



Justice department aims to cut \$52 million in legal services

Kathryn May, Ottawa Citizen, June 25, 2014

The federal Justice department is taking steps to cut \$52.2 million worth of legal services it provides government over the next three years with “two waves” of reforms that will eliminate jobs, change the working relationship with client departments and, it hopes, improve efficiency.

The department, often called Canada’s largest law firm, is introducing several changes following a year-long review.

In the first wave, the changes will eliminate the positions of 65 lawyers and 15 management jobs by 2017, which the department believes can be done by attrition rather than layoffs.

According to a memo circulated to staff, a key area for reform is “re-defining” Justice’s relationship with client departments “to strike the right balance between supply and demand of legal services.”

Many Justice department lawyers are “embedded” or work on-site in other departments and agencies as legal counsel. They also draft legislation and regulations, and represent the government in court.

“We’re confident these changes will put Justice on a sustainable path for the future,” said the memo from assistant deputy minister Marie-Josée Thivierge. “These changes reflect the government’s commitment to delivering better public services – while reaching a zero deficit target for 2015 – as well as the changing nature of the legal industry in Canada and internationally.”

A key goal is to reduce overall demand for legal services. The department will do that by focusing on services “where Justice brings its highest value and on better aligning resources with complexity, risk and priorities.”

→ The Association of Justice Counsel, which represents nearly 2,100 of the 2,600 lawyers in government, said its big concern is more work being piled on lawyers.

Len MacKay, the union's newly elected president, said that, coming off years of cuts, the workforce is already stressed, and more reductions will be a blow to morale. The cuts are on top of the nearly 100 legal positions eliminated since 2012.

The measures being proposed include:

- Restructuring and rationalizing the delivery of Aboriginal law services in co-operation with the Aboriginal Affairs and Northern Development Canada;
- New "formal" relationships with client departments on the scope of services, including work the department will no longer provide or will offer differently;
- Using technology to streamline and reduce the massive costs of producing volumes of documents filed for litigation;
- Targets to increase the proportion of time lawyers spend on legal services from 1,310 hours a year to 1,400 hours, by reducing the time spent on non-legal work. Using more paralegals.

The review calls for more consolidation and streamlining of units, such as the Major Projects Management Office, which is responsible for managing federal environmental and regulatory reviews of natural resource projects across the Canada that could be worth billions. The review suggests assigning lead counsel to each of the major projects and reducing the total number of lawyers involved in the various resource development initiatives.

Other measures include saving on space by creating "virtual libraries" and centralizing legal research services.

The department appears to be planning a "second phase" of reforms but these are not tied to savings targets. The reforms include a "sustainable" funding regime for legal services; using more mechanisms to prevent and resolve disputes; and improvements to "litigation disclosure standards."

A new deputy ministers' committee – the Strategic Legal Issues Management Committee – will oversee the rollout.

Carole Saindon, a Justice spokesperson, said the traditional model for legal services had to change in the face of restraint, new technology, cheap and accessible legal information, and increased competition.

Legal-services costs have been rising nearly five per cent a year in recent years. The department took a run at those costs during the Conservatives' strategic review and deficit-reduction plan and reduced that annual growth rate to three per cent. The reductions from the legal services review come on top of that and are expected to reduce projected legal services costs from \$552 million to \$500 million by 2016-2017.

The government has faced a steady increase in legal services costs over the years. A 2007 auditor general's report found the complexity and volume of litigation increased, along with legislation and legal advice to departments, since the 1982 Charter of Rights.

More recently, the Conservative government has come under fire for major increases in legal fees for outside law firms.