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ITS YOUR MONEY! 2026 License Fees

After extensive Bencher/staff deliberations and internal consultation, guess what? Lawyers' fees will increase to \$2080 (from \$2039) and Paralegal fees will increase to \$1037 (from \$1023).

The modest increases are below the CPI but will still result in LSO budgeted expenses of \$157.4m exceeding anticipated revenues of \$150.9m. The shortfall will be funded by a Bencher approved policy to use positive balances in other funds. The delicate dance of an optically sustainable fee increase was made difficult by planned expenses that include important funding of CanLii's AI initiative, a potential Paralegal Specialist Certification Program, relocation of the Great Library, funding both the County library system including electronic legal information resources, and the lawyer Compensation Fund.

For perspective the cost of being a lawyer in 8 other provinces was higher last year and as projected for 2026. The L.S.O. institution required to regulate the legal professions remains enormous. There are 560 employees.

HOW ARE BENCHERS DOING?

Recent criticisms of our justice system have correctly identified that "You can't manage what you can't measure". Toronto lawyer and former Bencher Michael Lesage has fought for years to have full access to court and trial-related data to appropriately assess the adequacy of our court system. Both understanding and transparency begin with data. The Attorney General could learn from our Law Society Tribunal which regularly reports to Convocation its work load and progress for assessment by anyone wanting to know about the discipline process. Now, how about Convocation? Benchers should develop, track, and publish metrics on their own performance in managing a \$157m enterprise. After all some of the

elected Benchers will be seeking election in the Spring as the next Treasurer and many, will a year after, seek re-election as Benchers candidates. Do any of them deserve the opportunity. How can we judge the diligent, hard work and recent flurry of significant policy decisions made?

Let's see what happens with the 2026 scheduled 5-year review of the L.S.O technology regulatory sandbox. What good has been achieved and at what cost?

By way of update the Access to Innovation program continues to expand by 3 additional participants:

(Is this work being taken from legal professionals?)

Jointly – To educate Ontario residents about family law and allow them to create relationship agreements (prenups, marriage agreements and cohabitation agreements). getjointly.ca

PR Coach – Pathfinder – To pre-screen applicants across more than 30 Canadian permanent residency (PR) pathways and identify programs for immigration applicants to obtain a realistic assessment of their competitiveness. prcoach.ca

Airfairness – To streamline air passenger compensation claims. airfairness.com

TRANSPARENCY AND ACCOUNTABILITY:

Convocation has approved the establishment of a 6-person Human Resources and Compensation Committee appointed by Benchers as a Law Society standing committee with a detailed mandate, authority and composition.

This addresses recommendations made by the Hon. Dennis O'Connor for greater transparency and accountability and delivers on actions approved by Convocation on [April 24, 2025](#). This should ensure the approval process for C.E.O. compensation, including terms of employment and benefits is clear and unambiguous. [I encourage you to read the report](#)

MORE REGULATION: JUST WHAT WE NEED

Convocation has approved in principle a requirement that all licensees must not only submit a signed irrevocable Authorization and Direction upon opening a trust account but also ANNUALLY thereafter direct their bank to provide trust accounting records to the LSO in certain circumstances. It easy to understand the public interest in ensuring that the LSO have oversight in respect of trust account records. However, even though the original Direction will be irrevocable it was said the Banks also require an annual filing. But that extra yearly burden to satisfy the Banks seems a disproportionate and unwieldy obligation for firms and sole practitioners. Benchers have forgotten why the LSO previously eliminated the historic obligation to file annual financial records certified by an account. Who is looking out for us?

BUT IS IT ENOUGH: Real Estate Council of Ontario?

A crisis arose within the Real Estate Council of Ontario (RECO) after learning of a multimillion-dollar shortfall in consumer trust accounts held by one of Ontario's largest brokerages.

RECO retained Dentons LLP to investigate RECO's mishandling of the "iPro situation". Initially RECO declined to release to the public either the interim or final

Dentons' reports delivered on October 30, 2025. However, following demand by Stephen Crawford, Public and Business Service Delivery Minister, the material was promptly posted on its website. After reviewing that report, the [Ontario](#) government served RECO with 15 days' notice on November 13th of its plan to appoint an administrator to take over the regulator, in part because of "concerns about RECO's ability to restore public confidence in the [real estate](#) services sector and to protect consumers during one of the largest purchases of their lives." It is said that the Dentons' investigation "identifies significant issues with RECO's practices, processes, and procedures, and raises serious questions about RECO's organizational culture."

The L.S.O., like RECO both administer licensing and professional regulatory and enforcement functions. The L.S.O. has a statutory mandate. RECO is a non-profit corporation that collects fees from licensees to fund its operations. Despite arm's-length relationships from government, the province retains an oversight role. In the RECO case the government essentially fired its leadership.

The lesson that should be learned by the Law Society: organizations charged with the responsibility of protecting the public interest and maintaining its confidence better actually do so and be seen to be doing so 24/7 – 365 days a year. Drop the ball and you will be out of the game.

SHOULD PRO BONO WORK = CPD CREDITS?

The Law Society's Access to Justice Committee has sought input by December 31, 2025, and will consider whether to recommend a proposed three-year pilot project which would reverse the historic policy that *pro bono* work is not eligible for CPD credit, based on the view that it lacks the formal educational structure and interactivity required by the CPD program.

The new approach would allow CPD credit for mere participation in structured pro bono programs seemingly to enhance professional competence while expanding access to justice.

That outcome will only make it easier for lawyers to achieve the already embarrassingly, minimal requirements of 12 CPD hours annually of which only 9 need to be dedicated to substantive law. Pro bono legal services and access to justice have always been part of every lawyer's DNA. Watering down the CPD requirement to maintain our ongoing knowledge of substantive law expected of us by clients is certainly not in the public interest. Perhaps the new approach would have merit if the total required CPD hours is increased to 16 of which 9 remain substantive hours. The consultation process will provide feedback to inform the design and scope of the pilot project to be considered by Convocation following a report from the Access to Justice Committee.

Will Benchers listen? To follow along: [Read the report](#)

BAR ADMISSIONS EXAMS: OR NOT?

The LSO Professional Development and Competence Committee is considering a proposal to dump the Ontario bar exam and replace it with a mandatory skills-based course.

The current 20-year-old system is a successor to the painful, flawed but rigorous 6 months Bar Admission Course. It now consists of two multiple-choice, open-book exams on separate days which was once thought to be the newest and best way to vet who is qualified to be a lawyer. However, in addition to its credibility being tarnished by the recent cheating scandal, questions are now being raised whether

that kind of testing adequately evaluates the skills lawyers need.

Rather than expend the significant intellectual effort and money to revamp the current model the committee is proposing to switch to a mandatory online course with ongoing evaluations and a final assessment to determine whether students meet entry-level requirements to work as lawyers. Alberta, Saskatchewan, and it is expected British Columbia have moved to that model.

Questions have fairly emerged about the effectiveness of existing multiple-choice tests in evaluating the skills lawyers need and testing for knowledge of substantive law. It is known that internationally trained lawyers have had a higher fail rate as the system presently exists which some say merely tests a candidate's ability to prepare or acquire an adequate index and use a table of contents to find answers to the questions.

With few details, the proposal proponents claim the changes will still test for knowledge of substantive law but merely use a different model and also permit assessment of softer skills such as communications and client management.

While the status quo is in desperate need of re-assessment, where is the objective data in support of the changes being considered? They appear to completely overlook the LSO's most important goal of prioritizing competence and public protection by ensuring rigorous testing of the understanding of Canadian and Ontario law.

The LSO has already defaulted to the law schools to teach substantive law in an academic setting but that is no substitute for the regulator ultimately testing a candidate's intellectual grasp of the knowledge required to protect clients and the public interest. Teaching is not testing. The LSO should not presume that passing law school courses constitutes the breadth of knowledge needed to practice law in Ontario.

As well, it is wrong to not simultaneously consider the existing flawed articling system that does not provide most students with invaluable practice preparation and that a large number of graduates will choose or be forced to practice in a sole or small firm without built in mentoring or CPD programmes. With that articling failure firmly under our belt how is the public interest served by eliminating a rigorous testing process that will reassure the public (and the Attorney General) that the LSO is doing its job as a regulator in the public interest?

It is important to read: [convocation-september-2025-professional-development-competence-committee-report](#) and <https://lso.ca/about-lso/initiatives/consultation-lawyer-licensing-process>

The Committee is seeking input by January 31, 2026 to the following questions: 1. Do you agree that the lawyer licensing process should incorporate both training and assessment as proposed, to determine entry level competence? 2. If the Law Society proceeds with implementing the Committee's recommendations, what concern(s) do you have regarding the implementation? How could those be addressed?

Have your say! Responses can be sent by email to: rbornman@lso.ca

LAW SOCIETY AWARDS AND LLDs: DEADLINE

The deadline for nominations is **December 12, 2025**. Benchers appointed to the Treasurer's Appointment Advisory Group will be considering the nominations.

AWARDS: Full details on the Awards and how to file a nomination form are available on at <https://lso.ca/about-lso/medals-awards-and-honours/nominations-and-selection-process>

LLDs: The granting of the Doctor of Laws, *honoris causa* (LLD), recognizes

outstanding achievement by distinguished members of the profession and the public.

To put forward a nomination for the LLD use the nomination form at [Law Society of Ontario LLD Nomination](#)

THE ADVOCATES' SOCIETY MEDAL

The Medal honours Society members who:

- have clearly demonstrated their pre-eminence as counsel and are unequivocally acknowledged as leaders of the bar;
- have been dedicated and active members of TAS; and
- have made a significant contribution to the profession of law and to the well-being of the community at large.

The nomination deadline is January 20, 2026

[Full details on the TAS website →](#)

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