very important work, which the judiciary is happy to be seen to support.
4. The Lord Chancellor has suggested that we might take some pride and satisfaction in the strength of *LegalUK*. That is true, but no jurisdiction can afford to rest on its laurels. Today's leading jurisdictions may not be tomorrow's leading jurisdictions. There are many out there well-placed to challenge the pre-eminence of our judiciary, of our lawyers, of English law as the law of choice, and of London, in particular, as the leading international centre for

resolving disputes. Barely a month goes by without a report of another jurisdiction aiming to nibble away at the British legal market. Whilst imitation may be the best form of flattery, we must recognise that markets are by the very nature dynamic. Competition, and changing circumstances, can undermine a market leader's strength, particularly in the uncertain times to which the Lord Chancellor has referred.

5. Such challenges can also – and, perhaps, should also – act as a spur to innovation and improvement. Your report recognises many of the reforming changes the judiciary has made. Might I highlight just a few? Recent innovations have included the introduction of the Financial List, the Financial Markets Test Case scheme, and the Shorter and Flexible Trials pilot scheme. These are developments intended to ensure that our courts keep abreast of legal and commercial developments, but – importantly – are also able to deliver justice at the right pace and at the right cost.
6. For the first time, your report looks beyond legal London. In considering the 311,000 people who work in the legal sector, it looks at those mentioned by the Lord Chancellor – the two thirds – who are based outside London. And those numbers do not include the judiciary, or those who work in the Courts and Tribunals, or in local and central government, or elsewhere in the public sector.
7. The judiciary continues to develop its activities outside London. A recent innovation has been the establishment of our Business and Property Courts. They have brought together judicial expertise in finance, business and markets, property, intellectual property, and technology and construction law. They offer an excellent forum for court-based dispute resolution which means that litigants should not feel it necessary to issue in London or use London lawyers, however complex or large the litigation. We see the Rolls Building, at the heart of legal London, as the flagship court in this area, but we have centres across England and Wales: in Cardiff, Birmingham, Bristol, Leeds, Liverpool and Manchester. The increased prominence of these courts will further develop the judicial and professional expertise across the country, enabling claims to be resolved locally in the best possible, most cost-effective and efficient forum.

Innovation has not stopped there.

8. Since its creation, our Commercial Court has been a market leader. Its rules and procedures are generally recognised as a gold standard. But they are constantly under review to make changes that secure improvements. The scope, and thus cost, of disclosure remains an

enduring source of concern. A working party led by Lady Justice Gloster, a former judge in charge of the Commercial Court, is considering how to improve the disclosure process. Change is driven by ever more sophisticated electronic searching technology, which can deliver disclosure at proportionate cost while maintaining the central role it plays in ensuring a fair trial and reliable outcomes.

9. With the support of Government and, in particular, the Lord Chancellor we are investing in the development of cutting-edge IT and online court processes that already have transformed and are transforming the way in which the Business and Property Courts operate in London. We have further to go; and will also soon develop similar systems for those courts outside London.
10. Underpinning our willingness to innovate, just as it underpins *LegalUK's* global reach and influence, are two constants, or, as the Lord Chancellor has said, there are '*strong and deep foundations*'. Two particularly stand out.
11. First, there is the common law. Its stability and predictability. And within that, its pragmatism and ability to develop at a proper pace to meet new situations and changing market conditions. It is the firmest of foundations and one which will remain.
12. And secondly, and crucially, there is the quality and integrity of our judiciary in England and Wales, and across the whole of the United Kingdom. It is reinforced by our longstanding and deep-seated commitment to the rule of law. Most people in the United Kingdom take the rule of law for granted, if they think about it at all. Yet those who do business around the world, or find themselves in dispute in some surprisingly advanced economies, soon find how shallow the roots of the rule of law can be elsewhere. In the United Kingdom, no person, no corporation, no minister and no public body is above the law. All are subject to it. How one wishes that were so the world over. And the rule of law flourishes only in societies that have a strong, independent and incorruptible judiciary, as we have.
13. The law and legal services are always dynamic. We continue to build on the foundations that were laid down over centuries. In doing so, we will ensure that our justice system and our legal professions remain a global national asset in the years to come. The work that TheCityUK does to explain the reach of the legal services sector and its importance to the vitality and prosperity of the United Kingdom is invaluable. You highlight the immense contribution of our courts and legal professions to the United Kingdom and their global reach, and – crucially – our collective commitment to the rule of law. For that we are grateful.