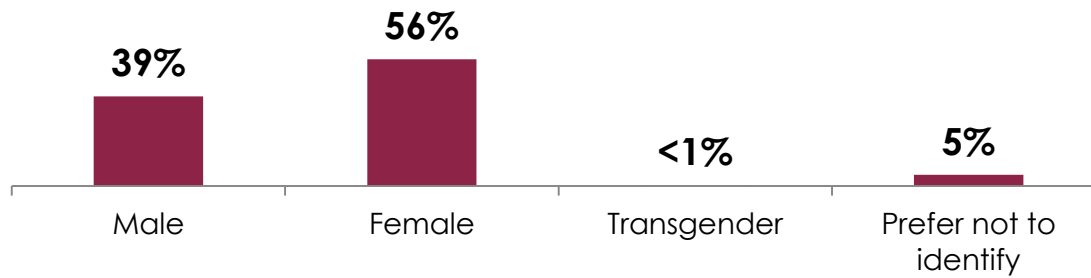


Law Society
of Alberta
*Part-Time
Membership Fees
Research Report*

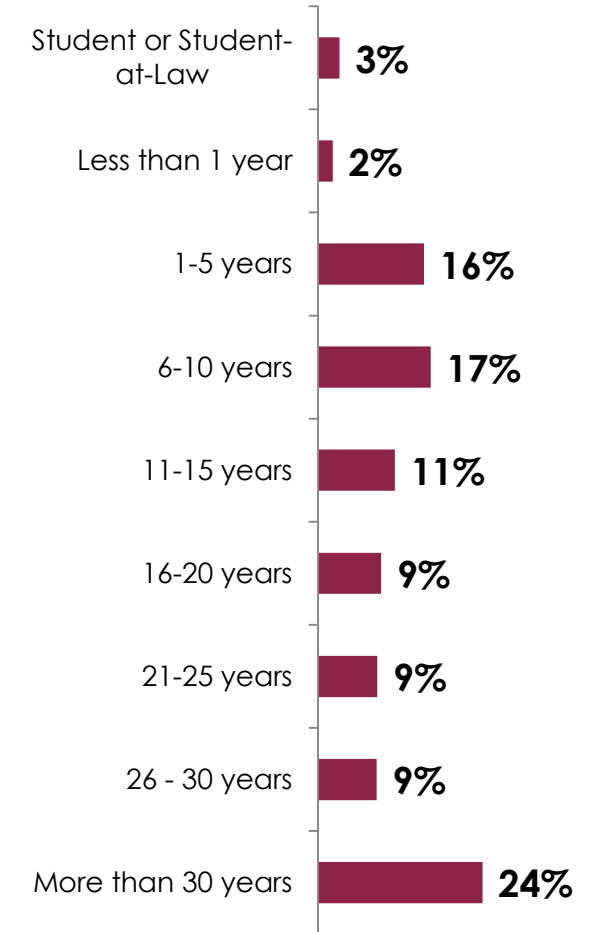
DEMOGRAPHICS

Profile of 1,043 survey respondents.

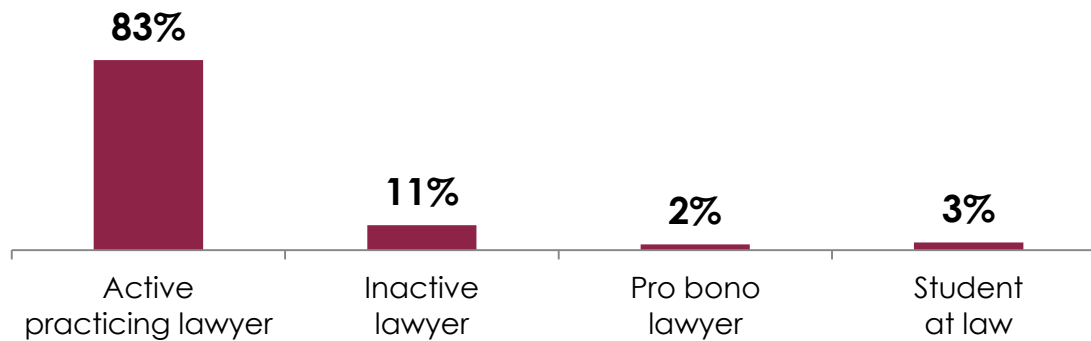
Gender



Length of Time as a Bar Member



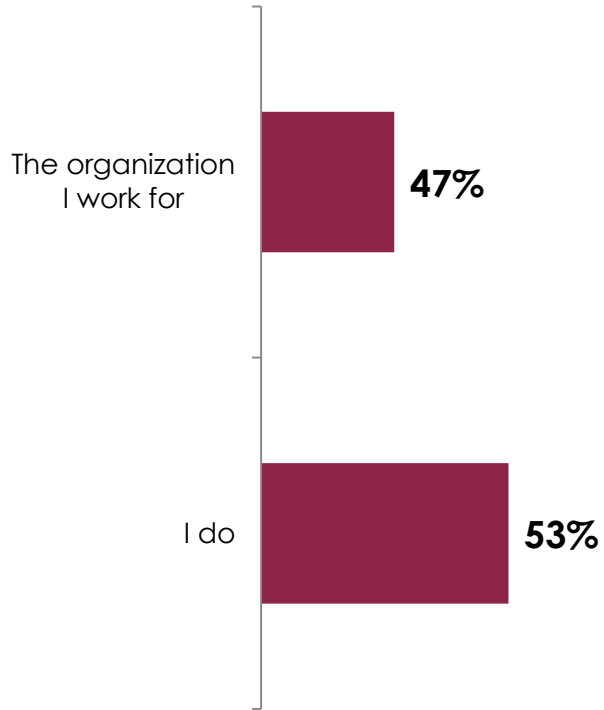
Current Status with Law Society



DEMOGRAPHICS

Profile of 1,043 survey respondents.

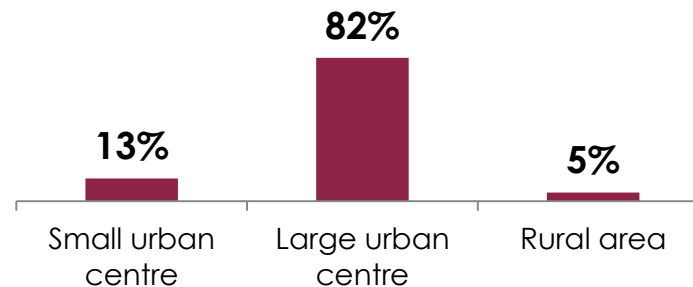
Who Pays Annual Membership Fees



Practice Setting

Sole Practitioner	28%
Government	12%
Corporate	12%
Academic	2%
Law firm (2-10 lawyers)	24%
Law firm (11-25 lawyers)	8%
Law firm (26-50 lawyers)	5%
Law firm (51+ lawyers)	8%

Practice Location



Primary Area(s) of Practice*

Corporate	26%
Civil Litigation	23%
Commercial	20%
Wills and Estates	19%
Matrimonial/Family	18%
Real Estate Conveyancing	17%
Employment/Labour	8%
Administrative/Boards/Tribunals	8%
Estate Planning and Administration	8%
Criminal	7%
Entrepreneurial/Business	5%
Municipal Government	4%
Intellectual Property	3%
Aboriginal	3%
Mediation	3%
Student at law	3%
Other	18%

*Areas of practice over 3% shown

Summary of part-time membership fee survey results

1 MAJORITY ARE IN FAVOUR



84% of respondents were in favour of implementing **part-time membership fees**. This question was asked at the **end of the survey**.

2 BENEFITS



Part-time fees are perceived as **offering benefits for both the profession** (e.g., increased diversity, easier to practice part-time) **and lawyers personally** (e.g., better work-life balance, work longer before retirement, return to profession after a leave of absence).

3 CONCERNS



Concerns were voiced about **issues of fairness, tracking and monitoring for compliance, increased costs for full-time members**, and that it will **not have enough impact** without **insurance reductions**.

4 STRUCTURE AND FEE PREFERENCE



Two options rise to the top with almost equal support:

- 1) a **\$1,300 annual membership fee** with a **maximum hours ceiling** and
- 2) a **\$1,300 annual membership fee** with **both a maximum hours and income ceiling**.

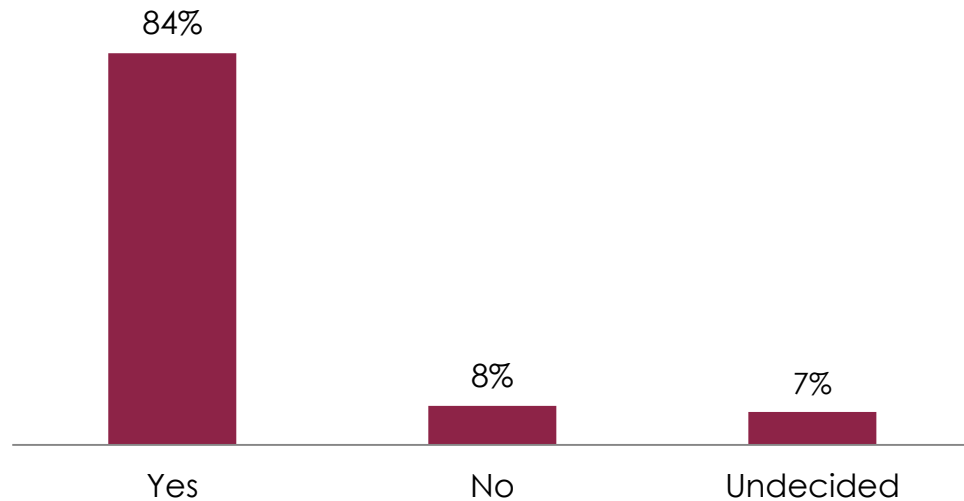
5 MAXIMUM HOURS AND INCOME



While **most feel 20-25 hours is the appropriate maximum hours ceiling**, there are **mixed views on the appropriate maximum income ceiling**.

After a detailed review of structure and fee options, majority are in favour of implementing part-time membership fees. Female and inactive lawyers are most favourable.

The majority feel the Law Society should implement a part-time membership fee status.

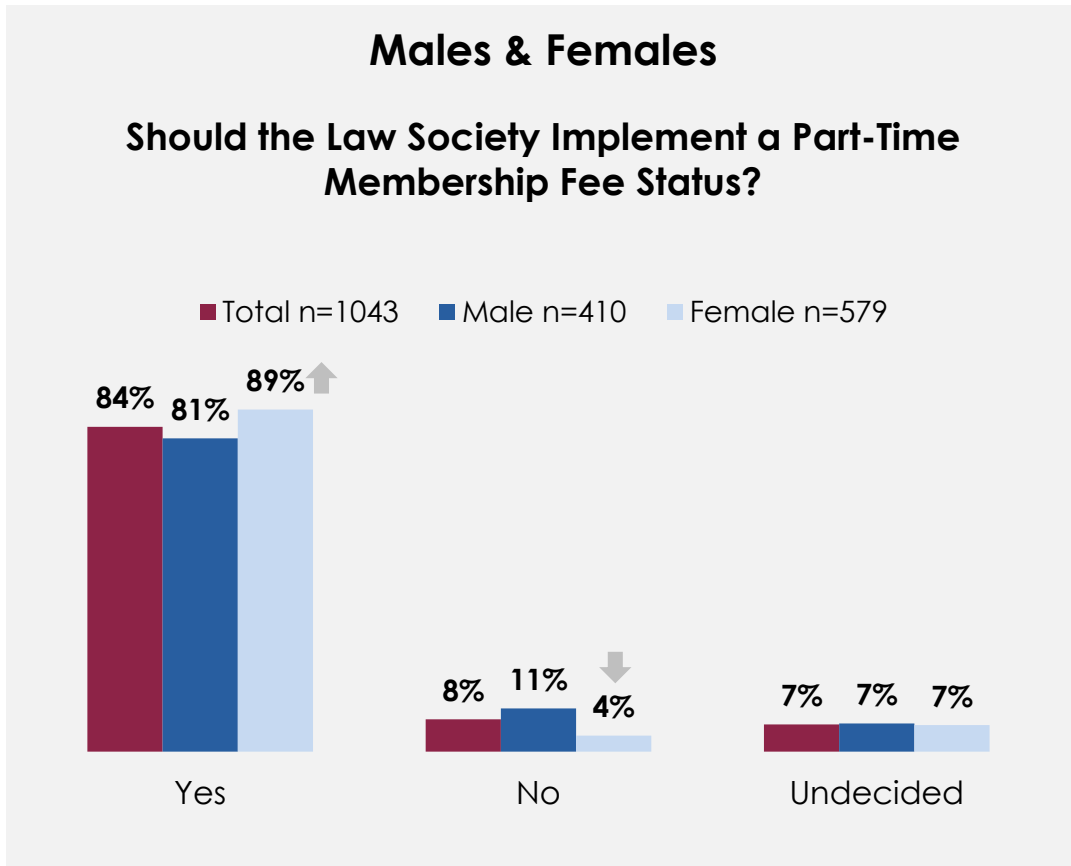


96% of inactive lawyers and 89% of females feel the Law Society should implement part-time fees.

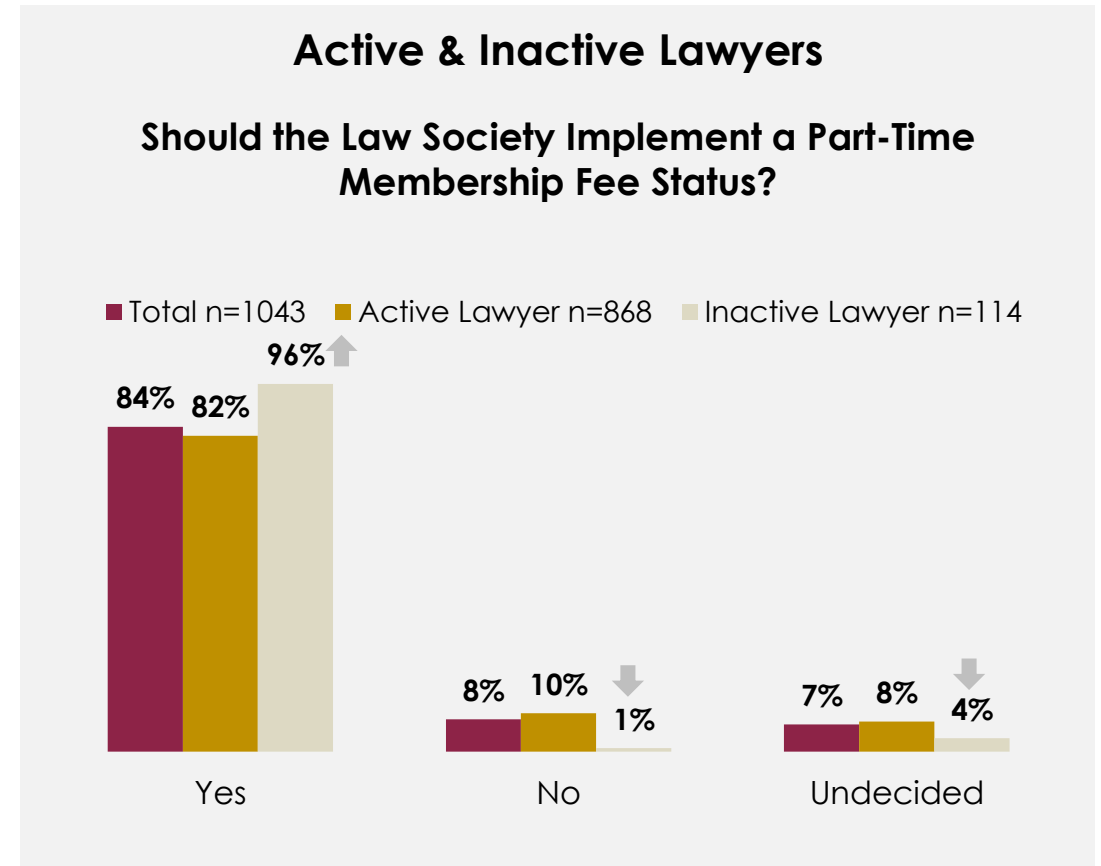
Most react positively saying they are interested, excited or enthusiastic about possible part-time membership fees.



Demographic breakdown



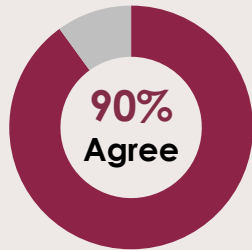
↑ Notably higher than males
 ↓ Notably lower than males



↑ Notably higher than active lawyers
 ↓ Notably lower than active lawyers

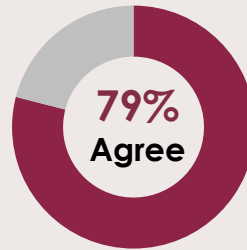
Impact of Part-Time Status to Profession

Make it easier for lawyers to maintain a part-time practice by reducing costs



"If the fees associated with full-time practice are serving as an impediment to lawyers continuing to serve in the profession, then we have a problem. I see the issue as affecting not only the lawyers, but also the public."

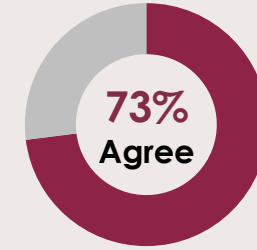
Diversify the pool of lawyers in Alberta



"They are a great idea as they will support those groups of individuals who may not be able to commit to full-time practice and thus further diversify our profession."

"There could actually be better retention of female lawyers within the profession if part-time practice was more encouraged through the introduction of part-time membership fees."

Help inactive lawyers return to the profession and revive their practice after a leave of absence

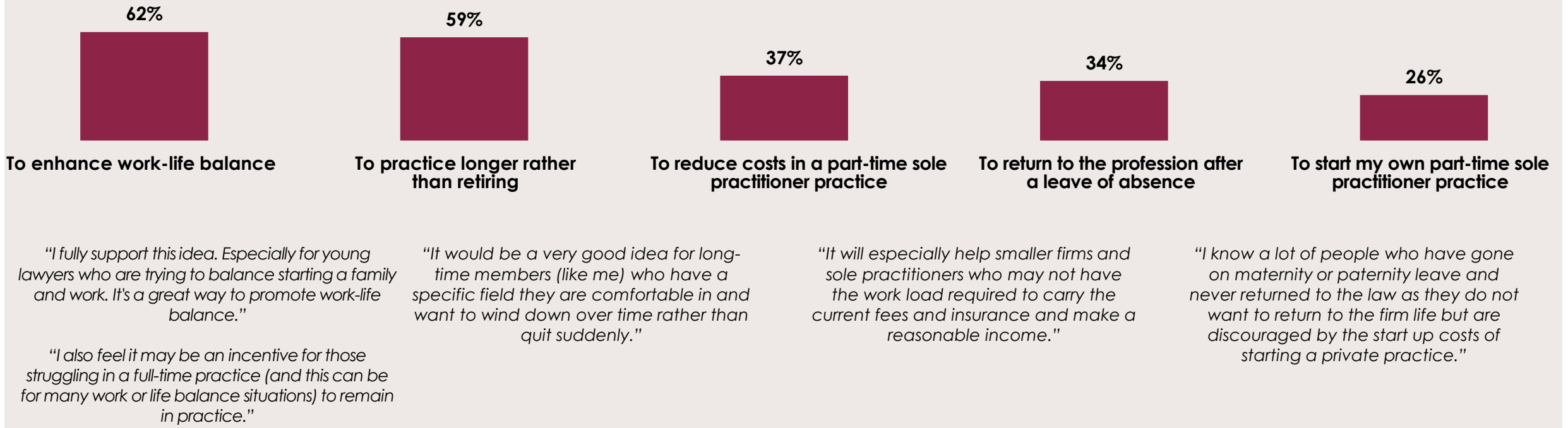


"I have been inactive for 9 years. There have been times that I would have liked to be able to continue a part-time practice but the option was not available."

"Having this option may decrease the attrition of lawyers in our profession, including for family or health obligations."

Benefits

Personal Impact of Part-Time Status



Concerns

Defining What is Fair



Underpinning preferences for part-time structures and fees are concerns about what constitutes 'fairness'.

Is it fair...

- For those facing financial barriers to be limited on hours worked?
- To limit hours given to case files?
- For lucrative part-time lawyers to be able to apply for part-time status?
- For full-time lawyers to pay more for same services from LSA?

Tracking and Auditing for Compliance



Regardless of preferred structure type, many expressed concerns about how part-time status would be tracked and monitored for compliance.

- How will the LSA create consistent and reliable measures that would take into account diversity in practice-types and billing practices?
- What would be the added administrative burden to part-time lawyers and to LSA?

Alternative suggestions include:

- Tie a part-time fee to certain events in a lawyer's career (e.g., maternity leave, sick leave, doing pro-bono work)
- Base part-time status on number of clients rather than hours of income
- Offer bursaries instead

Increased Costs to Full-Time Members



Some full-time members are concerned about increased costs in their membership fees and potential insurance increases due to greater liability with part-time practitioners.

Not all agree that increasing full-time fees is necessary since part-time status should bring in more revenue for LSA, by slowing attrition and welcoming new members.

Token Gesture without Part-Time Insurance Rate



Membership fee reductions is seen as a good first step; however not all believe the impact will be meaningful or far-reaching without an accompanying reduction in insurance rates for part-time members.

LSA Services are the Same for Everyone



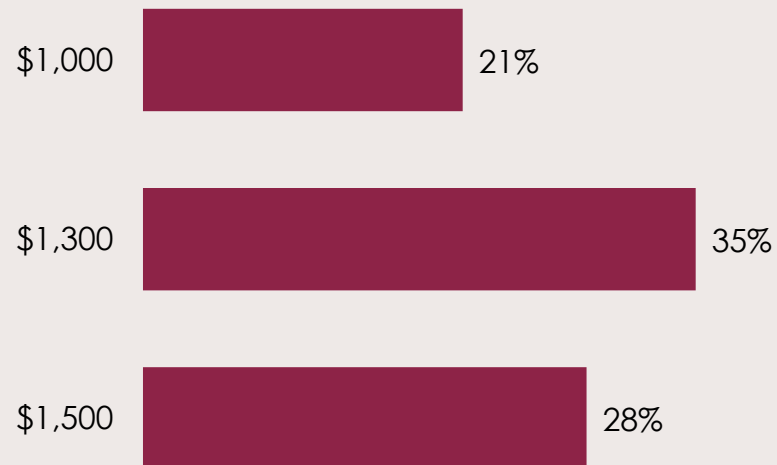
Some question whether LSA should allow a reduction in fee since membership and access to service is equal regardless of status,

"The services by the Law Society do not change based on how many hours one practices."

"I do understand that it is costly to practice law, but if the fees charged bear some relationship to the work being done by the Law Society, for things like registration, etc., then I don't see how practicing for fewer hours a week changes that."

Preference for a \$1,300 annual part-time fee is strongest because half the current fees seems fair and reasonable.

Preferred Part-Time Annual Fee



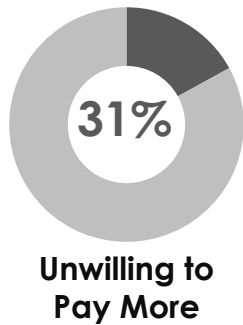
Top Reasons for Preferring \$1,300 Annual Part-Time Fee



"I think a 50% reduction is fair for both full-time and part-time lawyers, especially if part-time lawyers are working about half of a standard work week (20-25 hours/week)."

While 69% of active practicing lawyers are willing to pay more to facilitate part-time fee status, 31% are not.

31% are Unwilling to Pay More

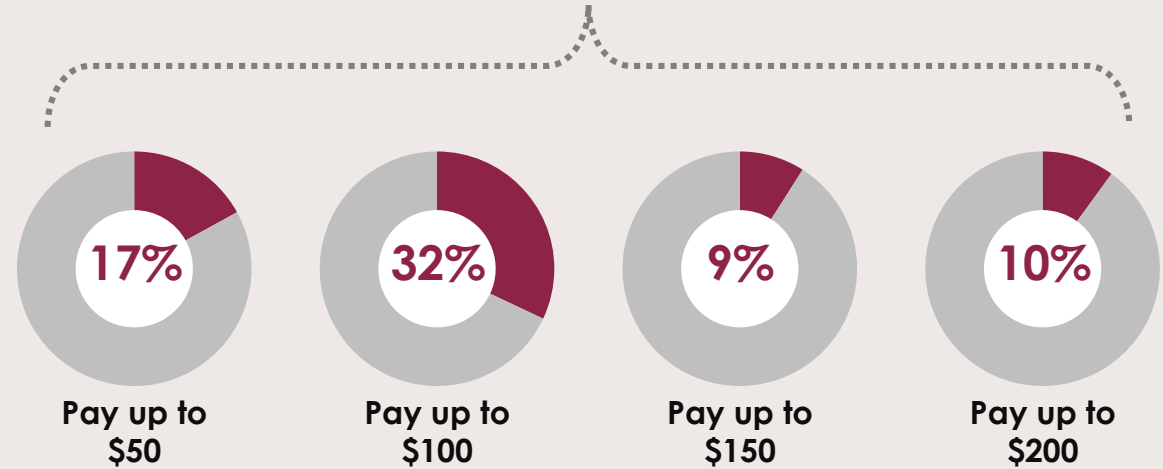


Unwilling to Pay More

They tend to be less favourable about part-time fees, have more years with the bar, and pay membership fees themselves.

- **56% in favour** of implementing part-time fees
- **53% feel positive**, 10% neutral and **38% negative** about implementing part-time fees
- **57% pay membership fees themselves**
- **32%** have **less than 10 years with the bar** while **39%** have **more than 25 years with the bar**
- **43% female**

69% are Willing to Pay More

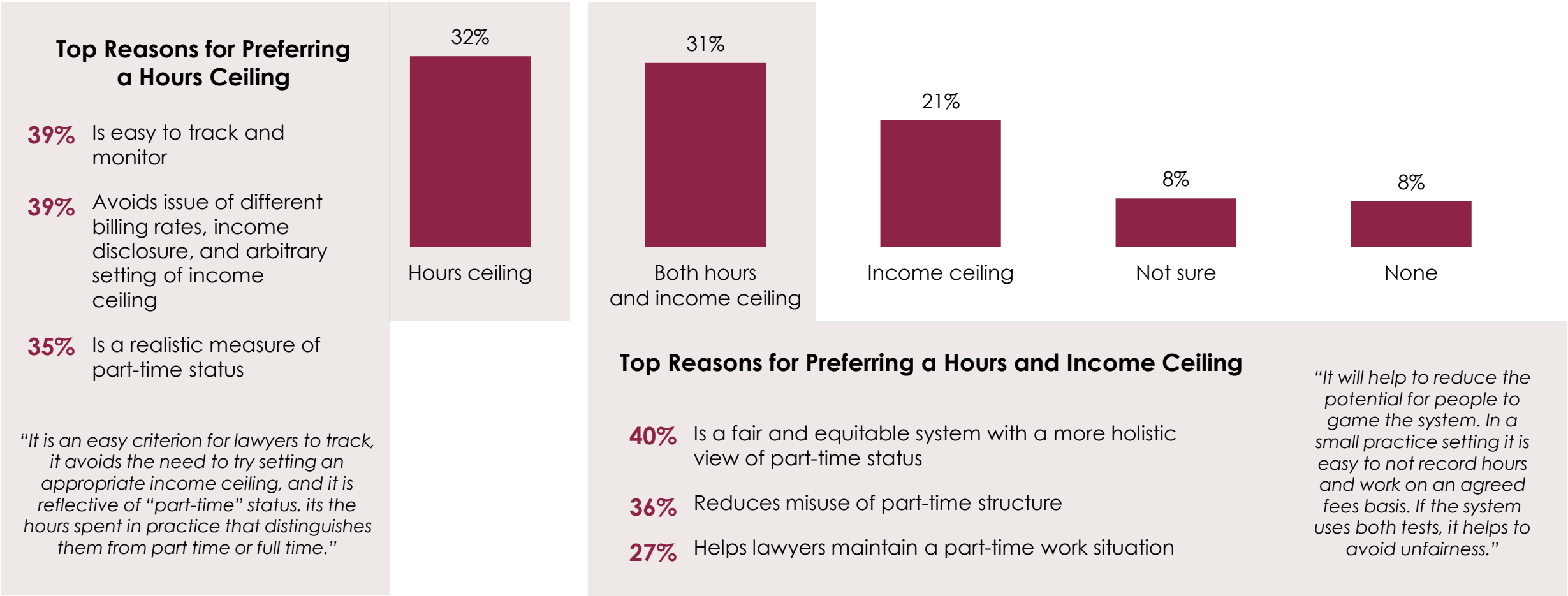


They tend to be female, more favourable about part-time fees, and have fewer years with the bar.

- **94% in favour** of implementing part-time fees
- **93% feel positive**, 5% neutral and 2% negative about implementing part-time fees
- **54%** have **membership fees paid by the organization they work for**
- **37%** have **less than 10 years with the bar** while **31%** have **more than 25 years with the bar**
- **59% female**

There is equal preference for an hours ceiling or both an hours and income ceiling.

Preferred Structure for Setting Part-time Status



Top Reasons for Preferring a Hours Ceiling

- 39%** Is easy to track and monitor
- 39%** Avoids issue of different billing rates, income disclosure, and arbitrary setting of income ceiling
- 35%** Is a realistic measure of part-time status

"It is an easy criterion for lawyers to track, it avoids the need to try setting an appropriate income ceiling, and it is reflective of "part-time" status. Its the hours spent in practice that distinguishes them from part time or full time."

Top Reasons for Preferring a Hours and Income Ceiling

- 40%** Is a fair and equitable system with a more holistic view of part-time status
- 36%** Reduces misuse of part-time structure
- 27%** Helps lawyers maintain a part-time work situation

"It will help to reduce the potential for people to game the system. In a small practice setting it is easy to not record hours and work on an agreed fees basis. If the system uses both tests, it helps to avoid unfairness."

There are two options that rise to the top for a part-time membership fee model.

1

\$1,300 Annual Membership Fee with A Maximum Hours Ceiling

Most feel 20-25 hours is the appropriate maximum hours ceiling.



2

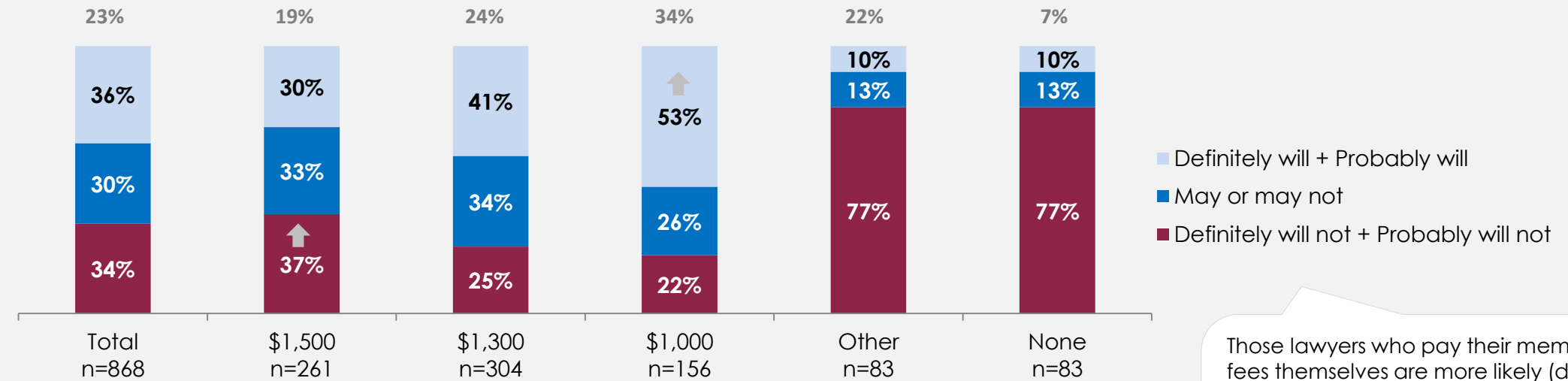
\$1,300 Annual Membership Fee with Both a Maximum Hours and Income Ceiling

While most feel 20-25 hours is the appropriate maximum hours ceiling, there are mixed views on the appropriate maximum income ceiling.

LIKELIHOOD OF ACTIVE LAWYERS SHIFTING TO PART-TIME STATUS

Likelihood to shift to part-time status increases with lower membership fees.

Likelihood to Move from Full-Time to Part-Time Status
(Among Active Practicing Lawyers n=868)



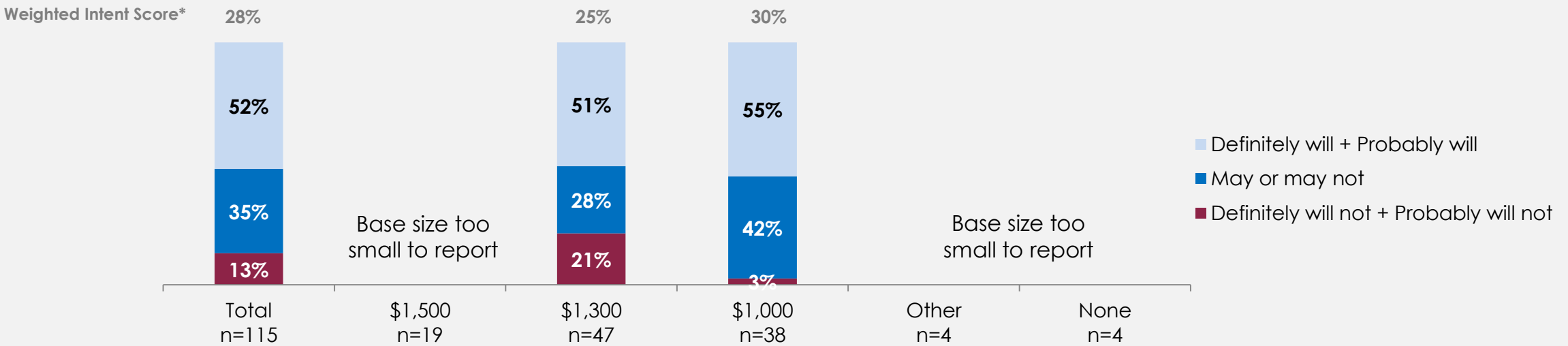
↑ Notably higher than other two fee amounts

Those lawyers who pay their membership fees themselves are more likely (definitely + probably will) to move from full to part-time status if part-time fees are implemented than lawyers whose fees are paid for by the organization they work for (49% vs. 24%).

LIKELIHOOD OF INACTIVE LAWYERS RETURNING TO PROFESSION

Likelihood to return to the profession is more likely with a fee set at \$1000.

Likelihood to Return to Profession
(Among Inactive Lawyers n=115)



*For calculation and explanation of Weighted Intent score, see slide 42

ADDITIONAL FEEDBACK ON PART-TIME MEMBERSHIP FEES

Most reiterate the importance of part-time membership, their concerns, and a general appreciation for LSA's consideration of the subject.

IMPORTANCE OF PART-TIME MEMBERSHIP

Many express how important they feel part-time fees are to the profession.

"This is an amazing opportunity for those who do not wish to commit to a full time practice."

"This is a great opportunity for the law society to increase access to justice by allowing lawyers who could not otherwise afford to practice the ability to make themselves available to the community."

"This would be an important evolutionary step for the Law Society of Alberta, better serving the needs of all of its Members, including those who cannot or do not want to work full-time. I am in that category."

"Introducing part-time fees is a step in the right direction. Could help to decrease barriers to practice and increase diversity in the profession."

CONCERNS WITH PART-TIME MEMBERSHIP

Concerns about part-time fee status are reiterated as a final consideration for LSA.

"I think part-time membership fees are a great idea, however, ironing out all the details prior to implementation is key."

"I think it is something worth considering as a trial. I do have concerns that it could be subject to minor abuse and that it may drive up the fees for full-time lawyers unfairly."

"My principle concern is the mischief and misuse of this status to exploit vulnerable lawyers and that income and hours would be artificially suppressed or manipulated to benefit large firms and that the hoped for benefit of increasing the pool of lawyers would not be achieved."

"I also have concerns with the idea of lawyers only putting in part-time hours. The law does not lend itself well to being even full-time."

APPRECIATION FOR LSA

Appreciation that LSA is considering part-time fee status is also expressed.

"Very happy to see LSA show leadership on this issue. It is long overdue!"

"I am pleased the Law Society is considering this issue, and taking the time to survey members. I am interested to see what comes out of this excellent initiative."

"Pleased that it being considered. I hope it will as many may offer to help the charitable sector."

"Thanks for taking the time to consider this. I think it is so important for lawyers who want to practise part-time to be supported in their decision."

"I'm glad the Law Society is thinking about this issue and am encouraged that the Law Society will hopefully implement part-time fees."