
BANACK'S BENCHER NEWS #15

DATE: February 27, 1998

LEGAL AID: Following extensive examination and numerous meetings after release of the McCamus Report last year and consultation with representatives of lawyers affected by changes to the Legal Aid Plan, the matter was debated in Convocation today. The alternatives considered included the present system administered by the Law Society; the McCamus model; and a proposal suggested by Bencher Neil Finkelstein, Vice-Chair of the Legal Aid Committee which recommended a model independent of both the Law Society and the Attorney General.

Convocation recommended that a new statutory corporation, independent of the Law Society, administer the Legal Aid Plan. The corporation will have an eleven person multi-skilled, broadly based and representative Board of Directors. It has been suggested that in 1999, lawyers will no longer contribute to administrative expenses and the annual Legal Aid levy of \$147.00 per lawyer will be eliminated as well as the 5% statutory deduction.

BAR ADMISSION COURSE REFORM: Convocation received a report detailing options for future reform of the Bar Admission Course that includes eleven recommendations and a proposed bar admission course of 8 weeks, followed by 12 months of articling and licensing examinations. The report will now be widely circulated for comment within the Profession.

NUMBERS IN THE PROFESSION: Over 1,200 students were called to the Bar this week. Following a study completed by the Ontario Institute for Studies in Education, changes have been made to enhance the operational effectiveness of the Legal Education Department, including a reduction of the management layers in the reporting structure. In the last debate in relation to numbers in the Profession, I voted against the proposition of imposing an entry limitation. On reflection and in view of the constant and consistent information I am receiving from colleagues throughout the Province, my view has now changed. Although there may be a difficulty with public optics, I believe the time has come for the Law Society to recognize its responsibility to the public by ensuring that an appropriate number, and only an appropriate number of properly trained professionals are available to respond to societal needs. I believe that excess capacity of under-utilized lawyers does not serve the needs of the public and, in fact, may prove to be a disservice when lawyers feel compelled to accept work with which they are not familiar and are not current. Unfortunately, I suspect that the numbers debate will not resurface in this Convocation.

PROJECT 200- BUSINESS PLAN/TECHNOLOGICAL CHANGE: The purpose of the project is to measurably improve performance of the Law Society in areas most important to lawyers and the public. These areas include weaknesses in the regulatory functions, service culture and technological deficiencies. To successfully address these problems, a significant investment in technology is needed to upgrade the Law Society to better provide the services we require as a profession. A business plan was presented and approved. In order to improve services and reduce costs the money budgeted for 1998 will be spent. It is projected that the current cost of the technological changes will be recovered from staff reductions within two years and total savings will exceed \$4 million over the five year business plan. If you wish to review the business plan dated December 5, 1997, please call the Law Society for a copy.

FOCUSED AUDITS OF LAWYERS/SPOT AUDITS: Convocation approved a "risk profile" of lawyers who will be subjected to focused financial audits. The profile includes lawyers referred from LPIC, members who have ceased to practice law but continue to hold trust property, lawyers in private practice holding mortgages in trust for clients while collecting payments, those arranging private mortgages for lender clients or acting for private mortgage lenders and handling advances in respect of mortgage transactions, as well as members who act as sole estate trustees and have sole authority over estate assets, etc. As a pro active step, you may wish to compare the profile to your practice activities.

In addition, we will all again be subject to random spot audits to ensure the adequacy of our books and records and compliance with expected standards which is especially important now that we have adopted a self-reporting system.

Please fax back your response to (416) 977-3316

Notice of Motion - Convocation has been informed that a motion will be brought before it in March to determine whether the Law Society should ask the Attorney General for Rule-making power that would allow the Law Society to require that all lawyers in the Province belong to the Canadian Bar Association and a County and District Law Association.

I am interested in your views. Please respond.

- I am: in favour or opposed to (Please circle your reply)

a legislative amendment which would give the Law Society Rule-making power to require all Ontario lawyers to belong to the Canadian Bar Association and a County and District Law Association and that the Law Society act as agent to collect the fees of those organizations from lawyers.

- I am or I am not (Please circle your reply)

presently a member of one of the Associations.