



Minutes

Benchers

Date: Friday, July 13, 2012

Present: Bruce LeRose, QC, President
Art Vertlieb, QC, 1st Vice-President
Jan Lindsay, QC 2nd Vice-President
Rita Andreone, QC
David Crossin, QC
Thomas Fellhauer
Leon Getz, QC
Miriam Kresivo, QC
Bill Maclagan
Nancy Merrill
Maria Morellato, QC
David Mossop, QC
Thelma O'Grady
Lee Ongman

Greg Petrisor
David Renwick, QC
Phil Riddell
Catherine Sas, QC
Richard Stewart, QC
Herman Van Ommen
Ken Walker
Tony Wilson
Barry Zacharias
Haydn Acheson
Satwinder Bains
Peter Lloyd, FCA
Ben Meisner

Richard Fyfe, QC, Deputy Attorney
General of BC, Ministry of Justice,
representing the Attorney General

Absent: Kathryn Berge, QC
Stacy Kuiack

Vincent Orchard, QC
Claude Richmond

Staff Present: Tim McGee
Deborah Armour
Lance Cooke
Robyn Crisanti
Jeffrey Hoskins, QC
Su Forbes, QC
Michael Lucas

Bill McIntosh
Jeanette McPhee
Doug Munro
Alan Treleaven
Adam Whitcombe
Rosalie Wilson

Guests: Chris Axworthy, QC, Dean, Faculty of Law, Thompson Rivers University
Dom Bautista, Executive Director, Law Courts Center
Erin Berger, Secretary, Trial Lawyers Association of BC

Johanne Blenkin, Chief Executive Officer, Courthouse Libraries BC
Kari Boyle, Executive Director, Mediate BC Society
Ron Friesen, CEO, Continuing Legal Education Society of BC
Donna Greschner, Dean, Faculty of Law, University of Victoria
Carol Hickman, QC, Life Bencher
Derek LaCroix, QC, PhD, Lawyers Assistance Program of British Columbia
Jamie Maclaren, Executive Director, Access Pro Bono
Caroline Nevin, Executive Director, Canadian Bar Association, BC Branch
Wayne Robertson, QC, Executive Director, Law Foundation of BC
Jeremy Schmidt, Executive Co-ordinator, Faculty of Law, University of BC
Kerry Simmons, Vice-President, Canadian Bar Association, BC Branch

CONSENT AGENDA

1. Minutes

The minutes of the meeting held on June 16, 2012 were approved as circulated

The following resolutions were passed unanimously and by consent.

2. Act & Rules Subcommittee (Various Rules Amendments for Approval)

a. Proposed Rule 2-9.2: Supervision of Designated Paralegals

BE IT RESOLVED to amend the Law Society Rules by enacting the following Rule:

Supervision of limited number of designated paralegals

2-9.2(1) In this Rule, “**designated paralegal**” means an individual permitted under chapter 12 of the *Professional Conduct Handbook* to give legal advice and represent clients before a court or tribunal.

(2) A lawyer must not supervise more than 2 designated paralegals at one time.

b. **Bill 40 (Legal Profession Amendment Act, 2012) Implementation: various amendments**

Mr. Crossin raised a number of concerns with Paragraphs 10, 12, 13 and 16 below. The Benchers agreed to refer those paragraphs to the Act and Rules Subcommittee to address the issues raised by Mr. Crossin.

BE IT RESOLVED to amend the Law Society Rules as follows:

1. *In Rule 2-15, by striking “subject to any conditions” and substituting “subject to any conditions or limitations”;*

2. In Rule 2-18

- (a) *in subrule (3), by striking “may attach conditions” and substituting “may attach conditions or limitations”, and*
- (b) *in subrule (4), by striking “conditions that are authorized” and substituting “conditions or limitations that are authorized”;*

3. In Rule 2-23.4

- (a) *in subrule (3), by striking “may impose restrictions or conditions” and substituting “may impose conditions or limitations”,*
- (b) *in subrule (5)(a), by striking “with or without restrictions or conditions” and substituting “with or without conditions or limitations”, and*
- (c) *in subrule (6), by striking “if restrictions or conditions are imposed” and substituting “if conditions or limitations are imposed”;*

4. In Rule 2-23.6(4)(b) and (9)(b), by striking “with or without restrictions or conditions” and substituting “with or without conditions or limitations”;**5. In Rule 2-26.1(2)(b), by striking “with or without limitations and conditions” and substituting “with or without conditions or limitations”;****6. In Rule 2-36(3), by striking “may set conditions as appropriate” and substituting “may set conditions or limitations as appropriate”;****7. In Rule 2-54(2) and (3), by striking “may impose conditions” and substituting “may impose conditions or limitations”;****8. In Rule 2-69.2(3), by striking “without limitation or conditions” and substituting “without conditions or limitations”;****9. In Rule 2-77, by adding the following subrule:**

- (3) The Executive Director may approve the form of certificate to be filed in the Supreme Court under section 27, 38 or 46 of the Act.;

10. (Referred to the Act and Rules Subcommittee)**11. In Rule 3-18.31(1), by striking “subject to any conditions” and substituting “subject to any conditions or limitations”;****12. (Referred to the Act and Rules Subcommittee)****13. (Referred to the Act and Rules Subcommittee)**

14. In Rule 4-35(2)(d)(iii), by striking “imposed conditions” and substituting “imposed conditions or limitations”;

15. By rescinding Rule 4-38.2(1) and (3) and substituting the following:

- (1) When, under this Part or Part 4 of the Act, a condition or limitation is imposed on the practice of a lawyer or a lawyer is suspended from the practice of law in one or more fields of law, the Executive Director may disclose the fact that the condition, limitation or suspension applies and the nature of the condition, limitation or suspension.
- (3) If the Executive Director discloses the existence of a condition, limitation or suspension under subrule (1) or an undertaking under subrule (2) by means of the Society’s website, the Executive Director must remove the information from the website within a reasonable time after the condition, limitation or suspension ceases to be in force.;

16. (Referred to the Act and Rules Subcommittee)

17. In Rule 5-4, by adding the following subrule, effective on proclamation of section 33 of the Legal Profession Amendment Act, 2012, SBC 2012, c. 16:

- (4) A party to a proceeding under the Act and these Rules may prepare and serve a summons requiring a person to attend an oral or electronic hearing to give evidence in the form prescribed in Schedule 5.;

18. By adding the following Schedule, effective on proclamation of section 33 of the Legal Profession Amendment Act, 2012:

SCHEDULE 5 – FORM OF SUMMONS

[Rule 5-4(4)]

IN THE MATTER OF THE LEGAL PROFESSION ACT AND IN THE MATTER OF A HEARING CONCERNING

(As the case may be: a member of the Law Society of British Columbia/an articulated student/an applicant for enrolment/call and admission/reinstatement)

SUMMONS

TO: _____

TAKE NOTICE that you are required to attend to testify as a witness at the time, date and place set out below.

Time: _____

Date: _____

Place: The Law Society of British Columbia
845 Cambie Street
Vancouver BC V6B 4Z9 (or other venue)

Dated at _____, this _____
_____ day of _____, 20__ Party/Counsel

BE IT RESOLVED to amend the Law Society Rules by rescinding Rule 3-21(2) and substituting the following:

- (2) A lawyer is bound by and must comply with the terms and conditions of professional liability insurance maintained under subrule (1).

BE IT RESOLVED to amend Rule 4-6.2 by adding the following subrule:

- (1.1) The Discipline Committee or the chair of the Discipline Committee may appoint one or more individuals who are Benchers, Life Benchers or lawyers to meet with a lawyer required to attend a conduct meeting under Rule 4-4(1)(a.2) [*Action on complaints*].

BE IT RESOLVED to amend Rules 5-16(1) and 5-17(1) by adding the following paragraph to each:

- (c.1) any written arguments or submissions received by the panel;

3. Law Society Representation on the 2012 QC Appointments Advisory Committee

BE IT RESOLVED that the Benchers appoint President Bruce LeRose, QC and First Vice-President Art Vertlieb, QC as the Law Society’s representatives on the 2012 QC Appointments Advisory Committee.

4. 2012 Law Society Award

BE IT RESOLVED that the Benchers name Marvin Storrow, QC as the recipient of the 2012 Law Society Award.

REGULAR AGENDA – for Discussion and Decision

5. President's Report

Mr. LeRose briefed the Benchers on various Law Society matters to which he has attended since the last meeting, including:

a) Bill 44 (*Civil Resolution Tribunal Act*) Implementation Working Group

The CBA, BC Branch, the BC Trial Lawyers Association and the Law Society have all committed to join this working group. 2012 Second Vice-President Jan Lindsay, QC will represent the Law Society, assisted by Michael Lucas, Manager of the Policy & Legal Services department. The implementation process is expected to run 18 to 24 months.

b) BC Notaries Scope of Practice

Mr. LeRose and Mr. McGee met recently with the Honourable Shirley Bond, Attorney General of BC, and Richard Fyfe, QC, Deputy Attorney General, to discuss various issues of public protection and access to legal services raised by the proposed expansion of BC notaries' scope of practice. Mr. LeRose and Mr. McGee also met recently with the President and CEO of the Society of Notaries Public of BC to discuss the Law Society's plans

- to permit the provision of enhanced legal services by designated paralegals under supervision
- to form a task force to consider and report to the Benchers, with recommendations, on whether it is in the public interest that non-lawyer legal service providers be regulated, and if so, whether it is in the public interest that the Law Society be that regulator

c) Governance Review Task Force Update

The Governance Review Task Force met for two days earlier this week for detailed review and revision of the task force's draft interim report. The final version of the interim report will be distributed to the Benchers before the end of July, for their review and comment. Bencher feedback will be collated and circulated to the Benchers to support their debate of the task force report and its recommendations on Saturday, October 27. It is anticipated that the Benchers' conclusions will form the basis of the Law Society's 'governance roadmap', hopefully to be in place by the end of the year.

d) Access to Legal Services

The BC Supreme Court has endorsed the BC Family Law Paralegals Pilot Project, to be implemented for a trial period of two years in the Vancouver, New Westminster and Kamloops registries upon completion of certain preparatory work and an evaluation process by the Law Society.

6. CEO's Report

Mr. McGee provided highlights of his monthly written report to the Benchers (Appendix 1 to these minutes), including the following matters:

- a) Financial Results and Highlights for the Period Ending May 31, 2012**
- b) 2013 Budget and Fees – Recommendations from the Finance Committee**
- c) 2012 – 2014 Strategic Plan**
- d) Operational Priorities**
 - i. Project LEO**
 - ii. Continued Implementation and Assessment of our 2011 Regulatory Plan**
 - iii. Review of Performance Management Process and How it Ties into Recognition**
 - iv. Lawyer Advice and Support Assessment Project**
 - v. National Standards and the Federation Task Forces**
- e) Key Performance Measures**
 - i. Professional Legal Training Course**
 - ii. Practice Standards**
 - iii. Practice Advice and Support Resources**
 - iv. Lawyers Insurance Fund (LIF)**
 - v. Custodianships**
 - vi. Professional Conduct**

vii. Trust Assurance

f) Communications Strategic Plan

7. Report on Outstanding Hearing & Review Reports

The Benchers received and reviewed a report on outstanding hearing decisions.

OTHER MATTERS – For Discussion and/or Decision

8. Temporary Mobility for Practitioners of Foreign Law

Mr. Walker briefed the Benchers as Chair of the Credentials Committee. He noted that at the request of the Executive Committee, the Credentials Committee has considered amending the Law Society Rules to permit practitioners of foreign law (“PFLs”) to practise law in BC for a certain number of days per year, without requiring the PFL to obtain a Law Society permit.

After debating the issue on three separate occasions, the Credentials Committee agreed on the recommendation set out in the Committee’s report to the Benchers (at page 8001 of the meeting materials):

The Credentials Committee recommends that the Benchers approve in principle amending the rules concerning Practitioners of Foreign Law (“PFLs”) to permit temporary practice of foreign law in British Columbia under a period of a certain number of days per 12 month period without requiring the PFL to obtain a Permit. If the Benchers agree, the matter would be referred to the Act and Rules Subcommittee to prepare a draft rule.

Mr. Walker noted that the Credentials Committee considered and debated three options, which are spelled out and analyzed in the Committee’s report:

Option 1 (page 8006)

Option 1 would provide that a permit would not be required where the foreign lawyer is properly registered to engage in legal practice in a foreign country by the relevant governing body for the legal profession in that country, as long as the foreign lawyer practises law in British Columbia for less than a certain number of days in any 12 month period, and does not establish an economic nexus in British Columbia.

Option 2 (page 8008)

Option 2 would also permit the practice of foreign law in British Columbia temporarily without a permit, but would prescribe the jurisdictions from which the Law Society would accept a foreign lawyer for less than a certain number of days in any 12 month period. All others would be required to obtain a permit, even for the temporary practise of foreign law in British Columbia.

Option 3 (page 8010)

Option 3 would be a variant on Option 1, permitting the temporary practice of foreign law by a foreign lawyer under a series of conditions – such as a requirement that the lawyer be insured in his or her own jurisdiction and that the insurance extend to his or her provision of advice in a foreign jurisdiction. It would be left up to the lawyer to determine whether or not he or she met those conditions, recognizing that if the conditions were not met, the foreign lawyer may be prosecuted for unauthorized practice.

Mr. Walker moved (seconded by Mr. Maclagan) that the Benchers adopt Option 1.

In the ensuing discussion the following points were made:

- the issues raised in the Committee’s report do not affect a significant number of individuals
- under the current Act and Rules, PFLs are required to obtain a Law Society permit to practise under the circumstances covered by Options 1 and 3
 - it is likely that the Law Society’s current PFL requirements are often disregarded in practice
- the intention of the Committee’s recommendations and of Options 1 and 3 is to encourage and support alignment of appropriate prescribed procedure and actual practice
- several US immigration consultants are already doing business in BC in compliance with the current Act and Rules

The motion was defeated.

Ms. Sas moved (seconded by Mr. Stewart) that the Benchers adopt Option 3.

The motion was carried.

The matter was referred to the Unauthorized Practice Committee and staff for consideration and recommendations. Following that review, the Act and Rules Subcommittee will be asked to prepare appropriate Rules for the Benchers' approval.

9. Finance Committee: Approval of 2013 Fees

Mr. Vertlieb briefed the Benchers as chair of the 2012 Finance Committee on the Committee's recommendations for 2013 Law Society fees (set out in the presentation at Tab 9 of the meeting materials). In May 2012 the Finance Committee reviewed the proposed budgets for the General Fund, the Special Compensation Fund and the Lawyers Insurance Fund (LIF). The Executive Committee has reviewed and approved the overall 2013 Law Society fee proposal. The proposed total mandatory fee for 2013 includes an increase of 1.4% over 2012, with market-based adjustments of staffing costs being the main factor underlying the increase. Mr. Vertlieb also noted that the proposed LIF assessment of \$1,750 is unchanged from 2012 and 2011, the proposed Trust Administration Fee (TAF) remains at \$10, and the Special Compensation Fund assessment has been reduced from \$1 to \$nil for 2013.

Mr. Vertlieb advised that the Finance Committee recommends adoption of the proposed 2013 practice fee and insurance fee.

Mr. Vertlieb moved (seconded by Mr. Renwick) moved that Benchers adopt resolutions to set the Law Society's 2013 practice fee and 2013 insurance fee, as set out in the meeting materials at pages 9002 – 9003 (Appendices 2 and 3 to these minutes, respectively).

In the ensuing discussion it was noted that Access Pro Bono¹ is in financial difficulty, and that review of the current pro bono levy of 1% of the annual practice fee may be warranted. Law Foundation Executive Director Wayne Robertson, QC briefed the Benchers on the background and current status of the Law Foundation's funding of pro bono legal services in BC, including the Foundation's management of the Law Society's annual contribution to pro bono funding on behalf of BC's practising lawyers (i.e. the 1% levy). Mr. Robertson noted that the Law Foundation continues to suffer from the current low interest rate environment, and expects to draw down its reserve by \$6 to \$7 million to meet 2012 funding commitments.

Mr. Mossop moved (seconded by Mr. Crossin) that the Pro Bono Contribution portion of the 2013 practice fee be increased to \$27.50 from the currently budgeted \$15.44.

In the ensuing discussion it was noted that:

- the 2012 Access to Legal Services Advisory Committee is already considering various measures for supporting and enhancing the provision of pro bono legal services in BC

¹ [Access Pro Bono](#) supports and coordinates the provision of pro bono legal services by lawyers in BC

- the Law Society’s responsibilities as a regulatory authority require careful examination of any proposed adjustment of the annual practice fee
- it would be possible to consider funding any increased Law Society support for provision of pro bono services by BC lawyers that might be recommended by the current Access to Legal Services Advisory Committee from the General Fund reserve for 2013
 - the 2014 practice fee would then need to be increased to provide for any continued funding’

The supplemental motion (to revise the Pro Bono Contribution portion of the 2013 practice fee) was defeated.

The main motion (to adopt the 2013 General Fund and Lawyers Insurance Fund resolutions) was carried.

10.2012 Advisory Committees: Mid-year Updates

Mr. LeRose requested the chairs of the 2012 advisory committees to deliver their respective committees’ mid-year reports. He noted that the committees’ written reports are at Tab 10 of the meeting materials.

Mr. Stewart reported as Chair of the Access to Legal Services Advisory Committee. Ms. O’Grady reported as Chair of the Equity and Diversity Advisory Committee; Ms. Berge sent her regrets as Chair and Mr. Van Ommen reported as Vice-Chair of the Independence and Rule of Law Advisory Committee; and Ms. O’Grady reported again as Chair of the Lawyer Education Advisory Committee.

11.Indigenous Lawyers Mentoring Program – Phase 1 Report

Mr. Lucas briefed the Benchers on behalf of Ms. Rosalie Wilson, developer of the Law Society’s Indigenous Lawyers Mentoring Program, and author of the report at page 11000 of the meeting materials. Ms. Wilson sent her regrets at being unable to attend to present her report in person.

Mr. Lucas referred to the Phase 1 Report’s introduction (page 11001) for an outline of the program’s history and current status:

I. Introduction

Indigenous lawyers are significantly underrepresented in the legal profession in British Columbia, and this underrepresentation has important implications regarding access to culturally appropriate legal services. The Law Society of British Columbia therefore determined to undertake a consultation process to develop and promote a collaborative

mentoring program to support Indigenous lawyers in BC (the “Initiative”). The Initiative is aimed at:

- enhancing the retention of Indigenous lawyers in BC,
- improving access to legal services for Indigenous peoples, and
- increasing diversity within the legal profession.

The Initiative was designed to be examined in two phases. Phase 1 was to engage in research and consultation to assess the range of mentoring needs of Indigenous lawyers in BC and to begin to build necessary partnerships and collaborations with Indigenous and legal organizations. From this research and consultation would be created a set of recommendations related to a range of mentoring options and models, including best practices. With the support of the Law Foundation, the Law Society engaged a program developer and lawyer from the Indigenous bar to engage in research and consultation and to make recommendations. The work done and recommendations made are contained in this Report.

Phase 2 of the Initiative is to focus on project development, implementation and evaluation.

Mr. Lucas noted that this program is grounded in Initiative 2-1(c) of the 2012-2014 Strategic Plan:

Initiative 2–1(c)

Support the retention of Aboriginal lawyers by developing and implementing the Indigenous Lawyer Mentoring Program.

Mr. Lucas confirmed that Phase 1 of the program is complete. Phase 2 is planned to be undertaken in the fall of 2012, and to be implemented by the summer of 2013.

12. Other Matters: Proposed Legal Service Provider Task Force

Mr. LeRose updated the Benchers regarding the formation of a task force to undertake the examination called for by the current Strategic Plan’s Initiative 1-1(c): whether the Law Society should regulate only lawyers or all providers of legal services in BC.

Mr. LeRose confirmed that earlier this year the Executive Committee approved the preparation of draft terms of reference for such a task force. He referred to a briefing note circulated at the meeting (Appendix 4 to these minutes):

The proposed terms of reference provide that the task force is to consider whether the Law Society ought to regulate only lawyers in British Columbia or whether it should regulate other legal service providers. In particular, the task force should:

1. consider previous work at the Law Society on the regulation of non-lawyers;
2. consider and report on legal service regulatory regimes in other jurisdictions where the regulation extends to non-lawyers;
3. consider and report on implications for the Law Society operation on regulating non-lawyers;
4. consider and report on whether it is in the public interest that non-lawyer legal service providers be regulated and if so, whether it is in the public interest that the Law Society should be that regulator;
5. consider and report on whether the recognition and regulation of non-lawyer legal service providers would improve access to law-related services for the public;
6. make a recommendation to the Benchers about whether the Law Society should continue to regulate only lawyers in British Columbia or whether it should take steps to implement the regulation of other legal service providers.

Mr. Stewart moved (seconded by Mr. Van Ommen) that the Benchers strike the Legal Service Provider Task Force and approve the Terms of Reference as proposed in the staff briefing note circulated at the meeting (Appendix 4).

The motion was carried.

Mr. LeRose confirmed that the task force will commence its work in the fall of 2012.

13. Modifying the Mandate of the Family Law Task Force

Mr. LeRose welcomed Life Bencher Carol Hickman, QC to report to the Benchers as Chair of the Family Law Task Force. Mr. LeRose confirmed that he has appointed Cariboo Bencher Lee Ongman to join Ms. Berge, Ms. Merrill, Mr. Petrisor and Mr. Stewart as members of the task force.

Ms. Hickman briefed the Benchers on the current mandate and work of the Family Law Task Force. She referred to the task force's memorandum at page 12000 of the meeting materials for background and a statement of the proposed modification of the task force's mandate:

The Family Law Task Force has had several modifications to its mandate since its inception in order to address emerging issues in the area of family law. The Task Force's current mandate is to develop recommendation to the Benchers practice standards for lawyers acting as family law arbitrators. During the course of its research it has become

clear to the Task Force that practice standards for family law mediators and parenting coordinators also need to be considered. The reason for this is that the *Family Law Act* will come into force March 18, 2013. That Act allows for regulations that establish practice standards for people engaged in family law arbitration, mediation, and parenting coordination. In order to develop appropriate standards for lawyers prior to the coming into force of the *Family Law Act*, it is necessary that the Task Force have its mandate expanded to consider practice standards for lawyers acting as family law mediators and/or parenting coordinators. The Task Force seeks to have its mandate modified to read:

The mandate of the Family Law Task Force is to develop for recommendation to the Benchers practice standards for lawyers who are acting as family law arbitrators, family law mediators, and/or parenting coordinators.

Ms. Hickman advised that the new *Family Law Act* will come into force on March 18, 2013. Regulations for family dispute resolution professionals will be in place at that date. The Task Force will work through the summer to develop qualifications for lawyers acting as family law arbitrators, family law mediators and/or parenting coordinators.

Ms. Merrill moved (seconded by Ms. Lindsay) that the mandate of the Family Law Task Force be modified as proposed, as follows:

The mandate of the Family Law Task Force is to develop for recommendation to the Benchers practice standards for lawyers who are acting as family law arbitrators, family law mediators, and/or parenting coordinators.

The motion was carried.

***IN CAMERA* SESSION**

The Benchers discussed other matters *in camera*.

WKM
2012-08-19



Chief Executive Officer's Monthly Report

A Report to the Benchers by

Timothy E. McGee

July 13, 2012

Introduction

As we are now at the mid-point of the year, my report this month will provide interim updates on a number of items, including our five Operational Priorities for 2012, the Key Performance Measures, and progress under the new 2012 – 2014 Strategic Plan. The mid-year meeting is also when the Benchers receive and consider the recommendations of the Finance Committee regarding the recommended fees and Budgets for the next year. A full presentation on the proposed 2013 Fees and Budgets is included in the Bencher meeting package and Art Vertlieb, QC, Chair of the Finance Committee, will lead a review of the recommendations at the meeting.

I am also including in this report the financial results and highlights for the first five months of 2012. Normally, we present financial results on a full quarter and year-to-date basis. However, because the quarterly results for the period ending June 30 will not be available until after the Bencher meeting next week and since there is no meeting in August, we thought it best to at least present you results through May rather than wait until September. As always, Jeanette McPhee, our Chief Financial Officer, and I will be available at the meeting to answer any questions you may have on the results to date.

1. Financial Results and Highlights for the Period Ending May 31, 2012

Highlights of the financial results to May 31, 2012 are attached to this report as Appendix 1. Jeanette McPhee and I will be available to answer any questions you may have on the results at Friday's meeting.

2. 2013 Budget and Fees – Recommendations from the Finance Committee

The Budget and Fees planning process, which commenced in April of this year with departmental reviews of budget requirements and resourcing priorities, has culminated in the Finance Committee report to the Benchers recommending the fees for 2013 and presenting the underlying operational budgets.

The approach that management has taken again this year is to present recommendations to the Finance Committee reflecting balanced budgets, no use of reserves and sufficient funding for the proper performance of our core regulatory responsibilities. The basic elements of our budgets vary little from year to year; however, each year we generally have an area that generates particular needs and requirements. Last year we focused on strengthening our professional conduct and discipline processes and this was reflected in increased budgetary allocations for 2012 in those areas. This year management determined that 2013 should be a year that we stay the course and deliver our current programs and services utilizing the investments which have been made to enhance those programs over the past two to three years.

You will see that this approach is reflected in the specific fees recommendations and the underlying operating budgets brought forward by the Finance Committee, which reflect minimal increases year on year.

Jeanette McPhee and the rest of the senior management team will be at the meeting to address any specific questions you may have and to provide additional details as requested.

3. 2012 – 2014 Strategic Plan

Please find attached as Appendix 2 a copy of the Law Society's current 2012 – 2014 Strategic Plan, which has been annotated in each section to update you on the progress of specific initiatives. I think the results are encouraging at this stage because, while most of the initiatives are "work in progress", we are laying the foundations in this first year of the plan for implementation of many of the initiatives in 2013 and 2014. In addition, the progress that is currently being made will be assessed and evaluated by the Benchers during the annual Strategic Plan review in the Fall.

4. Operational Priorities

(a) Project Leo

In May 9, 2012, Law Society staff was invited to go on a "Leo Information Management Safari". This innovative event showcased the various elements of a proposed new information management system, such as file plans, security, metadata and policies that have been developed over the past several months through an extensive process of consultation with staff user groups. As employees worked their way through the safari stations set up throughout our offices, they had the opportunity to follow the path of an information retrieval request under our current system and under the proposed new system. This virtual tour through the jungles of our current system highlighted the features and benefits of the new streamlined integrated system which is being proposed. The feedback gained from this event is now being used to help finalize the policies and procedures for managing all of our information creation, storage and retrieval needs at the Law Society.

The project team has now completed its review and assessment of vendor responses to our RFP for an information management system, and has selected the Open Text system to be implemented by Concerta Consulting Inc. A full description and analysis of the RFP process and the assessment of the various options and the recommendation were reviewed by the Executive Committee at its last meeting. The Executive Committee approved the specific allocation of funding (general funding for this project is already set out in the Law

Society's official capital plan) to complete contractual arrangements for the procurement of the new information management software platform. This is an important milestone in this project, which will not be complete until testing, training and full user implementation is achieved by the end of next year.

(b) Continued Implementation and Assessment of our 2011 Regulatory Plan

The new regulatory plan, which became effective in 2011, emphasized enhanced capabilities and improvements in three main areas: intake and triage, investigations, and reduction of timelines for handling of complaints. Improvements in staff morale and motivation were also a goal of the new plan.

Deb Armour, Chief Legal Officer, gave a detailed update on developments and progress in each of these three areas at the Benchers' meeting in April. As part of this mid-year report, two of the areas of focus in the plan warrant special mention as follows.

The new Intake group has brought significant improvements to the department allowing for:

- the handling of hundreds of general inquiries from the public;
- more timely closing of complaints where the Law Society does not have jurisdiction;
- on-the-spot resolutions of complaints;
- robust remediation where competency issues arise; and
- substantiation of complaints being investigated

The other fundamental change is the use of interviews. This has greatly enhanced the quality of our investigations by allowing for the gathering of reliable evidence that improves the assessment of our cases and the opinions going to Discipline Committee. In many cases, interviewing is also allowing for more timely completion of investigations. All of these changes have had the important additional benefit of improving the working environment and morale of our staff.

While there has been significant reduction in our timelines on the less serious files, we continue to have some challenges in reducing our timelines on the most serious files. We attribute this to having recently closed a number of the very old files and anticipate that we will see

steady improvement in the percentage closed within a year as we go forward.

(c) Review of Performance Management Process and How it Ties Into Recognition

One of management's most important responsibilities is to ensure that staff members are clear on their roles and responsibilities, that they receive feedback and assessment on their performance, and that the system of compensation and recognition supports the desired performance and behaviours.

We have spent a lot of effort this year in assessing whether our current rewards and recognition program for staff is indeed supporting a performance based culture and how it might be redesigned to better motivate staff and achieve related objectives such as retention and desired recruitment. We have looked extensively at different models for various types of organizations and we have considered the growing body of research in this area which shows meaningful differences among what motivates employees belonging to different generational groups, e.g. baby boomers and millennials.

To test some of our assumptions around potential improvements to our rewards and recognition program, we conducted an all staff Town Hall where we received very helpful and, in many instances, surprising feedback about not only what activities staff believes should be recognized and/or rewarded but also what type of rewards and recognition is most valuable to them. We followed this up with a short online survey to help drill down and gain better insight into certain aspects of the feedback. Most recently, all managers participated in a half day retreat to review our objectives, the data gained to date, and to consider a possible new remodeled employee rewards and recognition program better suited to our future needs as an organization.

We are on track to have this introduced to staff in the Fall and to have the new program in effect for 2013. I will update the Benchers in the Fall as this important work proceeds.

(d) Lawyer Advice and Support Assessment Project

Please find attached as Appendix 3 to this report a project update prepared by Alan Treleaven, Director of Education and Practice. As you will see, the project is well underway, and the working group plans to provide its recommendations to the Benchers at the December 2012 meeting. Alan will be available at the Bencher meeting in July to answer any questions.

(e) National Standards and the Federation Task Forces

One of the underlying premises of national lawyer mobility, which has been in place since 2003, is that standards for admission are reasonably similar from jurisdiction to jurisdiction. However, the reality is that significant differences exist in the admission standards and processes employed by each law society. Law societies have collectively recognized that these differences can no longer be reasonably justified.

Therefore, Canada's fourteen law societies, through the Federation of Law Societies' National Admission Standards Project, are developing proposals for consistent national standards for admission to the legal profession.

A national Steering Group is responsible for the overall project. Alan Treleaven and I are members of the Steering Group from BC, which also includes Federation President John Hunter, QC and others.

The national project work has three streams:

1. drafting and validating the national competencies profile;
2. drafting the national character and fitness standards; and
3. developing proposals for implementation mechanisms.

National Competencies Profile

The process of drafting and validating the national competencies profile is nearing completion. The process has involved the participation of a national working group, of which Lynn Burns, Deputy Director of the Professional Legal Training Course, has been a member. The detailed competencies fall into these categories: legal knowledge, transactional knowledge and know-how, lawyering skills, professional ethics, and practice management.

On completion of the project, the proposed new national competencies profile will be submitted to all law societies for adoption.

National Implementation of the Competencies Profile

Adoption of the competencies profile will be followed by development of proposals for implementation mechanisms. Options for consideration are being developed, and potentially could include any combination of

1. national testing, with:
 - a. some local testing, or
 - b. no local testing.
2. a national approach to training, with either:

- a. local training courses developed by each law society, or
 - b. no local training courses.
3. law societies develop their own methods of implementation, with either:
 - a. a national monitoring mechanism, or
 - b. no national monitoring mechanism.

Although articling has not formally been a part of the project, law societies informally recognize that national admission standards should logically take articling into account.

National Character and Fitness Standards

The process of developing national character and fitness standards is also underway. The process has involved the participation of a national working group, of which Lesley Small, Manager of Member Services and Credentials, has been a member. Michael Lucas, Manager of Policy and Legal Services, has been working with his counterparts from other law societies to develop a legal policy foundation and analysis for the national character and fitness standards work.

Lawyer Education Advisory Committee Role

Pursuant to the Law Society's Strategic Plan, the Lawyer Education Advisory Committee's 2012 – 2014 strategic priorities include:

Ensure that Law Society of BC Admission processes are appropriate and relevant, and work on national admission standards while considering the rationale and purpose of the overall BC admission program. (Law Society Strategic Initiative 1-4(a))

The Committee is monitoring the National Admission Standards project, including the articling developments in Ontario, and plans to begin its active admission program review in the fall of 2012, flowing from the national competencies profile, which the Federation expects to circulate in September.

The Committee is also monitoring the progress of the national character and fitness standards work, and will update the Credentials Committee, Executive Committee, and Benchers as the time draws nearer for the Law Society to respond and initiate next steps.

5. Key Performance Measures

The Key Performance Measures were adopted by the Benchers to provide a dashboard for monitoring the outcomes of our core regulatory functions. The annual KPM results are posted on the Law Society's website and are included in our annual Report on Performance. My report on the KPMs this month provides the Benchers with a snapshot of how results are trending so far this year. As you will see, while this is all still very much work in progress, we are on track so far this year towards meeting our goals.

(a) Professional Legal Training Course

As of the conclusion on the first of the three PLTC sessions in 2012, PLTC is on track to meet all of its KPMs in 2012, with the students having rated PLTC's value at an average of 3.5 or higher on a 5 point scale in the categories of having:

- prepared them for the practice of law;
- prepared them to recognize and deal with ethical issues and practice management;
- developed or enhanced their lawyering skills; and
- increased their knowledge of practice and procedure.

Articling principals are surveyed at the year-end.

(b) Practice Standards

By June 2012, ten Practice Standards referral files were completed and closed, with the success rate for each file meeting the prescribed KPM.

(c) Practice Advice and Support Resources

Although members are not surveyed on their assessment of Practice Advice and Lawyer Support Resources until the year-end, as of mid-year the volume of member requests for Practice Advice had grown by more than 300 over the equivalent period in 2011.

The online practice support courses are being updated, to reflect changes in the law, including the introduction of the new BC Code of Professional Conduct.

(d) Lawyers Insurance Fund (LIF)

LIF is on track to meet all of its KPMs in 2012. Specifically:

- our insurance policy, for the protection of lawyers and their clients, provides comparable coverage to other Canadian jurisdictions;
- our insurance fee is now 9th highest out of 14 jurisdictions - even ahead of last year;
- our insured lawyers still continue to rank the service they receive over 90% 4 or 5 on a 5 point scale - currently this stands at 96%;
- suits by Claimants as a result of LIF failing to compensate them for losses occasioned by a lawyer have not exceeded .5% of files closed; no Claimants have sued us; and
- Third-Party Claims Audit findings from last year stand as a testament to LIF's claims handling skills and achievements.

LIF continues to face higher claim costs resulting from recession-based insurance claims, and we expect that trend to continue for the balance of 2012 and into 2013.

(e) Custodianships

Custodianships is on track to meet all of its KPMs in 2012.

KPM 1: "The length of time required to complete a custodianship will decrease under the new program based on comparable historic averages".

	Historically	2012	New Program
Death/Disability	24 months	30.6 months	18.5 months
Discipline	48 months	44.6 months	32.4 months

We are meeting our KPM in keeping the average length of custodianships under the new program below that of the historical average.

KPM 2: "90% of clients whose former lawyer is subject to a custodianship are satisfied or somewhat satisfied with the way in which the designated custodian dealt with their client matter."

This was a new KPM put into place for the 2011 reporting year. The data for this KPM is gathered through survey letters sent to clients asking for feedback on a scale of 1-5. While the survey questions do not mesh with the KPM language, 94% of those who returned completed surveys rated the service at 3, 4 or 5. We will change the survey for 2013 to reflect the "satisfied or mostly satisfied" language of the KPM.

(f) Professional Conduct

Professional Conduct is on target to meet all of its KPMs in 2012.

Survey Results

So far this year, we have significantly exceeded our KPMs and the results from previous years in all areas but one and in that one, we met the KPM (complainants would recommend process).

- 85% of complainants were satisfied with the fairness of the process (goal is 65%);
- 90% of complainants expressed satisfaction with timeliness (goal is 75%);
- 96% of complainants expressed satisfaction with the courtesy extended to them (goal is 90%);
- 86% of complainants expressed satisfaction with thoroughness (goal is 65%); and
- 60% of complainants would recommend the complaint process to someone else (goal is 60%).

External Review of Processes

KPM: The Ombudsman, the Courts and the CRC do not find our process and procedures as lacking from the point of view of fairness and due process.

Between January and June 2012 the CRC reviewed 22 files and referred only one to the Discipline Committee.

In 2012 to date we have received 3 inquiries from the Ombudsperson, and all have been closed. There have been no court decisions about our complaints process and procedures.

(g) Trust Assurance

Trust Assurance is on track to meet all of its KPMs in 2012. Specifically:

- the number of financial suspensions is down compared to this time last year, with only two suspensions to date;
- the number of referrals made to the Professional Conduct department as a result of a compliance audit is currently at 5%, which is slightly below last year's final results - also, the overall number of referrals made to the Professional Conduct department is down compared to this time last year; and
- there appears to be sustained and consistent performance with key compliance questions on annual trust reports filed by law firms

6. Communications Strategic Plan

At the last Benchers' meeting, there was a discussion regarding the nature and extent of the Law Society's communications since the Communications Strategic Plan was introduced to the Benchers in 2010. There were a number of ideas and suggestions which we have taken away to consider. However, I thought it might also be helpful, especially for the benefit of our newer Benchers, to see a summary of the communications updates that Robyn Crisanti, Manager, Communications and Public Affairs, and I have provided to the Benchers since the plan was introduced. I have attached the summary to this report as Appendix 4. Please feel free to speak with Robyn or me at any time with ideas, comments or suggestions about the plan and our activities.

Timothy E. McGee
Chief Executive Officer

Appendix 1

CFO Quarterly Financial Report – YTD May 2012

Attached are the financial results and highlights for the first five months of 2012.

General Fund

General Fund (excluding capital and TAF)

General Fund operations resulted in a positive variance of \$307,000 to the end of May 2012.

Revenue

Revenue is \$8,050,000, \$182,000 (2.3%) ahead of budget due to positive variances in PLTC revenues, electronic filing fees and miscellaneous revenues.

Operating Expenses

Operating expenses were close to budget, finishing at \$7.6 million, a positive variance of \$155,000 (2.0%).

2012 Forecast - General Fund (excluding capital and TAF)

Operating Revenue

Practicing membership is expected to be on budget this year, with 10,787 members. PLTC revenue will have a positive variance of \$35,000, projected at 410 students for the year. We are also projecting an additional \$165,000 in other revenues relating to electronic filing fees, fines, penalties and late payment charges.

Operating Expenses

There are a number of Bencher approved items after the 2012 budget was set, resulting in a \$317,000 negative variance as follows:

- Governance review \$115,000
- CBA REAL program \$75,000
- Federation levy \$40,000
- CBA conference sponsorship \$25,000
- New aboriginal scholarship \$12,000
- Privacy review \$55,000

Offsetting this, we are projecting net operating expense savings of \$25,000 at this time.

845/835 Building – net results

845/835 Cambie lease revenue is projected below budget. The Benchers approved the forgiveness of a portion of CLE rent, resulting in reduced lease revenue of \$60,000. The projection also assumes that the vacant lease space will not be leased by year end, a revenue reduction of \$380,000. Our leasing agent continues to actively market the space.

Building maintenance expense savings of \$20,000 are projected to year end, relating to a negotiated reduction in property tax mill rates related to the 9th floor meeting space.

Forecast

The General Fund year end projection is a negative variance to budget of approximately \$512,000 for the year.

TAF-related Revenue and Expenses

The first quarter TAF revenue was \$480,000, slightly below budget. This was more than offset by operating expense savings to the end of May 2012.

TAF revenue is projected at \$2.4 million, \$100,000 below budget. TAF operating expenses are also projected to be below budget for the year, with savings in staff and travel costs.

Special Compensation Fund

There was little activity in the Fund during the first five months of 2012.

Lawyers Insurance Fund

LIF operating revenues were \$5.95 million to date, \$140,000 below budget. Insured membership numbers are trending slightly below budget.

LIF operating expenses were \$2.4 million, \$293,000 below budget. The positive variance is due to savings from staff vacancies and the timing of general office expenses.

The market value of the LIF long term investments was \$95.4 million, an increase of \$1.8 million on a year to date basis. The year to date investment return was 1.9%, compared to a benchmark of 1.3%.



Summary of Financial Highlights - May 2012
(\$000's)

2012 General Fund Results - YTD May 2012 (Excluding Capital Allocation & Depreciation)				
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>
Revenue (excluding Capital)				
Membership fees	6,129	6,105	24	0.4%
PLTC and enrolment fees	707	674	33	4.9%
Electronic filing revenue	357	340	17	5.0%
Interest income	149	170	(21)	-12.4%
Other revenue	708	579	129	22.3%
	<u>8,050</u>	<u>7,868</u>	<u>182</u>	<u>2.3%</u>
Expenses before 845 Cambie (excl. dep'n)	<u>7,583</u>	<u>7,738</u>	<u>155</u>	<u>2.0%</u>
	467	130	337	
845 Cambie St. - net results (excl. dep'n)	<u>322</u>	<u>352</u>	<u>(30)</u>	<u>-8.5%</u>
	<u>789</u>	<u>482</u>	<u>307</u>	

2012 General Fund Year End Forecast (Excluding Capital Allocation & Depreciation)				
	<u>Avg # of Members</u>			<u>Actual Variance</u>
Practice Fee Revenue				
2008 Actual	10,035			
2009 Actual	10,213			
2010 Actual	10,368			
2011 Actual	10,564			
2012 Budget/Projection	10,787			
2012 Actual YTD	10,671			
Revenue				
PLTC				35
Electronic Filing				20
Late Payment Fees				25
Members' Manual / Benchers' Bulletin				35
Other Revenues				85
				<u>200</u>
Expenses				
FLS Contribution - rate increase *				(40)
Exec Comm - CBA Canadian legal conference sponsorship contribution *				(20)
CBA REAL Initiative *				(75)
Governance Review *				(115)
Aboriginal Scholarship*				(12)
Privacy Review*				(55)
Expense savings				25
				<u>(292)</u>
845 Cambie Building				
CLE Lease Forgiveness*				(60)
Lease vacancies				(380)
Other expense savings				20
				<u>(420)</u>
2012 General Fund Forecast Variance				<u>(512)</u>
2012 General Fund Budget				<u>-</u>
2012 General Fund Actual				<u>(512)</u>

* Bencher approved items

Trust Assurance Program Forecast				
	<u>2012 Forecast</u>	<u>2012 Budget</u>	<u>Variance</u>	<u>% Var</u>
TAF Revenue	2,400	2,500	(100)	-4.0%
Trust Assurance Department	2,388	2,468	80	3.2%
Net Trust Assurance Program	<u>12</u>	<u>32</u>	<u>(20)</u>	

2012 Lawyers Insurance Fund Long Term Investments - YTD May 2012 Before investment management fees	
Performance	1.9%
Benchmark Performance	1.3%

The Law Society of British Columbia
General Fund
Results for the 5 Months ended May 31, 2012
(\$000's)

	2012 Actual	2012 Budget	\$ Var	% Var
Revenue				
Membership fees (1)	8,007	7,963		
PLTC and enrolment fees	707	674		
Electronic filing revenue	357	340		
Interest income	149	170		
Other revenue	708	580		
Total Revenues	9,928	9,727	201	2.1%
Expenses				
Regulation	2,796	2,975		
Education and Practice	1,345	1,436		
Corporate Services	1,040	1,046		
Bencher Governance	856	729		
Communications and Information Services	849	803		
Policy and Legal Services	697	748		
Depreciation	122	166		
Total Expenses	7,705	7,903	198	2.5%
General Fund Results before 845 Cambie and TAP	2,223	1,824	399	
845 Cambie net results	104	92	12	
General Fund Results before TAP	2,327	1,916	411	
Trust Administration Program (TAP)				
TAF revenues	482	535	(53)	
TAP expenses	877	1,004	127	13%
TAP Results	(395)	(469)	74	
General Fund Results including TAP	1,932	1,447	485	

(1) Membership fees include capital allocation of \$1.878m (YTD capital allocation budget = \$1.859.5m).

The Law Society of British Columbia
General Fund - Balance Sheet
As at May 31, 2012
(\$000's)

	May 31 2012	Dec 31 2011
Assets		
Current assets		
Cash and cash equivalents	86	279
Unclaimed trust funds	1,699	1,848
Accounts receivable and prepaid expenses	7,754	1,129
B.C. Courthouse Library Fund	1,628	678
Due from Lawyers Insurance Fund	3,795	19,331
	<u>14,962</u>	<u>23,265</u>
Property, plant and equipment		
Cambie Street property	11,578	11,739
Other - net	1,448	1,362
	<u>27,988</u>	<u>36,366</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,271	4,040
Liability for unclaimed trust funds	1,699	1,848
Current portion of building loan payable	500	500
Deferred revenue	9,656	17,491
Deferred capital contributions	65	70
B.C. Courthouse Library Grant	1,628	678
Due to Lawyers Insurance Fund	-	-
Due to Special Compensation Fund	-	-
Deposits	25	27
	<u>14,844</u>	<u>24,654</u>
Building loan payable	<u>4,100</u>	<u>4,600</u>
	<u>18,944</u>	<u>29,254</u>
Net assets		
Capital Allocation	2,921	1,874
Unrestricted Net Assets	6,123	5,238
	<u>9,044</u>	<u>7,112</u>
	<u>27,988</u>	<u>36,366</u>

The Law Society of British Columbia
General Fund - Statement of Changes in Net Assets
For the 5 Months ended May 31, 2012
(\$000's)

	Invested in P,P & E net of associated debt	Unrestricted	Unrestricted Net Assets	Capital Allocation	2012 Total	2011 Total
	\$	\$		\$	\$	\$
Net assets - December 31, 2011	8,010	(2,769)	5,238	1,874	7,112	6,691
Net (deficiency) excess of revenue over expense for the period	(405)	459	54	1,878	1,932	421
Repayment of building loan	500	-	500	(500)	-	-
Purchase of capital assets:						
LSBC Operations	89	-	89	(89)	-	-
845 Cambie	242	-	242	(242)	-	-
Net assets - May 31, 2012	8,436	(2,310)	6,123	2,921	9,044	7,112

The Law Society of British Columbia
Special Compensation Fund
Results for the 5 Months ended May 31, 2012
(\$000's)

	2012 Actual	2012 Budget	\$ Var	% Var
Revenue				
Annual assessment Recoveries	4	5		
	4	-		
Total Revenues	8	5	3	60.0%
Expenses				
Claims and costs, net of recoveries	3	3		
Administrative and general costs	6	19		
Loan interest expense	(11)	-		
Total Expenses	(2)	22	(24)	-109.1%
Special Compensation Fund Results	10	(17)	27	

The Law Society of British Columbia
Special Compensation Fund - Balance Sheet
As at May 31, 2012
(\$000's)

	May 31 2012	Dec 31 2011
Assets		
Current assets		
Cash and cash equivalents	1	1
Due from Lawyers Insurance Fund	953	950
	<u>954</u>	<u>951</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	6	8
Deferred revenue	6	11
	<u>12</u>	<u>19</u>
Net assets		
Unrestricted net assets	942	932
	<u>942</u>	<u>932</u>
	<u>954</u>	<u>951</u>

The Law Society of British Columbia
Special Compensation Fund - Statement of Changes in Net Assets
For the 5 Months ended May 31, 2012
(\$000's)

	2012	2011
	\$	\$
Unrestricted Net assets - December 31, 2011	932	831
Net excess of revenue over expense for the period	<u>10</u>	<u>101</u>
Net assets - May 31, 2012	<u><u>942</u></u>	<u><u>932</u></u>

The Law Society of British Columbia
Lawyers Insurance Fund
Results for the 5 Months ended May 31, 2012
(\$000's)

	2012 Actual	2012 Budget	\$ Var	% Var
Revenue				
Annual assessment	5,860	6,051		
Investment income	1,751	2,456		
Other income	90	40		
Total Revenues	7,701	8,547	(846)	-9.9%
Expenses				
Insurance Expense				
Provision for settlement of claims	6,194	6,194		
Salaries and benefits	953	1,148		
Contribution to program and administrative costs of General Fund	658	654		
Office	326	426		
Actuaries, consultants and investment brokers' fees	109	114		
Allocated office rent	62	61		
Premium taxes	11	12		
Income taxes	-	-		
	8,313	8,609		
Loss Prevention Expense				
Contribution to co-sponsored program costs of General Fund	286	283		
Total Expenses	8,599	8,892	293	3.3%
Lawyers Insurance Fund Results before 750 Cambie	(898)	(345)	(553)	
750 Cambie net results	124	127	(3)	
Lawyers Insurance Fund Results	(774)	(218)	(556)	

**The Law Society of British Columbia
Lawyers Insurance Fund - Balance Sheet
As at May 31, 2012
(\$000's)**

	May 31 2012	Dec 31 2011
Assets		
Cash and cash equivalents	9,815	23,719
Accounts receivable and prepaid expenses	534	654
Due from members	83	67
Due from General Fund	-	-
General Fund building loan	4,600	5,100
Investments	102,738	102,895
	<u>117,770</u>	<u>132,435</u>
Liabilities		
Accounts payable and accrued liabilities	975	1,609
Deferred revenue	7,846	6,813
Due to General Fund	3,796	19,331
Due to Special Compensation Fund	953	950
Provision for claims	54,095	52,876
Provision for ULAE	7,087	7,065
	<u>74,752</u>	<u>88,644</u>
Net assets		
Unrestricted net assets	25,518	26,291
Internally restricted net assets	17,500	17,500
	<u>43,018</u>	<u>43,791</u>
	<u>117,770</u>	<u>132,435</u>

The Law Society of British Columbia
Lawyers Insurance Fund - Statement of Changes in Net Assets
For the 5 Months ended May 31, 2012
(\$000's)

	Unrestricted \$	Internally Restricted \$	2012 Total \$	2011 Total \$
Net assets - December 31, 2011	26,291	17,500	43,791	33,962
Net deficiency of revenue over expense for the period	(773)	-	(773)	9,827
Net assets - May 31, 2012	<u>25,518</u>	<u>17,500</u>	<u>43,018</u>	<u>43,789</u>

The Law Society
of British Columbia



2012 – 2014 Strategic Plan

Status Update as at June 2012

For: The Benchers
Date: July 13, 2012

Purpose of Report: Discussion
Prepared on behalf of the Executive Committee

INTRODUCTION

Section 3 of the *Legal Profession Act* states that the mandate of the Law Society is to uphold and protect the public interest in the administration of justice by

- (i) preserving and protecting the rights and freedoms of all persons,
- (ii) ensuring the independence, integrity and honour of its members, and
- (iii) establishing standards for the education, professional responsibility and competence of its members and applicants for membership.

To carry out its mandate effectively, the Law Society must keep in mind the interests and concerns of all parties that engage the justice system. This includes the public generally, users of the legal systems (both individual and corporate), courts, governments, and lawyers.

The Benchers have created a process to plan for and prioritize strategic policy development to properly meet the mandate of the Society and to optimize staff resources.

Through this process, the Benchers identified three principal goals and related strategies that the Law Society should pursue over the next three years. In identifying these goals, strategies and initiatives, the Benchers have been mindful not only of what the role of the Law Society is in relation to its mandate, but also of what may be achievable within that mandate.

The goals, strategies and initiatives set out in this strategic plan are in addition to the overall operations of the Law Society's core regulatory programs, such as discipline, credentials, and practice standards. These programs are fundamental to fulfilling the Law Society's mandate and will always be priorities for the Law Society.

The plan will be reviewed on an annual basis during its three year term to ensure that the strategies and initiatives remain appropriate and to address any additional strategies or initiatives that may be necessary in light of changing circumstances.

Law Society Goals

1. The Law Society will be a more innovative and effective professional regulatory body.
2. The public will have better access to legal services.
3. The public will have greater confidence in the administration of justice and the rule of law.

GOAL 1: The Law Society will be a more innovative and effective professional regulatory body.

The Law Society recognizes that it is important to encourage innovation in all of its practices and processes in order to continue to be an effective professional regulatory body. The following strategies and initiatives will ensure that the Law Society continues to improve in delivering on its regulatory responsibilities.

Strategy 1 – 1

Regulate the provision of legal services effectively and in the public interest.

Initiative 1-1(a)

Consider ways to improve regulatory tools and examine whether the Law Society should regulate law firms.

Status – June 2012

It was anticipated that work on this Initiative would begin in 2013. In the meantime, the Legal Profession Act has been amended to permit the regulation of law firms. It is now anticipated that staff will begin some initial examination of this topic in the Fall of 2012 in anticipation of more detailed policy consideration by the Benchers in 2013.

Initiative 1-1(b)

Examine the relationship between the Law Society as the regulator of lawyers and the Law Society as the insurer of lawyers.

Status – June 2012

The Rule of Law and Lawyer Independence Advisory Committee has been meeting regularly and this topic has formed part of its agenda. It is anticipated the Committee will report later in 2012 on its deliberations with recommendations.

Initiative 1–1(c)

Examine whether the Law Society should regulate just lawyers or whether it should regulate all legal service providers.

Status – June 2012

Each of the Rule of Law and Lawyer Independence and the Access to Legal Services Advisory Committees began deliberations on different aspects of this initiative in early 2012. In order to better co-ordinate the policy development and analysis, however, it has been determined to create a separate Task Force to address this initiative, and its further deliberations are expected to begin in the fall of 2012.

Strategy 1 - 2

Identify and develop processes to ensure continued good governance.

Initiative 1–2(a)

Examine issues of governance of the Law Society generally including:

- identifying ways to enhance Bencher diversity;
- developing a model for independent evaluation of Law Society processes;
- creating a mechanism for effective evaluation of Bencher performance and feedback.

Status – June 2012

This initiative has been divided into separate tasks. The Governance Task Force has taken the lead on a review of governance processes generally within the Law Society, and the work undertaken to date formed the substance of discussion at the recent Bencher retreat in Vernon. Work on the development of a model for the independent evaluation of Law Society processes has been undertaken by the Chief Executive Officer in consultation with the President and last year's President, following debated and recommendations on this topic by the Executive Committee in connection with the 2009 – 2011 Strategic Plan. A report will be forthcoming later in 2012.

Strategy 1–3

Ensure that programs are available to assist lawyers with regulatory and workplace changes.

Initiative 1-3(a)

Work with continued professional development providers to develop programs about the new Code of Conduct.

Status – June 2012

The Law Society and the Continuing Legal Education Society of BC have agreed to a joint endeavour to plan and deliver education on the new BC Code of Conduct, which will be available to all BC lawyers free of charge using a variety of delivery methods. The Law Society will reimburse the CLE Society for its direct out of pocket expenses. The Law Society website will also feature an Annotated BC Code of Conduct as well as a guide to the BC Code of Conduct that will compare key features of the current Handbook to the new Code.

Initiative 1-3(b)

Improve uptake of Lawyer Wellness Programs.

Status – June 2012

Development of this initiative has been undertaken in the Practice Standards Department and will be considered at the Practice Standards Committee meeting in July.

Strategy 1– 4

Ensure that admission processes are appropriate and relevant.

Initiative 1–4(a)

Work on national admission standards while considering the rationale and purpose of the overall admission program.

Status – June 2012

The Lawyer Education and Advisory Committee is keeping abreast of national developments on examining admission national standards and related procedures, which is underway under the auspices of the Federation of Law Societies of Canada. That work will result in a national competencies profile, the development of national standards for character and fitness, and proposals for implementation. The Advisory Committee will begin an active review of the

Law Society admission program in the fall of 2012 following the completion of the national competencies profile which is expected in September.

Initiative 1–4(b)

Consider qualification standards or requirements necessary for the effective and competent provision of differing types of legal services.

Status – June 2012

Work on this initiative is not expected to commence until 2013.

GOAL 2: The public will have better access to legal services.

The Law Society recognizes that one of the most significant challenges in any civil society is ensuring that the public has adequate access to legal advice and services. The Law Society has identified a number of strategies to respond to this challenge over the next three years and will continue to gather demographic data about lawyers to inform these strategies.

Strategy 2–1

Increase the availability of legal service providers.

Initiative 2–1(a)

Consider ways to improve the affordability of legal services:

- continue work on initiatives raised by recommendations by the Delivery of Legal Services Task Force;
- identify and consider new initiatives for improved access to legal services.

Status

Implementation of the recommendations of the Delivery of Legal Services Task Force continues. The Supreme Court of British Columbia has agreed in principle to a pilot project in Family Law. Meetings are still required to determine how to evaluate the project. A starting date for the project still needs to be determined, and a plan for creating training opportunities and communicating the project to the profession needs to be completed. The Provincial Court has indicated a willingness to discuss a similar pilot project and further meetings are expected with that court's working group to discuss how to proceed. The Benchers have approved the necessary changes to the Professional Conduct Handbook and are awaiting changes to the Law Society Rules.

The Access to Legal Services Advisory Committee is trying to get a better sense of what problem or problems exist in the access to justice and legal services landscape that require action by the Law Society. The Committee has had some preliminary discussions regarding how to increase participation in and the delivery of pro bono. It is likely that a greater examination of pro bono legal advice and services will occupy much of the Committee's focus in the second half of 2012, in addition to its regular monitoring function.

Initiative 2–1(b)

Support the retention of women lawyers by implementing the Justicia Project.

Status – June 2012

Work on Phase 1 on implementation of the Justicia project is underway, and will focus on national firms with offices in British Columbia.

Initiative 2–1(c)

Support the retention of Aboriginal lawyers by developing and implementing the Indigenous Lawyer Mentoring Program.

Status – June 2012

Phase 1 of the Indigenous Lawyer Mentoring Program has now been completed, and a report, to be presented to the Benchers on July 13, details best practice guidelines for mentoring Aboriginal lawyers. The report proposes a model on which a Mentoring Program can be developed that outlines a vision, goals and guiding principles.

Strategy 2–2

Improve access to justice in rural communities.

Initiative 2–2(a)

Develop ways to address changing demographics of the legal profession and its effects, particularly in rural communities.

Status – June 2012

Work on this initiative is planned to commence in 2013.

Initiative 2–2(b)

Develop ways to improve articling opportunities in rural communities.

Status – June 2012

Work on this initiative is planned to commence in 2014 and will analyse the results from the REAL program.

Strategy 2–3

Understand the economics of the market for legal services in British Columbia.

Initiative 2–3(a)

Work collaboratively with other stakeholders in the legal community to identify questions that need to be answered and engage, with others, in focused research.

Status – June 2012

In the implementation plan for this initiative, the initial work was assigned to staff to determine what work on this subject other stakeholders in the legal community were developing. After discussions with the Law Foundation, which is undertaking an examination relating to economic analysis of certain aspects of the justice system in conjunction with the Legal Services Society, we've determined that the focus of their research is not focused on the market for legal services. We will stay abreast of the research and analysis being conducted by the Law Foundation and Legal Services Society. However, it appears that we will have to develop our own research initiative if we hope to understand the economics of the market for legal services in British Columbia. Staff will be looking into this further in the latter part of this year.

GOAL 3: The public has greater confidence in the administration of justice and the rule of law.

The rule of law, supported by an effective justice system, is essential to a civil society. This requires public confidence in both the rule of law and the administration of justice. The Law Society recognizes the importance of working with others to educate the public about the rule of law, the role of the Law Society in the justice system and the fundamental importance of the administration of justice.

Strategy 3–1

Develop broader and more meaningful relationships with stakeholders.

Initiative 3–1(a)

Identify, establish and build on relationships with the Ministry of Attorney General and other government ministries, the Courts, and non-governmental stakeholders.

Status – June 2012

Work has been undertaken at the Bench and staff level and has resulted in meetings with the Minister of Justice and Attorney General and her senior staff on a number of occasions. A meeting in Victoria with policy staff in various government ministries together with the Chief Executive Officer and Law Society policy and communication staff has also taken place.

Strategy 3–2

Educate the public about the importance of the rule of law, the role of the Law Society and the role of lawyers.

Initiative 3–2(a)

Identify methods to communicate through media about the role of the Law Society, including its role in protecting the rule of law.

Status – June 2012

To increase awareness of the Law Society and the Rule of Law, a number of initiatives have been completed. A dedicated webpage has been created and is updated regularly. During Law Week, the Law Society's "Day-in-the-Life" Twitter campaign was run and promoted, resulting in media coverage that included an interview on the CBC Early Edition, the Lower Mainland's most popular morning program. Other proactive media relations efforts, such as the

news conference in Prince George to announce the Aboriginal scholarship and the Early Edition interview with Susanna Tam to discuss the upcoming report on diversity, have also resulted in coverage of the Law Society and the opportunity to profile the work of the organization to hundreds of thousands of British Columbians.

LAWYER ADVICE AND PRACTICE SUPPORT PROJECT

Backgrounder and Update

Alan Treleaven, June 27, 2012

Project Background

The Law Society provides a wide range of law practice assistance and support to members and articling students, including

- telephone and email advice responding to questions relating to ethics, professional responsibility, practice management, and risk management,
- related web resources,
- articles in the *Benchers' Bulletin*, and in other publications, including those of the CLE Society, CBA and Trial Lawyers' Association,
- email alerts to the membership about frauds and scams,
- equity and diversity counseling and advice,
- presentations at continuing legal education programs for the CLE Society, CBA, Trial Lawyers' Association, and others,
- in-house trust compliance seminars, and
- online courses designed for the small firm practitioner.

The in-person advice is provided by Law Society staff and, very frequently, by Benchers who respond to member inquiries.

One of the three major strategic recommendations in the Core Process Review Report was the establishment of a cross-departmental staff working group to make a full assessment of the strengths and opportunities of the Law Society's current model for delivering lawyer advice and practice support services. The cross-departmental Working Group has been formed, with the following membership:

- Alan Treleaven, Chair (Education and Practice),
- Barbara Buchanan (Practice Advice),
- Felicia Ciolfitto (Trust Regulation),
- Margrett George (Lawyers Insurance Fund), and
- Kensi Gounden (Practice Standards).

Underlying this initiative is the realization that, while the Law Society is primarily a regulator, it is very much in the Law Society's public interest mandate to assist members to be aware of, understand, and comply with the Law Society's regulatory and ethical standards. An

effective and integrated program of member support and assistance is a key to excellence in the regulatory context because it benefits the regulator, the regulated, and the public.

Project Objectives

The Working Group plans to report and make recommendations, including options, in relation to the following issues.

1. What member advice and support should the Law Society provide, including priorities?
2. What are the resource implications and needs, including staff, IT and financial?
3. By what means should the advice and support be provided?
4. Who internally, and perhaps externally, including through possible partnerships, should provide the particular types advice and support?

As the Working Group continues its deliberations, consultations and research, the Working Group may expand on this statement of issues.

Summary of Current Challenges

The Working Group has identified the following challenges related to member advice and support.

1. The volume of requests for Practice Advice is steadily growing (from 6,253 inquiries in 2010, to 6,723 in 2011), and it is increasingly difficult to provide effective service and practice support resources within current staffing levels and systems.
2. The increasing volume of requests for Practice Advice means that the Practice Advisors are not always able to guarantee response times, although the response time is most frequently within the same business day, depending on the time of day of the inquiry.
3. The volume of requests for Practice Advice negatively impacts other Practice Advice functions, including
 - creating and updating web resources,
 - writing articles for

- the Law Society, and
- others, such as CLE Society and CBA,
- speaking engagements, such as at conferences, continuing legal education programs, local bar association meetings and law firms,
- organizing conferences and courses, and
- making law firm visits to advise on practice management systems.

4. There is a lack of clarity around Practice Advice mandate and priorities in relation to telephone and email advice and those matters listed in 3, above.

5. Member advice and support is not only provided by the Practice Advisors, but also across a number of Law Society departments and by the Benchers. Although the provision of advice and support appears to be effective, there is an increasing need for a coordinated or unified Law Society approach. Member advice and support is currently delivered primarily through these departments

- Practice Advice,
- Lawyers Insurance Fund,
- Trust Regulation,
- Custodianships,
- Practice Standards, and
- Communications,

as well as through

- the Benchers, directly and frequently,
- Member Services,
- PLTC,
- Policy, including Equity and Diversity, and
- the Equity Ombudsperson.

Working Group Ongoing Activity

The Working Group has prepared extensive inventories, detailing the member advice and practice support activities currently in place across Law Society departments, and has prioritized those activities for purposes of formulating options and recommendations.

The Working Group is also reviewing the 2007 Report of the former Small Firm Task Force, chaired by Bruce LeRose, to focus on

successes flowing from the implementation of its recommendations, and on areas that should be re-visited. Particular attention is being focused on the Task Force recommendation for technology support:

Recommendation #1: Provide technology support to assist sole and small firm practitioners.

Recommendation #1 would be implemented by the planning and delivery of a technology support program, designed specifically to assist sole and small firm practitioners.

The Working Group is consulting with Russel Horwitz of KWELA Leadership and Talent Management.

The Working Group will seek the input of the Benchers as its work progresses. Kathryn Berge and Ken Walker have volunteered to consult with the Working Group. Their ideas and input will be particularly helpful. It is already apparent that Benchers would be assisted in their provision of practice advice by a training package and, particularly for new Benchers, a training session.

Working Group Report

The Working Group plans to report with recommendations, including options and a related assessment of resource needs, by December 2012.

Summary of Reporting re: Communications Strategic Plan/Activities to June 18, 2012

June 2010

From CEO's Report:

1. **Communications Strategic Plan**

One of Management's top operational priorities for the year as outlined at the Bencher meeting in January is the development and implementation of a strategic plan for all of our external and internal communications. This covers communications to all of the Law Society's key stakeholders including government, media, the public at large, members and employees. Our main objective is to strike an appropriate balance in two areas, proactive and responsive communications and content which our stakeholders need to know and content which they want to know. Since January we are very fortunate to have hired Robyn Crisanti as our Manager of Communications and Public Relations. Robyn will be presenting our new Communications strategic plan at the meeting for review and discussion, ably assisted by Kimanda Jarzebiak, our external Government and Public Relations advisor.

January 2011

From CEO's Report:

(c) **Continue to Implement new LSBC Communications Plan**

2010 was an important year for the Law Society on the communications front because we developed and adopted a comprehensive new plan for all aspects of Law Society communications both internally and externally. This plan was presented to and reviewed by the Benchers at the Bencher retreat in Parksville last June. We are fortunate that Robyn Crisanti joined us as Manager of Communications in 2010. Robyn is the principal author of the new communications plan and she has provided strong leadership to date in implementing its initiatives. We will focus in 2011 in continuing to implement all aspects of the plan, which is designed to make the Law Society more proactive, responsive and transparent in fulfilling our public interest mandate.

March 2011

From CEO's Report:

5. Public Education Program

The Communications team has developed a plan to foster public knowledge about the rule of law and importance of an independent and well-regulated legal profession. The plan will address gaps in the public legal education marketplace that are otherwise aptly filled by legal services organizations throughout the province and centralized via the Clicklaw website. Implementation of the plan will occur over the balance of 2011.

April 2011

From CEO's Report:

1. Communications Plan Initiatives

Communications re: Ombudsperson

A central part of Law Society's Communications Plan is to support our strategic objective of enhancing public confidence in our ability to effectively regulate the profession. In March the Benchers approved two initiatives with this in mind, the development of a proposal for independent oversight and enhanced communications regarding the role the BC Ombudsperson plays in reviewing the Law Society's handling of complaints against lawyers.

Work on an independent oversight model is underway and will be brought forward for consideration by the Benchers as part of the new strategic plan discussions in the fall. To address the direction given regarding the Ombudsperson, the Communications department is implementing a four-step plan as follows:

- a. All information being sent to complainants is being reviewed for form and substance to ensure that the complainant review options are clear and easy to follow, including instructions on recourse to the Ombudsperson;
- b. Information regarding the Ombudsperson on the Law Society's website is being expanded and located alongside other information about our complaints process and elsewhere as appropriate;

- c. Statistical information regarding the number of Ombudsperson reviews, the outcomes and any explanatory information will be included in an annual media release as well as part of the Law Society's annual review; and
- d. The Office of the Ombudsperson will be apprised of these initiatives.

New Law Society External Website

As reported at the last Benchers meeting, the Law Society's external website has recently been completely overhauled to make it more user-friendly, relevant and informative. Since the launch a month ago, the site has been visited 89,000 times by 37,600 unique visitors who viewed a total of 551,000 pages. For purposes of comparison, consider that in March of last year our site had 29,800 unique visitors, so the new site is generating much broader interest in an even shorter period of time. The launch was also picked up by several legal organizations who posted news of it through their own news media and our tweets have been re-tweeted by many. The most popular page is the Lawyer Lookup (41,000 page views) followed by Lawyer Login (16,000). Anecdotally, we have had a number of positive comments about the site, with ease of use and better overall look and feel being the most common. The Communications and IS/IT teams deserve recognition for their hard work and ingenuity in the redesign and relaunch of this key Law Society communications tool.

June 2011

From CEO's Report:

5. Communications and Media

The Law Society will host its annual Law and the Media workshop on June 22, 2011. This year's workshop will explore the legal implications of social media and other "new" media technology for journalism and will feature panelists that include Kim Bolan, Vancouver Sun reporter; media lawyers Dan Burnett and Robert Anderson, QC; the Honourable Mr. Justice Geoffrey Gaul, BC Supreme Court Judge; and Theresa Lalonde, social media trainer and CBC Radio and TV reporter. For the first time, we will offer the workshop at the Law Society in the Benchers Room and it will be offered to journalists throughout the province via teleconference.

We have been the beneficiaries of positive comments from a number of sources in recent weeks, including a national newspaper editorial,

comments from key media personalities and responses to our forays into alternative media (Twitter and RSS feeds). Of particular note is the following article by Mitch Kowalski:

British Columbia's Law Society has always seemed to me to be the most progressive in terms of service to its members and its attitude of making the legal profession function better. Ontario has a great deal to learn from B.C. in this regard. Now LSBC is calling for non-lawyers to be part of disciplinary and other hearings. Currently in B.C., like other provinces, non-lawyers are appointed to the Law Society's governing body (called Benchers), so this new movement to having non-lawyer non-bencher appointments is quite radical and refreshing. Good luck B.C.! I look forward to watching the results of this experiment.

Kowalski, Mitch. "Non-lawyers to judge British Columbia lawyers" *Financial Post* 3 June 2011: n. page. Web.

In general, the Law Society has been acknowledged for being progressive, effective and working in the public interest. Some, but not all, of the comments were related to our invitation to the public to apply to our hearing panel pools. This sentiment was enhanced by Gavin Hume, QC's related interviews with CBC Radio, which were very well done.

The Law Society has been recognized for communications excellence by the International Association of Business Communicators for last June's Aboriginal networking event, Inspiring Stories Connecting Future Leaders. Specifically, the award has been given to Dana Bales, Communications Officer, and Susanna Tam, Staff Lawyer, Policy & Legal Services. Congratulations to Dana and Susanna!

September 2011

From CEO's Report:

2. Communications Updates

Public Education Program

Since the Public Education Program was presented to the Benchers in March 2011, the Communications team has developed a more detailed tactical plan and begun implementation of a number of those tactics, including obtaining broad media coverage around Law Week and developing the access to justice webpage. We expect that the majority

of the work will be completed this fall, including a public inquiry strategy, a public relations awareness campaign and additional educational materials on various Law Society policy initiatives. Robyn Crisanti, Manager, Communications and Public Affairs, will be at the meeting, should you have any questions about the Program.

Communicating New Student Rules

Our Communications department is implementing a comprehensive communications plan to advise lawyers and students of the new student rules, including:

- Article in Benchers' Bulletin (mid-September)
- E-Brief mention (mid-September)
- Letter and flyer sent to all students and principals
- New website copy for Articling section
- Home page of website (Highlights section) (mid September)
- Mention in Advocate article regarding PLTC survey (November)
- Notice to law school publications (late September)

Please let Robyn Crisanti know if you have any questions about the above.

BencherNet Replaced by Lawyer Login Page

BencherNet has now been retired in favour of a more robust Lawyer Login page, which provides access to all Bencher and committee materials as appropriate, based on user profile. If there is any information that Benchers would like to see added to the new Bencher Resources section, please feel free to share your ideas.

9. Advocate Article

I am attaching a copy of the Law Society's response, which was posted on the Law Society's website, to the recent Advocate article regarding the Western Law Societies Conveyancing Protocol, attached to this report as Appendix 2. I would be happy to discuss this in further detail at the meeting.

April 2012

From CEO's Report:

3. Communications Update

It has been one year since the Law Society launched its revamped website and put in place a new expanded approach to transparent and consistent communications with respect to media relations. Robyn Crisanti, Manager, Communications and Public Affairs, will be at the Benchers' meeting to provide a number of highlights with respect to both of these communications initiatives.

May 2012

From CEO's Report:

5. Law Week – “Day-in-the-Life” Twitter Campaign and Law Society Speakers Bureau

The Law Society recognized Law Week in two ways. The first was our “Day-in-the-Life” Twitter Campaign which involved many staff and resulted in a fascinating Twitter narrative that touched on a broad range of different activities that go on at the Law Society. The campaign attracted four media reports, over 100 new Twitter followers, drove 129 people to the Law Society website and exposed more than 60,000 people via Twitter to Law Society information throughout the day. We also launched our Speakers Bureau during Law Week, which is available to the public through our website and features at least 15 speakers from the Law Society who are available to speak to the public, including organizations, on a variety of topics.

Robyn Crisanti, Manager, Communications and Public Affairs, will be at the meeting to answer any questions or to provide further details on these innovative communications initiatives.

2013 Overview



- The Finance Committee reviewed and considered budgets for General Fund, Special Compensation Fund and the Lawyers Insurance Fund in May 2012 and recommends the overall fee proposal
- Executive Committee reviewed the overall fee proposal at its June meeting
- Overall mandatory fee increase of 1.4%
- Law Society portion of General Fund Fee increased by \$42 (2.8%)
- Finance Committee considered allowing credit card and/or installments for fee payments but does not recommend implementing these options
- Special Compensation Fund assessment reduced from \$1 to \$nil
- Lawyers Insurance Fund assessment remains at \$1,750
- Trust Administration Fee remains at \$10
- CanLII contribution increased from \$34.71 to \$35.37
- CLBC increased by \$5 to \$185
- Federation of Law Societies fees increased by \$5 to \$25
- No change in Lawyers Assistance Program or Advocate fees or Pro Bono percentage



2013 Fee Recommendations

	2013	2012	Difference	%
General Fund Fee - Law Society portion	\$ 1,544.75	\$ 1,503.17	\$ 41.58	2.8%
Federation of Law Societies	\$ 25.00	\$ 20.00	\$ 5.00	25.0%
CanLII	\$ 35.37	\$ 34.71	\$ 0.66	1.9%
Pro Bono Contribution	\$ 15.44	\$ 15.02	\$ 0.42	2.8%
Law Society Fee	\$ 1,620.56	\$ 1,572.90	\$ 47.66	3.0%
CLBC Fee	\$ 185.00	\$ 180.00	\$ 5.00	2.8%
LAP Fee	\$ 60.00	\$ 60.00	\$ -	-
Advocate Subscription	\$ 27.50	\$ 27.50	\$ -	-
Total Practice Fee	\$ 1,893.06	\$ 1,840.40	\$ 52.66	2.9%
Special Fund Assessment	\$ -	\$ 1.00	\$ (1.00)	
Total Practice Fee and Special Fund	\$ 1,893.06	\$ 1,841.40	\$ 51.66	2.8%
Insurance Assessment	\$ 1,750.00	\$ 1,750.00	\$ -	-
Total Mandatory Fee (excluding taxes)	\$ 3,643.06	\$ 3,591.40	\$ 51.66	1.4%

Proposed Legal Service Provider Task Force

At the outset of this year, our Strategic Initiative 1–1(c), which provided for an examination of whether we should regulate just lawyers or all legal service providers, was tasked to both the Access to Legal Services Advisory Committee and the Rule of Law and Lawyer Independence Advisory Committee. Both Advisory Committees have noted that the scope of work for this initiative is likely to extend beyond the current year and would be more efficiently undertaken by a dedicated task force.

The creation of such a dedicated task force seems now even more appropriate in light of events that have occurred since the initial assignment of strategic initiatives to the two Advisory Committees. In particular, this spring we raised with the government an argument that the notaries' desire for a greater scope of practice makes a unified regulatory regime for legal service providers very much in the public interest, an argument that is supported by the Canadian Bar Association. The Washington State courts have recently recognized limited license Legal Technicians authorized to help civil litigants with process and pleadings, which will permit non-lawyers to assist in improving access to law-related services. Our own paralegal pilot project with the Supreme and Provincial Courts provides another reason to look at whether we should be regulating only lawyers or looking more broadly at all legal service providers. And the report on the five year review of the Law Society of Upper Canada's paralegal program delivered in late June has concluded that "implementation of the regulation of paralegals in Ontario has been a success, and has provided consumer protection while maintaining access to justice."

As I reported at the May Bencher meeting, the Executive Committee approved the preparation of draft terms of reference for presentation to the Benchers, along with a request to strike such a task force.

The proposed terms of reference provide that the task force is to consider whether the Law Society ought to regulate only lawyers in British Columbia or whether it should regulate other - legal service providers. In particular, the task force should:

1. consider previous work at the Law Society on the regulation of non-lawyers;
2. consider and report on legal service regulatory regimes in other jurisdictions where the regulation extends to non-lawyers;
3. consider and report on the implications for Law Society operations on regulating non-lawyers;
4. consider and report on whether it is in the public interest that non-lawyer legal service providers be regulated and if so, whether it is in the public interest that the Law Society should be that regulator;

5. consider and report on whether the recognition and regulation of non-lawyer legal service providers would improve access to law-related services for the public;
6. make a recommendation to the Benchers about whether the Law Society should continue to regulate only lawyers in British Columbia or whether it should take steps to implement the regulation of other legal service providers.