

# Nova Scotia Barristers' Liability Claims Fund

The Nova Scotia Barristers' Liability Claims Fund is established and operated pursuant to the Legal Profession Act and Regulations, as part of the Nova Scotia Barristers' Society's public protection mandate.

The Fund conducts the mandatory professional liability insurance program for the benefit of the practicing insured members.

Annual Report 2003



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CLAIMS REVIEW

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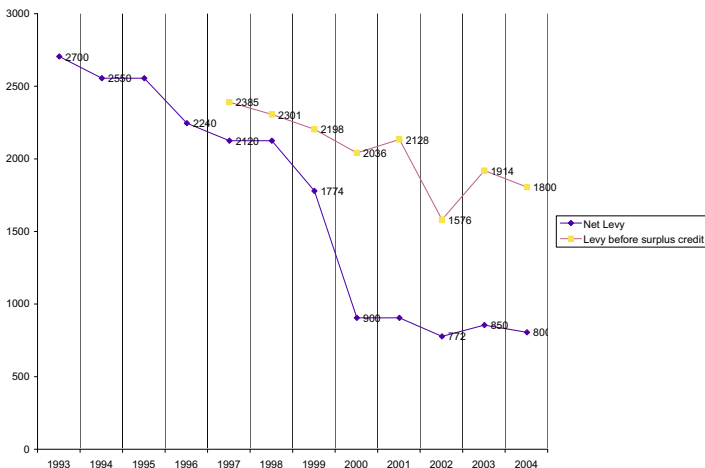
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THE NSBLCF WEBSITE IS FOUND AT [WWW.NSBLCF.CA](http://WWW.NSBLCF.CA)  
THE 2003 CLIA ANNUAL REPORT IS AVAILABLE AT [WWW.CLIA.CA](http://WWW.CLIA.CA)

# NOVA SCOTIA BARRISTERS' LIABILITY CLAIMS FUND REPORT

I am pleased to report on behalf of the Board that the Nova Scotia Barristers' Liability Claims Fund has had another very strong year. The practicing levy for private practitioners for the 2004-2005 year is \$800; for Nova Scotia Legal Aid staff lawyers, \$400; and for lawyers for the provincial government, \$350.



**Insurance Levy - 12 Year History**

This represents a \$50 decrease for private practitioners over last year.

It is the second lowest assessment for members in the last decade, well off the high of \$2700 per member reached in the early 1990s. It is also one of the lowest insurance assessments in the country.

Our actuaries advise us that the true levy necessary to meet our expected liabilities in the coming year would be approximately \$1800 per private practitioner, or about 2.25 times the levy being charged to private practitioners. We are able to subsidize this amount through the return of excess surplus held by the Fund to insured members. We do this in consultation with our actuaries. Since we are gradually depleting our surplus, we can expect the levy to increase over time. *Members should not expect the levy to remain at these low rates indefinitely.*

Our investment experience has been better than anticipated in the past year, which has contributed to the excess surplus available to be returned to insured members. As well, we continue to have a very favourable loss experience. We can all do our part to contribute to the situation by being careful and claims wise in the way we practice.

Our claims experience with CLIA (which provides coverage of our liability claims in excess of \$300,000 up to a maximum of \$1,000,000 per occurrence) continues to be extraordinarily good. We are once again able to withdraw excess subscriber's equity, this time in the amount of \$339,000. This amount has

allowed us to increase the credit being offered by the Fund to each insured member. We will continue to return excess surplus over time, in keeping with the recommendations of our actuaries. While the portion of the levy which is payable to CLIA has increased slightly to \$292 from \$280, Nova Scotia remains the province with the lowest levy assessed by CLIA as a result of its positive claims experience and good file management.

The Legal Aid rate has been recommended at 50 percent of the private practitioners' rate or \$400, in keeping with a practice started some years ago.

Provincial government lawyers pay an amount equal to the CLIA premium together with a contribution to administration and a part of their exposure.

The government lawyer rate of \$350 is made up as follows:

CLIA premium	\$292
Administration and contribution to exposure	\$58
<b>Total</b>	<b>\$350</b>

The Fund is committed to managing your funds cautiously. We are very pleased with the financial health of the Fund and our consequent ability, through return of surplus, to stabilize rates for members during these difficult times in financial and insurance markets. We can all do our part to keep increases in rates to a minimum, by practicing carefully with a view to loss prevention.

The Board has approved the funding of a risk manager's position to work with members on a completely confidential basis in controlling practices which give rise to claims. It has been determined by the Society in its annual plan that they will begin to develop a new assistance program that will build upon the risk management and loss prevention initiatives of the Fund. The details of this program and how it looks will require considerable work by Council and the Fund Board in the coming year.

The Fund is very pleased to continue its activities for the benefit of members. I would like to thank all members of the Board for the commitment and dedication they continue to show to the Fund. I would also like to especially thank your Director of Insurance, Deborah Rozee, and the dedicated staff, Patricia Neild, Gerri O'Shea and Christine Ward, who work so diligently to assist members. It is indeed a pleasure and an honour to be Chair of the Board of the Fund.

A summary of the past year's financial highlights, taken from the audited financial statements of the Fund, follows this report.

**Sandra MacPherson Duncan, Chair**