

*THIS IS BIG.
REALLY BIG.*

*BIG AMBITIONS.
BIG MOTIVATION.
BIG RESULTS.*

*40 YEARS OF COMMITMENT.
40 YEARS OF CONNECTING NEED TO RESULTS.
40 YEARS OF TURNING SMALL INTO BIG.*

40 YEARS OF PROGRESS TOWARDS JUSTICE.

*THIS IS BIG.
THIS WILL BE BIGGER.*

XL

ANNUAL
REPORT

-

2013
THE LAW FOUNDATION
OF ONTARIO

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MESSAGE FROM THE CHAIR

OUR VISION

The Law Foundation of Ontario is a catalyst for advancing the ideal of a truly accessible justice system. The LFO is recognized as a leader, working through creative partnerships to sustain and strengthen the development of a just society.

OUR MISSION

The Law Foundation of Ontario is committed to the advancement of legal knowledge, excellence within the legal profession and community participation in the legal system. The LFO funds programs and initiatives that promote and enhance access to justice for all Ontarians.

This January, we celebrated LFO's 40th anniversary. It was a wonderful opportunity to reflect not only on 2013, but on our development as a funder and a catalyst for access to justice.

In January 1974, LFO became one of the earliest law foundations in the world to make grants utilizing the interest on lawyers' mixed trust accounts. At the time, it was a novel idea to use this interest – money that had previously simply been kept by the banks – for the public good. Today, every province in Canada has a law foundation.

Initially, LFO could only support a handful of applicants.

However, over the years, LFO grew. It recognized that it must do so much more than write cheques. We actively engage with the community to assess needs, to encourage and facilitate collaboration, and to identify promising long-term solutions to complex problems.

We also make “connections.”

In this annual report, we highlight the Connecting Project, one example of how LFO applies this larger approach to access to justice. The Connecting Project addresses the legal needs of Ontarians who do not speak English or French or who live in rural parts of the province.

One grant we made through the Connecting Project in 2013 supports joint efforts by the Thunder Bay Indian Friendship Centre and the Kinna-aweya Legal Clinic. This project brings together Aboriginal Elders, lawyers, and front-line community workers to share Indigenous legal traditions and legal information related to income security and human rights. The end result is increased knowledge of legal services available to Aboriginal Peoples in the Thunder Bay area. I have seen through my own legal work the profound need to greatly increase access to justice for Aboriginal Peoples in Canada. So this grant strikes a chord with me.

Another moment I remember with pride is presenting Justice Stephen Goudge with the 2013 Guthrie Award for his exceptional contributions to access to justice. He has been an example and a mentor to me, as he has been to so many others in the profession.

During its 40-year history, LFO has provided more than \$900 million in funding for organizations that improve access to justice. That total includes grants LFO made to 61 different organizations last year alone.

I am so grateful to everyone who has made those accomplishments possible. A special welcome to Christopher Clifford, who joined our board in 2013, and a thank you to my fellow trustees, LFO's dedicated staff, and most of all, our grantees, who work every day to make access to justice a reality.

I am optimistic that 2014 will bring many more achievements that we can all be proud of.



Mark J. Sandler
Chair

THE LAW FOUNDATION OF ONTARIO AT 40

\$900+ million in funding
to improve access to justice

\$675+ million directed to
Legal Aid Ontario

136 fellowships created to support
careers in public interest law, share access to
justice expertise, and extend legal services
to linguistic minorities and residents of
rural areas

3 new justice organizations launched with
critical support from LFO

Established Canada's first national access to
justice fund using cy-près awards

Ontario's only foundation focused primarily
on access to justice

83 grants authorized in 2013 alone

The Law Foundation of Ontario (LFO) is a not-for-profit corporation established by provincial statute in 1974. It has a unique mandate to help more people understand the law and use it to improve their lives. Enhanced access to justice, particularly for disadvantaged groups, is an underlying objective of all of LFO's work.

LFO is primarily funded by the interest earned on the mixed trust accounts into which Ontario lawyers and paralegals deposit funds held in trust for clients. LFO operates the national Access to Justice Fund, funded through cy-près awards, and administers the Class Proceedings Fund.

40 YEARS OF PROMOTING ACCESS TO JUSTICE

For four decades LFO's impact has grown as we've encouraged partnerships, commissioned research, developed fellowships and programs, and enabled new organizations to flourish.

1974
–
Established by
the *Law Society Act*.

1974
–
Receives \$2.5M from
interest on lawyers' mixed
trust accounts.

1975
–
Makes first grants to law
schools, promoting
legal excellence and expanding
community legal services.
By 2013, LFO has provided
\$80M+ to law schools
in Ontario.

1979
–
The Hon. Roy McMurtry
founds The Osgoode Society
for Canadian Legal History
with help from LFO and
other partners.

1993
–
Provides a grant to launch
the Class Proceedings Fund
which supports class
action lawsuits in the
public interest.

1996
–
Creates the Guthrie
Award to recognize
outstanding contributions
to access to justice.
2013 recipient:
Justice Stephen
Goudge.

2001
–
Helps create PBLO,
which helps lawyers give free
legal services, and OJEN,
which fosters public
understanding of the
justice system.

HIGHLIGHTS OF OUR GRANTING PROGRAMS

In 2013, LFO made \$9.8 million in grants to 61 organizations addressing a wide variety of needs across Ontario. This report highlights The Connecting Project, a strategic initiative that illustrates just how much LFO has evolved over the years.

THE CONNECTING PROJECT Connecting Across Language and Distance for Improved Access to Justice

To be a catalyst for change, it is essential to understand the hidden barriers to justice. In 2008, LFO commissioned research and the resulting report *Connecting Across Language and Distance: Linguistic and Rural Access to Legal Information and Services* focused on improving access to justice for Ontarians who don't speak English or French and for those who live in rural or remote areas.

The Connecting Project was created to implement the report's recommendations. LFO identified needs, sought systemic solutions, and connected the partners to make change happen. Over the past five years, as part of this project, LFO put several innovative programs in place.

CONNECTING ARTICLING FELLOWSHIPS: Learning While Filling Service Gaps

By the end of 2013, LFO had funded 48 Connecting Articling Fellowships at community legal clinics and legal aid offices. Our Fellows have provided legal services in Tamil, Dari, Farsi, Urdu, Mandarin, Cantonese, Arabic, and Spanish. They also provided service across rural and remote communities from Bancroft to Moosonee to Thunder Bay, to name only a few.

2012-2013 Connecting Articling Fellow Teri Muszak worked at the Community Advocacy and Legal Centre (CALC) in Belleville, Ontario helping low-income rural residents. Teri also provided information and advice for residents of Bancroft and Madoc, where the clinic's two northernmost satellite offices are located.

During her Connecting Articling Fellowship at CALC, Teri Muszak:

- Represented clients at more than 50 Social Benefits Tribunal hearings.
- Helped approximately 100 rural clients living in poverty.
- Provided advice for clients living up to 2 hours away from the Belleville clinic.
- Gained experience in public interest law.

"Without the fellowship experience at CALC, I may never have realized my passion for improving the lives of people in poverty."

Teri Muszak, Connecting Articling Fellow

CONNECTING COMMUNITIES Early Intervention and Referrals Through Front-line Workers

Front-line workers at community organizations often connect with individuals facing a broad spectrum of barriers to the justice system. When these workers are trained to detect legal issues early on and make appropriate referrals for help, they can have a profound impact.

Connecting Communities brings legal and community organizations together to provide this essential training. By the end of the three-year pilot program in December 2013, LFO had approved funding for 13 projects to educate front-line workers about consumer rights, employment law, tenants' rights, immigration law and more.

Community Legal Education Ontario serves as Secretariat for the Connecting Communities project and utilizes its LFO funding to develop and support the Public Legal Education Learning Exchange. The Exchange is a province-wide network of legal and community organizations collaborating on high-quality legal education materials for their clients.

CONNECTING OTTAWA Coordinated Services to Overcome Complex Legal Problems and Language Challenges

This program is built on an unprecedented partnership between 43 legal agencies and community organizations whose goal is to increase access to justice for linguistic minorities in the Ottawa region. This network supports people at every stage of the legal continuum, from recognizing that they have a legal problem and understanding how the law might

help them, to getting information and obtaining referrals and advice, to connecting with a legal professional for representation.

Connecting Ottawa helps clients find services in their own language, access interpretation services, and receive coordinated support from lawyers and social workers. This unique holistic approach successfully empowers clients who might otherwise be unable to overcome complex barriers.

One such client is a survivor of domestic abuse who fled her partner – and Canadian sponsor – only to encounter a long list of immigration, financial, and social challenges. Connecting Ottawa helped her find doctors and counsellors who spoke her language, respite care for a dependent family member with a disability, and a lawyer at a Community Legal Clinic with whom she could work.

LFO funded Connecting Ottawa to test the benefits of a regional planning model with dedicated staff and an advisory committee drawn from network members – one of the major recommendations of our 2008 research report. It was highlighted in the Law Commission of Ontario's February 2013 report, *Increasing Access to Family Justice Through Comprehensive Entry Points and Inclusivity*.

CONNECTING LEGAL SERVICES TO INTERPRETATION Innovation to Address Language Barriers

Ontario is experiencing a shortage of legal professionals and community workers able to serve clients in the many languages – including sign language – used across the province. Combined with limited access to high-quality interpreter services, many people are finding the language barriers to legal services just too difficult to overcome.

LFO's Connecting Project is helping to break these barriers down. We contributed to a partnership between the Canadian Hearing Society and community legal clinics entitled *Increasing Access to Legal Services* for Ontario's Deaf Low-Income Communities which implemented three key strategies:

1. Canadian Hearing Society workers were trained to provide basic legal information and referrals.
2. Legal service providers at clinics were trained to work with persons who are Deaf.
3. Video Remote Interpreting (VRI) was provided to serve a broader area efficiently.

In addition, the Ontario Network of Language Interpreter Services (ONLIS), led by the Barbra Schlifer Commemorative Clinic, is developing a project entitled *Connecting Legal Services to Interpretation*. The project aims to expand interpreters' knowledge of the justice system. It will also teach lawyers and paralegals how to access interpreters and work with them to better serve linguistic minority clients.

CONNECTING OTTAWA A regional planning model to improve access to justice for linguistic minorities	
+	17 community service agencies 10 agencies serving immigrants 9 organizations providing legal services 6 agencies serving people with disabilities 1 agency providing interpretation and translation services Coordinated case management and referrals
=	Seamless help for complex legal problems and the additional barriers created by language challenges

A CONNECTING COMMUNITIES SUCCESS STORY Legal Information for ESL Teachers and Their Students

Students of English as a second language (ESL) often face legal issues related to immigration, refugee status, and human rights. The FCJ Refugee Centre, Teachers of English as a Second Language Association of Ontario (TESL Ontario), and the Canadian Centre for Language and Cultural Studies worked together to train ESL teachers and support staff to recognize these challenges and refer their students for help.

Their targeted training included interactive workshops held in Toronto, Peel Region, Kitchener, and Niagara Region. Lesson plans were designed to help ESL students know their rights and obligations regarding housing, employment, health, immigration, and interactions with police and the courts.

More than 1,000 people participated in 27 sessions and their feedback has been overwhelmingly positive. Teachers who had previously been unaware of the many legal resources available were pleased to discover their potential for helping students in need.

1,000 participants were trained to help ESL students identify legal issues and connect with appropriate resources.

2005-2006

Develops new programs, including the Public Interest Articling Fellowship program, to support careers in public interest law.

2005

Community Legal Education Ontario (CLEO) is commissioned by LFO to provide critical research on the barriers to justice across the province.

2006

Creates the Law and Innovation Fund to support access to justice initiatives serving marginalized communities as identified by the CLEO report.

2007

LFO partners with others to create the Law Commission of Ontario which recommends law reforms to improve access to justice.

2007

Receives \$77M from the interest on lawyers' mixed trust accounts for access to justice initiatives. This is the highest annual amount in LFO's history.

2008

Commissions research resulting in *The Connecting Report* and several new programs to reduce language and distance barriers for Ontarians seeking justice.

2009

Revenue from interest on lawyers' mixed trust accounts drops to \$13M – little more than one-sixth the revenue in 2007 – due to the global economic downturn.

2009-2010

Creates the Access to Justice Fund to receive cy-près awards from class actions to make grants across Canada.

2013

LFO's impact has spanned four decades and included \$900M in funding for organizations that improve access to justice.

ACCESS TO JUSTICE FUND

In 2009 LFO created the Access to Justice Fund – the first of its kind – to direct a \$14.6M cy-près award to initiatives that improve access to justice across the country.

Partnering with law foundations across Canada and an advisory group, LFO has authorized more than 100 grants across every province for people facing a wide range of barriers to justice.

Courts make cy-près awards to meritorious organizations when it is not practical to distribute all the proceeds of a class action to individual plaintiffs.

If you are considering directing a cy-près award to the Access to Justice Fund please contact Tanya Lee, Director of Policy and Programs, tlee@lawfoundation.on.ca, 416.598.1550 ext 310.

The Access to Justice Fund continues to receive cy-près awards, with the number and size of awards varying from year to year. By 2013, LFO had already allocated much of the initial cy-près award received in 2009.

At the time of publishing, there had been a total of seven cy-près awards made to LFO's Access to Justice Fund:

Cassano v. Toronto-Dominion Bank 2009 CanLII 35732 (ONSC)
Skopit v. BMO Nesbitt Burns Inc. (8 Nov 2010) CV-10-15239 (ONSC)
Smith Estate v. National Money Mart 2010 CanLII 1334 (ONSC)
Wein v. Rogers Cable Communications Inc. 2011 CanLII 7290 (ONSC)
Markson v. MNBA 2012 CanLII 5891 (ONSC)
Carom v. Bre-X Minerals Ltd. 2014 CanLII 2507 (ONSC)
Krajewski v. TNOW Entertainment Group (February 2014)

LFO manages the distribution of cy-près awards made to the Fund according to the specific terms and conditions of each award. LFO can tailor the administration of the award, either in its subject matter or geographical distribution, to suit the circumstances of each case.

ACCESS TO JUSTICE FUND GRANTS

Child Protection Parent Education Program Committee Child Protection Parent Education Project Phase 2 - Mi'kmaq Soundtrack	\$5,500
Mile End Legal Clinic Justice Montreal	\$45,640
Connecting Articling Fellowship Community Advocacy & Legal Centre (CALC) Community Legal Clinic - Simcoe, Haliburton, Kawartha Lakes Keewaytinok Native Legal Services Keewaytinok Native Legal Services Legal Aid Ontario Metro Toronto Chinese and Southeast Asian Legal Clinic Waterloo Region Community Legal Services	\$49,000 \$49,000 \$14,106 \$49,000 \$98,000 \$49,000 \$49,000
<i>Connecting Communities</i>	
Community Development Council Durham Improving Access to Public Legal Information for Immigrant Communities Using Communications Technologies	\$50,495
Community Legal Education Ontario Connecting Communities Secretariat	\$114,000
Council of Agencies Serving South Asians Family Sponsorship and Refugee Law - Community Awareness Project	\$48,000
FCJ Refugee Centre Learning Through Law: A Legal Information Training for ESL Teachers	\$45,000
Hispanic Development Council Loving our Children Without Fear: Understanding the Child and Family Services Act and Its Impact on the Hispanic Community	\$49,018
LGBTQ Parenting Network at the Sherbourne Health Centre Trans Family Law Project	\$35,548
North York Women's Centre Bathurst Finch Women's Safety Training	\$23,602
Thunder Bay Indian Friendship Centre Income Security and Human Rights Legal Training for Aboriginal Elders and Community Workers	\$47,540
<i>Other Connecting Project Grants</i>	
Critical Link International Critical Link 7 - Global Awakening: Leading Practices in Interpreting Conference	\$10,000
Total	\$831,449

GRANTS AUTHORIZED IN 2013 IN ALL PROGRAM AREAS
In 2013, LFO authorized 83 grants to 61 different organizations.

REGULAR GRANTS

Amnesty International Canada		Humber College Institute of Technology and Advanced Learning, Library		Planned Lifetime Networks (Waterloo-Wellington-Oxford)	
Litigation Coordination and Legal Research Project	\$15,000	Ontario College Libraries: Quicklaw for Fourteen College Libraries	\$90,261	Future Planning Educational Workshops	\$9,190
Animal Justice Canada		Injured Workers Consultants Inc.		Pro Bono Law Ontario	
The <i>Ontario Society for the Prevention of Cruelty to Animals Act</i> and Best Practice Report	\$10,000	100th Anniversary of Workers' Compensation Symposium	\$15,000	Program Activities 2014	\$75,000
				Program Activities 2014	\$800,000
Association des juristes d'expression française de l'Ontario		John Howard Society of Ontario		Pro Bono Students Canada	
French Law Day	\$13,500	On the Record: A Legal Educational Workshop Series on the Retention and Disclosure of Non-Conviction Information on Police Record Checks in Ontario	\$15,000	Program Activities 2013-14	\$541,396
Association in Defence of the Wrongly Convicted		Justice for Children and Youth		Public Interest Articling Fellowship 2014-2015	
Justice through Education: Addressing Specialized Legal Needs of Aboriginal Communities in Ontario	\$24,259	Street Youth Legal Services	\$100,000	Amnesty International Canada	\$69,500
Program Activities 2014	\$230,000			Association in Defence of the Wrongly Convicted	\$69,500
Black Law Students' Association of Canada		Lakehead University, Faculty of Law		Barbra Schliker Commemorative Clinic	\$69,500
23rd Annual Conference	\$10,000	Startup Funding - Law Library Acquisitions	\$150,000	Canadian Centre for International Justice	\$69,500
Canadian Association of Elizabeth Fry Societies		Law Commission of Ontario		Canadian Civil Liberties Association	\$69,500
Ontario Human Rights in Action Handbook: Second Edition	\$15,000	Program Activities 2013-14	\$550,000	Lake Ontario Waterkeeper	\$69,500
Canadian Civil Liberties Education Trust		Law in Action Within Schools		Public Interest Advocacy Centre	\$69,500
Translation and Closed Captioning of Public Legal Education Materials	\$25,000	Program Activities 2014-2015	\$100,000	Roy & Ria McMurtry Endowment 2013-2014	
Program Activities 2014	\$221,100	Summer Job Program 2014	\$14,952	Second Chance Scholarship Foundation Inc.	\$5,000
Canadian Environmental Law Association		Law School Comprehensive Grants 2014-2015		University of Windsor, Faculty of Law	\$5,000
Environmental Law Legacy Project	\$95,000	Lakehead University, Faculty of Law (2013-2014)	\$60,000	SKETCH Working Arts for Street-Involved and Homeless Youth	
Centre for Equality Rights in Accommodation		Lakehead University, Faculty of Law	\$106,000	Connect to Youth - Street Law Smarts	\$99,991
Northern Housing Rights	\$97,550	Osgoode Hall Law School	\$306,000	The Law Society of Upper Canada	
Youth4Housing4Youth Toronto	\$15,000	Queen's University, Faculty of Law	\$254,000	Legal Education Development and Educational Access to the 2014 Lawyer Licensing Process	\$364,500
Collaborative Justice Program		University of Ottawa, Faculty of Law, Civil Law Section	\$153,000	Paralegal Education Development and Educational Access to the 2014 Licensing Process	\$35,500
Satisfying Justice: A Restorative Approach to Adult Crime	\$80,000	University of Ottawa, Faculty of Law, Common Law Section	\$306,000	Legal Information for Everyone	\$8,673
Community Information Fairview		University of Toronto, Faculty of Law	\$254,000	The Osgoode Society for Canadian Legal History	
Law Student and Paralegal Training	\$12,000	University of Western Ontario, Faculty of Law	\$254,000	Program Activities 2014	\$186,682
Community Legal Education Ontario		University of Windsor, Faculty of Law	\$254,000	University of Ottawa, Faculty of Social Science	
CLEO Centre for Research and Innovation (Year 3)	\$166,000	LibraryCo Inc.		Improving Legal, Criminal Justice, Child Welfare, Health Care, and Educational Services for Families Affected by Youth Sexual Offending	\$11,419
CLEO Centre for Research and Innovation (Year 4)	\$85,000	Electronic Legal Resource Initiative	\$542,000	University of Toronto, Faculty of Law	
Your Legal Rights 2013-2014	\$163,200	Luke's Place Support and Resource Centre for Women and Children		Aboriginal Youth Summer Program	\$7,500
Egale Canada		Mapping the Landscape: An Inventory of Violence Against Women Family Law Support Work in Ontario	\$55,750	Victim Justice Network	
LGBT Parental Recognition Ontario Information Brochure Series	\$10,857	Metropolitan Action Committee on Violence Against Women and Children		Planning Symposium and Webcast	\$15,000
FCJ Refugee Centre		Program Activities 2013-14	\$293,575	Workers' Action Centre	
Pathways to Justice for Uprooted Youth	\$15,000	Native Law Centre		Building Provincial Capacity and Awareness on Precarious Employment	\$96,498
		Support for Native Law Centre's Mandate	\$20,000		
		Ontario Justice Education Network			
		Path to Justice: Implementation	\$95,824		
		Program Activities 2013-2014	\$835,000		
		Osgoode Hall Law School			
		Winkler Institute for Dispute Resolution	\$100,000		
				Total	\$8,975,677

CLASS PROCEEDINGS FUND

SUPPORTING CLASS ACTIONS TO LEVEL THE PLAYING FIELD

The Class Proceedings Fund (CPF) provides financial support for cases in which representative plaintiffs make a common claim on behalf of a larger group. These class actions have resulted in many more claims being heard than would otherwise be likely.

However, class actions can be expensive to pursue and the benefit for each plaintiff can be small. Support from the CPF and indemnification of plaintiffs against potential cost awards can help address these barriers. Applications for support are assessed based on a number of criteria including the strength of the case, the public interest, and the availability of funds in the CPF.

The CPF is administered by LFO. The Class Proceedings Committee, an independent body appointed by LFO and the Attorney General of Ontario, determines which cases to fund.

When an award or settlement is received in a case it has funded, the CPF receives a 10 per cent levy and the return of any disbursements paid, which in turn help fund new cases.

MESSAGE FROM THE CHAIR OF THE CLASS PROCEEDINGS COMMITTEE

In 2013, the Class Proceedings Committee (CPC) successfully helped more Ontarians realize the benefit of class proceedings as an access to justice tool. Financial support, through the carefully managed Class Proceedings Fund (CPF), is a major component of the help we provided.

It was gratifying that the plaintiff Bar continued to use the CPF, even as we saw the rise of third party funders. We were also pleased to see many of the cases we funded certified – seven to be precise – and many cases settled with significant benefits accruing to class members.

The CPC congratulates class counsel for their commitment and tenacity in advocating for their clients over what is often a great many years before positive results are achieved.

The CPF balance increased to \$9,495,618 at the end of 2013 from \$7,820,241 the previous year. This increased fund balance resulted from four major factors.

1. Applications for payment of costs by defendants decreased from \$2,916,515 in 2012 to \$977,397 in 2013. To some extent, 2012 was an anomalous year because the CPF paid over \$1.7 million in one case which was initially successful at trial, but subsequently overturned by the Court of Appeal.
2. Levies in successful cases rose from \$1,911,337 in 2012 to \$2,897,976 in 2013.
3. Disbursements decreased from \$1,466,868 in 2012 to \$464,491 in 2013.
4. We reduced administration costs.

While the overall fund balance has increased, so has the CPF's portfolio of active cases. Because we have more active cases we have a higher overall exposure to rising cost awards. The CPC is mindful of the fact that as its portfolio of cases increases it needs to maintain higher reserves to ensure sustainability.

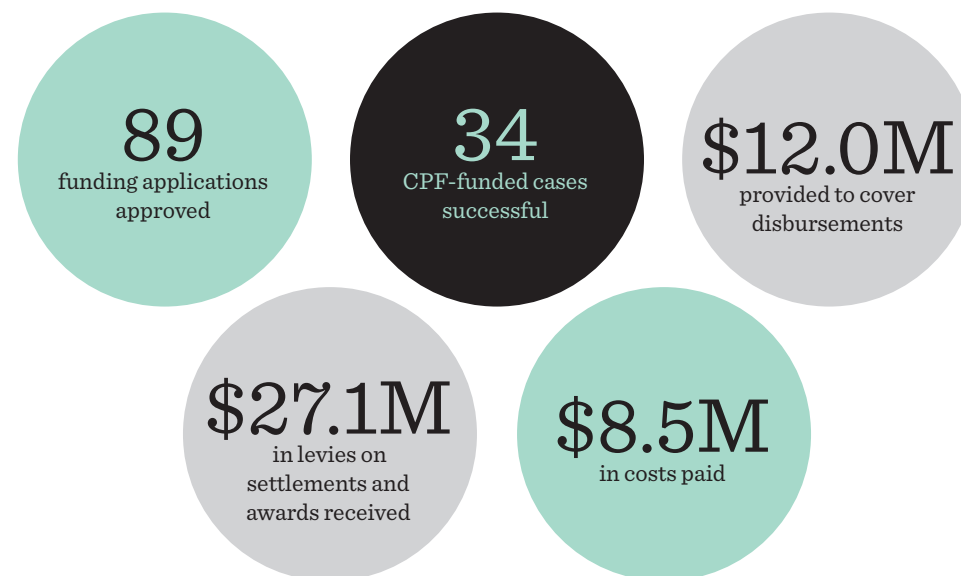
This year, the CPC was pleased to welcome Kim Twohig as a new member who will no doubt bring additional sound judgment to our work. At the same time, we were all very sad to say good-bye to Paul Morrison, a long-standing member of the CPC. Paul's commitment to access to justice and to our work was remarkable and much appreciated.

Finally, I'm proud to share that by the end of 2013 the CPF had provided a cumulative total of more than \$12 million in funding to help Ontarians access justice through class proceedings. We look forward to continuing this important work.



Valerie A. Edwards
Chair, Class Proceedings Committee

THE CLASS PROCEEDINGS FUND 1992 - 2013



Funded Cases Where Class Members Would or Did Receive a Benefit

Case	Nature of Case (Allegations)	Recovery (Before fees and other costs)	Approximate Number of Class Members	Years to Recovery
405341 Ontario Limited v. Midas Canada Inc.	Franchise dispute	\$8,500,000	Unknown	6
Williamson v. Sheila Morrison Schools	Residential schools	\$4,000,000	118	4
Roveredo v. Bard Canada	Defective hernia repair appliance	\$1,375,000	23	2
Cannon v. Funds for Canada Foundation, et al.	Solicitors' negligence and breach of duty	\$28,053,493	7,800	5
Dolmage v. HMQ	Residential schools	\$35,000,000	Unknown	4

New Applications Heard and Approved - 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Hearings Held	11	2	8	3	12	13	9	22	12	13
New Applications Approved	7	1	5	2	9	12	7	15	7	7

To discuss
a potential application
please contact:

Gina Papageorgiou, Counsel
Class Proceedings Committee
gpapageorgiou@lawfoundation.on.ca
Tel. 416.595.1425

2013 RESULTS
Statement of Financial Position

	For the period from Jan. 1, 2013 to Dec. 31, 2013	For the period from 1993 to Dec. 31, 2013
Opening balance	\$7,820,241	\$500,000
Total funding awarded	(464,491)	(12,008,049)
Funding repaid/cancelled	476,482	3,128,011
Administration costs/expenses	(424,055)	(2,808,874)
Interest received	166,862	2,022,876
10% levies received	2,897,976	27,138,894
Cost awards in favour of defendants	(977,397)	(8,477,240)
Balance as at Dec. 31, 2013	9,495,618	9,495,618

As required by O.Reg.771/92, s.13, we report as follows:

1. Number of new applications, by stage in proceeding, at the time of application.

Stage in the Proceeding	Number of New Applications 2013	2012
Pre-certification	11	11
Appeal re: Certification	-	-
Discovery	1	1
Determination of Common Issues	1	-
Appeal re: Common Issues	-	-
Post Common Issue Stage	-	-
Total	13	12

2. New applications granted and refused or pending/withdrawn, by stage in the proceeding, at the time of application.

Stage in the Proceeding	Granted	Refused	Deferred/ Pending*/ Stayed, etc.	Total
2012				
Pre-certification	6	3	2	11
Discovery	1	-	-	1
Other	-	-	-	-
Total	7	3	2	12
2013				
Pre-certification	7	2	2	11
Discovery	-	-	-	-
Other (Common Issues)	-	2	-	2
Total	7	4	2	13

*Carried forward to the next year.

3. In 2013 financial support was awarded for seven (7) new cases under section 59.3(1) of the *Law Society Act* and further financial support was awarded for seven (7) cases which had previously been approved, as a result of supplementary funding applications under section 59.3(5) of the *Act*. In 2012 financial support was awarded for seven (7) new cases under section 59.3(1) of the *Act* and further financial support was awarded for seven (7) cases which had previously been approved, as a result of supplementary funding applications under section 59.3(5) of the *Act*.

4. Total awards, by disbursement type is \$464,491.

Type of Disbursement	Total Amount Awarded 2013
Administrative Expenses	\$ 34,300
Travel	6,000
Examiners' Charges	15,000
Experts' Fees	354,454
Notice to Class	54,737
Other	-
Total	\$464,491

Under regulation 771/92, this section includes only amounts awarded during 2013. Total amounts paid out by the CPF during 2013 may vary as amounts awarded are reimbursed to applicants on an ongoing basis after funded disbursements have been duly incurred and paid by the applicant.

10. Proceedings for which plaintiff was awarded financial support under section 59.3 of the *Act* (these included both newly approved cases and previously approved cases for which supplementary funding was awarded during 2013).

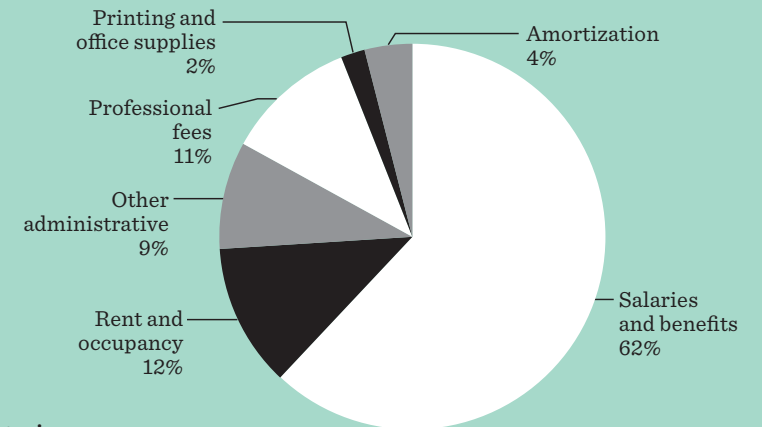
	Administrative Expenses	Travel Expenses	Examiners' Charges	Experts' Fees	Notice to Class	Other	Total
2013	\$	\$	\$	\$	\$	\$	\$
Product liability	-	-	-	20,564	48,737	-	69,301
Pension funds	-	-	-	30,000	-	-	30,000
Residential schools	-	-	-	140,000	-	-	140,000
Product liability	15,000	-	-	-	-	-	15,000
Insurance	1,000	6,000	-	-	-	-	7,000
Pension funds	-	-	-	3,890	-	-	3,890
Medical negligence	-	-	-	30,000	-	-	30,000
Environmental	-	-	-	125,000	-	-	125,000
Price Fixing	100	-	-	-	-	-	100
Product Liability	5,000	-	-	-	-	-	5,000
Securities	1,000	-	-	-	-	-	1,000
Consumer Protection	5,000	-	-	-	-	-	5,000
Solicitors' Negligence	7,200	-	15,000	5,000	6,000	-	33,200
All Cases	34,300	6,000	15,000	354,454	54,737	-	464,491
2012							
All Cases	188,342	227,921	35,055	994,228	11,570	9,752	1,466,868

2013 FINANCIAL OVERVIEW

EXPENDITURES

LFO continued to manage its expenses prudently in these difficult economic conditions. Operating expenses, excluding Class Proceedings Fund operating costs, decreased by 8.0% to \$1.8 million. This follows decreases in operating expenses of 5.6% in 2012 and 15.0% in 2011.

LFO 2013 Operating Expenses (including Access to Justice Fund and excluding the Class Proceedings Fund)



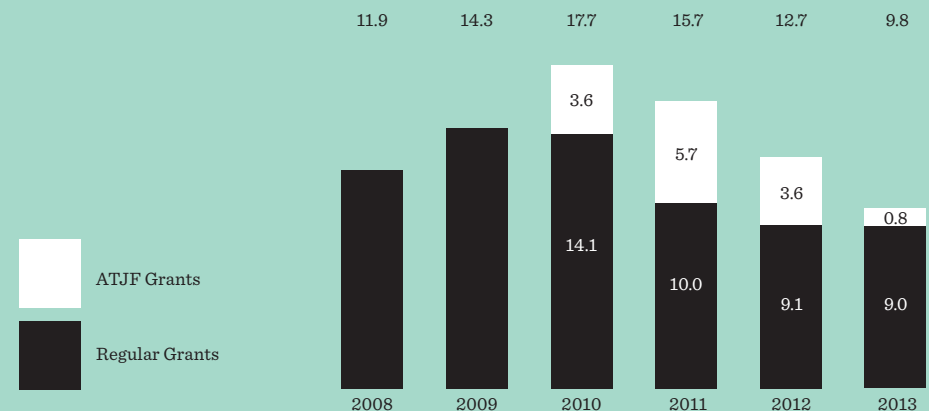
LFO Funding to Legal Aid Ontario

Under the terms of the *Law Society Act*, seventy-five per cent of mixed trust account revenue net of operating expenses is paid to Legal Aid Ontario (LAO). LFO's contribution increased in 2013 to \$24.4 million. This amount still represents a small component of LAO's total revenues.

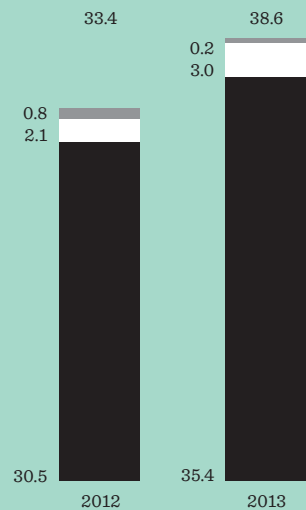
Discretionary Grants Authorized

With its remaining funds, LFO awards grants that support improved access to justice and excellence in the legal profession. Total grants authorized in 2013 were lower than in 2012 as grant levels were adjusted to reflect continuing low interest revenues and the amount available in the Access to Justice Fund.

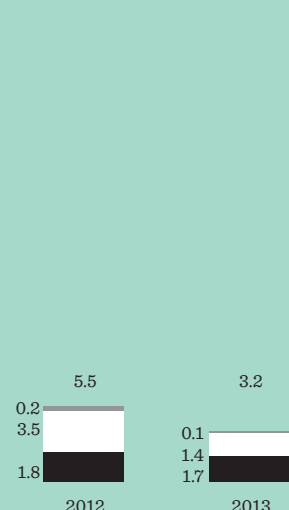
Grants Authorized (\$M)



Revenues (\$M)



Expenses (\$M)

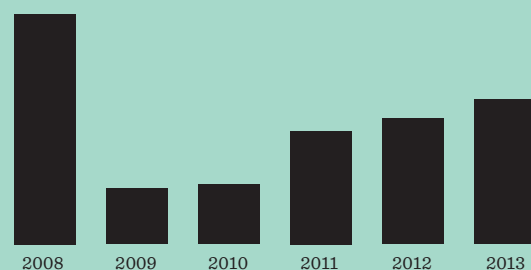


REVENUES

LFO's main source of revenue is interest earned on Ontario lawyers' and paralegals' mixed trust accounts. These mixed trust accounts hold funds in trust for more than one client. By law, all such interest is paid to LFO. Revenue from this source can be volatile. Revenues increased from 2012 to 2013 due to higher mixed trust account balances and improvements in agreements negotiated by LFO with financial institutions. However, because prime rate continues to be at historic lows, mixed trust account revenue in 2013 was lower than the average for the last ten years.

Interest Revenues and Rates

Mixed Trust Account Interest (\$M)	53.8	13.0	13.8	26.5	29.6	34.2
Average Prime Interest Rate (%)	4.7	2.4	2.6	3.0	3.0	3.0



LFO periodically negotiates rates of return with all financial institutions that are authorized to hold mixed trust accounts for lawyers and paralegals. Some of these agreements are more favourable than others and LFO continues to seek improvements in all of them. To illustrate the importance of these negotiations, if the bank with the worst terms matched the bank with the best terms, the additional interest generated could fund 10 more Connecting Articling Fellowships that would provide legal services to linguistic minorities in their own language.

The 2013 audited financial statements are available online at:
<http://www.lawfoundation.on.ca/who-we-are/annual-reports>

GOVERNANCE AND STAFFING

THE LFO BOARD OF TRUSTEES

LFO is governed by a five-person board of trustees whose members serve voluntarily. Three trustees are appointed by the Law Society of Upper Canada and two by the Attorney General of Ontario. LFO submits its annual report to the Attorney General for tabling in the Legislative Assembly.



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THE CLASS PROCEEDINGS COMMITTEE

The CPC has five members, one appointed by each of the LFO and the Attorney General of Ontario, and three appointed jointly.



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THE GUTHRIE AWARD

RECOGNIZING EXCELLENCE IN ACCESS TO JUSTICE ACHIEVEMENTS

LFO was pleased to recognize Justice Stephen Goudge with the 2013 Guthrie Award.

Justice Goudge has been one of Canada's most respected appellate judges. He is also an inspirational champion of access to justice through his activities outside the courtroom, the reason for his selection as the 2013 Guthrie Award recipient.

Justice Goudge is best known to the public as the Commissioner who led the Inquiry into Pediatric Forensic Pathology in Ontario. The criminal bar identifies the Goudge Inquiry as one of the most important contributions to understanding the role and limitations of the expert witness and the need for excellence in dealing with forensic evidence to prevent miscarriages of justice.

Justice Goudge has worked with many legal organizations where his determination and creativity were instrumental in moving toward a more inclusive and accessible justice system. He also has an enduring passion for legal education, ethics and professionalism. While some judges focus only on the courtroom, Justice Goudge has been deeply engaged in efforts to develop creative solutions in administrative justice, alternative dispute resolution, legal aid, and middle-income access to justice.

The Guthrie Award was established in honour of former Law Foundation Trustee and Chair H. Donald Guthrie. It acknowledges outstanding individuals or organizations for their contributions to access to justice and excellence in the legal profession.

"There is simply no judge in Canada more engaged with activities to advance the public interest outside the courtroom."

Lorne Sossin, Dean of Osgoode Hall Law School

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