

# Banack's Bencher News #71

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**INCREASED LAW SOCIETY FEES:** Convocation has approved an increase in our 2008 fees to \$1,653.00 which is an increase from \$1,601.00. The number of fee paying lawyers has increased by 800 to approximately 32,800. The cost for students to access the Licensing Process (old Bar Admission Course) is set for 2008 at \$2,940.00 (an increase from \$2,750.00). Each Ontario lawyer contributes to the Licensing Process in the amount of \$32.00. Even with that contribution by lawyers and the payment of the Licensing Process fee, there is a funding gap to be filled by a grant from the Law Foundation of Ontario in the amount of \$1 Million. 52% of the Law Society gross expenditures are made to county libraries, professional regulation and professional development and competence.

**LAWPRO REDUCTION:** The 2008 base premium will be decreased to \$2,300.00 per lawyer from the 2007 premium of \$2,600.00. Like GST, we still have real estate and civil litigation transaction levies as well as claim history levies. The lawyer's annual insurance cost may be reduced by \$100.00 through \$50.00 premium credits per program on pre-approved legal and other educational courses taken.

**ADDITIONAL LAWPRO COST:** During the first quarter of 2008, the Ontario Government will implement significant changes to real estate practice. In the future, only lawyers will be able to register transfers, many of which will involve two lawyers – one for the transferor and one for the transferee. Lawyers in Ontario wishing to continue to practice real estate will be required to purchase insurance coverage that will provide specific protection for the registration of fraudulent instruments under the Land Titles Act. LawPRO will provide this new real estate coverage at a pro-rated cost of \$500.00 per real estate lawyer for the year. Eligibility for the insurance will be restricted in certain circumstances.

**LAWPRO CLAIMS:** Litigation claims represent about 35% of the overall LawPRO claims' cost. 60% of those claims relate to time management and communications errors. It is important to note that claims related to inadequate discovery or investigation of fact and failures to know or apply substantive law are on the increase. LawPRO's report of September, 2007 continues to disclose that sole practitioners and small practices represent a greater increase in claims than larger legal practices. New practitioners represent a disproportionately lower risk than those in practice for ten years or more. Finally, it is of significance to note that once again, 80% of the claims incurred are caused by only 20% of the lawyers. It seems that some practitioners never learn.

**COURT SCHEDULING:** Convocation has passed a new By-Law permitting lawyers to use secretaries/agents to act on their behalf in respect of scheduling or other related routine administrative matters before adjudicative bodies. Such work must be subjected to effective control and direct supervision. Amendments to the Rules of Professional Conduct will be forthcoming shortly and the new By-Law will be reconsidered in Convocation by October 31, 2008. This issue of assignment of work by lawyers will be debated further in the context of whether licensed paralegals will be given the same authority.

**CERTIFIED SPECIALIST PROGRAM:** This important Law Society initiative, in place since 1988, will be continued as a means of allowing the public to make a market differentiation between lawyers, based on competence and specialization. By 2009, the program is to be run on a self-funding, cost recovery basis. Hereafter specialists will be entitled to include the credential initials "C.S." after their names.

**PARALEGALS:** The Law Society continues to address the many issues surrounding effective regulation of paralegals. A paralegal operating budget will be presented to Convocation in January for the 2008 year. It has been determined that the rules on trust accounts and books and records for paralegals will be the same as for lawyers and will be effective immediately upon a paralegal becoming licensed. There will, however, be transitional rules for grand-parented paralegals in respect of accounting for fees collected prior to licensing. Convocation has agreed that the fee categories for paralegals will be the same as lawyers, however, the amount of those fees has not yet been determined. Paralegal regulation has given the Law Society the opportunity to carefully consider and determine what will be required by colleges educating paralegals. Only approved colleges will be entitled to hold themselves out as having a program accepted by the Law Society. Unfortunately, for lawyers, the 1957 agreement dealing with the substantive course content for law schools is not subject to the same rigor, nor ongoing accreditation process.

**NEW LAW SCHOOLS:** Lakehead University is now joined by Sir Wilfred Laurier University in seeking to have a law school added as a new faculty. Those additional graduates will expand the pool of students educated in law in Canadian and foreign jurisdictions who subsequently apply for and are accredited to practice law in Ontario. In order to remain on top, if not ahead of this phenomenon, Convocation will be guided by its Licensing and Accreditation Task Force. The increasing class of graduates will directly affect the availability of suitable Articles in the future.

In order to more fully understand the issues facing Convocation, you may wish to review previous editions of Banack's Bencher News at [http://www.kmlaw.ca/publications/banacks\\_bencher\\_news\\_home.aspx](http://www.kmlaw.ca/publications/banacks_bencher_news_home.aspx).

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