

Legal Services Society
Annual Report
1996–1997



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This is a publication of the Legal Services Society (LSS). LSS provides legal aid to eligible applicants and legal information and education to all British Columbians. LSS provides these services with the participation of more than 1,800 private bar lawyers and with funding from the provincial government, the Law Foundation, the Notary Foundation, and, indirectly, the federal government.

For copies of the *Annual Report 1996 - 1997*, write to:

Distribution

Legal Services Society

1500 - 1140 W. Pender Street

Vancouver, B.C. V6E 4G1

British Columbia Cataloguing in Publication Data

Legal Services Society of British Columbia.

Annual report. - 1979/80 -

Annual.

Report year ends March 31.

Continues: British Columbia. Legal Services Commission. Annual report. ISSN 0709-3799

ISSN 0713-0651=Annual report - British Columbia Legal Services Society.

1. Legal Services Society of British Columbia - Periodicals. 2. Legal services - British Columbia - Periodicals. 3. Legal aid - British Columbia - Periodicals.

KEB160.A72L43

354.711008'8

Rev. Nov. 1992

Contents

Message from the Chair and CEO	1
Mandate	2
Board of Directors	2
The Legal Services Society	3
1996 – 1997 Budget	6
Cost Controls	7
Reviews and Evaluations	7
Case Management System (CMS)	9
Coverage	10
Financial Eligibility	13
Coverage and Eligibility Reviews	14
Client Confidentiality	14
Complaints	15
Public Legal Education and Information	15
Tariffs	20
Operating Expenditures	21
Financial Statements 1996 – 1997	22
LSS Offices by Region	30
Map of LSS Offices	31

Message from the Chair and CEO

Throughout 1996 – 1997, the Legal Services Society's (LSS) main priorities were to protect services to clients and reduce costs. The Board of Directors and LSS management spent much of the year working with staff, the legal profession, and community groups on the Policy and Planning Council (PPC) to find ways to achieve these goals. We want to thank all who worked on the PPC for their expertise and for the enormous amount of time and energy they gave to the work.

For the third consecutive year, LSS succeeded in reducing its costs — dropping total expenditures by \$5.3 million from 1995 – 1996. This was largely due to continued savings from budget cuts instituted in June 1995, including holdbacks to tariffs and an average 5% reduction to non-tariff budgets. To further control expenditures, this year we improved our policy for recovering fees from case settlements. We also initiated several pilot projects to test the effectiveness and cost savings of diverting appropriate family cases to family court counsellors, contracting out blocks of criminal and youth cases, and case managing criminal cases.

Nonetheless, at fiscal year end we continued to carry a significant deficit. As is now known, in February 1997, the provincial government froze base funding for legal aid at \$81.5 million per year for this and next fiscal year, and instructed LSS to clear its accumulated deficit by March 31, 2001. This meant the board had to revisit the budget at the end of the fiscal year. Regrettably, some service and eligibility reductions, to take effect in 1997 – 1998, were unavoidable.

LSS continued monitoring programs and services to ensure they operate as efficiently and effectively as possible. For example, this year we began or completed reviews of: the Family Case Management Program, poverty law services, duty counsel services, and judicial appeals staffing and operations. In fall 1996, we undertook a study designed to develop a 'fair-share' formula for allocating available resources throughout the province, and in December 1996, the Auditor

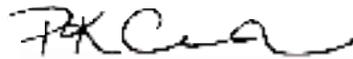
General completed a management review of the Society.

Other important achievements reported in some detail in this *Annual Report* include:

- Implementation of an electronic case management system (CMS) in most offices across the province. CMS makes processing applications, referrals, and tariff accounts more efficient and improves our ability to analyze costs, policy compliance, and services to clients and make better forecasts.
- Involvement in several electronic communications projects, including the establishment of our own Web site.
- Continued support for community involvement in public legal information work with small grants to 66 organizations across the province.

None of the work we do would be possible without the dedication and expertise of staff in all offices, and we want to thank them for their hard work and perseverance throughout very difficult times. We also greatly appreciate private bar lawyers' ongoing commitment to legal aid and high quality of services to clients.

As we enter a new fiscal year we face immense challenges. One of our first priorities will be to establish a long-term plan that will enable us to provide the best possible services with reduced funding.



Pinder Cheema

Chair



Dave Duncan

Chief Executive Officer

Throughout the period under review, LSS has appreciated the funding support of the Ministry of Attorney General, the Law Foundation, and the Notary Foundation.

Mandate

The Legal Services Society Act gives the Legal Services Society a twofold mandate: to provide legal representation for eligible applicants and legal education for the people of British Columbia.

The act says:

- 3 (1) The objects of the society are to ensure that
 - (a) services ordinarily provided by a lawyer are afforded to individuals who would not otherwise receive them because of financial or other reasons, and
 - (b) education, advice and information about law are provided for the people of British Columbia.
- (2) The society must ensure, for the purposes of subsection (1) (a), that legal services are available for a qualifying individual who meets one or more of the following conditions:
 - (a) is a defendant in criminal proceedings that could lead to the individual's imprisonment;
 - (b) may be imprisoned or confined through civil proceedings;
 - (c) is or may be a party to a proceeding respecting a domestic dispute that affects the individual's physical or mental safety or health or that of the individual's children;
 - (d) has a legal problem that threatens
 - (i) the individual's family's physical or mental safety or health,
 - (ii) the individual's ability to feed, clothe and provide shelter for himself or herself and the individual's dependents, or
 - (iii) the individual's livelihood.

Board of Directors

LSS, created in 1979 by the Legal Services Society Act, which merged the Legal Aid Society and the Legal Services Commission, is an independent, non-profit organization managed by a 15-member board of directors. The Lieutenant-Governor in Council, on the recommendation of the Attorney General, appoints five directors. (No more than three of these appointments can be lawyers.) The Law Society of British Columbia (after consultation with the Canadian Bar Association, B.C. branch), appoints five directors. The B.C. Association of Community Law Offices (BCACLO) and the Native Community Law Offices Association of B.C. (NCLOABC) each appoint two directors, and jointly appoint one.

Appointed by the Lieutenant-Governor in Council

Kathryn A. Berge, Q.C. (Victoria)
Ann Howard (Prince George)
Marie Jessup (North Vancouver)
Stephen F.D. Kelleher, Q.C. (Vancouver)
Bridget Moran (Prince George)

*Appointed by the Law Society of British Columbia**

Pinder Cheema (Chair) (Victoria)
E. David Crossin (Vancouver)
Chris E. Hinkson, Q.C. (to February 1997)
(Vancouver)
Georgiale Lang (Vancouver)

Appointed by the BCACLO

Larry Cohen (to February 1997) (Vancouver)
Rick Craig (Vancouver)
Susan O'Donnell (from February 1997)
(Vancouver)

Appointed by the NCLOABC

Leonard F. Maracle (to July 1996) (West Vancouver)

J. Harold Morin (Prince George)
Leslie Varley (from August 1996) (Saanichton)

Appointed jointly by the BCACLO and the NCLOABC

Martin Adams (Terrace)

* One Law Society of B.C. appointment remained vacant throughout the year.

Committees

Standing board committees are: Core Services/Public Legal Education, Executive, Finance, Governance, Media, Native Services, Tariffs (criminal, family, and immigration), and Conflict of Interest. This last committee was established in December 1996, when the board adopted a conflict of interest policy for directors.

Each tariff committee is chaired by a board director, with committee members chosen from the private bar. At committee meetings, private bar lawyers provide valuable input on the structure, form, and content of the tariffs, as well as on coverage and eligibility issues.

Short-term committees this year included the Community Consultation Committee and the Policy and Planning Council, both of which continued work begun in 1995 – 1996.

Mission

The mission of the Legal Services Society is to ensure access to the law for everyone in British Columbia. LSS consists of individuals and organizations committed to ensuring that services ordinarily provided by a lawyer are available to poor and otherwise disadvantaged people, and to providing legal education and information to British Columbians.

Services

LSS provides legal services for criminal, family, immigration, and other civil law matters. Staff lawyers and paralegals working in LSS-funded offices or lawyers in private practice provide legal representation. In 1996 – 1997, 96.6 (full-time equivalent) LSS staff lawyers did this work in branches, community law offices (CLOs), and native community law offices (NCLOs). Fifteen private bar lawyers acted as area directors — LSS agents in communities where there are no LSS offices. And 76.9% of legal aid referrals for criminal, family, immigration, and other civil law matters went to 1,823 lawyers in private practice.

In LSS and LSS-funded offices, intake workers interview applicants to determine if they are financially eligible for legal aid and if their legal problems are covered by LSS. Applicants who do not speak English may arrange for someone to translate for them. LSS will pay for the services of qualified interpreters.

In 1996 – 1997, more than half of the applicants who did not get legal representation were given summary legal advice and/or legal information to help them. Summary advice can be both legal information and advice on where to go or what to do next. It may require a summary review of facts or an analysis of the applicant's legal problem. Summary advice may be given quickly or in more detail, depending on the problem and the resources available.

Public legal information services are available at all LSS offices. Staff provide a wide variety of services, ranging from education programs for the general public and specific community agencies, to training advocates, to publishing and distributing plain language self-help materials about the law.

Structure

LSS has two types of offices:

- branches staffed by LSS employees — lawyers, paralegals, secretaries, and legal assistants; and
- CLOs and NCLOs — independent bodies governed by their own boards of directors, drawn from the local communities.

While all offices serve all people in their communities, NCLOs also provide legal services with a focus on local aboriginal needs.

Some services are delivered through area directors, who assess family and criminal legal aid applications and refer eligible applicants to lawyers. In December 1996, the first enhanced area director was established in Grand Forks to replace the branch office that had served the community for two years. In addition to regular area director duties, this lawyer provides summary advice to some clients, acts as duty counsel in the Grand Forks criminal court, and provides a limited amount of public legal education.

As of March 31, 1997, in addition to head office, LSS operated 17 branch offices and funded 14 CLOs and 15 NCLOs with a combined total of 465.95 full-time equivalent staff positions. The Society also contracted with 15 private bar lawyers to act as area directors.

LSS funds other organizations to provide specific services in some communities. For example:

- The Community Legal Assistance Society, under its mandate, does test case and law reform work in poverty, human rights, and disability law; supervises the Law Students' Legal Advice Program (LSLAP); and provides services under the Mental Health Act.
- The Do Your Own Divorce Program, operated by LSLAP, handles uncontested divorces referred by LSS offices.

- The Salvation Army and the Elizabeth Fry Society take applications for legal aid in some areas of the province.

LSS also —

- operates a province-wide 24-hour toll-free telephone line, known as the Brydges line, to ensure prompt access to legal aid advice for people who are arrested or detained or under active investigation by the police or other law enforcement agencies, but are not yet charged and need emergency advice.
- provides duty counsel (staff or private bar lawyers) in many courts to advise accused people about the charges against them, court procedures, and legal rights (including the right to counsel and the right to apply for legal aid). Clients do not need to be financially eligible to receive duty counsel services, but only those who meet LSS coverage and financial eligibility requirements are entitled to a legal aid referral for representation at trial.
- contracts with lawyers in private practice or provides staff lawyers to act as counsel in circuit courts in remote areas of the province, where a "court team" travels to a circuit of one or more communities to hear cases. The communities where they sit are small, rural, and predominantly aboriginal. These lawyers represent clients for criminal, family, and youth court matters on the court list, including duty counsel services, preliminary hearings, and trials.

Central support to field offices

Head office in Vancouver provides three main categories of support to field offices: management and administration, service delivery support, and client programs.

Management and administration

Several departments at head office provide management and administration support:

- The Executive Office provides support to the board and board committees, reviews eligibility appeals, and provides the overall

direction, policy, and planning for the Society, as well as communications support.

- Finance and Administration provides budgeting, financial control and reporting, and banking services for the whole of LSS. It co-ordinates space planning, renovations, and equipment purchases for branches and, on request, assists CLOs and NCLOs with these matters. The department also administers payroll, benefits, and pensions.
- Human Resources assists with recruitment, benefits administration, and labour relations. Its Training division designs, develops, and delivers staff training programs.
- Information Technology operates a central service desk to provide technical help for computer-related problems. This department also handles equipment upgrades and replacements. In 1996 – 1997, it negotiated a new telephone system in Vancouver that will save LSS about \$500,000 over five years. Its Policy and Planning division designs and produces statistical reports and, with advice from in-house counsel, manages all LSS responses to formal applications under the Freedom of Information and Protection of Privacy Act.

Service delivery support

Service delivery support helps both private bar lawyers and field offices:

- Client Services assists all field staff with management or administrative problems and clarifies policies to ensure they are applied consistently throughout the province. It also supervises branch offices and administers contracts with funded agencies.
- Tariff processes approximately 1,800 private lawyer accounts per week, answers billing questions from the private bar, and gives tariff rate approvals. This department and its Audit and Investigation division monitor policy compliance and lawyers' billings.

Client programs

Client programs include the following:

- Legal Information Services provides library reference services through the Legal Resource Centre, and project funding and publications through the Public Legal Education and Publishing Programs. (See pages 15 – 20 for more information on public legal education services.)

The *Family Law Resource Kit for Intake Staff* is a reference package of family law materials. The Public Legal Education Program designed it specifically for staff doing legal aid intake. The kit is a core collection of key pamphlets, booklets, and resources in family law that staff said they must have to do intake work. Staff use the kit in two ways: to check facts about family law and legal procedures, and as a reminder to hand out material to clients.

Demand for legal aid

Type of legal problem	1996 – 1997 ¹		1995 – 1996	
	<i>Applications</i>	<i>Referrals</i>	<i>Applications</i>	<i>Referrals</i>
Criminal	44,932	31,329	55,250	36,555
Family	29,523	16,409	38,803	18,578
Immigration	2,730	2,430	2,916	2,235
Other civil	16,546	5,944	25,855	4,630
Intake case ²	9,633	n/a		
Total	103,364	56,112	122,824	61,998

1996 – 1997 figures based on data run in August 1997 1995 – 1996 figures based on data run in July 1996.

¹ There are limitations to how these statistics can be used, and to how they can be viewed in relation to previous years' statistics. Please see page 9 for details.

² An intake case, recorded by the new Case Management System, is not a formal application for legal aid, but a record of assistance given to an individual, and provides up to two hours of staff time.

- Native Programs develops policies, plans, and program proposals and implements initiatives for delivering appropriate legal services to aboriginal people. It provides guidance and advice about issues of aboriginal law, information about lawyers or services that can help aboriginal clients, and public legal education services.
- Judicial Appeals and Reciprocal (see page 12) provide legal aid services to eligible clients.

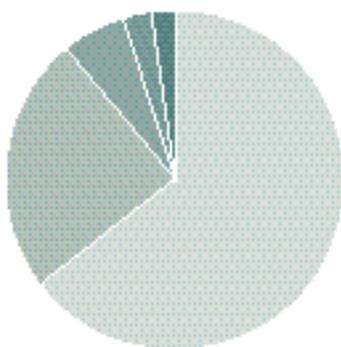
Funding

LSS reports financially to the provincial legislature. The provincial government provides the major portion of its funds, while the federal government provides funds indirectly through federal/provincial cost-sharing agreements for legal aid. The Law Foundation and the Notary Foundation also provide substantial funds to LSS.

The Legal Services Society Act requires LSS to balance its budget. LSS may carry a deficit only with prior approval from the Attorney General and the Minister of Finance and Corporate Relations.

LSS expenditures for the fiscal year April 1, 1996 to March 31, 1997 totalled \$96,988,622.

1996 – 1997 Expenditures



Tariffs	\$ 62,547,969
Intake/field offices	\$ 23,767,855
Management and administration	\$ 6,071,975
Client programs	\$ 2,703,779
Service delivery support	\$ 1,897,044
Total	\$ 96,988,622

See page 21 for a detailed breakdown of each of these categories.

1996 – 1997 Budget

At the end of last fiscal year, LSS and the provincial government signed a Memorandum of Understanding (MOU). Under the MOU, the government gave LSS \$81.5 million in interim base funding for 1996 – 1997 and \$11.9 million in one-time grants to offset the Society's \$20 million accumulated deficit. Of these grants, \$6.2 million was paid at the end of last fiscal year, so the Society began 1996 – 1997 with a \$13.8 million accumulated deficit. The MOU also called for LSS to submit budget options for a three-year period by the fall, including plans to eliminate the Society's accumulated deficit. One budget option was to be based on \$81.5 million in government funding.

During the first six months of the year, the Policy and Planning Council — established in February 1996 and consisting of representatives from community groups, the legal profession, and government — considered all possible ways of reshaping LSS programs to lower costs without reducing the scope or quality of existing services. The council's recommendations, many of which were accepted by the LSS board, identified some areas where services and procedures might be improved and some cost savings could be achieved over the next few years. However, these savings would not be enough to close the gap between the cost of existing services and government base funding of \$81.5 million.

In October 1996, LSS submitted its budget options to government. The board endorsed a budget that would require \$88.1 million in base government funding for 1996 – 1997, levelling off to \$87.2 million by 1998 – 1999. Other revenue, primarily from the Law Foundation and the Notary Foundation, was projected at about \$5 million per year. This budget also required a government grant of \$2.7 million a year for three years, to eliminate the Society's accumulated deficit. Throughout the year, LSS continued spending at a rate based on the board-endorsed budget submission.

In February 1997, the provincial government announced that base funding to LSS would be frozen at \$81.5 million for the fiscal years 1996 –

1997 and 1997 – 1998. It also directed LSS to clear its accumulated deficit by March 31, 2001, with no further government grants.

The Society's accumulated deficit rose to \$18 million at fiscal year end — some \$3 million more than projected. The deficit situation meant that LSS had to delay payment of lawyers' accounts during the last three months of the fiscal year.

An important factor affecting the 1996 – 1997 deficit was the impact of lengthy and complex criminal trials. These trials were the most significant contributor to the \$4.5 million cost overrun in the criminal legal aid tariff. Five trials (some of which involved more than one client) accounted for \$3.5 million of this amount. Decisions made by the provincial Ministry of Attorney General or the federal Department of Justice can affect the length and complexity of such trials. LSS reviews and manages such cases to ensure the defence is undertaken responsibly in terms of costs, resources, and effective representation of clients; nonetheless, because of their complexity, these cases require considerable resources for a proper defence.

Cost Controls

Throughout the year, LSS initiatives to control costs included:

Pilot projects

Pilot projects were begun to test various initiatives, such as —

- working with the Ministry of Attorney General to divert family cases to family court counsellors;
- contracting out blocks of criminal and youth cases to private bar lawyers at a fixed rate per case that is below current tariff fees; and
- case managing criminal cases much as the existing Family Case Management Program manages family cases (see Family case management, this page).

Mediation tariff

In fall 1996, an expert committee was established to develop a pilot project for testing the effectiveness of mediation in resolving family cases.

Cost recoveries

LSS sought to recover costs by —

- asking the government to legislate a change to the Legal Services Society Act that would allow the Society to place liens on properties to recover costs (no changes were made by fiscal year end);
- studying the possibility of recovering court costs and fees in family matters; and
- revising and tightening the existing policy for recovering fees from case settlements (see page 13).

Service and expenditure reductions

By fiscal year end, the LSS Board of Directors had decided on service and expenditure cuts, to be implemented throughout 1997 – 1998, in the areas of financial eligibility, family coverage, tariffs, and head office costs. Decisions on additional reductions required will be made early in the new fiscal year.

Reviews and Evaluations

LSS regularly evaluates or reviews its programs to determine if they are as efficient as they were intended to be and still maintain quality of service. The status of evaluations and reviews underway in 1996 – 1997 is as follows.

Family case management

The Family Case Management Program (FCMP) allows LSS to assess cases at regular intervals to ensure they continue meeting coverage and eligibility guidelines, and that the action(s) being taken or proposed are ones reasonable people would expect if paying for their own lawyers. An interim evaluation was completed in October

1996, two years after the program was implemented. The evaluation demonstrated that the FCMP has been very successful. It showed, for instance, that —

- more than 60% of family cases were resolved quickly (within the limits set by initial referrals);
- family tariff costs declined;
- funds were being redirected to cases likely to provide clients with immediate tangible benefits;
- the ability to shape services to suit individual cases improved;
- more family applicants were referred to alternate services; and
- more than 300 cases were terminated either because they lacked merit or because the client was no longer eligible for legal aid.

Poverty law services

The Poverty Law Services Review Committee was established in summer 1995 to closely examine the poverty law work carried out by LSS staff. This review's purpose is to consider what obligation LSS has to provide poverty law services, what areas of law should be given priority, and how services should be delivered. The committee's interim report was circulated to LSS offices for comment in August 1996. The final report is expected later in 1997.

Duty counsel

The Duty Counsel Review Committee was established in December 1995 with a mandate to review regional and local duty counsel services provided to the courts by all LSS offices — branches, CLOs, NCLOs, and area directors. This review was prompted by concerns about appropriate levels of duty counsel services.

This review resulted in, among other things, changes to authorized levels of duty counsel services and the development of a system to contract out duty counsel services in communities where it is difficult to find private bar lawyers to do the work. LSS has begun further analyzing the range of current duty counsel services to determine which are provided, and to what



Terry Chasse and Kara Leah Bertram, from New Door Second Stage Transition Housing Society, at a Poverty Law Conference in Surrey, B.C., February 14, 1997, sponsored by the LSS Surrey branch office and the People's Law School. (Photo by Anthony Lui)

degree, in each community. A standing committee has been established to deal with all problems arising around duty counsel issues.

Resource allocation

In February 1997, the LSS Board of Directors endorsed a resource allocation project to examine fair allocation of available resources to offices according to objective standards of community needs. The study is headed by research director Michael Goldberg of the Social Planning and Research Council of B.C. and will include consultation with all LSS branches, CLOs, and NCLOs. The study is expected to be completed early in the new fiscal year.

Judicial appeals

In the past year, a review of staffing and operations in the Appeals Department resulted in —

- an increase in the number of contracted lawyers to ensure greater expertise in assessing appeals and improve their timeliness without increasing costs; and
- two articling students replacing one lawyer position, to ensure senior staff lawyers' time is used more efficiently, while reducing costs.

Department staff worked with the justices, registrar, and registry staff of the B.C. Court of

Appeal to improve LSS material for clients conducting their own appeals, and to ensure that information about LSS and its appeal procedures are readily available to the court.

Management review

A management review, called for in the MOU (see page 6), was conducted by the Office of the Auditor General (B.C.) and completed in December 1996. The review focused, and made 18 recommendations, on —

- the degree and level of accountability of LSS to government;
- the LSS planning process in relation to the degree of control it has over its political and fiscal environment;
- the reasonableness of LSS expenditure projections;
- LSS expenditure controls;
- how LSS handles complaints and client appeals on eligibility; and
- auditing of tariff accounts.

The LSS Board of Directors moved receipt of the review in February 1997 and will consider its recommendations in the new fiscal year.

Case Management System (CMS)

LSS is implementing a new computer system to conduct intake, make referrals, and receive and process tariff accounts. This system greatly improves the Society's ability to analyze case costs, policy compliance, and services to clients, and make better forecasts. CMS also improves efficiency, since intake assessments are entered online, rather than on paper for entry into the computer later on.

Phase One of CMS — offices going online to take legal aid applications, assess eligibility, and issue referrals — was implemented in most field offices throughout 1996 – 1997. Offices still using the old Management Information System (MIS) will be converted to CMS by spring 1998. CMS is client-centred, allowing LSS to track types of cases

and numbers of referrals for each client. This system records more details about clients, cases, and legal issues than MIS did, resulting in fuller and clearer information. As well, when workers enter clients' financial information into the system, CMS automatically calculates their eligibility for legal aid and any contribution required, eliminating arithmetical errors.

Phase Two — using CMS to process lawyers' bills and record lawyers' information about the cost and outcome of cases — will be implemented next fiscal year. This phase of the project will resolve many existing difficulties by automating all the standard processes and eliminating repetitive work, such as reminder letters on billing inquiries. The new forms are designed to resemble, as closely as possible, the billings lawyers would submit to non-legal aid clients. Eventually, lawyers will be able to submit their accounts electronically.

Changes in 1996 – 1997 statistics

In 1996 – 1997, approximately 90% of our cases were recorded in the CMS system and 10% in the MIS system. This means statistics for the year were compiled from two very different systems, resulting in some important changes in the data.

Applications

Applications reflect mixed data from CMS and MIS. CMS data shows fewer applications than MIS data. This does not necessarily indicate a decline in demand for legal aid; rather, it portrays application volumes more accurately.

CMS records applications for criminal, family, immigration, human rights, and other civil legal aid cases, as well as applications under a new category called intake cases. Intake cases entail up to two hours of assistance in the form of summary advice or legal information, but do not result in referrals to lawyers.

CMS automatically enforces the pre-set time limits (by case type) in recording cases with multiple issues. Clients with more than one problem in the same area of law are now consistently recorded as having one case with multiple issues. For example, if someone applies

for and receives a legal aid referral for a criminal problem, and then applies for help with another criminal problem within the next three months, CMS records both issues as part of one case belonging to one application. In MIS, each request by that person might have been counted as a separate application.

Referrals

The 1996 – 1997 referral data is taken from both the MIS and CMS systems, depending on which system the office was using during the year. Because of the difference in the way referrals are recorded in each system, CMS and MIS numbers are not directly comparable.

Future statistics

For all the above reasons, caution is required when examining legal aid application, acceptance, and referral rates between years that have the data stored in these two different systems. Projections cannot be made from this data in years where the information from these two systems has been combined into a yearly total.

Coverage

Criminal law

LSS must provide legal representation to financially eligible people charged with criminal offences who, if convicted, face

- a likelihood of imprisonment, or
- loss of livelihood, or
- immigration complications that could result in deportation.

Under the federal Young Offenders Act, anyone under 18 years of age charged with a federal offence has a statutory right to a court order appointing a lawyer paid for by the state. Coverage must be provided regardless of financial eligibility or likelihood of imprisonment.

In 1996 – 1997, 56% of legal aid referrals were for criminal matters.

Family law

Section 3 of the Legal Services Society Act requires LSS to provide legal aid for family matters when financially eligible people —

- have serious family problems — for example, an emergency where the applicant and/or his or her children are at risk of abuse, or the

Demand for legal aid: Criminal matters 1996 – 1997¹

Region ²	Total applications	Adult referrals		YOA referrals		Total	Information/ referrals advice
		Staff	Private bar	Staff	Private bar		
Lower Mainland/ Fraser Valley	23,056	2,843	10,762	752	1,639	15,996	988
Vancouver Island	8,919	403	4,150	121	1,206	5,880	464
Southern Interior	6,514	514	3,497	155	747	4,913	384
Northern B.C.	6,443	383	3,423	80	654	4,540	766
Total	44,932	4,143	21,832	1,108	4,246	31,329	2,602

¹ There are limitations to how these statistics can be used, and to how they can be viewed in relation to previous years' statistics. Please see page 9 for details.

² See page 30 for a list of offices by region.

applicant is in danger of losing contact with his or her children;

- may be imprisoned or confined because of a civil proceeding;
- have legal problems that affect their livelihood or their ability to protect and support their families; or
- have legal problems that threaten their families' physical or mental safety or health.

In 1996 – 1997, 29% of legal aid referrals were for family matters.

Immigration and refugee law

Section 3 of the Legal Services Society Act guarantees legal aid for financially eligible people who face immigration proceedings that would result in their removal from Canada.

In 1996 – 1997, 4% of legal aid referrals were for immigration and refugee matters.

Other civil (poverty) law

Other civil law matters (also known as poverty law) include —

- problems with pensions and income assistance
- small claims
- debt problems (such as foreclosures when the bank takes a person's house)
- human rights hearings
- landlord/tenant disputes
- review hearings (when people are involuntarily detained under the Mental Health Act)
- Employment Insurance and Workers' Compensation Board appeals (when people are denied benefits to which they are entitled)

Demand for legal aid: Family matters 1996 – 1997¹

Region ²	Total applications	Referrals			Information/ Summary advice
		Staff	Private bar	Total	
Lower Mainland/ Fraser Valley	11,452	959	5,156	6,115	2,314
Vancouver Island	7,151	182	3,794	3,976	1,189
Southern Interior	6,104	80	3,935	4,015	727
Northern B.C.	4,816	716	1,587	2,303	1,636
Total	29,523	1,937	14,472	16,409	5,866

Demand for legal aid: Immigration and refugee matters 1996 – 1997¹

Region ²	Total applications	Referrals			Information/ Summary advice
		Staff	Private bar	Total	
Lower Mainland/ Fraser Valley	2,612	220	2,143	2,363	56
Vancouver Island	75	7	48	55	9
Southern Interior	22	2	5	7	7
Northern B.C.	21	3	2	5	15
Total	2,730	232	2,198	2,430	87

¹ There are limitations to how these statistics can be used, and to how they can be viewed in relation to previous years' statistics. Please see page 9 for details.

² See page 30 for a list of offices by region.

Priority is given to the most urgent civil non-family problems. These are matters that affect applicants' liberty, physical or mental safety or health, or livelihood.

In 1996 – 1997, 11% of legal aid referrals were for other civil matters.

Judicial appeals

Judicial appeals include both appeals of lower court decisions made to the B.C. Supreme Court, the B.C. Court of Appeal, and the Supreme Court of Canada, and applications to judicially review decisions made by administrative boards or tribunals (for example, under the Immigration Act, or the B.C. Benefits Act). These applications are made to the B.C. Supreme Court or the Federal Court Trial Division.

Applicants who are financially eligible for legal aid may be covered if they are responding to appeals initiated by another party. Otherwise, LSS funds only those appeals and judicial reviews that fall under the Society's regular coverage criteria and have a reasonable chance of success.

Reciprocals

Provinces and territories in Canada provide the same level of civil and family legal aid coverage to people who live outside but face legal proceedings within their jurisdiction as they provide to their own residents. The inter-provincial reciprocal agreement, implemented by the Association of Legal Aid Plans of Canada, sets out the procedures for this coverage.

Demand for legal aid: Other civil matters 1996 – 1997¹

Region ²	Total applications	Referrals			Information/ Summary advice
		Staff	Private bar	Total	
Lower Mainland/ Fraser Valley	5,963	2,470	211	2,681	2,532
Vancouver Island	3,871	1,356	76	1,432	1,608
Southern Interior	2,432	867	90	957	1,179
Northern B.C.	4,280	826	48	874	3,132
Total	16,546	5,519	425	5,944	8,451

¹ There are limitations to how these statistics can be used, and to how they can be viewed in relation to previous years' statistics. Please see page 9 for details.

² See page 30 for a list of offices by region.

Demand for legal aid: Judicial appeals 1996 – 1997¹

Type of legal problem	Total applications	Referrals			Information/ Summary advice
		Staff	Private bar	Total	
Criminal	796	16	352	368	9
Family	352	12	169	181	13
Immigration	510	32	401	433	1
Other civil	101	23	15	38	34
Total	1,759	83	937	1,020	57

¹ These figures are included in the Demand for legal aid totals on page 5, and in the Demand for legal aid totals by area of law on pages 10, 11, and 12.

Financial Eligibility

Anyone whose net household income and assets are below set limits is financially eligible for legal aid. Intake workers assess each applicant's financial situation to determine his or her net income and assets. Some income sources, such as the Child Tax Benefit, are excluded from total net income, and some expenses, such as daycare costs, are deducted.

Applicants whose income is below the guidelines may own some assets and still be eligible for legal aid. There are five asset categories: family home, real property (except the family home), vehicles, business assets, and personal property. Each category has different limits, but generally applicants may have some personal property (e.g., reasonable household furnishings), a small amount of liquid assets (e.g., cash, bank accounts), and equity up to \$5,000 in vehicle(s), without becoming ineligible for legal aid.

Applicants whose income and assets are over the financial eligibility limits can still receive legal information or summary advice.

The Income/Asset guidelines chart below sets out the LSS income and personal property asset guidelines in effect in 1996 – 1997.

Client contributions

Most applicants with incomes above basic income assistance (B.C. Benefits) rates pay a contribution ranging from \$30 – \$150, depending on their income. With some important exceptions — for example, clients with emergency family problems — the contribution must be paid in full before LSS refers applicants to lawyers. The chart on the next page sets out the contribution amounts, by income level, in effect in 1996 – 1997.

Income from client contributions for 1996 – 1997 was \$289,542.

Financial eligibility reassessments

Legal aid clients' financial eligibility may be reassessed from time to time to determine if they are still financially eligible or should have legal aid discontinued and pay their own lawyer privately. Such reassessments normally occur —

- if the client's financial circumstances have changed during the course of a referral;
- if LSS becomes aware of assets, income, or family relationships that the client did not reveal during intake;
- when a new case is opened;
- when a change of lawyer is processed;

Income/Asset guidelines

Family size	Income <i>Monthly income guidelines by area of residence</i>				Assets <i>Allowable equity in non-exempt assets</i>
	Greater Vancouver	Victoria	Population of area of residence 30,000-99,999 Less than 30,000		All areas of B.C.
1	\$ 1,090	\$ 970	\$ 950	\$ 880	\$ 2,000
2	1,540	1,390	1,360	1,260	4,000
3	1,900	1,700	1,670	1,540	4,500
4	2,140	1,930	1,890	1,750	5,000
5	2,300	2,100	2,050	1,900	5,500
6	2,460	2,240	2,210	2,050	6,000
7 or more	2,610	2,380	2,340	2,190	6,000

- at the request of the Family Case Management Program (for family cases);
- as a result of a complaint about the client's financial eligibility; or
- on a random basis for auditing purposes.

A legal aid client is always reassessed if he or she receives assets/money. In this case, LSS calculates the total amount received, and determines whether to convert the legal aid referral to a private fee retainer and collect a payment from the client. LSS also reassesses the client's financial eligibility to determine whether he or she is still entitled to legal aid.

In 1996 – 1997, LSS implemented a basic exemption of \$10,000 in assets/money received to cover basic needs, including housing. The maximum a client could be asked to pay toward legal expenses is 50% of the amount received, after deducting the \$10,000 exemption.

The amount received in recoveries from clients in 1996 – 1997 was \$712,337.

Coverage and Eligibility Reviews

Any applicant who is refused legal aid for any reason has the right to have that decision reviewed. This right extends to many other decisions that affect applicants and clients; for instance, requests for a change of lawyer. Final

decisions on reviews are made by the Chief Executive Officer or his or her designate.

LSS has the right to refuse legal aid service. Service may be refused if the intake worker believes the applicant is not financially eligible, or if the applicant's problem does not fall under LSS's coverage rules, or if the applicant has not provided sufficient information to satisfy LSS that he or she is eligible for legal aid.

In 1996 – 1997, LSS received and assessed 1,478 requests for coverage and eligibility reviews, of which 132 were approved. Often these approvals were based on additional information provided by the applicants that was unavailable when they first applied for legal aid.

Client Confidentiality

All information given to LSS by applicants or clients is subject to solicitor-client privilege, and cannot be disclosed to any third party without the applicant's or client's explicit approval.

The B.C. Supreme Court reaffirmed the principle of solicitor-client privilege in a September 1996 ruling. The Honourable Mr. Justice Lowry held that LSS was right not to disclose to a Kelowna reporter the amount paid to a Prince George lawyer for work on behalf of defendants in two separate murder trials. The reporter had appealed LSS's refusal to the

Client contributions by net monthly income

Household size	Net monthly income — All areas of B.C.				
	\$ 0 – 678	\$ 679 – 775	\$ 776 – 872	\$ 873 – 970	over \$ 970
1	0 – 678	679 – 775	776 – 872	873 – 970	over 970
2	0 – 972	973 – 1,111	1,112 – 1,250	1,251 – 1,390	over 1,390
3	0 – 1,189	1,190 – 1,359	1,360 – 1,529	1,530 – 1,700	over 1,700
4	0 – 1,350	1,351 – 1,543	1,544 – 1,736	1,737 – 1,930	over 1,930
5	0 – 1,469	1,470 – 1,679	1,680 – 1,889	1,890 – 2,100	over 2,100
6	0 – 1,567	1,568 – 1,791	1,792 – 2,015	2,016 – 2,240	over 2,240
7 or more	0 – 1,665	1,666 – 1,903	1,904 – 2,141	2,142 – 2,380	over 2,380
Assessed contribution	None	\$ 30.00	\$ 65.00	\$100.00	\$150.00

Information and Privacy Commissioner who ordered LSS to disclose the information. LSS asked for, and was granted, a judicial review of the Commissioner’s decision. In his ruling, Judge Lowry noted: “If they exist, the records of billings sought would disclose the financial arrangements for the lawyer’s defence of his clients. They would reveal the nature and the terms of his retainers. They would then reveal information that is subject to solicitor-client privilege. That must be the end of the inquiry. Access to the billing records cannot be required.”

“The Legal Services Society is often criticized for its unwillingness to justify its decisions to provide services to a specific client. In fact, it normally will not even acknowledge that a particular individual is a client. This offends critics of the Society who argue that public money is being spent and, therefore, the Society should be publicly accountable for its decisions.

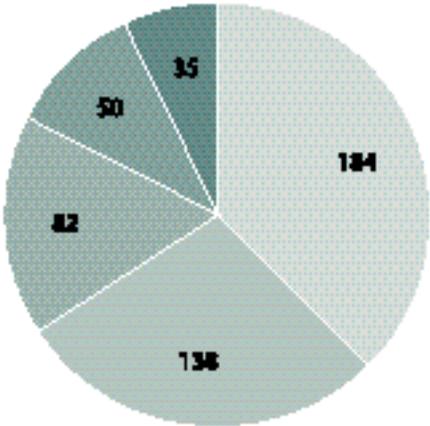
Section [12] of the *Legal Services Society Act* is a restatement and confirmation that the common-law doctrine of privilege applies to employees and contractors of the Society. Privilege is a rule of law that requires lawyers to protect information provided to them by their clients, or by them to their clients, in the course of seeking or providing legal advice. All information that might reveal the identity of a client or the nature of the client’s legal problem is protected. The Courts will not normally compel (or permit) a lawyer to reveal privileged information. Only the client can waive the privilege and authorize a lawyer to reveal information that is privileged. A lawyer who reveals privileged information without permission of the client is subject to discipline by the Law Society.”

— from *Legal Services Society Management Review*, by the Auditor General of British Columbia, December 1996.

Complaints

Anyone can submit a complaint on any issue, ranging, for instance, from possible abuse of legal aid, to wheelchair access at a field office, to the quality of a lawyer’s services. LSS forwards each complaint to the appropriate office or department for investigation. Decisions are reviewed to maintain consistent investigations throughout the province.

In 1996 – 1997, LSS received complaints that claimed 489 individuals were improperly receiving legal aid. The following chart shows the outcome of investigations into those complaints.



- Complaint unfounded / coverage continued (184)
- Open, investigation continuing (138)
- Coverage terminated or case converted to private retainer (82)
- Individual complained about not LSS client (file kept open for 6 months in case individual applies later) (50)
- Complaint received after case concluded or substantially completed (35)

Public Legal Education and Information

Providing the public with legal education and information is an integral part of the LSS mandate. Staff in field offices, the Legal Resource Centre (LRC), and the Public Legal Education, Publishing, and Native Programs offer a wide variety of services that increase and improve public access to, and involvement in, the law. Public legal education (PLE) materials and activities fill a number of key needs, such as —

- giving LSS staff the legal resources and information they need to provide summary advice and legal representation services;
- providing the public with information and/or self-help materials that can help them solve their legal problems without legal

representation whenever possible and appropriate; and

- helping newcomers to the province gain access to legal information and legal aid services.

What follows are examples of how these needs were met in 1996 – 1997.

Publications

The Publishing Program uses plain language editing and design expertise to produce PLE and internal administrative materials. The program produces materials in the most needed languages other than English, such as Chinese, Farsi, French, Punjabi, Somali, Spanish, and Vietnamese. Native Programs and the Public Legal Education Program publish and update numerous legal self-help and information materials, most of which are available free of charge. A complete list of LSS publications appears in the *LSS Publications Catalogue*.

Native Programs: New publications in 1996 – 1997



How to Make a Will and Settle an Estate: A guide for aboriginal people

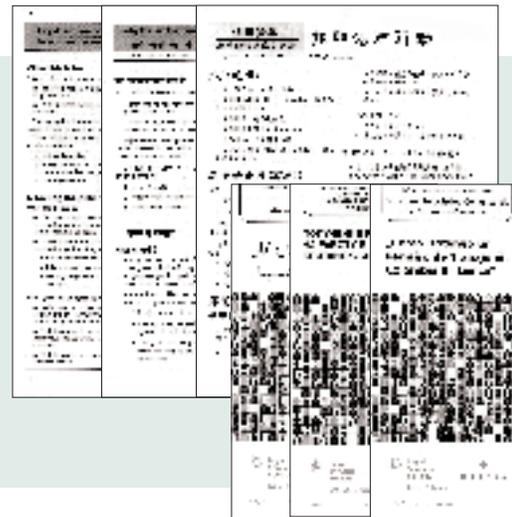
Laws that apply to registered Indian estates are quite complex. This publication is a step-by-step guide for registered Indians living on reserve explaining how to prepare a valid will. It also assists those responsible for carrying out the instructions of the will.

Human Rights, My Rights:

A handbook for aboriginal people

This publication answers a pressing need in the aboriginal community for relevant and practical information on discrimination. Intended for aboriginal readers and advocates serving the aboriginal community, this booklet defines discrimination, describes various forms it may take, and explains what aboriginal people can do when someone discriminates against them. Examples of discrimination in hotels, rental accommodations, and employment situations illustrate how serious the problem is, and how frequently such incidents still take place.

Public Legal Education Program: New publications in 1996 – 1997



Getting a Work Permit in B.C.

Refugee claimants are entitled to apply for work permits while waiting for decisions about their refugee claims. When looking for work, however, they must follow special rules that may differ from the rules for other people in Canada. This publication includes information about work permits, application forms, medical examinations, welfare, and Social Insurance Numbers. It is available in English, Russian, French, Farsi, and Spanish.

Have a Disability? Need More Money? Disability Benefits from B.C. Benefits, Ministry of Human Resources: How to apply

This booklet explains the process for applying for Ministry of Human Resources disability benefits. It clarifies what “persons with disabilities” means and what an applicant can do if he or she is denied benefits. It also contains material for health-care providers, explaining the importance of their role in the application process.

Legal Information for Battered Women (fact sheets)

Fact sheets based on the LSS publication *Legal Process for Battered Women* were developed with a \$10,000 grant from the Ministry of Women’s Equality. Available in several languages at transition houses, women’s centres, and LSS offices, these sheets explain the legal options available to battered women in B.C.

Newsletters

The *Aboriginal Justice Bulletin* is produced three times a year by Native Programs. Its focus is on legal and justice matters affecting aboriginal people.

Community Law Matters is produced three times a year by the Public Legal Education Program. A digest for community advocates who work in poverty law, it includes reports on recent cases, changes in legislation, and community organizing initiatives.

LRC News and Supplement are produced four times a year by the Legal Resource Centre. They inform librarians and community information workers about referral agencies and about changes in the law, new publications, and old materials to be discarded.

Electronic communication

- In April 1996, LSS developed a World Wide Web site on the Internet. Focusing on legal information and legal resources available from LSS, the multiple-page site was a part of the LSS display during Law Day, held at the Vancouver Public Library on April 21. Our Internet address is <http://www.vcn.bc.ca/lssbc/>
- LSS and a consortium of poverty law service providers developed a proposal for PovNet, an

electronic network providing legal information and support to LSS poverty teams and lay advocates working in community groups to help low income people with administrative law problems. They applied for funding to the Law Foundation and the Vancouver Foundation, and LSS made the commitment to start the project in the next fiscal year. The consortium includes the Public Interest Advocacy Centre, Community Legal Assistance Society, End Legislated Poverty, the B.C. Coalition of People with Disabilities, Federated Anti-Poverty Groups, and the Social Planning and Research Council.

- The LRC is a participant in the new Virtual Reference Desk (VRD) initiative to provide excellence in Internet-based reference services. The other participants are the B.C. Library Association, the Library Services Branch (Ministry of Municipal Affairs and Housing) and B.C.’s public libraries. B.C. librarians are applying their combined knowledge to provide high quality information in this cutting edge project. The LRC component of the VRD includes the Electronic Law Library Web site (<http://www.bcpl.gov.bc.ca/ell/>) and participating with public libraries in reviewing law-related information for B.C. libraries and the public.
- Throughout the year, LRC staff gave presentations at several conferences about the information highway.

Legal Resource Centre

The LRC is a law library for the public and LSS staff. The library collection contains 9,000 volumes for reference use, including special collections of poverty law, native law, law and the disabled, legal literacy, legal aid, and legal education materials. In 1996 – 1997, LRC staff responded to 2,280 specialized reference requests.

LRC services include:

- Reference services to staff and public libraries.
- Law Line, a legal information telephone service for the general public provided by law

librarians. In 1996 – 1997, Law Line personnel responded to 13,734 requests.

- A circulating audio-visual collection of B.C. law-related and educational materials. This year, 1,678 items were circulated to community groups, schools, and colleges. The *Audio-Visual Catalogue* highlighted 56 items on violence against women in relationships, including 24 items purchased under a grant from the government's Advisory Committee on Stopping the Violence Against Women in Relationships project. As well, the catalogue now identifies materials suitable for people with hearing disabilities.
- A funding program for public libraries to purchase legal materials. In 1996 – 1997, 68 grants totalling \$43,500 serviced 95 libraries.
- A legal materials/information and reference training program for public librarians. This year, the program provided or participated in 10 workshops for 433 people. For the fourth year, LRC staff helped organize training sessions for First Nations library and information staff. In June 1996, 56 First Nations staff members from throughout the province participated in a week of training workshops.

Pamphlets Plus is a joint initiative of the LRC and the Publishing Program. This project ensures the public can obtain from LSS offices free pamphlets on current legal information, published by other agencies. The LRC issues a bi-annual newsletter that lists 50 items available from the Publishing Program and alerts offices to new and outdated materials.

Small grants

LSS supports community participation in public legal education by providing small grants to help organizations across the province develop projects, workshops, and materials that explain the law and the legal system to the public.

Native Programs project grants

Native Programs approved \$70,220 to fund (fully or partly) 21 PLE projects in 1996 – 1997.

Organizations receiving grants included First Nations bands, tribal councils, aboriginal agencies dealing with justice issues, Métis organizations, and native community law offices. Nine organizations from Vancouver Island received grants, as that area was identified as a priority region for grants this year. Some examples of these funded projects are:

- More than 80 Haisla Nation band members, non-native court staff, and RCMP working in Kitamaat Village attended a three-day workshop organized by the Haisla Justice Program in October 1996. The goal of the project was to improve the often strained relations among these groups by promoting sensitivity to and awareness of both the legal system and the history and traditions of the Haisla Nation.
- A series of four one-day workshops held between December 1996 and March 1997 provided aboriginal people in the Port Alberni area with much-needed information on issues that seriously impact their lives. Topics covered included the Indian Act, Bill C-31, B.C. Benefits, and alternative dispute resolution. The workshops were organized by the Port Alberni Friendship Association.
- Métis people living in the Vancouver area benefited from a series of four one-day workshops organized by the Vancouver Métis Association. Two workshops in January 1997, each attended by 90 people, examined family law issues such as removal of children from the home, child abuse, spousal abuse, and access to service agencies assisting Métis families. The final workshop dealt with labour law issues such as harassment and discrimination.

Public Legal Education Program project grants

The Public Legal Education Program approved \$185,697 to fund (fully or partly) 45 PLE projects in 1996 – 1997. Of these, 16 projects were to develop services for members of the multicultural community. Some examples of these funded projects are:

- The Action Committee of People with Disabilities in Victoria put on workshops for their membership and the general public on changes to welfare laws that affect people with disabilities. They also discussed legal issues around renting and accessible housing. A total of 150 people attended the three workshops, held in September and October 1996 and January 1997.
- South Surrey/White Rock Women's Place included a comprehensive legal component in their regular training program for volunteers who staff the women's centre. Twenty intermediaries received training in family law, legal issues facing immigrant women, welfare and tenant law, and the new Employment Insurance rules. Sessions took place monthly from September 1996 through March 1997.
- The Law Courts Education Society produced the *Court Interpreters' Handbook*, a manual for interpreters who work for lawyers or participate in court proceedings in communities where training courses are not available. This publication includes information enabling new interpreters to familiarize themselves with their professional code of conduct, basic legal procedures, modes of interpretation, and recent court decisions.

Field office public legal education projects

LSS staff throughout the province provide public legal education in their communities, and work with other local agencies to improve public access to and understanding of the law. Below is a sampling of this work in 1996 – 1997.

Muriel Fenton, paralegal at LSS's **Dawson Creek** branch office, developed a weekly newspaper column on poverty law issues. Local newspapers in Dawson Creek, Tumbler Ridge, and Chetwynd began using her "Is It Legal?" column as a community service in October 1996. Since then, some of the columns have also appeared in a Fort St. John paper. Staff lawyer Ken Grant, at the **Williams Lake** branch office, worked with Ms. Fenton on columns that also appeared in his community's local paper. Topics covered include

wills, wrongful dismissal, small claims court, adoption, bankruptcy, landlord and tenant matters, consumer misrepresentation, defamation, credit reporting, occupier liability, workers' compensation, spousal assault, and child shoplifting.

About 200 people attended each session of the 1996 Law Talk Series, "Bridging the River: Two Cultures, One Community," sponsored by the **Penticton** community law office and the En'owkin Centre. The six events provided a forum for accurate information and dialogue among the various interest groups on a variety of issues ranging from Apex Mountain access to environment and development. The response was very positive and activities in the community continue to build on the foundation laid by this series.

Nanaimo has two new groups working on poverty issues, as a result of a community forum on poverty held in November 1996. The forum, designed to rekindle a network of anti-poverty activists in the area, was organized by the Nanaimo community law office along with the local women's centre, the Harewood InterAgency Team, and the Association for Better Communities. About 60 people attended the one-day event.

More than 100 people attended a forum on youth, crime, and violence organized by the **Langley** Legal Assistance Centre in June 1996. 841-K0Z, a group of young people from the Attorney General's office working to prevent youth violence, performed an interactive live drama that gave tips on avoiding violent situations. The evening featured a panel discussion with criminology professor Ray Corrado, from Simon Fraser University; constable Sharon Cooke, an RCMP school liaison officer; Lisa Pedrini, a former member of the B.C. Teachers' Federation Task Force on Violence in Schools; and Jim Smith, a counsellor with Langley Youth and Family Services.

The LSS branch office in **Kamloops** continued to organize its long-running Cable 10 television program *The People's Law School*. This half-hour program airs Monday evenings with a host and guests discussing a law-related topic. Depending on the guests and topic, the show sometimes includes a

phone-in segment. Topics this year included photo radar, no-fault insurance, changes to the Employment Insurance Act, the alternative budget, what to expect on a first appearance in family court, and services offered by the Kamloops Elizabeth Fry Society and the Elder Abuse Committee.

Law Week in **Fort St. John** this year included a public forum on the issues of law and order and sentencing in the criminal courts. Presented by the LSS branch office, the forum included much discussion about sentencing principles used by the courts and debate about violent crime. Prior to the forum, Michael Gray, managing lawyer of LSS's Fort St. John branch office, wrote an informative article on violent crime, policing, and public concerns about imprisonment of convicted criminals for the *Alaska Highway News*.

Staff at the **Port Alberni** Friendship Centre serve on various inter-agency committees including the Stopping the Violence Committee, the Law Enforcement Consultative Group, and the Port Alberni Non Profit Housing Association (PANPHA). In June 1996, the centre co-hosted an Affordable Housing Forum, bringing together various interest groups to identify skills and resource capacities to deal with local housing issues. The resulting capacity assessment was instrumental in PANPHA's funding application to B.C. Homes for a singles at risk housing project. The centre also held four legal information workshops, facilitated by two local aboriginal lawyers. Workshop topics included the Indian Act, aboriginal women and family law, alternative justice systems, and youth and the law.

The Law Centre in **Victoria** offered more than 40 free PLE courses at various locations around the city. Topics included preparing a will, separation and divorce, living common-law, mediation and family law, victims of crime — receiving compensation, suing and being sued, and landlord and tenant rights and responsibilities. In February 1997, a two-day conference attended by about 40 lay advocates focused on changes to welfare law, Employment Insurance, and residential tenancies. This office also operates a free Speaker's Bureau for the public. Staff and private bar lawyers speak to groups about a wide range of legal issues.

Tariffs

Private bar lawyers who represent legal aid clients in criminal, family, immigration and refugee, and judicial appeals matters are paid according to a schedule of fees known as the tariffs. These fees are established by LSS in consultation with the private bar. In 1996 – 1997, tariff payments came to 64.5% of all LSS expenditures.

There is no tariff for poverty (other civil) law services. LSS staff lawyers or paralegals, under staff lawyer supervision, do most of this work. Some matters are referred to the private bar on a pro bono (no fee) basis, in which case LSS pays the lawyers for approved disbursements (out-of-pocket expenses).

Private bar billings and recoveries

More than half of the private bar lawyers whose accounts were approved for payment billed LSS less than \$20,000 in fees in 1996 – 1997. (These billings include cases referred before this fiscal year.) LSS monitors billings to ensure that private bar lawyers acting for legal aid clients bill LSS appropriately for their services and disbursements. For example, Audit and Investigation staff spot check for expensive cases, accounts showing unusual billing patterns, and other accounts, such as those by top-billing private bar lawyers.

In 1996 – 1997, audits of accounts led to recovering \$91,113 in over-billings or accounts billed in error.

Tariff expenditures (including disbursements)

Area of law	1996 – 1997	1995 – 1996
Criminal	\$ 24,960,565	\$ 25,890,839
Family	28,752,358	31,867,257
Immigration	3,764,652	3,543,442
Duty counsel ¹	2,276,207	2,190,621
Human rights ²	219,011	196,409
Prison ³	113,628	141,255
Transcripts	1,745,126	1,403,402
Pro bono disbursements	192,627	181,775
Staff case disbursements	523,795	539,325
Total⁴	62,547,969	65,954,325

¹ Duty counsel includes circuit court counsel payments.

² The B.C. Human Rights Council reimburses LSS the cost of the human rights tariff for B.C. Human Rights Act matters.

³ Prisoners' Legal Services has a small budget for retaining private counsel to represent prisoners at parole hearings.

⁴ See Operating Expenditures, page 21, for Brydges Program and Divorce Clinic costs, which are also included in Duty counsel and Tariffs totals, respectively, on page 26.

Operating Expenditures

Intake and field offices	1996 – 1997	1995 – 1996
Branches	13,391,995	12,249,907
CLOs ¹	6,673,628	7,717,380
NCLOs	3,180,589	3,273,009
Brydges duty counsel	192,157	220,432
Area directors	209,834	208,002
Salvation Army	76,662	73,494
Divorce clinics	42,990	36,020
Total	\$ 23,767,855	23,778,244

Client programs	1996 – 1997	1995 – 1996
Reciprocals	86,586	96,488
Appeals	593,441	504,885
Library services	692,776	686,450
Public Legal Education	498,661	498,853
Publications	471,427	501,815
Native Programs	360,888	394,418
Total	\$ 2,703,779	2,682,909

Service delivery support	1996 – 1997	1995 – 1996
Tariff, Audit and Investigation	1,133,703	1,318,966
Client Services ²	763,341	529,079
Total	\$ 1,897,044	1,848,045

Management and administration	1996 – 1997	1995 – 1996
Human Resources ³	899,744	1,082,527
Finance and Administration	3,114,724	3,206,189
Policy and Planning	186,769	302,323
Information Technology	1,363,081	881,983
Communications	49,402	50,664
Case Management System ⁴	458,255	2,551,649
Total	\$ 6,071,975	8,075,335

¹ Includes funding for the Community Legal Assistance Society and the Elizabeth Fry Society.

² The FCMP, now part of Client Services, was included in the Tariff total in 1995 – 1996.

³ Includes Training.

⁴ This was a one-time expenditure for project implementation, which spanned two years.



**Report of the Auditor General
of British Columbia**

*To the Members of the Board of Directors,
Legal Services Society, and*

*To the Attorney General,
Province of British Columbia:*

I have audited the balance sheet of the *Legal Services Society* as at March 31, 1997 and the statements of accumulated deficit, income and expenditures and changes in financial position for the year then ended. These financial statements are the responsibility of the Society's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the *Legal Services Society* as at March 31, 1997 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

*Victoria, British Columbia
August 8, 1997*

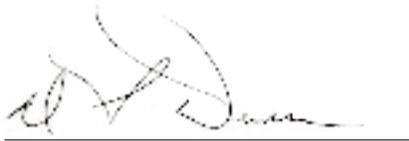
Legal Services Society

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the Society's financial statements. This responsibility includes maintaining the integrity and objectivity of the Society's financial records, and presenting the Society's financial statements in accordance with generally accepted accounting principles for non-profit organizations.

Management maintains a system of internal control that ensures that all material agreements and transactions of the Society are properly recorded. The Society's financial statements for the year ended March 31, 1997 have been examined by the Office of the Auditor General. Their examination was made in accordance with generally accepted auditing standards, and included obtaining a sufficient understanding of the Society's internal controls to plan the audit.

The Board of Directors of the Society is composed solely of directors who are not employees of the Society. The Board, acting through its Executive Committee, is responsible for determining that management fulfils its responsibilities in the preparation of the of the financial statements and the control of the Society's financial operations. The Executive Committee meets with staff of the Office of the Auditor General to discuss their audit work, the Society's internal controls, and the financial statements. The Executive Committee is responsible for approving the financial statements.



David S. Duncan
Chief Executive Officer



Nancy Peck
Director of Finance, Administration &
Human Resources

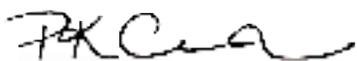
Balance Sheet

As at March 31, 1997

	1997	1996
Assets		
Cash and term deposits	\$ 175,631	\$ –
Accounts receivable – Provincial Government	393,243	6,434,347
– Government of Canada	1,175,686	1,423,252
– other	156,624	230,471
Prepaid expenses	131,885	222,627
	<u>\$ 2,033,069</u>	<u>\$ 8,310,697</u>
Liabilities		
Cheques issued in excess of funds on deposit	\$ –	\$ 64,321
Accounts payable – general	1,583,455	3,003,867
– tariff	17,850,378	18,326,839
Professional staff benefits plan	655,873	701,175
	<u>20,089,706</u>	<u>22,096,202</u>
Accumulated deficit (note 8)	<u>(18,056,637)</u>	<u>(13,785,505)</u>
	<u>\$ 2,033,069</u>	<u>\$ 8,310,697</u>

The accompanying notes are an integral part of these financial statements.

Approved by the Board:



Pinder Cheema
Chair



Rick Craig
Vice Chair

Statement of Accumulated Deficit

For the year ended March 31, 1997

	1997		1996
Accumulated deficit			
Beginning of year	\$ 13,785,505	\$	6,235,729
Add excess of expenditures over income for the year	4,271,132		7,549,776
End of year	<u>\$ 18,056,637</u>	<u>\$</u>	<u>13,785,505</u>

Statement of Income and Expenditures

For the year ended March 31, 1997

	1997	1996
Income		
Grants		
Province of British Columbia	\$ 87,422,924	\$ 89,183,195
Law Foundation	4,000,000	4,000,000
Notary Foundation	603,886	845,766
	<u>92,026,810</u>	<u>94,028,961</u>
Other income		
Interest	163,783	295,257
Legal costs recovered from clients	289,542	237,494
Publications	13,215	30,058
Miscellaneous	154,775	143,312
Donated services (note 4)	69,365	54,000
	<u>690,680</u>	<u>760,121</u>
	<u>92,717,490</u>	<u>94,789,082</u>
Expenditures		
Area directors	209,834	208,002
Board expenses	28,614	33,846
Computer	1,135,670	2,975,337
Duty counsel	2,468,364	2,411,053
Grants and contracted services	11,221,807	11,268,837
Libraries	282,726	279,803
Miscellaneous	346,143	319,010
Office	1,770,613	2,073,993
Premises	1,867,218	1,671,586
Publications	74,298	105,702
Salaries and benefits	16,872,745	16,753,390
Tariffs (note 5)	58,569,625	62,396,323
Transcripts	1,745,126	1,403,401
Travel	395,839	438,575
	<u>96,988,622</u>	<u>102,338,858</u>
Excess of Expenditures Over Income for the Year	<u>\$ (4,271,132)</u>	<u>\$ (7,549,776)</u>

Statement of Changes in Financial Position

For the year ended March 31, 1997

	1997		1996
Operating Activities			
Excess of expenditures over income	\$ (4,271,132)	\$	(7,549,776)
Changes in non-cash operating items			
Accounts receivable	6,362,517		(1,986,309)
Prepaid expenses	90,742		(13,590)
Accounts payable	(1,896,873)		6,097,278
Professional staff benefits plan	(45,302)		152,066
Deferred income	-		(17,500)
	<u>4,511,084</u>		<u>4,231,945</u>
Increase (Decrease) in Cash Position	239,952		(3,317,831)
Cash and Term Deposits, Beginning of Year	(64,321)		3,253,510
Cash and Term Deposits (Deficiency), End of Year	\$ 175,631	\$	(64,321)
Represented by:			
Cash and term deposits	\$ 175,631	\$	-
Cheques issued in excess of funds on deposit	-		(64,321)
	<u>\$ 175,631</u>	<u>\$</u>	<u>(64,321)</u>

Notes to the Financial Statements

For the year ended March 31, 1997

1. The Society

The Society was established under the Legal Services Society Act on October 1, 1979 and is not an agent of the Crown. The objects of the Society are to ensure that:

- (a) services ordinarily provided by a lawyer are afforded to individuals who would not otherwise receive them because of financial or other reasons; and
- (b) education, advice and information about law are provided for the people of British Columbia.

In 1997, the Society received 95% (1996 – 94%) of its income from the Province of British Columbia and 4% (1996 – 4%) of its income from the Law Foundation of British Columbia. The Society depends on funding from these two sources for the continuance of its operations.

Under cost sharing agreements, approximately 9% of the Society's expenditures on legal aid are recoverable by the Province of British Columbia from the Government of Canada.

2. Significant Accounting Policies

Basis of accounting

These financial statements have been prepared in accordance with generally accepted accounting principles for non-profit organizations.

Specific accounting policies

Furniture and equipment are recorded as operating expenditures at the time of acquisition.

Donated services are recorded at fair value when they would normally be purchased by the Society and a fair market value can be estimated for the services.

3. Fixed Assets

Furniture and equipment purchased and expensed during the year amounted to \$295,231 (1996 – \$1,497,488).

4. Donated Services

The Province provides audit services. For 1997, these costs paid by the Province amounting to \$69,365 (1996 – \$54,000) are recorded in the Society's financial statements.

The Society's head office premises are provided at a reduced rent under an agreement between the City of Vancouver and the building's owner that expires on June 14, 2004. The annual difference between the market value of the rent and the rent paid is approximately \$249,000 (1996 – \$249,000). Because the Society would not be leasing its current head office premises if it were paying the full market rent, this amount is not recorded in the Society's financial statements.

Lawyers from the private bar are retained by the Society to represent eligible clients in criminal and family cases. Some lawyers subsidize the Society by being paid fees for their services that are less than those that they would normally charge privately. Because the donated portion of these services cannot be reasonably estimated, it is not recorded in the Society's financial statements.

5. Tariff Holdbacks

For clients referred after July 1, 1994 the Society implemented percentage holdbacks of tariff fees payable to lawyers from the private bar. The holdbacks retained for tariff accounts received in 1997 amounted to \$4,055,272, (1996 – \$3,765,692).

Lawyers from the private bar were advised by Notice to Counsel of the percentage of the holdbacks, and that the Society would determine after the end of the fiscal year whether any money would be available in the tariff budgets to repay all or part of the holdbacks deducted from the accounts approved in the year.

The Society decided to expense holdbacks in the amount of \$399,735 deducted from family accounts approved in the year. Because the Society incurred an operating deficit for 1996 – 97 and the criminal and immigration tariff expenditures exceeded their budgeted amounts, the balance of the holdbacks deducted from accounts approved in the year was not expensed and was retained by the Society. The balance of the holdbacks in the amount of \$3,655,537 has not been recorded as a liability of the Society as at March 31, 1997 or included in the tariff expenditures for the year.

6. Commitments

The Society has the following commitments under long-term leases for its office premises:

1998	\$823,586
1999	636,162
2000	628,473
2001	547,368
2002	517,859

7. Pension Plan

The Society and its employees contribute to the Municipal Pension Plan administered by the Superannuation Commission of the Provincial Government. The Society's contributions to the Plan for 1997 were \$677,872 (1996 – \$609,048).

The Municipal Pension Plan is a defined benefit pension plan for which actuarial valuations are prepared at intervals of not more than three years. The most recent actuarial valuation of the Plan was made as at December 31, 1994. The amount of its unfunded liability is disclosed in its annual financial statements, which are included in the Public Accounts for the Province of British Columbia. The actuary does not determine the portion of the unfunded liability attributable to the Society, and therefore no amounts are recorded for any unfunded liability in these financial statements.

8. Accumulated Deficit

The Society has received approval for its deficit pursuant to Section 10.1(3) of the Legal Services Society Act in correspondence signed by the Attorney General and the Minister of Finance dated May 21, 1997.

LSS Offices by Region

Check the telephone book for current addresses and phone numbers. Offices are listed under Legal Aid — Legal Services Society in the white pages as well as in the Lawyers section of the yellow pages.

Lower Mainland/Fraser Valley

Prisoners' Legal Services (Abbotsford BO)
Abbotsford Community Legal Services Society (CLO)
Burnaby (BO)
Chilliwack (BO)
Langley Legal Assistance Centre (CLO)
Ridge Meadows Legal Services (Maple Ridge CLO)
Westminster Community Legal Services Society
(New Westminster & Port Coquitlam CLOs)
North Shore Community Services (CLO)
Robert Parsonage (Richmond AD)
James K. Flemming (Sechelt AD)
Brian N. Hughes (Squamish AD)
Surrey (BO)
Vancouver (BO)
Vancouver (HO)
Vancouver Aboriginal Justice Centre Society (NCLO)

Southern Interior

Kootenay Community Law Centre (Cranbrook CLO)
Ron Bentley (Fernie AD)
Glen Ewan (Golden AD)
Grand Forks (BO to Dec. 1996)
Deanna Ludowicz (Grand Forks AD from Dec. 1996)
Barnim Kluge (Invermere AD)
Kamloops (BO)
Tom Humphries (Kaslo AD)
Kelowna (BO)
Stl'atl'imx Nlha'7kapmx Legal Services
(Lillooet and Lytton NCLOs)
Nicola Valley Native Community Law Society
(Merritt NCLO)
Nelson (BO)
Penticton Community Law Office (CLO)
Robert A. Lundberg (Revelstoke AD)
Daniel Wark (Salmon Arm AD)
North Okanagan Community Law Office (Vernon CLO)

Vancouver Island

Campbell River (BO)
Courtenay (BO)
Duncan Community Law Office (NCLO)
David P. O'Connor (Ladysmith AD)
Nanaimo (BO)
Community Law Centre (Nanaimo CLO)
Bruce Soloway (Parksville AD)
Barbara M. Smith (Port Alberni AD)
Port Alberni Friendship Centre (NCLO)
Powell River Legal Services (CLO)
James P. Roth (Ucluelet AD)
The Law Centre (Victoria CLO)

Northern B.C.

Burns Lake Yinkadinee' Keyakh Law Centre Society (NCLO)
Glenn A.P. Stasiuk (Chetwynd AD)
Dawson Creek (BO)
Fort Nelson Legal Information Services (CLO)
Dene Law Centre Society (Fort St. James NCLO)
Fort St. John (BO)
Fort St. John Friendship Society (NCLO)
Upper Skeena Counselling & Legal Assistance Society
(Hazelton NCLO)
Haida Gwaii Legal Society (Masset & Skidegate NCLOs)
Family Law Program, Nisga'a Tribal Council
(New Aiyansh NCLO)
Prince George (BO)
Carrier Sekani Family Services (Prince George NCLO)
Prince Rupert (BO)
Community Law Centre (Quesnel CLO)
Smithers (BO)
L'ax Ghels Community Law Centre Society (Terrace NCLO)
Williams Lake (BO)

Legend: AD = area director; BO = branch office; CLO = community law office; HO = head office; NCLO = native community law office



**Legal
Services
Society**

British Columbia
<http://www.lss.bc.ca/lss-d>

