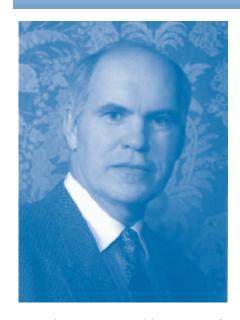
# BENCHES DIGEST

Volume 18, Issue Number 3

May, 2005

#### Amendments to The Legal Profession Act, 1990

By Allan Snell, Q.C.



In the interests of bringing *The Legal Profession Act* more in line to the actual experience of the Law Society and to clean up some minor discrepancies, the Law Society is suggesting certain amendments to *The Legal Profession Act*. Most of these are in the nature of house keeping, however, there are some which might engender some debate.

Below is a brief description of the proposed changes. We invite all members to review this and provide the Law Society with any comments they may have. As well, we welcome any suggested amendments

which are not listed. The Benchers will review all suggestions before going back to the Department of Justice with recommendations.

- 1. Through out the *Act*, it is proposed that the term "secretary treasurer" be changed to "executive director" to bring the terminology in line with the experience of the last 10 years.
- 2. Through out the *Act*, all references to the "competency and standards committee" should be changed to "professional standards committee."
- 3. In addition to the general rule making powers presently enjoyed by the Benchers, it is suggested that there be a specific reference to regulation of the provision of alternative dispute resolution services by members.
- 4. With the advent of increased mobility comes an increased danger of defalcation by visiting lawyers. The Federation of Law Societies is in the process of examining improvements to a national defalcation fund and one of the suggestions is to administer the special fund through the insurance program. It is suggested that Section 13 be

- expanded to allow for such innovations if approved.
- 5. At present, the unclaimed trust money fund is paid to the Minister of Finance after 10 years. This is a relatively small amount of money (approximately \$137,000 at present) and will have little effect on government finances. On the other hand, such an amount could provide significant funding for law related public service projects. It is proposed that the fund be paid to the Law Foundation.
- 6. The present system of electing Benchers is fully codified in the *Act*. One of the consequences of this is that an individual who has been elected to the presidency by the Benchers on the basis of his or her abilities around the Bencher table may not be re-elected, and therefore, unable to serve his/her office. It is proposed that the procedure surrounding Bencher elections be shifted to the *Rules* for appropriate amendments.
- 7. Present Section 29 provides that a disbarred lawyer may reapply for a reinstatement by application to "the Benchers." This makes such applications

www.lawsociety.sk.ca

#### Amendments to The Legal Profession Act, 1990 (continued)

By Allan Snell, Q.C.

- awkward. It is proposed that the Benchers be permitted to make rules regarding the procedure involved in such an application.
- 8. At present, Section 35 and 36 require that the Discipline Executive Committee and the Competency and Standards Committee (Professional Standards Committee) be appointed by the Benchers as a whole. This is at odds with the appointment of all other committees, which is done by the President. The Benchers merely ratify the choice of the President with respect to these two committees. It is proposed that the President be given authority to appoint those committees outright.
- 9. In many cases, complaints which are received by the Law Society do not represent on their face matters of competency nor discipline. Nonetheless, there may be an ethical issue to be determined by the Ethics Committee. It is proposed that Sections 40, 41 and 42 be amended to allow an additional option of referring a complaint to the Ethics Committee.
- 10. The present Section 43 provides for review of a complaint by "the Benchers." It is proposed this be clarified to reflect that it is actually a complainant's review committee which does the review. And further, that the review committee may direct the appointment of an

- investigation committee or informal conduct review committee.
- 11. A great deal of discussion was engendered by a suggestion coming from the Legislation and Policy Committee to allow the Hearing Committee to impose greater penalties than it presently has jurisdiction to do. In the end, the Benchers determined that at present they are not comfortable in expanding the sentencing powers of the Hearing Committee, however, as Saskatchewan is one of the last jurisdictions in Canada to require all serious matters to go to the Benchers sitting as a whole, and as the time required by the Benchers to deal with sentencing at Convocations is not insignificant, it is suggested that the Act specifically empower the Benchers to expand the Hearing Committee's sentencing powers, if, in future, they determine that to be appropriate.
- 12. At present, members who are disbarred may apply for reinstatement virtually immediately. It is proposed that the *Act* state that a disbarred lawyer may not apply for reinstatement for a period of 3 years following his/her disbarrment.
- 13. At present, the simplified taxation procedure undertaken by the local registrar is not available in cases of retainer agreements or contingency fee

- agreements. It is proposed that where both the lawyer and client are in agreement, the local registrar may rule as to whether such agreement is fair and reasonable.
- 14. The Legal Profession Act currently provides in Section 67 that following the expiry of a 30 day limitation, a lawyer's bill may only be taxed where special circumstances exist. The courts have taken a fairly narrow view of what constitutes special circumstances. It is proposed that that be changed to allow the courts to allow taxation outside the 30 day limit where it is in the interests of justice that the taxation proceed.
- 15. The term "taxation" as used in *The Legal Profession Act* is somewhat archaic and can be confusing to the uninitiated. It is proposed that the term "assessment" be substituted.
- I6. In some jurisdictions in Canada, the Law Foundation has the authority to approve or disapprove interest rates paid by financial institutions on trust accounts. This has the benefit of encouraging recalcitrant financial institutions to bring their rates up to the current norm, failing which lawyers will not be allowed to maintain trust accounts at that institution. It is proposed that the Saskatchewan Law Foundation be given this authority.

## Highlights of the Meeting of the Benchers held April 7th and 8th, 2005

#### AMENDMENTS TO THE LEGAL PROFESSION ACT, 1990

Earlier in the year, the Department of Justice had agreed to a request by the Law Society to consider amendments to The Legal Profession Act, 1990. There have been discussions with Department of Justice personnel and a list of areas of proposed amendments which was put before the Benchers for discussion. That list, along with commentary, forms the basis for the lead article of this edition. This list will be posted on the Law Society website and will be part of the presentation at the Law Society Annual Meeting. Member input is welcome.

### FEDERATION OF LAW SOCIETIES OF CANADA

Lori Spivak, the President of the Federation of Law Societies of Canada, attended Convocation in Regina. Ms. Spivak is a partner of the firm Aikins, MacAulay & Thorvaldson in Winnipeg. She served as President of the Law Society of Manitoba in 2002. The Federation is the umbrella organization of all of the 14 Law Societies of Canada which govern 84,000 lawyers

in Canada and 3,300 notaries in Quebec. Ms. Spivak made a presentation to the Benchers. She advised that there are increasing challenges to self-governance and made reference to the situation with the Law Societies of England and two states in Australia where those Law Societies have had the complaint function removed. Canada is in a dissimilar situation since the lawyer interest function is handled by the Canadian Bar Association.

Items before the Federation include national mobility and efforts to harmonize issues of credentialing, trust account Rules, defalcation funds and codes of conduct which are all works in progress.

Other matters before the Federation include international mobility, regulation of non-professionals and the development of a protocol for law office searches.

The Federation has been involved in dealing with the federal government to ensure that the Money Laundering Rule does not negatively affect the rights of citizens. The initial challenge was made by the Law Society of British Columbia and as a result of their lead and the work of the Federation, the federal government repealed the

offensive section which required lawyers to inform on their clients. As part of this initiative, the Federation has encouraged Law Societies to pass a no-cash Rule. The Law Society of Saskatchewan passed such a Rule at the February Convocation.

Ms. Spivak reminded the Benchers that CanLII is an important initiative of the Federation. It is hoped that eventually, all primary law will be available through this website to the public for free. Allan Snell, one of the Co-Directors of Administration of the Law Society, is currently the Chair of CanLII.

#### TRUST ACCOUNT FORMS

Mr. Allen, Auditor/Inspector, reported to the Finance Committee that his review of the trust account forms submitted for December 31, 2004 year ends revealed fewer trust account deficiencies than in previous years. Mr. Allen has therefore recommended that the requirements of the form TA-5S (accountants' short form) be lessened, making more of a difference between the short and long forms. Mr. Allen will be working on amendments to the trust account forms during the year in order that the new forms will be ready for the December 31, 2005 year ends.

#### **Annual General Meeting**

The Annual General Meeting will be held at the Bella Vista Inn in Humboldt, Saskatchewan on Thursday, June 9, 2005. Reminder notices were mailed in mid-May.

#### Law Society Libraries

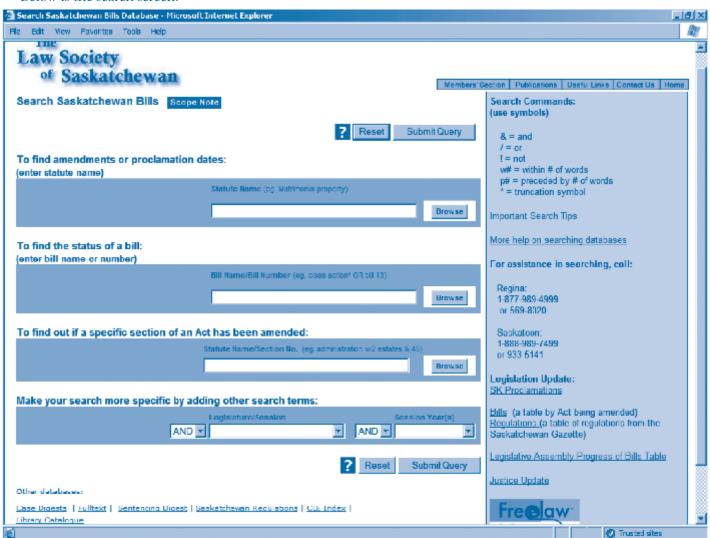
by: Susan Baer, Director of Libraries

#### Saskatchewan Bills Database

The Saskatchewan Bills database is one of the databases created by the library staff which you receive as part of your membership with the Law Society of Saskatchewan through the members' section of the website. The Saskatchewan Bills database provides an index of all Saskatchewan bills introduced in the Saskatchewan Legislature from 1993 to the present. Each bill is analyzed for its effect on existing Saskatchewan legislation. Amended, repealed and new sections of Saskatchewan statutes are noted for each bill. All readings are traced for each bill and the date in force and retroactive provisions are also provided. Links to the text of First Reading Bills and their equivalent Statute Chapters, located on the Saskatchewan Queen's Printer FREELAW® website, are provided from 1997 onwards.

As if that wasn't enough information, we have now added the text from the *Justice Updates* prepared annually by the Department of Justice. The *Justice Updates* provide a synopsis of the legislative bill. This information is entered at the end of the legislative year and is extremely useful for historical searching to place certain amendments into context. We gratefully acknowledge the cooperation and assistance of Susan Amrud from the Legislative Services Branch of the Department of Justice. The information about each bill is contained in the record. There is also a link on the search screen to the webpage containing all of the *Justice Updates* on the Queen's Printer website. All of the content from the *Justice Updates* from 1993 to the present will be included in the database.

Below is the search screen:



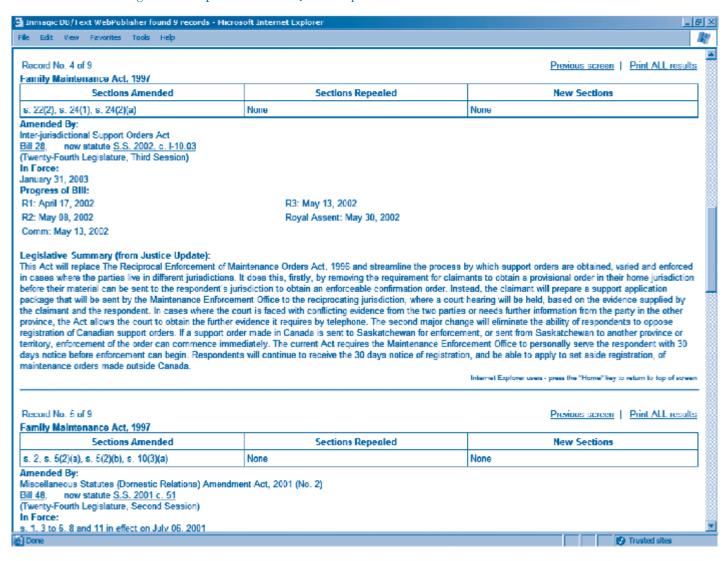
You can search the database a number of different ways. You can use this database for finding:

- all amendments to a particular statute
- the proclamation dates for new and amending legislation
- the status of a bill or all bills before a specific legislature
- if a specific section of a statute has been amended since 1993
- all the bills introduced in a particular year or range of years
- explanations about the amendments and a summary of the effect of the legislation

In a simple search to find all amendments to the Family Maintenance Act, the search retrieved 9 records. The results tell us that the Family Maintenance Act was repealed and replaced by the Family Maintenance Act, 1997, then subsequently amended by the following bills:

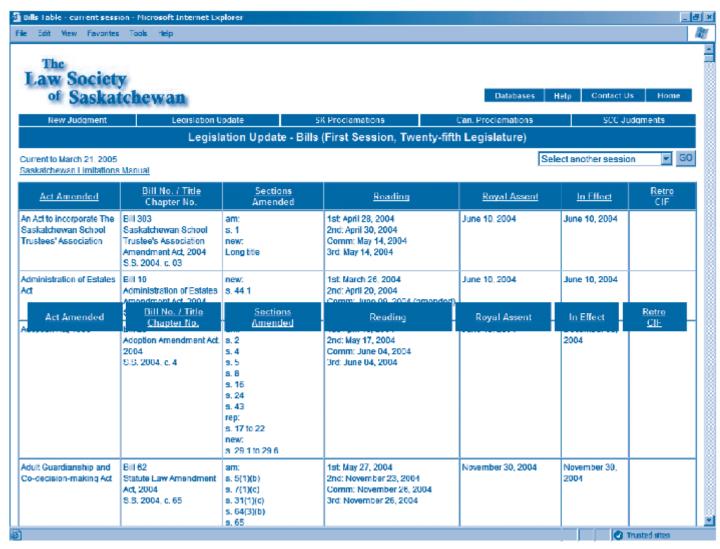
- Limitations Consequential Amendment Act, 2004
- Statute Law Amendment Act, 2004 (No. 2)
- Family Maintenance Amendment Act, 2002
- Inter-jurisdictional Support Orders Act
- Miscellaneous Statutes (Domestic Relations) Amendment Act, 2001 (No. 2)

One of the records from the search results is reproduced below. It shows the sections being affected, citation and links to the fulltext of the bill and statute, the progress of the Inter-Jurisdictional Support Orders Act, and a summary of the effect of the legislation as provided in the *Justice Update*.



The Saskatchewan Bills database is a very reliable way to verify the status of legislation in Saskatchewan. For help using the database, please contact the library staff, or use the online help for searching tips.

If you have trouble searching and prefer to browse, use the Saskatchewan bills table located under the Legislation Update link. The Legislation Update link can be accessed from a number of locations on the Law Society's website. It can be found on the home page (right side, burgundy research bar) and in the members' section. The Saskatchewan bills table is generated from the Saskatchewan Bills database. Browsing the table is made easier by the drop-down column headings. The column headings will follow you down the page so you don't have to guess at the content of a column when the heading scrolls off the top of the page.



The information is listed by the name of the act being amended, not by the bill number or bill name. So you don't need to know that the Statute Law Amendment Act, 2004 changed the Adult Guardianship and Co-decision-making Act and which sections of the Adult Guardianship Act were amended. You only need to look up the act in which you are interested. The status of the legislation is charted and the date in force and retroactive provisions are posted also. Anyone may access the Legislation Updates on the Law Society's website at www.lawsociety.sk.ca.

For assistance, please contact the library staff in Regina or Saskatoon.

#### Rulings - February 2005

## Chapter XVI, "Responsibility to Lawyers Individually", Undertakings – Breach

#### Facts:

Lawyer X requested that Lawyer Z's client, from British Columbia, attend in Regina for a mediation and for Examinations for Discovery, both scheduled three days prior to a holiday weekend. Lawyer X provided his undertaking to pay for the client's flight, by email, approximately 1 month in advance. Lawyer Z confirmed this by letter. As well, Lawyer Z provided Lawyer X a copy of the airline itinerary for his client's flight to again confirm that Lawyer X was required to pay for the flight. Lawyer X decided to cancel the Examinations for Discovery on the day before the client was scheduled to travel and advised Lawyer Z via email at approximately 3:00 p.m. that afternoon. Lawyer Z's client was to leave on the flight for Saskatchewan the next morning. Lawyer Z was not able to contact his client and the client took the flight as planned. Lawyer X does not wish to pay for the flight as he believes the client could have cancelled the trip and was only attending to visit family in Saskatchewan.

#### Ruling:

The Committee was of the opinion that in these particular circumstances, Lawyer X was obligated to pay the money for the flight. Lawyer X did provide that undertaking. Based on this undertaking, the defendant purchased the ticket as he was required to attend and was advised that his ticket would be paid for. Lawyer X cannot expect to cancel Examinations for Discovery and/or mediation at the

last minute and expect the defendant to cancel the trip and the airline ticket. It is likely that even if the client had cancelled his flight, he would still have been responsible for the cost of the ticket and would not be reimbursed in any way. As well, the client would be out the time he had booked off work to attend. It seems reasonable that the client would book the trip to visit family around the same time he was already required to Saskatchewan.

## Chapter XVI, "Responsibility to Lawyers Individually", Trust Conditions

#### Facts:

The Committee was requested to rule on a dispute between counsel in a family law matter. A Court of Queen's Bench decision was appealed. The Court of Appeal ruled mid 2004. Both counsel issued a Judgment Roll by consent at the end of 2004 calling for particular lands and chattels to be transferred, releases to be provided from particular debts, a payment to be made and a sum of money held in Court to be released. Counsel for the husband, Lawyer K, wanted the money in Court to be released to his client immediately, and counsel for the wife, Lawyer L, took the position that the money was not releasable until all the liabilities had been dealt with and releases provided to her client. Lawyer K received transfer documents for land and the required payment from Lawyer L under trust conditions to provide the releases forthwith. Counsel got into a back and forth letter-writing campaign about whether or not the trust conditions needed to be amended so as not to make Lawyer K the guarantor of the releases being provided on a timely basis and whether or not the money in Court should be released immediately. Lawyer L was prepared to demand return of the documents as she believed the trust conditions had not been fulfilled within a reasonable time. Lawyer K brought the matter to the Ethics Committee for ruling.

#### Ruling:

The Ethics Committee admonished both counsel and reminded them that the goal was to meet the needs of the clients. The Court Order was made and both counsel consented to issuance of the Judgment Roll. It was then their duty as officers of the Court to carry out the Order. There was no argument about what needed to be done, however, counsel spent a great deal of time arguing about the order in which to do things. The Ethics Committee cautioned both counsel that in adversarial situations they should not lose perspective and become adversarial with one another as that is not in the clients' best interests.

The Ethics Committee indicated that when providing undertakings or accepting trust conditions, a lawyer is personally bound to comply. If counsel accepts trust conditions, counsel is bound by said conditions. Counsel should not accept trust conditions if counsel cannot guarantee that the trust conditions will be complied with, particularly if those trust conditions are outside counsel's control. If counsel cannot amend the trust conditions such that he or she may accept them, counsel must

return the documents unused. The Ethics Committee was of the opinion that in these specific circumstances, over the Christmas holidays, Lawyer K was not taking an unreasonable time to obtain releases and register land documents such that Lawyer L needed to demand return of the documents.

Chapter V, "Impartiality and Conflict of Interest between Clients" – Defending Client on Assault of Spouse when Previously Acted for Spouse in their Family Matter

#### Facts:

Lawyer A represented Client A in a criminal law matter on charges

of assault against Client B when he had previously, while at another law firm, represented Client B in the family law matter against Client A.

#### Ruling:

The Ethics Committee was of the opinion that Lawyer A was technically in a conflict of interest situation. Had Lawyer A discovered the conflict at the outset, he should not have accepted the file. In these circumstances, Lawyer A realized that there was a conflict only once the matter was almost concluded by consent. In these very specific circumstances, it was not likely in the client's best interests to send him out to new defence counsel at that point and there was little risk to Client B. Despite the conflict of

interest, the Ethics Committee was of the opinion that in these specific circumstances, Lawyer A's actions were not unethical or inappropriate in concluding this matter by consent with the Crown on behalf of his client. However, as noted, if Lawyer A had discovered the conflict at the outset, he should not have accepted the file and, as well, if the matter was not dealt with expediently and by consent of the Crown, Lawyer A would have had to send the file out.

#### Rulings - April 2005

## Chapter XIX "Avoiding Questionable Conduct"- Inappropriate Correspondence - Threatening Criminal Action

#### Facts:

Lawyer A wrote a letter to an unrepresented party. The unrepresented party and Lawyer A's client were in a dispute about a satellite dish belonging to the client which the unrepresented party had in her possession. Counsel stated in a letter to the unrepresented party as follows:

"Please take this as our formal demand for the immediate return of my client's satellite dish. We understand that you continue to hold this item in your possession. In the event that we have not received the return of this item within 10 days from the date of this letter, we will have no alternative but to contact the Regina City Police and ask them to lay charges owing to the theft of my client's property."

The unrepresented party complained about Lawyer A for threatening criminal prosecution in order to achieve a civil result. Lawyer A indicated that it was not her intention to threaten, however, understood how this letter could be seen as doing exactly that.

#### Ruling:

The Committee indicated the Code provision is clear that a lawyer cannot use a threat of criminal action to obtain civil advantage. The Committee advised the lawver that it was by a narrow margin that the matter was not referred to the Discipline Committee. The Ethics Committee cautioned Lawyer A that such a statement in a letter from a lawver is unacceptable and could be viewed as an abuse of the lawyer's position as it is assumed there is a certain power imbalance between self-represented opposing parties and the lawyer.

#### Law Society Libraries

By Peta Bates, Librarian

## Legal Cites

Tucked away among the primary sources of statutes and case law on the Canadian Legal Information Institute (CanLII) web site is a commentary on Supreme Court of Canada cases that discuss Charter issues. The commentaries are written by Graham Garton, Q.C., Senior General Counsel at the Department of Justice in Ottawa, and a litigator with extensive experience representing the federal government in Charter challenges in the Supreme Court. The collection is updated several times a year.

## Canadian Charter of Rights Decisions Digest

http://www.canlii.org/ca/com/chart/index.html

The link to this collection of Charter digests is on the CanLII

home page under the "Canada – Commentary" heading. From the "Contents" page you can link from the appropriate Charter section to the text of the section followed by a collection of case digests that have considered that section. The case citations at the end of the case digest provide the case history and include the neutral citation, the Supreme Court Reports citation, citations to commercial law reporters and, where available, a hyperlink to the full text of the case on the Can-LII web site.

Across the top of the Contents page are links to other commentary and indexes. The "Interpretation" link leads to a collection of cases that have discussed general principles of interpretation and construction of the Charter and its

relationship to other legislation. The "Waiver" link is a collection of Charter cases in which the waiver of rights under the Charter have been considered.

The last three links are to tables of statutes and cases considered by the Charter digests in this collection. The "Criminal Code" link lists cases that have considered sections of the Criminal Code, R.S.C. 1985, c. C-46. The "Statutes" link lists federal statute sections that have been considered and the "Cases" link is an alphabetical list by case name. The cases listed in these three tables are hyperlinked where available to the full text in the CanLII web site.

#### 100th Anniversary of The Law Society of Saskatchewan

by: Susan Baer, Director of Libraries

### Famous Cases, Infamous Lawyers, Outstanding Events

The Centennial subcommittee would like to hear from our members regarding their ideas and impressions of famous Saskatchewan cases, infamous lawyers, and outstanding legal events. We are asking you to send us comments and suggestions for topics that may be featured during the Law Society's Centennial year in 2007. We would like to know who you think are infamous lawyers, famous cases, and outstanding legal events within an

historical context. Remember, we need stories that can be published and read by everyone, not law school high jinks, where "infamous" stories abound!

The farmer who carved his will into the tractor fender is an obvious example of a famous case that will be featured on the Law Society's website during the Centennial year. In every region of the province, we are sure there are stories, characters, and anecdotes of interest. We would like your help in recording these stories so that we can share some of the colourful events, cases and characters from

the past 100 years of legal practice in Saskatchewan with the public. Please contact Ron Kruzeniski or Sue Baer with any ideas or suggestions.

Cris Shirritt has been hired to research and write materials to be used for the Law Society's Centennial. His position has been made possible through the generous contribution from the Law School as well as funding from the Law Society's Public Relations Committee. We would like to thank the College of Law at the University of Saskatchewan for its support of the Centennial project.

#### Queen's Bench Bar/Judicial Council

The Queen's Bench Bar Judicial Council convenes several times every year. Its purposes include:

- (a) Serving as a vehicle for the discrete communication of concerns of the judiciary regarding the Bar and vice-versa;
- (b) Serving as a forum for discussion of points of practice and of law of interest to the judiciary and to the Bar.

The Committee is composed of the Chief Justice of the Court of Queen's Bench, a Puisne Justice appointed by the Chief Justice, representatives of The Law Society of Saskatchewan, including the current president, representatives appointed by the Canadian Bar Association and a representative of the Saskatchewan Trial Lawyers Association. The present composition of the Committee is as follows:

- > The Honourable Chief Justice W.F. Gerein
- ➤ The Honourable Madam Justice D.C. Hunter
- > Mr. Michael Fisher, Q.C.
- ➤ Mr. Allan Snell, Q.C.
- ➤ Ms. Kirsten Logan, Q.C.
- ➤ Mr. Reginald Watson, Q.C.
- ➤ Ms. Alma Wiebe, Q.C.
- ➤ Mr. Jim Ehmann, Q.C.

Members of the Bar who are entertaining concerns in relation to matters in which Council might be interested or be able to assist are encouraged to contact any member of Council.

The Real Estate Committee wishes to remind members that the Uniform Trust Conditions are available in the members' section of the Law Society website, as is the standard form Offer to Purchase.

The Committee is reviewing proposed guidelines for lawyers to sell real estate.

The Commonwealth Law Conference will be held in London, England, September 11 – 15, 2005. Anyone interested in further information, should contact the Law Society for a brochure.

#### **Equity Ombudsperson**

The Office of the Equity Ombudsperson is committed to eliminating both discrimination and harassment in the legal profession.

If you are a support staff, articling student or lawyer within a law firm, you can contact the Equity Ombudsperson, Judy Anderson, for advice, information and assistance. All information is confidential.

This office is not a lawyer referral service and cannot provide legal advice. Call toll free: 1-866-444-4885.

This office is funded by The Law Society of Saskatchewan.

#### Lawyers Concerned for Lawyers

Provides to Saskatchewan lawyers and their family members:

- ◆ CONFIDENTIAL assistance in effectively dealing with problems;
- ◆ the services of an INDEPENDENT professional consultant;
- services provided without charge

For confidential information and assistance call 1-800-780-5256, Regina 352-0680 or Saskatoon 956-5738 or 956-5735

#### **BENCHERS' DIGEST**



Published by:
The Law Society of Saskatchewan
1100, 2500 Victoria Avenue
Regina, Saskatchewan
Canada S4P 3X2
Telephone (306) 569-8242
Fax (306) 352-2989
e-mail: reception@lawsociety.sk.ca