

**To:** Members of the Law Society of Nunavut

From: Mark Mossey

Federation of Law Societies of Canada, Council Member nominated by the Law

Society of Nunavut

Re: Report for the 2024 Annual General Meeting on the Law Society of Nunavut

**Date:** June 13, 2024

## Introduction

Please accept the below as my report as Council Member, nominated by the Law Society of Nunavut, on the work of the Federation over the past year.

## The Federation of Law Societies of Canada ("Federation")

The Federation of Law Societies of Canada is the national coordinating body of Canada's 14 provincial and territorial law societies, which regulate more than 136,000 lawyers, 4,200 Quebec notaries, and Ontario's nearly 10,600 licensed paralegals in the public interest. It is a leading voice on issues of national and international importance relating to the administration of justice and the rule of the law.

The Council of the Federation is the governing body of the Federation and is responsible for the strategic direction and oversight of the organization. The Council consists of elected Council members nominated by the Federation's 14-member law societies.

The Federation's aim is to assist the independently governed law societies in regulating the legal profession consistently throughout the country. To this end, the Federation works with Canada's law societies in developing rules of conduct and standards for lawyers. The Federation also undertakes certain initiatives, of importance to all law societies, on a national level. From fighting money laundering and terrorist financing, to working with Canada's Indigenous communities in responding to the Truth and Reconciliation Commission's calls to action, to establishing national discipline standards and setting standards for the accreditation of law schools and the admission of internationally educated lawyers into bar admission programs of law societies, the Federation's work is expansive, and important to protecting the public's interest and confidence in the legal profession.

For further information on what the Federation does, please visit the Federation's webpage on national initiatives: <a href="https://flsc.ca/national-initiatives/">https://flsc.ca/national-initiatives/</a>.

### I. WELLNESS OF THE LEGAL PROFESSION

One area that I would specifically like to highlight in this year's report is the work of the Federation on the Wellness of the Legal Profession.

In 2019, at the Federation's annual conference, the issue of lawyer wellness was explored. As a result of the feedback from that conference, in addition to a first of its kind study conducted amongst lawyers in Quebec, the Federation recognized that:

legal professionals are at higher risk of experiencing stress, anxiety, depression and substance use than are other professionals. The lack of data on the mental health of legal professionals across Canada represented a critical knowledge gap that had to be filled to properly inform and advance mental health and wellness initiatives. Wellness of the Legal Profession - Federation of Law Societies of Canada (flsc.ca)

The Federation has since worked in collaboration with Canada's law societies, the Canadian Bar Association, and partnered with the University of Sherbrooke to "conduct the first comprehensive national study on the wellness of legal professionals in Canada." The study is currently entering its second phase.

To support this important work, the Federation created the Standing Committee on Mental Health and Wellness which will provide strategic guidance and recommendations to Federation Council on the Wellness study and associated wellness initiatives. I am incredibly pleased to report that at Council's most recent meeting, a motion was approved to increase the membership of this standing committee to nine (9) members, adding a position for a representative from a northern law society. I am also pleased to report that Council approved John Maclean's appointment to the Committee. John's work and dedication to lawyer wellness in Nunavut is well known throughout the profession and he will be instrumental in this Committee's success.

### II. CANLII

A well-kept secret of the Federation is the instrumental role the Federation has played in the founding and continued support of CanLII. For those who do not know:

CanLII is a non-profit organization founded in 2001 by the Federation of Law Societies of Canada on behalf of its 14-member law societies. Its mandate is to provide efficient and open online access to judicial decisions and legislative documents. By doing so, CanLII supports members of the legal profession in the performance of their duties while providing the public with permanent open access to laws and legal decisions from all Canadian jurisdictions.

Consistent with its mandate, CanLII was a founding member of the <u>Free Access to Law</u>
<u>Movement</u> and a signatory to the <u>Montreal Declaration on Free Access to Law</u>.

CanLII is financed by the lawyers and notaries who are members of Canada's provincial and territorial law societies. We also receive funding on occasion for <u>projects</u> from provincial and territorial law foundations and other organizations.

CanLII's technology and editorial services provider since its founding is <u>Lexum</u>. Lexum began operating in 1993 by collaborating with the Supreme Court of Canada to publish court decisions on the internet. Since then, Lexum has become a software company specializing in the online management and publication of legal information. It provides solutions and services to producers and users of legal information, as well as other organizations that prepare, manage, and publish large collections of documents. In March 2018, CanLII acquired Lexum. You can read more about the acquisition <u>here</u>.

If you are interested in our organization's history, you can read this <u>post</u> on our blog. Information about our team is available <u>here</u>. What is CanLII | CanLII

Approximately \$42 of a lawyer's membership fees in Nunavut this year went towards funding CanLII. The value proposition / return on investment is strong considering the ready, up to date, comprehensive, and open access to legal information CanLII provides to lawyers and self/unrepresented litigants in Canada.

CanLII is an industry leader in providing open access to legal information. It also remains on the forefront of technological advancement in the legal field and its work on the AI front will be fascinating to watch develop. I was pleased to extend an invitation to Francis Barragan, CEO of CanLII, to address members of the LSN at this year's AGM.

#### III. 2023 ANNUAL CONFERENCE

The Federation's Annual 2023 Conference and Business Meetings were held in October in Whitehorse, Yukon. The theme of the conference was: Rage Against the Machine: Regulating Legal Services in the Age of Al. The Conference was thought provoking and educational for Canada's leading legal regulators, all of whom have started to grapple with how regulation will keep up with the advancement in generative Al. From ethical considerations to innovation and regulation, the conference was a success in introducing many important Al regulatory considerations for discussion.

The following highlights some of the Federation initiatives that may be of particular interest to the LSN membership. Additional information on the work of the Federation is again available on the Federation's website.

a. Amendments to the Model Code of Professional Conduct: Reconciliation Initiatives

The Model Code of Professional Conduct was developed by the Federation and adopted by Council of the Federation in 2009. The goal of the Code was to synchronize, to the extent possible, "the ethical and professional conduct standards for the legal profession across Canada." Currently, 13 of the 14 provincial and territorial law societies have adopted the Model Code or taken steps to ensure that the law society's rules are consistent with the Code. The Law Society of Nunavut has adopted the Code.

As reported to you last year, in October 2021, the FLSC established an Indigenous Advisory Council and adopted Terms of Reference setting out its composition and the required competencies for members. In June 2022, the Council appointed 7 members to the IAC. Of note, Beth Kotierk a member of the LSN was appointed to the IAC.

The Standing Committee on the Model Code circulated a consultation report to law societies and other stakeholders on November 28, 2023, in aid of understanding what changes are needed to be made to the Model Code in response to the Truth and Reconciliation Commission's Call to Action 27. The Call-to-Action states:

We call upon the Federation of Law Societies of Canada to ensure that lawyers receive appropriate cultural competency training, which includes the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal—Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.

The standing committee is accepting feedback until the end of November 2023 on the consultation report. Shortly after the feedback period expires, a joint Canadian Council of Canadian Law Deans-Federation of Law Societies symposium on the Truth and Reconciliation Commission of Canada's Calls to Action #27, 28, and 50 will held at the end of January 2025. It is anticipated that a second consultation report will be issued to Law Societies after the symposium.

## b. Constitutional Challenge RE: Income Tax Amendments

The Federation is challenging the constitutionality of mandatory reporting requirements of legal counsel as made through amendments to the *Income Tax Act*. As the Honourable Madam Justice Warren summarized in Reasons for Judgment granting the Federation an injunction against the recent amendments:

[2] The amendments require legal professionals, among other persons, to report to the Canada Revenue Agency (the "CRA") on two broad categories of transactions undertaken by

<sup>&</sup>lt;sup>1</sup> Consultation Report: Draft Amendments in Response to Call to Action 27 – Model Code of Professional Conduct, November 28, 2023/

their clients: "reportable transactions" (which meet certain statutory hallmarks) and "notifiable transactions" (which are any type of transaction the Minster of National Revenue (the "Minister") designates as notifiable). Both are lawful transactions that the CRA wishes to investigate further to determine if they are "abusive" from a taxation perspective, in which case the associated tax benefits may be denied. Failure to report may result in fines of up to \$100,000 and imprisonment. <sup>2</sup>

The Federation, through this constitutional challenge, is seeking a declaration that ss. 237.3 and 237.4 of the ITA are "of no force or effect to the extent they apply to legal professionals, in their role as such. The Federation claims that the reporting requirements in these sections contravenes ss. 7 and 8 of the *Canadian Charter of Rights and Freedoms.*" <sup>3</sup>

# c. BC Single Regulator

Council of the Federation is also closing monitoring the challenge being made to the Constitutionality of Bill 21 – the *Legal Professions Act* in B.C., which received Royal Assent on May 16, 2024. The Act serves to create a single regulator for lawyers, notaries, and paralegals. The Law Society of British Columbia is asserting that the Act "fails to ensure the independence of the legal professions and their regulator – a fundamental democratic principle."

# d. Continuing Legal Education Programming – Halifax, July 2023

The Federation is pleased to once again be putting on the National Criminal Law Program (July 8-12) and the National Family Law Program (July 22-25). Both programs will be held in Halifax, Nova Scotia and promise to be excellent CLE opportunities for the Criminal and Family Bar. There is still room to register. Please visit: <a href="CLE Programs - Federation of Law Societies of Canada (flsc.ca)">CLE Programs - Federation of Law Societies of Canada (flsc.ca)</a> for further information.

### IV. CONCLUSION AND THANK YOU

It is a busy and interesting time for Canada's legal regulators. The work of the Federation depends heavily on the contributions and efforts of Law Society staff and executives throughout the country. I would like to thank the LSN for all their efforts and the support provided that make my participation at the Federation level possible.

<sup>&</sup>lt;sup>2</sup> Federation of Law Societies of Canada v. Canada (Attorney General), 2023 BCSC 2068

<sup>&</sup>lt;sup>3</sup> Supra, note 2, para 4.