

LAW FOUNDATION OF NOVA SCOTIA

Annual Report 2002-2003

The Law Foundation of Nova Scotia was created by an amendment to the Barristers and Solicitors Act in 1976.

BOARD OF GOVERNORS

The members of the Board of Governors of the Law Foundation in 2002-03 were:

Appointed by the Governor in Council:

Jonathan F.L. Davies (expires March 28, 2004)
Christine A. McCulloch, Q.C. (expires September 28, 2004)

Appointed by the Council of the Nova Scotia Barristers' Society:

Peter Green, Q.C. (expires August 31, 2003)
John S. McFarlane, Q.C. (expires August 31, 2004)
Senator Donald H. Oliver, Q.C. (expired August 31, 2002)
Robert A. Sampson, (expires August 31, 2004)
Dr. Esmeralda Thornhill (expires August 31, 2003)

Chair, appointed by the Governor in Council on the recommendation of the Council of the Nova Scotia Barristers' Society:

John S. McFarlane, Q.C. (Appointment as Chair expires August 31, 2003)

MANDATE

The objects of the Foundation are "to establish and maintain a fund to be used for the examination, research, revision and reform of and public access to the law, legal education, the administration of justice in the Province and other purposes incidental or conducive to or consequential upon the attainment of any such objects."

REVENUE

The fund is derived from the interest on lawyers' general trust accounts. The Foundation has arrangements with financial institutions for payment of interest at varying rates.

The prime rate of interest dropped to 3.75% in January 2002, the lowest it has been in forty years. It rose to 4% in April 2002, 4.5% in July 2002, and 4.75% in March 2003, where it remains at the time of this report. The drop in the prime rate had a devastating effect on the Law Foundation's annual revenue in 2001-2002, and low rates continued to have a significant impact on the Law Foundation's revenue in 2002-2003. Income from interest on lawyers' trust accounts for 2002-2003 was \$781,777, down from \$1,159,925 last year and from \$1,935,955 in 2000-2001.

NEGOTIATIONS WITH FINANCIAL INSTITUTIONS

To offset the effect on revenue in times of very low interest, it is appropriate to review the interest arrangements between the Foundation and various financial institutions, with a view to negotiating better returns. The Board appointed a committee in October 2002 to negotiate with Scotiabank and CIBC, and is pleased to report that both banks responded positively. The Foundation is also pleased to report that TD Canada Trust approached all Law Foundations across the country in May 2002 to offer better rates. As a result, we look forward to increased revenue over the next year.

RESERVE FUND

The Foundation established a reserve fund in 1986 to maintain grants in periods of low interest rates when current income is insufficient to fund regular grants. Most other Canadian law foundations hold similar reserves. The reserve is managed by an investment management firm, and as of March 31, 2003, it had a total cost of \$1,963,183. However, the market value was \$1,664,166.

GRANTS

The grants budget stood at \$1,230,000 in 2002-2003. The Board has reduced the grants budget to approximately \$950,000 for 2003-2004 to counter the effects of the 40% drop in revenue during 2001 - 2002 and the 33% drop in revenue in 2002 - 2003.

In February 2002, the Foundation gave one year's notice to a number of worthy organizations that their funding would be discontinued for the year commencing April 2003. The Foundation has since been able to restore on a temporary basis a reduced level of funding to some of those grantees affected most adversely by the cuts.

GRANTS APPROVED IN 2002-2003

Avalon Sexual Assault Centre

Sexual Assault Legal Education Training:
Improving the Service Providers Response to Survivors
Of Sexual Violence \$ 68,071.00

Cape Breton Transition House

Preventive Education Date Abuse & Spousal Assault 24,000.00

Community Justice Society

Services for Black Youth – Community Mobilization 39,700.00

Coverdale Courtwork Services

Core funding 51,500.00

Elizabeth Fry Mainland

Core funding 64,000.00

Elizabeth Fry Cape Breton

Core funding and Stoplifting program 30,000.00

Halifax Refugee Clinic Association

Core funding 95,000.00

John Howard Society of Nova Scotia

Criminal justice education Cape Breton 15,150.00

Legal Information Society of Nova Scotia

Core funding 95,000.00

Nova Scotia Court of Appeal

Court of Appeal Law Clerk 2002-2003 (additional) up to 500.00

Reach Nova Scotia Association

Speaker's Corner Nova Scotia: Education,
Information and Access to Justice 14,878.00

Society of Deaf & Hard of Hearing Nova Scotians

Access Project-The Legal System 5,000.00

Tearmann Society for Battered Women &
Pictou County Opportunities for Men (New Leaf)
Public Education on the Issue of Violence Against Women 12,805.00

Youth Gardens
Youth Community Garden Project 3,200.00 \$518,804.00

YEAR THREE OF THREE-YEAR GRANTS (not appearing in the above list)

Dalhousie Law School
Information Technology Law Institute
(\$60,000 per year for 3 years) 60,000.00

Dalhousie Legal Aid Service
Core funding
(\$120,000 per year for 3 years) 120,000.00

Law Reform Commission of Nova Scotia
Core funding
(\$250,000 per year for 3 years) 250,000.00

\$430,000.00

GRANTS REVOKED

Joint Consultative Committee

Society of Deaf and Hard of Hearing Nova Scotians

WEBSITE

The Foundation is pleased to announce its new website, made possible through the volunteer efforts of Professor Cindy Trudel and students at Acadia University. We invite you to view the website at www.nslawfd.ca.

Respectfully submitted,

John S. McFarlane, Q.C.