

# THE LAW SOCIETY OF BRITISH COLUMBIA

## MINUTES

**MEETING:** Benchers

**DATE:** Friday, April 23, 2010

**PRESENT:**

Glen Ridgway, QC, President	Jan Lindsay, QC
Gavin Hume, QC, 1 <sup>st</sup> Vice-President	Peter Lloyd, FCA
Bruce LeRose, QC, 2 <sup>nd</sup> Vice-President	David Loukidelis
Haydn Acheson	David Mossop, QC
Rita Andreone	Suzette Narbonne
Kathryn Berge, QC	Thelma O'Grady
Joost Blom, QC	Lee Ongman
Patricia Bond	Gregory Petrisor
Robert Brun, QC	David Renwick, QC
E. David Crossin, QC	Alan Ross
Tom Fellhauer	Catherine Sas, QC
Leon Getz, QC	Richard Stewart, QC
Carol Hickman	Herman Van Ommen
Patrick Kelly	Dr. Maelor Vallance
Stacy Kuiack	Art Vertlieb, QC
Barbara Levesque	Kenneth Walker

**ABSENT:** ---

**STAFF PRESENT:**

Tim McGee	Michael Lucas
Deborah Armour	Bill McIntosh
Stuart Cameron	Jeanette McPhee
Lance Cooke	Doug Munro
Robyn Crisanti	Lesley Pritchard
Charlotte Ensminger	Susanna Tam
Su Forbes, QC	Alan Treleaven
Jeff Hoskins, QC	Adam Whitcombe

**GUESTS:**

Dom Bautista, Executive Director, Law Courts Center  
Mark Benton, QC, Executive Director, Legal Services Society  
Danielle Bicknell, Webcast Operator, CLEBC  
Penelope Chandler, Chief of Staff for the Attorney General of BC  
The Honourable Michael de Jong, QC, Attorney General of BC  
Christine Elliott, Member of the Ethics Committee  
Mona Duckett, QC, FLS Council member for the Law Society of Alberta  
Dean Donna Greschner, Faculty of Law, University of Victoria  
Robert Holmes, President, Trial Lawyers Associations of BC  
John Hunter, QC, LSBC Member of the FLS Council  
Terry La Liberte, QC, Life Benchers, Member of the Ethics Committee  
Jamie Maclaren, Executive Director, Access Pro Bono  
Todd McKendrick, Chair, Board of Directors, CLEBC  
Mayland McKimm, QC, Chair, Board of Directors, Legal Services Society  
Stephen McPhee, Vice-President, CBABC  
Jane Mundy, Reporter, Lawyers Weekly

**GUESTS:** Caroline Nevin, Executive Director, CBABC  
Peter Ramsay, QC, Member of the Ethics Committee  
Rob Seto, Director of Programs, CLEBC  
Joanne Silver, Director of Membership and Public Affairs, CBABC  
Anne Stewart, QC, Member of the Ethics Committee

## **CONSENT AGENDA**

### **1. Minutes**

The minutes of the meeting held on March 5, 2010 were approved as circulated.

### **Consent Resolutions**

The following resolutions were **passed unanimously and by consent**.

**2. *BE IT RESOLVED* to amend Chapter 11, Rules 16 to 21 of the *Professional Conduct Handbook* (duty of lawyer where firm changes its composition) by rescinding those provisions and replacing them with Chapter 3, Rules 6 to 12, as set out at pages 2002 – 2004 of the meeting materials (Appendix 1 to these minutes), effective immediately;**

**3. *BE IT RESOLVED* to amend the *Law Society Rules* (implementing the Quebec Mobility Agreement in British Columbia), effective July 1, 2010 as follows:**

**1. *In Rule 2-1, by rescinding paragraph (c) and substituting the following:***

- (c) non-practising members;
- (d) Canadian legal advisor.

**2. *In Rule 2-5, by rescinding paragraphs (d) and (e) and substituting the following:***

- (d) practitioner of foreign law permit issued under Rule 2-18,
- (e) inter-jurisdictional practice permit issued under Rule 2-12, and
- (f) Canadian legal advisor certificate issued under Rule 2-51.

**3. *By adding the following rules:***

#### **Canadian legal advisors**

##### **Scope of practice**

**2-23.1** (1) A Canadian legal advisor may

- (a) give legal advice on
  - (i) the law of Québec and matters involving the law of Québec,
  - (ii) matters under federal jurisdiction, or
  - (iii) matters involving public international law,
- (b) draw, revise or settle a document for use in a proceeding concerning matters under federal jurisdiction, or
- (c) appear as counsel or advocate before any tribunal with respect to matters under federal jurisdiction.

- (2) A Canadian legal advisor must not engage in the practice of law except as permitted under subrule (1).

### **Requirements**

- 2-23.2** (1) A member in good standing who is admitted as a Canadian legal advisor has all the duties and responsibilities of a practising lawyer under the Act, these Rules and the Professional Conduct Handbook.
- (2) A Canadian legal advisor must
    - (a) be a member in good standing of the Barreau du Québec authorized to practise law in that Province,
    - (b) undertake to comply with Rule 2-23.1, and
    - (c) immediately notify the Executive Director in writing if he or she ceases to be authorized to practise law in Québec.

### **Transfer as Canadian legal advisor**

- 2-49.3** (1) Subject to subrule (3), a member of the Barreau du Québec may apply for call and admission on transfer as a Canadian legal advisor by delivering to the Executive Director the following:
- (a) a completed application for call and admission as a Canadian legal adviser in a form approved by the Credentials Committee, including written consent for the release of relevant information to the Society;
  - (b) a certificate of character;
  - (c) a certificate of standing from the Barreau du Québec and each other body regulating the legal profession, in any jurisdiction, in which the applicant is or has been a member of the legal profession;
  - (d) an errors and omissions insurance application or exemption form;
  - (e) the following fees:
    - (i) the investigation fees and call and admission fees;
    - (ii) a prorated practice fee;
    - (iii) a prorated annual insurance fee, unless exempt under Rule 3-25;
    - (iv) a prorated Special Compensation Fund assessment;
  - (f) any other information and documents required by the Act or these Rules that are requested by the Credentials Committee or the Benchers.
- (2) Subject to subrule (1), Rules 2-49 to 2-51 apply, with any necessary changes, to an application for call and admission on transfer as a Canadian legal adviser.
- (3) This Rule does not apply to a member of the Barreau du Québec unless he or she has earned a bachelor's degree in civil law in Canada or a foreign degree and a certificate of equivalency from the Barreau.

### ***4. In Rule 2-51, by rescinding subrules (4) and (5) and substituting the following:***

- (4) On proof that an applicant who has otherwise qualified for call and admission has taken the oath required under subrule (2)(a), the Executive Director must issue to

the applicant a practising certificate, a non-practising certificate or a Canadian legal advisor certificate, as the case may be.

- (5) The Executive Director must not renew a practising certificate or a Canadian legal advisor certificate issued under subrule (4) unless the lawyer has been presented in open court as required under subrule (2)(b).

**5. In Rule 3-25, by adding the following subrules:**

- (5) A Canadian legal advisor may apply to the Executive Director for exemption from the requirement to maintain professional liability insurance and pay the insurance fee.
- (6) On an application under subrule (5), the Executive Director must grant the exemption, provided the Canadian legal advisor maintains the full mandatory professional liability insurance coverage required by the Barreau du Québec that extends to the Canadian legal advisor's practice in British Columbia.

4. ***BE IT RESOLVED that the Benchers defer appointment of the replacement for Mayland McKimm, QC on the Board of Directors of the Legal Services Society until May 2011, upon consultation with the Executive Committee of the BC Branch of the Canadian Bar Association.***
5. ***BE IT RESOLVED that the Benchers ratify the recommendation of the Credentials Committee to award the 2010 Law Society Scholarship to Jeffrey Yuen, with Jeffrey Benjamin Meyers as runner-up.***

**REGULAR AGENDA – for Discussion and Decision**

**6. President's Report**

Mr. Ridgway referred the Benchers to his written report — circulated by email prior to the meeting — for an outline of his activities as President during the month of April (Appendix 2 to these minutes).

**7. CEO's Report**

Mr. McGee opened his report by welcoming Deborah Armour, the Law Society's Chief Legal Officer, to her first Benchers meeting.

Mr. McGee provided highlights of his monthly written report to the Benchers (Appendix 3 to these minutes), including the following matters:

- Financial Report – Q1 Operating Results
- Core Process Review – Update
- Key Performance Measures (KPMs) and the Audit Committee
- CanLII Governance Reforms and New Agreement
- International Bar Association (IBA) 2010 Annual Conference (October 3-8, 2010, Vancouver, BC)
- Retention of Aboriginal Lawyers Event (June 16, 2010)
- Dealing with Media Inquiries

## **8. Report on Outstanding Hearing and Review Reports**

The Benchers received a report on outstanding hearing decisions.

## **GUEST PRESENTATIONS**

### **9. Legal Services Society Update**

Mayland McKimm, QC, Chair of the Board of Directors of the Legal Services Society (LSS), delivered a presentation to the Benchers. Mr. McKimm outlined LSS's statutory mandate, services and resources, identifying a number of areas as opportunities for the Law Society to provide non-financial support:

- Communications
- Develop a Law Society vision for publicly funded legal aid services
- Promote lawyer involvement in legal aid
- Leadership and strategy development

Mr. McKimm's speaking notes are included as Appendix 4 to these minutes.

### **10. Attorney General's Update on Legislative Priorities for 2010-2011**

The Honourable Michael de Jong, QC, Attorney General for British Columbia, made a presentation to the Benchers. The Attorney General outlined the government's legislative agenda for 2010-2011, highlighting:

- BC Supreme Court's new civil and family rules and revised schedule of fees
  - implementation to be effective July 1, 2010
- *Family Relations Act*
  - consultation through the balance of 2010
- *Limitation Act*
  - consultation through the balance of 2010
- Impaired Driving / Repeat Offenders
  - stronger administrative penalties under the *Motor Vehicle Act*
- Non-traditional Partnerships between the Crown and the Private Bar
  - private forfeiture
- Legal Aid
  - the provincial government supports CBABC's proposal for an multipartite commission on the future of legal aid in BC
  - the provincial government is looking at alternative sources of legal aid funding

- Court Services Branch
  - the Ministry is working with the Courts to re-work protocols around document disclosure
- Televised Court Proceedings
  - the Attorney General does not envision cameras in every courtroom throughout the province; but thinks there could be value in some broadcasting of some proceedings.

In the discussion that followed the Attorney General's presentation, a number of issues were raised, including:

- Possible alternative sources of funding for legal aid
- Importance of legal aid funding to family law cases
- Possibility of linking provincial funding of legal aid to other benchmarks
- Value of the Attorney General's efforts to consult with the legal profession and the Law Society

#### **11. Federation Model Code: Future Harm Exception to Confidentiality**

Mr. Ridgway welcomed Mona Duckett, QC as the Federation Council member for the Law Society of Alberta, and Chair of the Federation's Model Code Subcommittee on Conflicts and Future Harm, and a former Benchers and past-President of the Law Society of Alberta. Mr. Ridgway noted that rules on conflicts and the future harm exception to confidentiality are the two [Model Code of Professional Conduct](#) issues still to be resolved. Mr. Hume confirmed that the Law Society's Ethics Committee has begun its review of the Model Code and expects to present recommendations regarding its implementation in BC to the Benchers later in 2010.

Ms. Duckett made a presentation to the Benchers, adapting from the "Future Harm" presentation she delivered to the Federation's Council Meeting and Semi-annual Conference in Toronto last March. Following her presentation Ms. Duckett led a discussion based on a number of fact scenarios.

#### **OTHER MATTERS – Other Matters for Discussion and/or Decision**

#### **12. Federation Update: Semi-annual Meeting and Conference in Toronto, March 18 – 20, 2010**

John Hunter, QC briefed the Benchers as the Law Society's representative on the Council of the Federation of Law Societies of Canada. Mr. Hunter thanked the Benchers for their support in naming him as the LSBC member of the Council. Mr. Hunter highlighted a number of issues discussed during the March meeting and conference. Mr. Hunter also represents the Law Society on the Federation's Anti-Money Laundering Litigation Committee, and he updated the Benchers on the status of the matters being managed by that committee.

***IN CAMERA SESSION***

The Benchers discussed other matters *in camera*.

WKM

2010-05-13

# PROFESSIONAL CONDUCT HANDBOOK

## CHAPTER 11

### RESPONSIBILITY TO OTHER LAWYERS

## CHAPTER 3

### COMPETENCE, QUALITY OF SERVICE AND RELATIONSHIP TO CLIENTS

#### Duty of lawyer and law firm when a change affects clients on termination of employment

- ~~16.~~ When a lawyer ~~departs from~~leaves a law firm to practise alone or to join another law firm, ~~there is a duty upon~~ the departing lawyer and the law firm have a duty to inform all clients for whom the departing lawyer is the responsible lawyer in a legal matter ~~of the clients that the clients have a~~ right to choose who will continue to represent them. The same duty may arise when a firm is winding up or dividing into smaller units.
- ~~17.~~ This duty does not arise if the ~~departing lawyer and the law firm~~lawyers affected by the changes, acting reasonably, ~~both~~ conclude that the circumstances make it obvious that a client will continue as a client of ~~thea particular lawyer or~~ law firm ~~notwithstanding the departure of the lawyer.~~
- ~~18.~~ When ~~these Rules~~this Chapter requires a notification to clients, each client ~~for whom the departing lawyer is the responsible lawyer in a legal matter~~ must receive a letter ~~informing them of the right to choose his or her lawyer~~ as soon as practicable after the effective date of the departure changes is determined, informing the client of the right to choose his or her lawyer.
- ~~19.~~ It is preferable that this letter be sent jointly by the firm and any lawyers affected by the changes~~the departing lawyer and the law firm.~~ However, in the absence of a joint announcement, the firm or any lawyers affected by the changes may send letters in substantially the form set out in Appendix 4~~either the departing lawyer or the law firm.~~
10. Lawyers whose clients are affected by changes in a law firm have a continuing obligation to protect client information and property, and must minimize any adverse effect on the interests of clients.<sup>1</sup>
- ~~20~~11. The right of a client to be informed of changes to a law firm and to choose his or her lawyer cannot be curtailed by any contractual or other arrangement.
- ~~21~~12. With respect to communication other than that required by these Rules, lawyers should be mindful of the common law restrictions upon uses of proprietary information, and interference with contractual and professional relations between the law firm and its clients.



# PROFESSIONAL CONDUCT HANDBOOK

## FOOTNOTE

1. This obligation generally includes an obligation to ensure that files transferred to a new lawyer or law firm are properly transitioned, including, when necessary, describing the status of the file and noting any unfulfilled undertakings and other outstanding commitments.

# PROFESSIONAL CONDUCT HANDBOOK

## CHAPTER 3

### COMPETENCE, QUALITY OF SERVICE AND RELATIONSHIP TO CLIENTS

#### **Duty of lawyer and law firm when a change affects clients**

6. When a lawyer leaves a law firm to practise alone or to join another law firm, the departing lawyer and the law firm have a duty to inform all clients for whom the departing lawyer is the responsible lawyer in a legal matter that the clients have a right to choose who will continue to represent them. The same duty may arise when a firm is winding up or dividing into smaller units.
7. This duty does not arise if the lawyers affected by the changes, acting reasonably, conclude that the circumstances make it obvious that a client will continue as a client of a particular lawyer or law firm.
8. When this Chapter requires a notification to clients, each client must receive a letter as soon as practicable after the effective date of the changes is determined, informing the client of the right to choose his or her lawyer.
9. It is preferable that this letter be sent jointly by the firm and any lawyers affected by the changes. However, in the absence of a joint announcement, the firm or any lawyers affected by the changes may send letters in substantially the form set out in Appendix 4.
10. Lawyers whose clients are affected by changes in a law firm have a continuing obligation to protect client information and property, and must minimize any adverse effect on the interests of clients.<sup>1</sup>
11. The right of a client to be informed of changes to a law firm and to choose his or her lawyer cannot be curtailed by any contractual or other arrangement.
12. With respect to communication other than that required by these Rules, lawyers should be mindful of the common law restrictions upon uses of proprietary information, and interference with contractual and professional relations between the law firm and its clients.

#### FOOTNOTE

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## **PRESIDENT'S REPORT**

**April, 2010**

This report outlines my activities subsequent to the Benchers' Meeting of March 5, 2010.

In the late afternoon/evening of March 9, I attended the New Westminster Bar Association meeting in New Westminster, where I was joined by Benchers Carol Hickman and Jan Lindsay. I am not sure whether David Renwick is allowed in that part of the Westminster district, but he was not in attendance. I was able to catch the 10:45 ferry from Tsawwassen to Duke Point that evening.

On Friday, March 12, I attended the Q.C. reception, which is funded by the Law Society but controlled by the Attorney General. This is a tremendous event, which honours some members of our profession who have accomplished things over their careers and are recognized by the designation "Q.C." Our own Jan Lindsay (presently trapped in Turkey), whom I had seen the Tuesday previous, was there, as was Life Benchers, Bill Jackson, and both of them received Q.C.'s.

On Monday, March 15, I journeyed to the "Hub City" of our province, Nanaimo, to attend a reception funded by the lawyers of Nanaimo County. This was a reception for law students and was held at the offices of Ramsay Lampman Rhodes. Many thanks to those folks, and in particular, Stephen McPhee, Sandra Dick, and Clint Sadlemyer, for arranging that event. CBA provincial heavyweights were in attendance, as were folks from UVIC and UBC, and a whole bunch of students. There was a great crowd. The headliner was Bowman, CJSC. This is an idea thought up by Nanaimo County, but particularly Nanaimo City lawyers, to attempt to attract articling students to the leading legal district in the province. I do not know whether this has worked, but we certainly have more articling students on the top part of Vancouver Island than we had, say, eight years ago. Perhaps they are inspired by "prominent" lawyers who are playing a role on the provincial scene, such as the aforementioned Stephen McPhee.

On March 17, I got up really early in the morning and went to Toronto by way of Air Canada. Do not agree to have the snacks that they give you at 9 o'clock in the morning. Even I cannot tolerate the chocolate chip cookies and ice cream that they serve at that time. I arrived in Toronto at about noon and went on the subway to the Royal Ontario Museum, which I had not been to in about ten years. The weather was fabulous. I walked back through the campus of the University of Toronto, and everyone was out participating in sporting activities, etc., in shorts and T-shirts.

It apparently was the day of student council elections, and everyone was on the streets within the campus handing out brochures and making speeches advocating "change." I was inclined to stand on the corner with a cup asking for change.

For the next two days, we attended Federation meetings. The President of the Federation is John Campion of the Toronto office of Fasken Martineau, which is the "Headquarters" of the firm. We were absolutely honoured to have two dinner engagements at the Law Society of Upper Canada. Their facility at Osgood Hall, I must say, is impressive. While I am glad that I am not part of the membership that has to financially support that facility, I can say that it is something which all of us, as lawyers in Canada, can be proud of and appreciative of the lawyers in Ontario for preserving that facility. It is terrific, and the dinners we had there were very, very impressive.

Apparently, in the Benchers' dining room, only the Treasurer of the Law Society of Upper Canada is allowed to speak unless he gives permission. Derry Miller, the Treasurer of the Law Society of Upper Canada, comes from Regina, and maybe that's why he let me speak. He also let me sit in his chair in his office, and I must say, most of the Ontario delegation was looking quite wistfully when they saw me in that chair. I can assure you, however, that I have no intention of going back to Ontario to be the Treasurer of the Law Society of Upper Canada.

I also was able to have lunch with a graduate of Foam Lake Composite High School, who now resides in Toronto.

When we boarded the plane Saturday at noon to return, the weather had changed a bit, and there were snowflakes in the air.

On March 26, I went to Vancouver for a Call Ceremony in the morning, various meetings during the day, and the Court of Appeal Special Sitting and reception in the late afternoon.

At about this time, I was also called to comment on certain news items involving lawyer costs/discipline matters that had been dealt with in Court. These included the Court of Appeal decision upholding an award of costs against a lawyer and the decision of the Supreme Court of Canada (9-0) to the effect that Courts have a role in the conduct of lawyers in matters before the Court.

On April 1, I was in Vancouver for my meeting with Mr. McGee and other matters relating to the operation of the Law Society.

On April 7, I attended the grand opening of the University of Victoria's new Law Library, built with the assistance of funds from the Law Foundation.

On Thursday, April 8, I, together with Gavin Hume and Bruce LeRose, had lunch with the Executive of the Canadian Bar Association, BC Branch, and then had a tour of the building, known as the "Ladder Tour." We got to meet all of the people actively involved in running the affairs of the Law Society and keeping Benchers on message and focus.

That was followed by my weekly meeting with Mr. McGee and then the Executive Committee Meeting.

The next day, April 9, I was pleased to attend a luncheon put on by the Trial Lawyers Association, where Pat Bond, our own Pat Bond, received recognition for her excellent participation in Trial Lawyers activities, activities involving the family law Bar, the practice of family law, and life in general.

On April 14, I spent some time at conduct meetings and Benchers/articling student interviews in my own district, and then went to Vancouver, where I was able to introduce Bruce LeRose to the SkyTrain system and to the wonders of the Italian community on Commercial Drive.

On April 15, I attended the "pouring" to commence construction of the new UBC Law School. This Law School has received the go-ahead due to financial contributions by lawyers in British Columbia and also a substantial commitment from the Law Foundation. The new building will replace the "bunker," which had replaced the heritage buildings that produced some tremendous lawyers, judges, etc., most of whom are now "heritage" lawyers and judges. There was no one there from Fasken Martineau that I was aware of.

That evening I attended a hockey game sponsored, in part, by Fasken Martineau.

On Friday, April 16, I attended the Leadership Prayer Breakfast at the request of Gavin Hume of the firm of Faskin Martineau. I did this for Gavin, who does need prayer. I should tell you, however, that I consider the breakfast that I have before each Benchers Meeting to be a prayer breakfast. As long as there are Benchers, there will be a need for prayer.

On Wednesday, April 21, I, together with CBA folks and TLABC folks, will be meeting in Victoria with our Attorney General (at his request).

On the ferry with me on April 14, journeying to Vancouver, were several Cowichan Valley dentists and members of their staff. They were heading to the Big City (home of Faskin Martineau) for CDE (Continuing Dental Education). They were staying at a hotel for a few days. their requirement—90 hours/3 years.

Querre: The “draconian” cost of the Bruce LeRose inspired CPD in contrast to the requirements for dentists.



## ***Chief Executive Officer's Monthly Report***

A Report to the Benchers by

Timothy E. McGee

April 23, 2010

## **Introduction**

My report this month includes the financial results for the first quarter of 2010, as well as updates on a number of initiatives underway since the last Benchers meeting and several upcoming events. The report concludes with some information about the Law Society's current media relations policies and the procedures that are in place to ensure that we can respond appropriately to media enquiries.

### **1. Financial Report – Q1 Operating Results**

Highlights of the financial results to March 31, 2010 are summarized in Appendix 1. Jeanette McPhee, our CFO, and I will be available to answer any questions you may have on the results at Friday's meeting.

### **2. Update – Core Process Review**

The Core Process Review is proceeding on schedule. The project leader Kensi Gounden has met with all managers to review the process and to create the project charter, which is now complete. Consultative sessions with staff have started and by the end of April sessions will have been held with all regulatory departments. So far the response to the project has been encouraging. The most important thing at this stage is to ensure that staff are clear on the purpose of the project and that they know what to expect in the months ahead. This includes receiving input on how people want to contribute and be involved both on an individual and departmental level. The next steps are the completion of a detailed project plan by the end of April and the mapping of all current regulatory processes by June.

A copy of my initial communication to staff regarding the Core Process Review together with a detailed Q&A are attached as Appendix 2. If you have any questions or comments regarding the Review, please do not hesitate to contact Kensi or me.

### **3. Key Performance Measures (KPMs) and the Audit Committee**

At the March 5, 2010 Benchers meeting following the review of the 2009 KPM results there were some questions regarding what role the Audit Committee should play in monitoring the KPMs and reporting to the Benchers. Since then Jeanette McPhee and I have met with Rita Andreone in her capacity as Chair of the Audit Committee, and we have worked out the following plan to address those issues:

- First, in January and February of each year (commencing in 2011) the Audit Committee will meet with the CEO and Management Board to review the prior year KPM results in detail and to question Management on the performance reflected in the results. The report on the KPM results will then be brought forward at the March Benchers meeting by the CEO together with a report from the Audit Committee detailing its review with Management. This was the procedure in 2009 but was not followed this year because of the lack of available meeting dates during the Olympic period in February.
- Second, every two or three years commencing in 2010, the Audit Committee will oversee a “structural” review of the KPMs, working with Management to ensure that the KPMs continue to be reflective of our core operations and responsive to the Law Society’s public interest mandate. The Committee will subsequently report their findings and recommendations to the Benchers.

In 2010, this second stage structural review will be conducted through a series of meetings with the Audit Committee in late June, September and November. The results of our current Core Process Review will be available later this year, and those results and associated recommendations will be available to assist the Audit Committee in reporting back to the Benchers on the desirability of modifications, if any, to the KPMs for 2011.

#### **4. CanLII Governance Reforms and New Agreement**

I am pleased to report that a new long term contract for the continued development and support of CanLII has been entered into between CanLII and LexUM Inc., CanLII’s long-term business partner. The new agreement follows months of negotiations and replaces an inadequate letter agreement with a full commercial agreement with appropriate terms, conditions and protections for both parties. The new agreement also contains clear service level commitments for CanLII’s benefit and a stable and verifiable pricing mechanism.

In addition to a new operating agreement, CanLII is on the cusp of implementing a new streamlined governance regime including the establishment of an appropriately sized board of directors (7 members versus the previous 15 members) selected on the basis of a skills-based matrix and the hiring of a full-time professional manager. These positive reforms flow from the 2009 report and recommendations of the Federation’s CanLII Futures Committee and will be fully implemented within the next few months.



**5. International Bar Association (IBA) 2010 Annual Conference (October 3-8, 2010, Vancouver, BC)**

The Law Society is assisting the organizers of the International Bar Association's 2010 Annual Conference on a variety of levels. The Conference will be held in Vancouver later this year, and while most of the proceedings will be geared towards networking for practitioners from around the world, there are portions of the Conference that are directly relevant to regulators of the legal profession. To this end we have agreed to host a lunch at the Law Society offices on Friday, October 8 for a small group of international regulators as part of the Bar Issues Commission program. In addition we are joining with the Federation of Law Societies and the CBA BC Branch in partial sponsorships of a lunch and a dinner event during the weeklong conference. As a major institution in the host jurisdiction we believe it is important for the Law Society to be involved with the IBA Annual Conference in this way.

**6. Retention of Aboriginal Lawyers Event (June 16, 2010)**

The Benchers materials for the April 23 meeting include a memorandum from Susanna Tam outlining the Law Society's plans to hold a special Aboriginal Leadership event at the First Nations House of Learning at UBC on Wednesday, June 16. This is an innovative initiative which has been developed through the work of our Equity and Diversity Advisory Committee and is in furtherance of the Law Society's strategic objective to increase the retention of aboriginal lawyers in the profession. Please take a moment to read the memorandum and consider attending all or part of the event.

**7. Dealing with Media Inquiries**

Our Communications group met recently with Glen Ridgway, QC as the Law Society President for 2010, to review the Law Society's current media relations policies and procedures to ensure that we have appropriate channels in place to respond to media enquiries. We agreed to continue our current practice of referring all initial enquiries to the Communications Department at the Law Society main number. Our Communications staff will then assess the enquiry and determine the appropriate spokesperson. Because the President is the only person officially authorized under our Benchers policies to speak on behalf of the Law Society (subject to the President's delegation to others, such as a Task Force Chair when addressing the work of that Task Force) we have agreed that Glen will address all enquiries of a policy nature including in particular:

- The work of various Law Society Task Forces and Committees;
- Responses to civil and criminal court proceedings involving the Law Society;
- Court proceedings which may impact our mandate; and
- General policy discussions related to the Law Society's mandate or the practice of law.

Enquiries of a general nature including, in particular, requests for basic information, will be handled at the appropriate staff level. All enquiries relating to on-going professional conduct and discipline matters will continue to be referred to Stuart Cameron for response.

Please contact Robyn Crisanti, Manager of Communications and Public Relations, if you are contacted by the media or at any time if you have questions regarding media related matters. Robyn's direct telephone line is (604) 697-5845 and her e-mail address is [rcrisanti@lsbc.org](mailto:rcrisanti@lsbc.org).

Timothy E. McGee  
Chief Executive Officer

## 2010 FINANCIAL REPORT Q1 Operating Results

Attached please find a copy of the financial highlights and results to March 31, 2010.

### **General Fund**

In November 2009, the Benchers resolved to fund the Forensic Accounting department (2010 Budget = \$1.2 million) with the General Practice fee, beginning January 1, 2010. As these costs were not included in the 2010 practice fee budget, this has resulted in unfunded costs which are being funded by the General Fund operating reserve.

For financial statement presentation purposes, we have separated out this transfer to highlight the impact of this change.

### ***General Fund (No Forensic Accounting or TAF)***

The General Fund operating results for the first quarter of the year has a positive variance of \$255,000.

The positive revenue variance of \$165,000 relates to CPD penalty revenue and custodianship recoveries. CPD penalty revenue consists of penalties charged to members who did not meet the CPD requirement for 2009. In addition, we received a large custodianship recovery in the first quarter. These positive revenue variances are permanent and will continue to year end.

The operating expenses are \$90,000 positive to budget for the first quarter, related to the timing of counsel fees and PLTC supplies.

### ***2010 Forecast – General Fund (No Forensic Accounting or TAF)***

Excluding the impact of the Forensic Accounting department transfer, the General Fund (no TAF) is projected to be positive to budget by \$150,000 due to additional CPD penalty revenue and custodianship recoveries.

### ***2010 Forecast – General Fund (Including Forensic Accounting, no TAF)***

Including the impact of the Forensic Accounting department transfer, the General Fund (no TAF) is projected at a \$950,000 deficit by year-end. As all of the Forensic Accounting expense will be taken from General Fund operating reserve in 2010, the balance of that reserve will be reduced to \$3.7 million at the end of 2010.

## **TAF-Related Revenue and Expenses**

### ***Revenue***

TAF revenue for the first quarter is not received until the April / May period, therefore there are no receipts in the first quarter.

The BC Real Estate Association (BCREA) reports that first quarter real estate unit sales were 18,300, a 64% increase over the first quarter of 2009. The first quarter 2009 results were low due to the economic and real estate conditions at that time. The results in 2010 are very similar to the first quarter of 2008, with 19,100 unit sales. The increase in real estate unit sales is good news for the TAF revenue levels, although there is some caution from BCREA as noted below.

The BCREA has noted, “Home sales have moderated since the beginning of the year. Waning pent-up demand and eroding affordability were key factors in the market. Despite an improving provincial economy, higher mortgage interest rates and tighter credit conditions for low-equity homebuyers and investors will squeeze some prospective buyers out of the market this spring.”

We will continue to monitor changes in the TAF revenue levels and economic forecasts.

### ***Expenses***

TAF operating expense is tracking to budget.

## **Special Compensation Fund**

The positive variance in Special Compensation Fund is related to the timing of costs and recoveries, as there was little activity in the Fund during the first quarter.

## **Lawyers Insurance Fund (LIF)**

During the first quarter, the investments market value increased \$1.2 million of which approximately \$900,000 is unrealized and therefore only recognized through the net assets on the balance sheet.

LIF operating results are \$978,000 below budget in the first quarter, mainly due to the timing of realization of investment income. There were few investment changes during the first quarter, therefore little realization of investment income.

The overall investment return for the first quarter of 2010 was 1.3%, compared to a benchmark of .8%.



**Summary of Financial Highlights - 2010**  
(\$000's)

<b>2010 General Fund Results - YTD March 2010</b>				
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>
<b>Revenue</b>				
Membership fees	5,029	5,027	2 *	0.04%
PLTC and enrolment fees	266	237	29	12.24%
Electronic filing revenue	159	152	7	4.61%
Interest income	110	95	15	15.79%
Other revenue	388	276	112 **	40.58%
	5,952	5,787	165	
<b>Expenses including 845 Cambie</b>	3,575	3,665	90 ***	2.46%
	2,377	2,122	255	
<b>Forensic Accounting Transfer</b>	(168)	(224)	56	
	2,209	1,898	311	

\* Membership numbers are 10,207 to date, tracking to budget  
 \*\* CPD late fees 37k not budgeted, Custodianship recoveries 87k over budget  
 \*\*\* Mainly timing of counsel fees and PLTC supplies

<b>2010 General Fund Year End Forecast</b>		
	<u>Ave # of Members</u>	<u>Forecast Variance</u>
<b>Practice Fee Revenue</b>		
2008 Actual	10,035	
2009 Actual	10,213	
2010 Budget	10,300	
2010 YTD	10,207	
<b>Revenue</b>		
CPD late fees not budgeted plus larger Custodianship recoveries than budgeted		150
<b>2010 General Fund Forecast - Net Results prior to Forensic Accounting Transfer</b>		150
Forensic Accounting Transfer		(1,200)
Unplanned vacancies savings in Forensic Accounting		100
<b>Impact of Forensic Accounting Transfer</b>		(1,100)
<b>2010 General Fund Forecast - Net Results including Forensic Accounting Transfer</b>		(950)
<b>General Fund Operating Reserve, December 31, 2009</b>		4,618
<b>General Fund Operating Reserve, December 31, 2010</b>		3,668

<b>Trust Assurance Program Forecast</b>						
	<b>2009 Actual</b>	<b>2009 Budget</b>	<b>Variance</b>	<b>2010 Forecast</b>	<b>2010 Budget</b>	<b>Variance</b>
<b>TAF Revenue</b>	2,436	3,045	(609)	2,467	2,467	-
TAP Expenses:						
Trust Administration Department	2,054	2,311	257	2,371	2,371	-
Forensic Accounting	1,234	1,215	(19)	-	-	-
<b>Total TAP Expenses</b>	<b>3,288</b>	<b>3,526</b>	<b>237</b>	<b>2,371</b>	<b>2,371</b>	<b>-</b>
<b>Trust Assurance Program</b>	<b>(852)</b>	<b>(481)</b>	<b>(371)</b>	<b>96</b>	<b>96</b>	<b>-</b>
Use of TAF Reserve	(852)	(481)	(371)	-	-	-
<b>Net Trust Assurance Program</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>96</b>	<b>-</b>
<p>Most recent Real Estate Association projection - 8% increase in unit sales from 2009 to 2010. We are waiting to see the first quarter results before revising the budgeted revenue for 2010.</p> <p>Forensic Accounting is being funded by the practice fee effective January 1, 2010.</p> <p>Based on the current real estate and revenue forecasts, the Trust Assurance Program should be funded for 2010.</p>						

**2010 Lawyers Insurance Fund Long Term Investments - YTD March 2010**

<b>Market Value</b>	
March 31, 2010	96,575,851
December 31, 2009	95,359,569
<b>Performance</b>	1.3%
<b>Benchmark Performance</b>	0.8%

**The Law Society of British Columbia**  
**General Fund**  
**Results for the 3 Months ended March 31, 2010**  
(\$000's)

	<b>2010 Actual</b>	<b>2010 Budget</b>	<b>\$ Var</b>	<b>% Var</b>
<b>Revenue</b>				
Membership fees (1)	5,029	5,027		
PLTC and enrolment fees	266	237		
Electronic filing revenue	159	152		
Interest income	110	95		
Other revenue	388	276		
<b>Total Revenues</b>	<b>5,952</b>	<b>5,787</b>	<b>165</b>	<b>2.9%</b>
<b>Expenses</b>				
Regulation	1,265	1,343		
Education and Practice	673	665		
Corporate Services	548	527		
Bencher Governance	418	434		
Communications and Information Services	402	416		
Policy and Legal Services	316	292		
Depreciation	71	89		
<b>Total Expenses</b>	<b>3,693</b>	<b>3,766</b>	<b>73</b>	<b>1.9%</b>
General Fund Results before 845 Cambie and TAP	2,259	2,021	238	
<b>845 Cambie net results</b>	<b>118</b>	<b>101</b>	<b>17</b>	
<b>General Fund Results before FA Transfer</b>	<b>2,377</b>	<b>2,122</b>	<b>255</b>	
<b>Forensic Accounting Transfer</b>	<b>(168)</b>	<b>(224)</b>	<b>56</b>	
<b>General Fund Results before TAP</b>	<b>2,209</b>	<b>1,898</b>	<b>311</b>	
<b>Trust Administration Program (TAP)</b>				
TAF revenues	2	-	2	
TAP expenses	519	526	7	1%
<b>TAP Results</b>	<b>(517)</b>	<b>(526)</b>	<b>9</b>	
<b>General Fund Results including TAP</b>	<b>1,692</b>	<b>1,372</b>	<b>320</b>	

(1) Membership fees include capital allocation of \$1.792m (YTD capital allocation budget = \$1.793m).

**The Law Society of British Columbia**  
**General Fund - Balance Sheet**  
**As at March 31, 2010**  
(\$000's)

	Mar 31 2010	Dec 31 2009
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	57	3
Unclaimed trust funds	1,478	1,439
Accounts receivable and prepaid expenses	850	1,372
B.C. Courthouse Library Fund	1,919	724
Due from Lawyers Insurance Fund	10,389	16,302
	<u>14,693</u>	<u>19,840</u>
<b>Property, plant and equipment</b>		
Cambie Street property	11,866	11,886
Other - net	1,393	1,439
	<u>27,952</u>	<u>33,165</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	1,521	4,305
Liability for unclaimed trust funds	1,478	1,439
Current portion of building loan payable	500	500
Deferred revenue	10,037	14,893
Deferred capital contributions	90	92
B.C. Courthouse Library Grant	1,919	724
Due to Special Compensation Fund	9	9
Deposits	31	28
	<u>15,585</u>	<u>21,990</u>
<b>Building loan payable</b>	<u>5,100</u>	<u>5,600</u>
	<u>20,685</u>	<u>27,590</u>
<b>Net assets</b>		
Operating Reserve	5,176	4,618
Capital Allocation	2,091	957
	<u>7,267</u>	<u>5,575</u>
	<u>27,952</u>	<u>33,165</u>



**The Law Society of British Columbia**  
**General Fund - Statement of Changes in Net Assets**  
**For the 3 Months ended March 31, 2010**  
(\$000's)

	Operating Reserve \$	Capital Allocation \$	Total \$
<b>Net assets - December 31, 2009</b>	4,618	957	5,575
Net (deficiency) excess of revenue over expense for the period	(100)	1,792	1,692
Repayment of building loan	500	(500)	-
Purchase of capital assets:			
LSBC Operations	47	(47)	-
845 Cambie	111	(111)	-
<b>Net assets - March 31, 2010</b>	<u>5,176</u>	<u>2,091</u>	<u>7,267</u>

**The Law Society of British Columbia**  
**Special Compensation Fund**  
**Results for the 3 Months ended March 31, 2010**  
(\$000's)

	<b>2010 Actual</b>	<b>2010 Budget</b>	<b>\$ Var</b>	<b>% Var</b>
<b>Revenue</b>				
Annual assessment	133	129		
<b>Total Revenues</b>	<u>133</u>	<u>129</u>	<u>4</u>	<u>3.1%</u>
<b>Expenses</b>				
Claims and costs, net of recoveries	(32)	159		
Administrative and general costs	65	32		
Loan interest expense	(12)	-		
<b>Total Expenses</b>	<u>21</u>	<u>191</u>	<u>(170)</u>	<u>-89.0%</u>
<b>Special Compensation Fund Results</b>	<u><b>112</b></u>	<u><b>(62)</b></u>	<u><b>174</b></u>	

**The Law Society of British Columbia**  
**Special Compensation Fund - Balance Sheet**  
**As at March 31, 2010**  
(\$000's)

	Mar 31 2010	Dec 31 2009
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	1	1
Due from Lawyers Insurance Fund	853	2,753
Due from General Fund	9	9
	<u>863</u>	<u>2,763</u>
	<u>863</u>	<u>2,763</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	6	8
Current portion of claims payable	-	1,886
Deferred revenue	381	505
	<u>387</u>	<u>2,399</u>
<b>Net assets</b>		
Unrestricted net assets	476	364
	<u>476</u>	<u>364</u>
	<u>863</u>	<u>2,763</u>

**The Law Society of British Columbia**  
**Special Compensation Fund - Statement of Changes in Net Assets**  
**For the 3 Months ended March 31, 2010**  
 (\$000's)

	<b>Unrestricted</b>
	\$
<b>Net assets - December 31, 2009</b>	364
Net excess of revenue over expense for the period	<u>112</u>
<b>Net assets - March 31, 2010</b>	<u><u>476</u></u>

**The Law Society of British Columbia  
Lawyers Insurance Fund  
Results for the 3 Months ended March 31, 2010  
(\$000's)**

	<b>2010 Actual</b>	<b>2010 Budget</b>	<b>\$ Var</b>	<b>% Var</b>
<b>Revenue</b>				
Annual assessment	3,214	3,137		
Investment income (1)	125	1,202		
<b>Total Revenues</b>	<b>3,339</b>	<b>4,339</b>	<b>(1,000)</b>	<b>-23.0%</b>
<b>Expenses</b>				
<b>Insurance Expense</b>				
Provision for settlement of insurance deductibles	3,845	3,845		
Salaries and benefits	514	572		
Contribution to program and administrative costs of General Fund	329	366		
Office	206	279		
Actuaries, consultants and investment brokers' fees	89	143		
Allocated office rent	29	29		
Premium taxes	5	3		
	<b>5,017</b>	<b>5,237</b>		
<b>Loss Prevention Expense</b>				
Contribution to co-sponsored program costs of General Fund	154	173		
<b>Total Expenses</b>	<b>5,171</b>	<b>5,410</b>	<b>239</b>	<b>4.4%</b>
Lawyers Insurance Fund Results before 750 Cambie	(1,832)	(1,071)	(761)	
<b>750 Cambie net results</b>	<b>115</b>	<b>70</b>	<b>45</b>	
<b>Lawyers Insurance Fund Results</b>	<b>(1,717)</b>	<b>(1,001)</b>	<b>(716)</b>	

(1) There is an unrealized gain of \$916k for the year recognized through net assets (not through income statement). See Statement of Changes in Net Assets.

**The Law Society of British Columbia**  
**Lawyers Insurance Fund - Balance Sheet**  
**As at March 31, 2010**  
(\$000's)

	<b>Mar 31</b>	<b>Dec 31</b>
	<b>2010</b>	<b>2009</b>
<b>Assets</b>		
Cash and cash equivalents	9,528	20,573
Accounts receivable and prepaid expenses	396	377
Due from members	68	35
General Fund building loan	5,600	6,100
Investments	106,077	105,082
	<u>121,669</u>	<u>132,167</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,051	1,690
Deferred revenue	2,993	6,075
Due to General Fund	10,389	16,302
Due to Special Compensation Fund	853	2,753
Provision for claims	56,258	54,471
Provision for ULAE	8,123	8,073
	<u>79,667</u>	<u>89,364</u>
<b>Net assets</b>		
Unrestricted net assets	24,502	25,303
Internally restricted net assets	17,500	17,500
	<u>42,002</u>	<u>42,803</u>
	<u>121,669</u>	<u>132,167</u>

**The Law Society of British Columbia**  
**Lawyers Insurance Fund - Statement of Changes in Net Assets**  
**For the 3 Months ended March 31, 2010**  
(\$000's)

	Unrestricted \$	Internally Restricted \$	Total \$
<b>Net assets - December 31, 2009</b>	25,303	17,500	42,803
Net deficiency of revenue over expense for the period	(1,717)	-	(1,717)
			-
Unrealized gains on available-for-sale financial assets arising during the period	916	-	916
<b>Net assets - March 31, 2010</b>	<u>24,502</u>	<u>17,500</u>	<u>42,002</u>

**From:** [Tim McGee](#)  
**To:** [Group Allstaff](#)  
**Subject:** LSBC Core Process Review  
**Date:** Thursday, March 25, 2010 5:46:00 PM  
**Attachments:** [LSBC Core Process Review Q&A.pdf](#)

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Dear Colleagues,

At our first Town Hall of the year in January I announced that we would be undertaking an important project in 2010 to review how we carry out the core functions of the Law Society and to identify opportunities to work more effectively and efficiently. This type of review is a benchmark for well run organizations. I am personally committed to the project as the executive sponsor with the full support of Management Board and the Benchers.

To be successful the review must be well planned and must involve full, open and meaningful consultation with staff. It must also capture the good ideas which come forward in a way which will lead to recommendations which we can support and implement. In short, we have an opportunity to make the Law Society an even better place to work and I am asking for your help in doing so.

Over the next few weeks, our project lead, Kensi Gounden, will be meeting with everyone from each of the departments involved. He will explain how the review will take place and how you can participate. I encourage you to ask questions, give your feedback and share your ideas. I am certain we won't have answers for all the questions at this stage but knowing what we don't know, but need to know, is important too.

To keep you informed and up to date with progress and developments we will be communicating throughout the year. To get things started, we have prepared the attached Q&A which I hope you will find helpful.

Please feel free to contact Kensi or me at anytime if you have questions or feedback.

Regards,  
Tim

Timothy E. McGee  
Chief Executive Officer  
The Law Society of British Columbia  
845 Cambie Street  
Vancouver, BC V6B 4Z9  
Direct: (604) 443-5766  
Fax: (604) 669-5232



Please consider the environment before printing this e-mail or any attachments it may contain.





## Core Process Review Q&A

March 2010

The following questions have been answered to explain the Core Process Review project. If you have any additional questions, please contact [Kensi Gouden](#). We will post additional Q&A as they come up.

### **Q: What is a core process review?**

**A:** In this context, a work process is a collection of related, structured activities or tasks that achieve a specific goal for a particular stakeholder. An example might be “Fielding a complaint” which triggers various steps and activities.

Core processes are those that are fundamental and directly linked to the society’s mandate of acting in the public interest. They are different from those activities involved in the administrative functions, such as HR and accounting, which support the core work of the society.

A core process review is an exercise whereby work processes are broken down into their various steps (the current state) so that they can be viewed objectively, analyzed and improved. By breaking processes down in this way, it is common to find opportunities to, for example, reduce duplication of effort, optimize interactions with other departments and replicate good practices in other areas.

In the coming days, we will be providing examples of such projects at other organizations and more information to help you understand the project.

### **Q: Why are we conducting a core process review?**

**A:** It is simply good business to ensure an organization is operating as efficiently and effectively as possible.

The public has an expectation that our services will be delivered in a timely and effective way. In response, the Benchers have called for shortening the length of time it takes to complete key regulatory processes. The Core Process Review project will support that objective.

We also have a duty to conduct ourselves in the most professional and efficient way possible if we are to preserve our ability to fulfill the mandate of the society.



We have also heard from many of you about your frustrations relating to processes and resources which are preventing you from being fully satisfied in your jobs. We want the process review to address these as well.

**Q: What will the Core Process Review project achieve?**

A: We expect it will achieve four things. First, it will allow us to identify opportunities for operational improvement. Second, it will allow everyone to participate in a meaningful and recognizable way, developing innovative solutions to operating challenges. Thirdly, it will create a roadmap for continuous improvement that can be used in the future. Lastly, it will provide us with the data necessary to update our current performance measures, including those by which we evaluate our operational effectiveness.

**Q: What opportunities for improvements do we expect to find?**

A: We won't know what solutions will be identified until we finish mapping out and assessing the current processes. However, possible changes could involve reducing duplication of effort, addressing work flow problems and improving inter-departmental communication. The review process will also identify what we are already doing well and assess whether any current processes can be expanded or used elsewhere.

**Q: We have been asked for ideas for improvement in the past. How is this different?**

A: Instead of just gathering ideas ad hoc, a core process review is a systematic approach to seeking input from all, evaluating our current processes, and making recommendations for improvements across the organization, which we will follow through on. We also have the full support of the Benchers for this work.

**Q: Who will be involved in the Core Process Review project?**

A: Everyone involved in our core functions and programs will be involved throughout the review process including:

- Custodianship
- Discipline



- Insurance
- Investigations
- Professional Conduct
- Tribunal/Legislative
- Trust Assurance
- Forensic Accounting
- Practice Standards
- Practice Advice
- PLTC
- Credentials

Other departments may be consulted for information and input regarding how they interact with the departments listed above.

**Q: Who is in charge of the project?**

A: Tim McGee is the project sponsor and Management Board will be responsible for overseeing and supporting the project. Kensi Gounden is the project manager and will be responsible for the day-to-day coordination of the review. Kensi will be assisted by a project team involving consultants Marion McAdam, an expert in managing process change and a process review expert. Robyn Crisanti will provide assistance with communications.

The project team is not yet finalized and we may be adding in others as needed.

**Q: How will the process review be conducted?**

A: We are committed to following a set of guiding principles throughout the course of this project. Those principles are:

- Collaboration
- Involvement
- Openness
- Transparency
- A desire to improve

We recognize that full understanding and commitment by all employees to this project is critical. Therefore, we must work within these values to ensure the project's success.



**Q: What's the plan and timeline for the review?**

**A: Project Plan:** Done in consultation with the core departments and programs. (Completion by April 30)

**Phase I – Current Process Mapping:** Involving meetings with staff in each of the core departments and programs, we will identify and map the processes currently in place. Once this is completed we will develop process charts with the help of the process expert. Everyone will have a chance to review and comment on the process charts to ensure they are a good representation of how we currently conduct our work. (Completion by June 30)

**Phase II – Solution Development:** Departments will identify opportunities for improvement arising from the current process charts and develop solutions. Of course, it will not be practical or possible to incorporate all suggested changes, but all suggestions will be fully considered. (Completion by October 31)

**Phase III – Recommendations:** The final phase of the project will be a report on the findings and recommendations, again prepared with the involvement of the core departments and programs. (Completion by December 31)

**Q: When and how will the recommendations be implemented?**

**A:** The timeline and method for implementation will depend on the recommendations, so it is too early to say when or how the changes will take place. However, you will be kept up-to-date on progress, both through your involvement in the project and regular communication from the project team.

**Q: Do departments have to wait until all other departments have completed Phase I before moving on to Phase II?**

**A:** Some departments have indicated an eagerness to proceed with the review and develop solutions soon after the current processes are mapped out.

While there is no reason why departments could not begin to identify possible solutions immediately following the current process mapping phase, it is important to remember that many processes will run across more than



one department. As such, we may have to wait until it is decided any changes are in the best interests of the entire process and all departments involved.

**Q: What will the Core Process Review project mean to me?**

A: First, you will have an opportunity to talk about those areas of your job that could be done differently to make them better or faster.

Second, as we've heard from a number of you, we expect that the review will allow you to identify needed improvements to our systems and operations that currently keep you from doing your work as well as it could be done. Finally, we have every reason to believe that the project will, in the long-term, improve overall job satisfaction. Of course, there may be short-term pain in learning new ways of doing things. However, the knowledge you will acquire through your involvement in the project and the opportunity to work more effectively should make your work more satisfying.

**Q: Do we expect to cut costs or staff as a result of this project?**

A: This project is not about downsizing. It is about doing our work more efficiently and effectively.

**Q: How will we be kept informed?**

A: A site for the Core Project Review project will be set up on the intranet in the coming days to which we will post Q&As, information on the project as well as resource materials for greater understanding.

**Q: What are the next steps?**

A: Kensi will be arranging to meet with your department sometime in the next few weeks to further explain the project, gather information and answer any of your questions. In the meantime, please feel free to call Kensi at any time to discuss the review.



**LEGAL AID FUNDING AND THE LAW SOCIETY OF BC**  
**Mayland McKimm, QC, Chair, Legal Services Society**  
**Friday, April 23, 2010**

**ISSUES**

Increased funding for legal aid is not likely in the short term. Therefore, how can the Legal Services Society best position itself for increased funding when the provincial economy improves? How can the Law Society assist?

**BACKGROUND**

LSS has 33 offices providing services at more than 50 locations.

The Society's statutory mandate is "to assist individuals to resolve their legal problems and facilitate their access to justice." We do this in three different ways: free legal information (websites, publications, outreach workers), legal advice (duty counsel, Brydges Line), and representation.

Revenues in 2010 – 2011 from government will be \$2 million less than the previous year for large criminal cases. Law Foundation revenues will remain unchanged; revenues from the Notary Foundation are expected to remain at historic lows for another year

In 2009 LSS had expenditures of \$82 million dollars, of which 69 per cent (\$56 million) went to lawyers. In 2001, LSS had expenditures of \$89 million of which 58 per cent (\$52 million) went to lawyers. LSS would need an additional \$45 million dollars (based on population growth and inflation) to return the level of per capita government funding we received in 2002; there is no likelihood government will provide that level of additional resources in the current environment.

LSS does not have adequate funding to deliver the services the board of directors believe are necessary to serve the society's clients. Nor does the society have adequate funding to pay lawyers what they deserve to be paid for the work they do.

LSS has restructured its operations to make more money available for services. LSS announced in December 2009 that several services that were previously cut will be reinstated and that several new services will be introduced. These include extended services for clients in particularly difficult family law matters, and enhanced duty counsel programs for both family and criminal law.

LSS has also made minor improvements to the tariffs paid to lawyers and is simplifying the tariffs to reduce the administrative burden on lawyers.

## **POSITIONING LSS FOR FUTURE FUNDING**

LSS believes in outcomes-based legal aid. In any legal dispute the ideal outcome is a timely and lasting resolution that allows people to get on with their lives.

Legal aid clients are no different, but achieving the ideal outcome for them often involves helping them address non-legal issues such as homelessness, poverty, or addiction that have an impact on their legal problems.

Legal advice and representation are of pre-eminent importance in ensuring both fairness in, and proper functioning of, the justice system, and many BC lawyers provide exemplary service to the poor and disadvantaged through the legal aid program. More can be accomplished, however, when legal aid and multiple government ministries integrate their services and make them available early in the legal process or, better still, before the legal process is even needed.

Examples of how this might work include lawyers providing advice outside court at native friendship centres, women's agencies, welfare offices, or hospitals.

## **HOW THE LAW SOCIETY CAN HELP**

### **1. Communications**

Assist LSS to get consistent and accurate messages to the public, the legal profession and justice system partners. This can be done through LSBC publications and meetings with Law Society stakeholders.

### **2. Develop a Law Society vision for publicly funded legal aid services**

The Law Society's public interest mandate will bring a unique perspective to this issue and may well be different from other law-related organizations.

One issue you may wish to consider is what legal aid services the province must provide as a matter of law, what services are desirable on social justice and other policy grounds, and what services, if not provided, end up costing the citizens and taxpayers more.

### **3. Promote lawyer involvement in legal aid**

This could be done by building on the Law Society's success in encouraging lawyers to provide pro bono services.

### **4. Leadership and strategy development**

Continue to champion initiatives that make justice more accessible such as the work of the Unbundling of Legal Services Task Force, the Delivery of Legal Services Task Force, and the Access to Legal Services Advisory Committee. Work collaboratively with LSS on initiatives where we share common goals.