

NEW ZEALAND LAW SOCIETY

107th Annual Report& Statement of Accounts

for the year ended 30 November 2003

New Zealand Law Society Council 2003-2004



Back row, from left: Ron Pol (CLANZ President), David Clarke (Wellington DLS Executive Director), Bernie Rowe (for Murray Hunt, Marlborough), John Marshall (Wellington), John Brandts-Giesen (for Tom Weston QC, Canterbury), Alan Ritchie (NZLS Executive Director), Raynor Asher QC (NZLS Vice-President), Paul Coe (Wanganui), Tony Sullivan (Westland), Denys Barry (Gisborne), John Young (for Richard Russell, Southland), Stuart Webster (Hawke's Bay), Stuart Rose (NZLS Board), Nevin Dawson (NZLS Vice-President to 10/03).

Third row, from left: Keith Berman (Auckland), David Burns (Family Law Section Chair), Stephen Bryers (Auckland), Len Andersen (Otago), Jacqui Gray (NZLS Board), Kevin Kilgour (Auckland), Kit Clews (Waikato Bay of Plenty).

Second row, from left: Keith de Ridder (for Manawatu), Chris Moore (Property Law Section Chair), Janine McMurdo (Southland DLS Secretary), Anne Stevens (Otago), Kate Davenport (Auckland), Margaret Malcolm (Auckland DLS Executive Director), Benedict Ryan (Waikato Bay of Plenty DLS Executive Officer).

Front, from left: Geoff Brodie (Canterbury), Graeme Downing (Nelson), Emma Smith (Taranaki), Sue Styants (NZLS Board), Pam Davidson (Wellington), Christine Grice (NZLS President to 10/03), Ann Wilson (NZLS Vice-President), Chris Darlow (NZLS President from 11/03).

Absent: Kerry Ayers (Canterbury), Ken Daniels (Wellington), Warwick Deuchrass (NZLS Vice-President & Treasurer), Murray Hunt (Marlborough), Gordon Paine (Manawatu from 12/03 replacing Ben Vanderkolk), Warren Pyke (Waikato Bay of Plenty), Richard Russell (Southland), Tom Weston QC (Canterbury).

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New Zealand Law Society Board 2003-2004



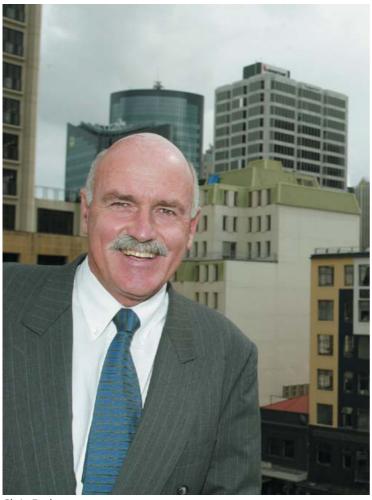
Back, from left: Ron Pol (Observer, CLANZ), Alan Ritchie (NZLS Executive Director), Stuart Rose (Christchurch).

Middle, from left: **Stephen Bryers** (Auckland), **Kevin Kilgour** (Auckland), **John Marshall** (*Observer*, Wellington DLS), **Nevin Dawson** (Vice-President, rest of North Island to 10/03).

Front, from left: Raynor Asher QC (Vice-President, Auckland), Sue Styants (Papakura), Christine Grice (President to 10/03), Jacqui Gray (Hastings), Ann Wilson (Vice-President, Wellington), Chris Darlow (President from 11/03).

Absent: Kerry Ayers (Christchurch), Warwick Deuchrass (Vice-President, South Island & Treasurer), Adrian More (Dunedin), Bill Wilson QC (Wellington).

PRESIDENT'S REVIEW



Chris Darlow

I have had quite an **introduction to NZLS operations** since becoming President-Elect in April 2003 and then taking over the presidency at the end of October. Even with my previous involvement with the NZLS, I had not truly appreciated the organisation's effectiveness and the way in which the Council, Board, committees, sections, groups, districts and staff combine for the profession's benefit. It has been a privilege to witness at first hand the efforts of the many practitioners who are prepared to commit themselves, unpaid, to the profession's greater good. What I am talking about here is not just the big-ticket items, but all of the contribution which ensures the quality and value of our law reform and new legislation work, our top-rate education programmes, our publications, our array of regulatory obligations and our international relationships.

This report and earlier *LawTalk* coverage confirms that this endeavour has continued unabated in 2003 and I extend my sincere thanks to all involved. Sometimes I worry that the NZLS' work is not widely understood. However, I guess this is often the case with a body that conducts its affairs efficiently and without fanfare.

In the mix, of course, have been some dominant issues of which the **Lawyers and Conveyancers Bill** has been the most obvious. On its introduction to Parliament on 24 June 2003, Christine Grice set alight comprehensive consideration processes using 12 separate advisory groups led by individual board

members. She also designed and spearheaded a demanding programme of consultative meetings with district councils and practitioners throughout the country. Then, when all the material was drawn together, there was a remarkable consensus that the bill did preserve all the essential and distinctive features of the profession and would provide modern, robust regulation and public protection. Not that the bill was perfect by any means but, in comparison with the threats to self-regulation in other parts of the legal world, it had a lot going for it.

Our task has been to secure its safe passage through Parliament while achieving as many improvements as we can. To that end, our primary submissions confirmed our general support for the basic structure of the reform model but sought also to reinforce our position on major points of principle, particularly in relation to reserved areas of work. We took serious issue with provisions which would unnecessarily expose vulnerable people to harm from unqualified and unregulated service providers.

In our supplementary submissions filed early in 2004 we were able to clarify a number of issues arising from select committee hearings and we now await the Justice & Electoral Committee's report to the House (at this stage scheduled for no later than 3 May 2004).

The passage of the **Supreme Court Bill** also dominated the 2003 legal landscape. Christine Grice correctly acknowledged in her media statement at the time that the enactment would draw mixed reaction from the community and from the legal profession. She said, however, that with Parliament having made its decision, the burden was on us to ensure the court has appropriate resources so that it can properly serve its purpose. We have been keen observers of the implementation.

So that dealt with our final court of appeal but, in a busy year for the review of courts and tribunals, the NZLS was fully involved in the processes leading to the release on 16 February 2004 of the **Law Commission's report**, **Delivering Justice For All**. I have welcomed the publication of the report. I think we all recognise the unsatisfactory features of the current system, notably the overloaded and unwieldy District Courts and the overly heavy workload of the Court of Appeal.

PRESIDENT'S REVIEW

However, we need to take time to study the various recommendations in detail. They are profoundly important in terms of the overall issue of **access to justice** - an issue to which I will be paying a lot of attention throughout my presidency. I am, for instance, seriously concerned about the extraordinarily severe increases in civil court fees but I don't really see that as being able to be tackled in isolation from other access to justice matters. For the rule of law to be an effective value in a democratic country, courts must be accessible. A person's ability to exercise his or her legal rights must not depend on unaffordable costs nor be frustrated by long delays or by procedures that are prolix and difficult to understand.

Hand in hand with this, I have a concern about the erosion of other fundamental constitutional values and this extends to concern about the need to defend and advance the independence of the judiciary. On this aspect, we have been anxious about the **Judicial Matters Bill**, on which we have made strong submissions. We thought the bill acknowledged the principles of judicial independence but displayed a misunderstanding of what is required to protect it and what it entails.

I have asked all NZLS committees to assist in the development of an action plan on these sorts of access to justice issues.

Aside from the Lawyers and Conveyancers Bill, the major matters for 2003 were undoubtedly weighted towards the courts side of our profession. It was that kind of year, a year in which we debated many things at the very core of our legal system while, as I said in my introduction, delivering quality results across the whole range of NZLS operations.

On a different note, I was delighted that the work of Sir Ian Barker QC, Graham Wear and others came to fruition with the publication of **Law Stories: Essays On The New Zealand Legal Profession 1969-2003.** The work has drawn a good deal of favourable comment and will become a valuable reference book. The society's thanks are due to all involved, including the New Zealand Law Foundation for its financial assistance and the publishers, LexisNexis.



This report would not be complete without a further reference to **Christine Grice**. She was, after all, president for the greater part of the year under review and all the issues I have covered here bear her stamp and influence. Last October, at the conclusion of her presidency, the NZLS Council paid tribute to what it described as her exceptional service and, in particular, the dedication and skill with which she had handled the challenges presented by the Lawyers and Conveyancers Bill. The Council also acknowledged her outstanding communication skills, her commitment to consultation and her unique personal warmth and charm. And then they stood to acclaim her as she left the chair. It was a precious moment. That she should have been honoured soon after by being appointed a Companion of the New Zealand Order of Merit for services to the legal profession was entirely fitting. Succeeding her has been a special though somewhat daunting experience.

Christine Grice Chris Darlow

HONOURS

Member of the Order of New Zealand (ONZ): Rt Hon David Lange, Auckland.

Distinguished Companion of the New Zealand Order of Merit (DCNZM): Principal Family Court Judge Patrick Mahony, Wellington; Deirdre Milne QSO, Auckland.

Companion of the New Zealand Order of Merit (CNZM): Justice Tony Ellis, Wellington; Christine Grice, Hamilton; Hon Jim McLay QSO, Auckland.

Companion of the Queen's Service Order for Public Service (QSO): former Employment Court Judge Bruce Palmer, Christchurch; Hon Derek Quigley, Auckland.

Officer of the New Zealand Order of Merit (ONZM): Wilson Bailey, Wellington; Brigadier Tim Brewer, New Plymouth; Kevin Dell, Invercargill.

Member of the New Zealand Order of Merit (MNZM): Santokh Bhullar, Taumarunui; Hon Warren Kyd, Auckland; Dr Arthur Lewis, Wellington.

JUDICIARY

Appointments

Supreme Court: Rt Hon Dame Sian Elias (as Chief Justice); Rt Hon Justice Blanchard, Rt Hon Justice Gault, Rt Hon Justice Sir Kenneth Keith, Rt Hon Justice Tipping (all from the Court of Appeal).

Court of Appeal: Hon Justice Anderson as President; Hon Justice Chambers, Hon Justice Hammond, Hon Justice O'Regan, Hon Justice William Young (all from the High Court).

High Court: Hon Justice Fogarty, Hon Justice Frater (from the District Court), Hon Justice Keane (from the District Court), Hon Justice MacKenzie, Hon Justice Miller.

High Court Master: Master Christiansen.

District Courts: Judge M J Behrens QC, Judge P J Butler, Judge B Davidson, Judge N R Dawson, Judge T H Druce, Judge J P Geoghegan, Judge J M Kelly, Judge B M Mackintosh, Judge J J Moran, Judge S J O'Driscoll, Judge P Recordon, Judge H M Taumaunu, Judge V H Ullrich QC, Judge K R R Williams, Judge D Wilson QC, Judge P F Boshier as Principal Family Judge.

Environment Court: Judge R J Bollard as Principal Environment Judge.

Cessations

District Court: Judge E O K Blaikie, Judge B E Buckton (died), Judge J W Dalmer, Judge B D Inglis QC, Judge M Lee, Principal Family Court Judge P D Mahony, Judge G S Noble, Judge C J Rushton.

Employment Court: Judge B A Palmer.

Environment Court: Judge J E S Allin as Principal Environment Judge, Judge W J M Treadwell (died).

QUEEN'S COUNSEL APPOINTMENTS 2003

David Goddard, Wellington; Grant Illingworth, Auckland; Philip Morgan, Hamilton; Maureen Southwick, Auckland.

NZLS SCHOLARSHIPS 2003

Cleary Memorial Prize: Sacha Green, Wellington.

NZLS Centennial Scholarship: Cathy Murray-Cherrington, Hamilton.

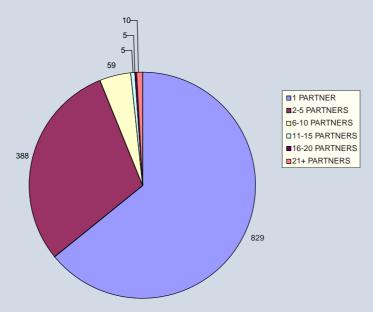
NZLS Centennial Maori Scholarships: Ada Bridge, Auckland University; Michael Stevens, Otago University; Segina Te Ahuahu, Waikato University.

| | Total | Total | Princ | ipals | Barriste | rs sole | Admi | ssions | | |
|---------------|-------|-------|-------|-------|----------|---------|------|--------|-------|------|
| | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 | 2003 | 2003 | 2003 | 200 |
| | | | | | | | male | female | Total | Tota |
| Auckland | 3,832 | 3,863 | 1,251 | 1,224 | 590 | 539 | 103 | 157 | 260 | 32 |
| Canterbury | 943 | 907 | 403 | 410 | 73 | 73 | 29 | 49 | 78 | 8 |
| Gisborne | 44 | 37 | 29 | 28 | 5 | 2 | 0 | 0 | 0 | |
| Hawke's Bay | 192 | 190 | 101 | 104 | 12 | 11 | 1 | 2 | 3 | |
| Manawatu | 125 | 124 | 65 | 65 | 16 | 15 | 0 | 1 | 1 | |
| Marlborough | 47 | 45 | 25 | 23 | 1 | 3 | 1 | 0 | 1 | |
| Nelson | 123 | 116 | 68 | 61 | 8 | 13 | 1 | 0 | 1 | |
| Otago | 300 | 322 | 135 | 140 | 32 | 29 | 20 | 43 | 63 | 5 |
| Southland | 128 | 120 | 74 | 70 | 0 | 0 | 2 | 0 | 2 | |
| Taranaki | 131 | 129 | 67 | 67 | 2 | 2 | 1 | 2 | 3 | |
| Waikato/BOP | 793 | 762 | 346 | 349 | 106 | 84 | 37 | 45 | 82 | 5 |
| Wanganui | 66 | 64 | 39 | 45 | 5 | 5 | 1 | 0 | 1 | |
| Wellington | 2,313 | 2,312 | 532 | 532 | 241 | 198 | 120 | 165 | 285 | 28 |
| Westland | 20 | 22 | 15 | 15 | 1 | 1 | 0 | 0 | 0 | |
| TOTAL | 9,057 | 9,013 | 3,150 | 3,133 | 1,092 | 975 | 316 | 464 | 780 | 82 |
| % incr/(decr) | 0.5 | 4.7 | 0.5 | 0.2 | 12.0 | 3.9 | | | -5.1 | 12. |
| GENDER % | | | | | | | | | | |
| MALE | 63 | 65 | 84 | 84 | 70 | 71 | - | - | 41 | 4 |
| FEMALE | 37 | 35 | 16 | 16 | 30 | 29 | _ | _ | 59 | 5 |

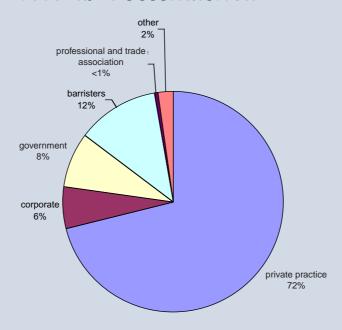
MEMBERS BY SIZE OF FIRM



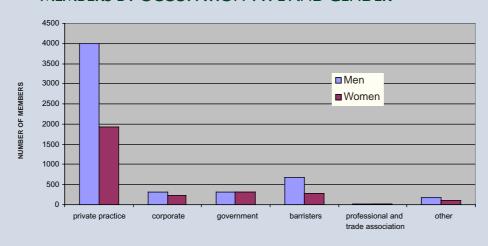
SIZE OF LAW FIRMS IN NEW ZEALAND



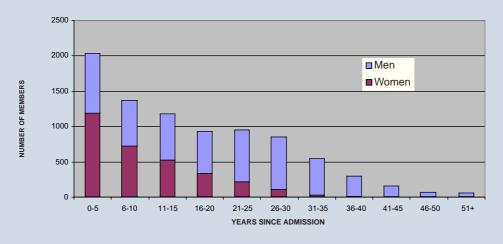
MEMBERS BY OCCUPATION TYPE



MEMBERS BY OCCUPATION TYPE AND GENDER



EXPERIENCE OF MEMBERS BY GENDER



NZLS SECTIONS, GROUPS AND COMMITTEES



Ron Pol







David Burns



Chris Moore

Property Law Section Executive Committee: Chris Moore (Chair), Auckland; Margaret Wellwood (Deputy Chair), Hastings; Andrew Logan (Treasurer), Christchurch; Ferne Bradley, Christchurch; Richard Cross, Napier; Nola Dangen, Auckland; Barry Gunson, Hamilton; Ian Haynes, Auckland (President's nominee); Lindsay Lloyd, Christchurch; Philip Shannon, Porirua.

Women's Consultative Group: Elisabeth McDonald (Co-Convener), Wellington; Vicki Thorpe (Co-Convener), Gisborne; Sandra Alofivae, Manukau City; Kathryn Crooks, Wanganui; Joanne Hambleton (formerly Harrington), Invercargill; Sandra Heney, Nelson; Anne McMurtrie, Christchurch; Wendy McPhail, Napier (to 03/03); Usha Patel, Auckland; Jacinta Ruru, Dunedin; Pauline Shoemack, Nelson (to 12/03); Nicole Walker, Auckland.



Elisabeth McDonald



Vicki Thorpe

BUSINESS

Commercial & Business Law Committee: Simon McArley (Convener), Auckland; Julie Crengle, Wellington; Grant David, Wellington; Cameron Fleming, Auckland; Gill Goodwin, Auckland; Mark Russell, Christchurch; Gavin Adlam, Wellington (co-opted).





Simon McArley

Ross Johnston

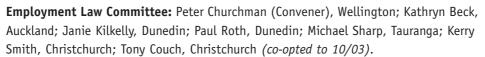
Personal Property Securities Act Subcommittee: Simon McArley (Convener), Auckland; Steve Flynn, Wellington; Rob McInnes, Wellington; Laurie Mayne, Auckland; Matthew Yarnell, Wellington.

Intellectual Property Working Party: Paul Sumpter (Co-Convener), Auckland; Clive Elliot (Co-Convener), Auckland; John Glengarry, Auckland; Ken Moon, Auckland; Doug Calhoun, Wellington.



Stephen Ward

Contract & Consumer Law Reform Committee: Stephen Ward (Convener), Wellington; Bob Dugan, Wellington; Andrew Lawson, Auckland; Rae Nield, Auckland; Simon Thode, Auckland (to 10/03).



Environmental Law Committee: Derek Nolan (Convener), Auckland; John Burns, Auckland; Ann Callaghan, Wellington; Camilla Owen, Nelson; Paul Rogers, Christchurch; Mark von Dadelszen, Hastings.



Derek Nolan



Peter Churchman

NZLS SECTIONS, GROUPS AND COMMITTEES



Michael Webb

Joint Insolvency Committee: NZLS members: Michael Webb (Joint Convener), Auckland; Peter Barker, Wellington; Scott Barker, Wellington; David Brown, Wellington; Justice O'Regan, Auckland; Ralph Simpson, Auckland. Institute of Chartered Accountants of NZ members: Michael Stiassney (Joint Convener), Auckland; Richard Agnew, Auckland; David Crichton, Christchurch; Bruce McCallum, Wellington; Gary Traveller, Wellington; John Vaque, Auckland.

Taxation Committee: Richard Scoular (Convener), Auckland; Andrew Beck, Wellington; Pam Davidson, Wellington; John Eichelbaum, Wellington; Craig Elliffe, Auckland (coopted); Marian Hinde, Auckland; Joanne Hodge, Auckland (co-opted from 09/03); Jan James, Auckland; Casey Plunket, Auckland (co-opted from 09/03); Russ Neil, Auckland (from 11/03); Grant Sidnam, Auckland; Stephen Tomlinson, Christchurch; Fred Ward, Auckland (to 11/03).



Richard Scoular



Philip Morgan QC



Keith de Ridder

COURT-RELATED & LEGAL SERVICES

Civil Litigation & Tribunals Committee: Keith de Ridder (Convener), Levin; Andrew Beck, Wellington; Ailsa Duffy QC, Auckland; Christine French, Invercargill; Ken Johnston, Wellington; Christopher Littlewood, Christchurch; Ed Wylie QC, Christchurch.



John Marshall

Criminal Law Committee: Philip Morgan QC (Convener), Hamilton; Rachael Adams, Tauranga; Liz Bulger, Christchurch; Nicola Crutchley, Wellington (co-opted); Richard Earwaker, Auckland; Greg King, Lower Hutt; David Ruth, Christchurch (to 11/03); Antony Shaw, Wellington (co-opted); Gerard Winter, Whangarei (to 12/03); Peter Winter, Auckland (co-opted to represent Criminal Bar Association).

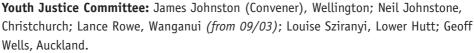
Dispute Resolution Committee: John Marshall (Convener), Wellington; Ferne Bradley, Christchurch; Deborah Clapshaw, Auckland; Carol Powell, Auckland; Geoff Sharp, Wellington; Justice Venning, Auckland.



Tom Broadmore

Evidence Law Reform Committee: Grant Burston (Convener), Wellington; Helen Cull QC, Wellington; Nick Davidson QC, Christchurch; Gary Gotlieb, Auckland; Peter Whiteside, Christchurch.

Legal Services Committee: Tom Broadmore (Convener), Wellington; Len Andersen, Dunedin; Roger Chambers, Auckland; Kathryn Crooks, Wanganui; Gary Gotlieb, Auckland; David More, Dunedin; Nyleen Wood, Rotorua; James Wilding, Christchurch.





Grant Burston



James Johnston

OTHER

Accident Compensation Committee: Don Rennie (Convener), Wellington; Hazel Armstrong, Wellington; Kate Davenport, Auckland (from 09/03); Nicola Drayton-Glesti, Wellington; John Miller, Wellington; Phil Schmidt, Canada.





Wendy Brandon



Don Rennie

NZLS SECTIONS, GROUPS AND COMMITTEES



Bernard Banks

Human Rights Committee: Bernard Banks (Convener), Wellington; Andrew Butler, Wellington; Stuart Dalzell, Wellington; Paul Hunt, England; Karun Lakshman, Wellington; Helen McQueen, Wellington; Jane Meares, Wellington (from 01/04); Marilyn Wallace, Wellington;

International Committee: Ian Haynes (Convener), Auckland (LAWASIA Councillor); David Abbott, Auckland; Tavake Barron Afeaki, Auckland; John Brandts-Giesen, Rangiora; Anita Chan, Dunedin; Kevin Kilgour, Auckland; Wendy London, Hawera (IBA Deputy Secretary for NZ & the Pacific); Bruce Slane, Auckland (IBA Councillor).



Ian Haynes



Peter Woodhouse QC

Legislation Committee: Peter Woodhouse QC (Convener), Auckland; Joanne Appleyard, Christchurch; Michael Bate, Hastings; Janine Bonifant, Nelson; Karen Clark, Wellington; Rachel Dunningham, Christchurch; David Jones, Auckland; Alastair Logan, Dunedin; John Pike, Wellington; Paul Rishworth, Auckland; Blair Stewart, Auckland (to 10/03); Michael Webb, Auckland.

NZ Law Conference Review Committee: under revision.



David Goddard QC



Gerard Richardson

LEGAL EDUCATION

Continuing Legal Education Committee: David Goddard QC (Convener), Wellington; John Hardie, Christchurch; Tim Jones, Auckland; Dugald Matheson, Hastings; Julie Maxton, Auckland (co-opted); Justice O'Regan, Auckland; Aroha Puata, Wellington; Adam Ross, Auckland; Craig Ruane, Christchurch; Teresa Shreves, Wellington; Stuart Walker, Dunedin; Judge Wolff, Hamilton.

Legal Executive Subcommittee: Gerard Richardson (Convener), Christchurch; Bruce Davidson, Auckland; Sally Mountfort, Christchurch (for NZ Institute of Legal Executives); Cordelia Thomas, Lower Hutt (Course Director).

Law in Schools Committee: Melanie Harland (Convener), Hamilton; Anne Darroch, Auckland.



Melanie Harland



Kevin Kilgour

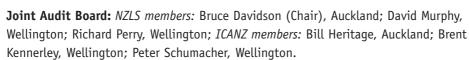
REGULATORY SERVICES (STANDARDS)

Admissions & Credentials Committee: Kevin Kilgour (Convener), Auckland; Andrew Butler, Wellington; Christine Grice, Hamilton; Allen Mazengarb, New Plymouth; Kareena Teh, Christchurch (to 6/02); Sally Mountfort, Christchurch (NZ Institute of Legal Executives, co-opted).

Ethics Committee: Nicholas Till (Convener), Christchurch; Helen Cull QC, Wellington; Christine French, Invercargill; Andrew Gilchrist, Auckland; Lisa Hansen, Wellington; Lindsay Lloyd, Christchurch; Duncan Webb, Christchurch.



Nicholas Till



Associate Membership Applications Committee and Section 97A Committee: Raynor Asher QC, Nevin Dawson (to 10/03), Warwick Deuchrass, Ann Wilson (all NZLS Vice-Presidents).



Bruce Davidson

This report is a general overview of the activities of the NZLS sections, groups and committees. The detail has already been covered in LawTalk and other publications but further information is available to members on request.

Law reform

The NZLS meets its statutory functions of assisting in and promoting reform of the law in various ways. The Legislation Committee has the primary responsibility for checking bills as they are introduced to Parliament and preparing submissions on them. In the last year, the NZLS filed 37 separate sets flowing from Legislation Committee drafts and several from other NZLS divisions which, in some instances, make their own submissions. Once the submissions are available publicly, they are posted on the NZLS website at www.lawyers.org.nz/hmsubmissions.asp. Law reform work also involves the special committees, sections and groups working with various government departments and bodies such as the Law Commission and the Securities Commission. The time given for responses or submissions is often short and the society is grateful to those who provide comment and contributions.

Criminal law

Much of the work of the **Criminal Law Committee** in 2003 involved considering various bills and providing comment on them to the Legislation Committee for NZLS submissions. These bills included the Corrections Bill, Independent Police Complaints Authority Bill, Supreme Court Bill, Sex Offenders Registry Bill, Police Complaints Authority (Conditional Name Protection) Amendment Bill, Parole (Extended Supervision) and Sentencing Amendment Bill, and the Judicial Matters Bill.

The committee also provided comments to the Ministry of Justice in relation to criminal defences, criminal disclosure and preliminary hearings draft legislation. And it assisted with preparation of the materials used with young witnesses in the Court Education for Young Witnesses Service and the associated training of Victims' Advisers.

Committee members represented the NZLS on the Criminal Practice Committee which considered, among other things, Jury Trial Practice Guidelines, Criminal Search Rules and the function of the CPC itself.

The issue of the time young people spend on remand in secure care continues to be of concern to the **Youth Justice Committee** which represents the NZLS at Long Remands Working Party meetings, organised and run by CYFS. It also represents the profession on the Intensive Residential Programme Advisory Committee setting up a facility in the Waikato region.

Another task has been working with the NZLS CLE Department to set up a youth justice conference for youth advocates scheduled for mid to late 2004.

Legal aid

A major success in the legal aid area came as this annual report was being prepared with a full bench of the High Court saying that legal aid could be granted in certain civil matters without proceedings having actually commenced. The decision, in declaratory judgment proceedings brought by the Legal Services Agency against the NZLS as first defendant and the Legal Aid Review Panel as second defendant, confirmed and clarified the society's position. The proceedings arose because of the way grants officers were

interpreting the 2000 Legal Services Act, compared with the approach taken under previous legislation. *LawTalk* 620 (15 March 2004) reports on the case and the full text of the judgment is on the website at www.lawyers.org.nz/memnews.asp.

In 2003, the **Legal Services Committee**, along with the **Criminal Law Committee**, reviewed the drafts of the Legal Services Agency new provider contracts and listing criteria. It also worked with LSA staff on protocols for consultation, commenting on the LSA Draft Business Plan 2003-2006, and on the agency's new complex file management process and its trial introduction in several courts.

The committee worked with the Family Law Section (the two now have a joint legal aid working party) to provide comment on the LSA revision of payment and granting "steps" for family legal aid and with the Civil Litigation & Tribunals Committee to help the LSA develop "steps" for civil legal aid. With the help of the Criminal Law Committee, it lobbied successfully to have counsel attending legally-aided people on remand or post-sentence paid for their travel.

A major development in this area is the introduction of a public defenders legal aid pilot based in South Auckland. The committee is represented on the LSA's evaluation committee for the pilot and provided comments on the proposal.

With the **Family Law Section** and the **Criminal Law Committee**, the committee surveyed over 1,000 practitioners on their experiences with legal aid and the LSA. The survey was designed to collect quantitative information to use when discussing potential improvements with the agency.

The **Criminal Law Committee** provided comment to the LSA on its training kit on legal aid, police detention legal assistance and duty solicitor schemes. It also liaised with the Judges' High Court Management Committee, the Ministry of Justice's Higher Courts Management Committee and with the Court of Appeal over legal aid

The Civil Litigation & Tribunals Committee and the Legal Services Committee debated the LSA guidelines on the time taken and steps involved in a civil proceeding.

Courts and judiciary

While the major change this year has obviously been the establishment of the Supreme Court as New Zealand's final appellate court (see "President's Review"), this, along with the Department for Courts again becoming part of a reshaped Ministry of Justice, has not had any real effect yet at the general operating level. However, the **Civil Litigation & Tribunals Committee** provided comments on the Supreme Court Bill and the Judicial Matters Bill to the NZLS Legislation Committee.

Various of the society's committees and sections contributed responses to the Law Commission's paper Seeking Solutions – Options for Change to the New Zealand Court System, including the Criminal Law Committee, Legal Services Committee, Dispute Resolution Committee, Family Law Section, Environmental Committee, Accident Compensation

Committee and **Employment Law Committee.** The commission's final report based on responses to its proposals in *Seeking Solutions* and the first part of its review, *Striking the Balance*, was being released as this annual report was being finalised.

The **Youth Justice Committee** assisted Principal Youth Court Judge Becroft with answers to frequently asked questions about the Youth Court for the court's website and provided comments to the then Department for Courts on the potential use of videoconferencing and teleconferencing in the Youth Court.

During the year, as the Ministry of Justice continued work on the proposed Evidence Bill, the **Evidence Law Reform Committee** provided comment on various proposals that differ in some way from those found in the Law Commission's draft code.

Court fees remain an item of concern and debate. The Civil Litigation & Tribunals Committee is represented on the Ministerial Working Party on Civil Court Fees and provided the society's comments on the Department for Courts discussion paper on civil court fees, with the assistance of the Family Law Section and the Environmental Law Committee, both of which provided significant detailed comment on the proposed new regime of fees for their courts. The Ministerial Working Party is taking 50% recovery of average court costs as its starting point but the NZLS believes this will seriously threaten access to justice and that a 20% recovery rate would provide a better balance between recovering the cost of services and providing an affordable court service.

The Civil Litigation & Tribunals Committee made comments on the changes to discovery, Calderbank offers and payment into court, judgment delivery, when judgments take effect and the service of sealed judgments, and amendments to the District Court Rules contained in the Rules Committee extensive consultation paper "Omnibus 4".

The **Dispute Resolution Committee** was one of the focus groups for the Department for Courts Alternative Dispute Resolution Research Programme aimed at a better understanding of ADR use and any impediments to its use to resolve disputes.

It also fed into the Family Law Section's response to the Law Commission's preliminary paper Dispute Resolution in the Family Court and on discussions on a pilot for using counsel-led mediation in the Family Court. The Family Law Section welcomed alternatives for resolving disputes but said the Family Court must retain sight of its fundamental purpose of providing the ultimate decision-making forum for those unable to resolve their differences otherwise.

Much of the Environmental Law Committee's work related to the Environment Court, including meetings on caseflow management and mediation processes in the court and working with officials to reduce delays. The committee developed for discussion with the judiciary and then published in *LawTalk* a paper on the privilege of reports for mediation in the Environment Court. This article and an associated longer paper are on the NZLS website at www.lawyers.org.nz/mempracticenotes.asp.

Business law

The Commercial & Business Law Committee prepared over 20 sets of comments and submissions, a large number of which were made in the context of the Securities Commission review of

exemption notices, and on corporate governance issues under discussion following the collapse of Enron. Other comments were on proposed amendments to the Takeovers Code and the NZX draft policy statement on the continuous disclosure rules. The committee also contributed to the NZLS submissions on the Consumer Credit Bill and the Business Law Reform Bill 2003.

An increasing number of intellectual property-related discussion papers released by the Ministry of Economic Development (MED) prompted the committee to set up an **Intellectual Property Working Party.** This working party prepared comments on proposals to be made under the Trade Marks Act 2002 and proposals for regulations to be made under the pharmaceutical patent term in New Zealand.

With the Personal Property Securities Act having been in force for over a year, the **PPSA Subcommittee** continued to monitor its operation, and liaised with the MED regarding various problems that practitioners had encountered with the legislation. The subcommittee assisted the NZLS in its submissions on the Business Law Reform Bill 2003.

The **Electronic Commerce Subcommittee** checked developments in e-commerce law following the enactment of the Electronic Transactions Act in 2002, and made brief comments on the MED discussion paper *Electronic Transactions Act Regulations*.

The **Joint Insolvency Committee**, which comprises both NZLS and Institute of Chartered Accountants of NZ members, made submissions on the Status of Redundancy Bill and worked with the MED on the insolvency review.

The Taxation Committee continued contributing to the rewrite of the Income Tax Act, filing submissions on the bill, and taking part in discussions on the treatment of any unintended changes to current tax law in the re-write. It is represented on the IRD Rewrite Group. The committee made submissions on the Taxation (Annual Rates, GST, Trans-Tasman Imputation and Miscellaneous Provisions) Bill. As well as commenting on a regular basis on a range of draft IRD policy statements, interpretation statements and public rulings, the committee contributed to the IRD Review of Resolving Tax Disputes, and filed submissions on the IRD discussion document on GST & financial services.

The **Contract & Consumer Law Reform Committee** had considerable input into the society's submissions on the Consumer Credit Bill and has commented on the scope of regulations under the Consumer Contracts and Credit Finance Act. Also, it is making a submission on the Law Commission's review of life insurance.

The Employment Law Committee prepared comments for the Legislation Committee on the Holidays Bill, the Employment Relations Law Reform Bill and Volunteers Employment Protection Amendment Bill while the Environmental Law Committee contributed to the NZLS submissions on the Supreme Court Bill, the Resource Management Amendment (No 2) Bill, Marine Reserves Bill, Resource Management (Aquaculture Moratorium) Amendment Bill, Resource Management (Waitaki Catchment) Amendment Bill, Resource Management (New Organisms and other Matters) Amendment Bill and Resource Management (Energy and Climate Change) Amendment Bill.

Human rights

A new role for the **Human Rights Committee** is to comment for the Legislation Committee on all bills that have human rights or New Zealand Bill of Rights implications. This year that has involved the Criminal Investigations (Bodily Samples) Amendment Bill, Sex Offenders Registry Bill, Counter Terrorism Bill, Corrections Bill, Mercenary Activities (Prohibition) Bill, Border Security Bill, Care of Children Bill, and Parole (Extended Supervision) and Sentencing Amendment Bill.

Committee representatives are part of a Human Rights Commission reference group looking at places of detention to include in the baseline data for the HRC action plan. This review will support the implementation of the newly ratified optional protocol to the Convention Against Torture.

The **Biological & Medical Issues Committee** prepared the NZLS submissions on the Human Assisted Reproductive Technology Bill and Supplementary Order Paper 80. There was consultation with the **Accident Compensation Committee** in its submissions on the revision of the interagency review of ACC medical misadventure definition and cover.

The Accident Compensation Committee assisted in the Auditor General's review of ACC. The committee also continued to push for consistent policies in the accident compensation area and committee members are appointees to two ACC advisory groups reporting to the Minister.

International

The International Committee's domain is the relationship between the NZLS and the international bodies to which it belongs – the International Bar Association (IBA), LAWASIA and the Commonwealth Lawyers' Association. The IBA is holding its annual conference in Auckland in October 2004 and New Zealand lawyers will be encouraged to attend.

Women

The Women's Consultative Group continues to focus on issues affecting women generally, women using the justice system and women practitioners and judges. Its comments on the Law Commission's review of the court system, *Seeking Solutions*, centred on barriers for women in the legal process and it supports the government taskforce on pay equity as it believes that despite many of the advances made by women, there are still distinct differences in pay levels and promotion. It also commented on the Judicial Matters Bill, supporting provision for part-time judges, which it believes will address some of the barriers that exist for women interested in judicial appointments.

The WCG is involved in a census project being run by the Equal Employment Opportunities Commissioner of the Human Rights Commission, Dr Judy McGregor. The project aims to provide a snapshot of the number of women in positions of power in a professional capacity. The WCG is interested in determining if the figures reflect women's choices or if there are barriers and constraints that prevent women from fully developing their professional potential.

The WCG has appointed two members to liaise with women's lawyers associations and has assembled a start-up kit to assist new

women's lawyers associations. The kit, as well as articles and other information, is published on the group's website accessed through the NZLS website.

Sections

Through the society's specialist sections, practitioners in particular fields of practice can share knowledge and promote their interests.

All lawyers who work outside private practice - as in-house counsel for corporates, in government, local government and for organisations - have automatic membership of the oldest NZLS section, CLANZ (the Corporate Lawyers Association of New Zealand). In 2003 CLANZ renewed its sponsorship arrangement with Bell Gully to provide more services to its 1,200 members and developed a strategic plan covering all its areas of operation.

Attendance was again high at the annual conference held in Rotorua in May. It saw Ron Pol re-elected as president and Mason Lockhart (then General Counsel with Dominion Breweries and now at Heineken's head office in The Netherlands) presented with the Corporate Lawyer Award for his contribution to the in-house profession and CLANZ.

Other networking opportunities were provided through events held in several centres with the support of various firms, and in conjunction with associations, including the Technology Law Society.

In April, CLANZ hosted a high-level and very successful forum in Auckland on corporate governance issues and, in October, CLANZ teamed with the Australian Corporate Lawyers Association and Minter Ellison to deliver a presentation at the Association of Corporate Counsel Conference in San Francisco on "US lawyers abroad".

The CLANZ-Bell Gully Scholarship for in-house counsel, which provides \$5,000 to a member to use for professional development, went to Christine Turner from Telecom while the CLANZ-Bell Gully Prize for law students was increased to \$2,500 (from \$1,000) and was won by Sharon Kennedy of Auckland University.

The association's website (www.clanz.org) has been undergoing a major overhaul, overseen by senior committee member Philip Griffiths, to ensure it can fulfil its increasingly important role as a source of information for in-house counsel.

Highlights in 2003 for the **Family Law Section** were the Family Law Conference held in Auckland in October and the introduction of the Care of Children Bill.

The conference – sold out with a waiting list of 50 - was a great success (see *LawTalk* 615, 17 November 2003). However, the section considers it essential that continuing legal education is offered throughout the year and it welcomes the new CLE structure which will improve its already strong links with the NZLS CLE Department. It has also established a Legal Education Standing Committee to advise on CLE needs.

The Care of Children Bill is one of several pieces of family legislation introduced or amended in 2003. The section's submissions on the bill, which heralds some major changes in the law concerning children and families, were a major exercise involving contributions from most of the section's 12 standing committees and coordination by a specially convened working party. The oral submissions appeared

to find favour with the select committee and the second reading is awaited with interest.

Membership fees were unchanged in 2003 and the membership of 787 was a record high.

The section's growing reputation and expanding public profile means it is frequently called on by the news media for comment. Most executive committee members attended a media training course and have had frequent opportunities to put the training into use.

Members have voted to increase the number of executive committee members from eight to nine and to increase their term of office from two to three years. As well as sharing the increasing workload, this will reduce the turnover of members and ensure that knowledge and experience built up is not lost.

Contact with members is regular and they are encouraged to participate in various ways. There is a quarterly newsletter, *The Family Advocate*, and a monthly email bulletin, with the website also playing a vital role. Ties with Te Hunga Roia Maori Aotearoa (the Maori Law Society) have been established and a trial Maori Consultative Group has been created. It will liaise with the Executive Committee on Maori issues and discuss Maori representation within the section.

With the Lawyers and Conveyancers Bill now before Parliament, the section continues to prepare for changes. The importance of its relationship with the district law societies cannot be over-estimated. A network of regional representatives (many of whom are on section committees) provide a direct link between the section and the districts. Executive committee minutes are made available to all the districts.

The volume of law reform this year meant additional efforts were made to maintain and increase political relationships and ensure the section's views were heard. Several politicians met and corresponded with the Executive Committee.

The section's standing committees, which cover most areas of family law, continue to work hard, meeting regularly to carry out work delegated to them by the Executive Committee or to pursue issues at their own instigation.

It has not, however, been all hard work. The section has organised several dinners, usually to mark the appointment of new judges from the section's membership. These appointments strengthen the section's judicial links, which include the Executive Committee's regular meetings with Judge Mahony and the administrative judges. It is therefore appropriate now to pay tribute to the contribution to family law of Judge Mahony who retires as Principal Family Court Judge in 2004. His leadership of the Family Court bench, and his encouragement of the section and of family law practitioners generally, has been much appreciated.

In 2003, membership of the **Property Law Section** grew by 15% to 1,255. Chris Moore took over as Chair from Lindsay Lloyd, who had led the section since its inception. His contribution to the section's establishment cannot be over-stated and his continued membership of the Executive Committee provides welcome experience and continuity.

New Property Transaction Practice Guidelines replacing the 1998 Conveyancing Practice Guidelines were published. They accommodate changes in legislation and practice, such as the abolition of the duplicate title, and have been written in a plainer English style.

Another popular document is that advising members about the retention of legal files. The previous guidelines, based upon a 1979 opinion, were issued in 1993 and this year saw new guidelines and an opinion published. While the principles remain the same, the new guidelines take technological advances into account. The guidelines were published in *LawTalk* 603 (19 May 2003) and both guidelines and the new opinion on which they are based are on the NZLS website.

The *Property Lawyer*, produced quarterly, continues to draw favourable comment and regular columns by the Registrar-General and Brookers Case Notes are particularly valuable. For more immediate communication and advice, e-Bulletins are sent to all members with an email address. The section's website has been further upgraded. The emphasis is on ease of use for both the publicly available area and the members-only part.

Revision of the Public Works Act continues and the section is providing input to LINZ.

Better liaison between the section and the NZ Bankers Association is being established. A valuable meeting between representatives from member banks (mainly legal staff), section representatives and staff from LINZ has been held. In addition to some repeat issues on which progress is slow, there was a pleasing level of understanding from the representatives of the lenders and practitioners representing, in the main, borrowers, on issues around eDealing.

The section made brief comments to the Ministry of Economic Development about its proposed revision of the Real Estate Agents Act, assisted the Justice & Electoral Committee with a repeat appearance on the Retirement Villages Bill and made extensive submissions on the Building Bill.

It might have been expected that the section's interaction with LINZ, particularly over Land*online*, would diminish with eDealing being rolled out nationally. This has not happened. The guidelines for the profession on using eDealing have been refined and the Authority and Instruction forms have been made easier to use.

The section continues to lobby LINZ to provide on-the-ground support for those who wish to register instruments electronically. Some progress has been made, as there is now recognition that even the best system in the world is of limited value unless its use is maximised through the provision of adequate training and support. This has been a continual theme since Landonline was first available.

The review of fees and charges for LINZ products in 2003 was a trial for the section. Information supplied for consultation was not reliable and timelines difficult. The process for the 2004 review, commenced late in 2003, is looking better.

Section representatives were involved in the workshop which finalised the methodology for territorial authorities certification under eSurvey. Richard Cross represents the section on the LINZ Operations Advisory Committee, which meets monthly.

Continuing legal education

In 2003, the **CLE Committee's** main achievement was, with the support of the Property and Family Law Sections, to devise a new structure for the society's continuing legal education programme and, in so doing, to vote itself out of existence!

At its meeting on 10 April 2003, the NZLS Board agreed to reorganise the programme as a separate activity centre within the society, both to prepare for the voluntary membership regime and to assist the sections to provide for their members' specific educational requirements. The new centre is overseen by a five-person board consisting of two members appointed by the NZLS, a nominee of each of the Family and Property Law Sections, and the society's chief executive, or his or her nominee. The board has the power to co-opt non-voting members and has exercised this in relation to the nominees of the Chief Justice, the Chief District Court Judge and a university representative. It was delighted that David Goddard QC, CLE Committee Convener for the past four years and the driving force behind the re-organisation, has also agreed to serve as a co-opted member.

Following a transitional period, the **CLE Board** assumed full responsibility for CLE on 1 December 2003. Under the new regime, the primary objective of CLE will be as before, to offer the best possible, affordable, national CLE programme to meet the identified learning needs of the profession, and a full programme has been planned for 2004.

Meanwhile, the 2003 programme, under the CLE Committee's direction, shaped up to be one of the most successful ever. Over 1,500 hours of CLE were presented at 206 venues around the country attracting a total of 10,911 registrations. Some 47% of the profession attended one or more of the 22 standard seminars, three entry-level courses, four workshops, two intensives, three conferences and two advocacy programmes on offer.

Highlights included the Intellectual Property Update, in particular the excellent booklet that accompanied it, and another of the outstanding series of Contract Law seminars presented by Professor John Burrows. Considerable interest was also shown in the Elder Law seminar and the Family Law Conference with its multiple streams and groundbreaking brochure attracted 381 participants. This was certainly a flagship event, which cemented the relationship of CLE with the Family Law Section and also enjoyed a very high level of support from the family law bench.

Other highlights included the first Resource Management Symposium, which was held in Auckland and Christchurch, and the Utilities intensive, held in Wellington, while the week-long Litigation Skills Programme was successfully transferred from Heretaunga and Wellington to Lincoln University and Christchurch.

A revamped website – **www.lawyerseducation.org.nz** – allows users to check out the CLE programme, register online and order books for both current and previous years.

The society also provides training for legal executives through the six-paper NZLS Legal Executive Certificate, which is taught at various tertiary institutions around the country and through the Open Polytechnic of New Zealand. In 2003, 860 candidates sat 646 examinations, and 138 candidates will graduate from the course this year.

Standards

The Standards Department has been renamed Regulatory Services to reflect more accurately its work of delivering the regulatory functions aimed at maintaining standards within the profession. These include promoting and encouraging proper conduct among

members, suppressing illegal, dishonourable or improper practices, and preserving and maintaining the integrity and status of the profession.

During the year the **Ethics Committee** recommended new rule changes on legal professional privilege, conflicts of interest (new commentary) and added a further exemption (moving a candidate's admission) to the intervention rule. Two new rulings were published: Duty to the court v duty to client, Rule 8.01 (*LawTalk* 616, 1 December 2003); and Instructing solicitor's responsibility to recovery of barrister's fees Rules 6.01, 6.08 (*LawTalk* 618, 16 February 2004). The latter was confirmed on review and added to appendix III of the Rules of Professional Conduct, a 7th edition of which has been issued. The committee will be recommending the addition of a new commentary under Rule 6.08 to clarify the issue, along with a new commentary concerning post-trial contact between counsel and jurors, and a proposed new rule on solicitors' letters of demand using threats.

The Admissions & Credentials Committee considered 82 overseas applications for admission. The highest number was from UK admitted practitioners (21) with India (16) in second place. The society also responded to some 535 admission-related inquiries.

The society provided information to district law societies regarding trans-Tasman registrations following the expiration of the TTMR legislation in Queensland and Tasmania and kept the profession informed of the consequences and subsequent enactment of remedial legislation through *LawTalk*. It also provided comment on the operation of the TTMR arrangements in practice to government reviews on both sides of the Tasman.

In 2003, the **Inspectorate**, whose work is overseen by the **Joint Audit Board**, made 355 visits (295 in 2002); comprising 71 (60) new practice inspections, 256 (219) inspections and 28 (16) investigations and interventions. Attendance at the Trust Account Partner course was 90 (the same as in 2002) while seminars for trust account administrators attracted 202 participants at 11 venues (2002 – 263 at 16 venues).

Complaints

Complaints about lawyers' conduct are investigated by district law societies. Complainants who are not satisfied with the way a district has handled a complaint can refer the matter to a Lay Observer, who may make recommendations to the district society. Under s97A of the Law Practitioners Act, a Lay Observer who is not satisfied with the district's response may request it to refer the report or recommendation to the NZLS for review.

The **Section 97A Committee**, comprised of the society's vice-presidents, received two matters for review in 2003.

In the first case, the Lay Observer had recommended that, in the event the district complaints committee was unable to come to a decision on the complaints, it should transfer the matter to another district. Although the district complaints committee reached a decision on the complaints, the Lay Observer asked for a review of its decision not to transfer the matter. The Section 97A Committee was of the view that the complaints committee had acted reasonably in construing the Lay Observer's recommendation as conditional, and that it was correct in saying it did not refuse to act on the

recommendation. The committee returned the files to the district on the basis that the request for a review had misfired. It noted, however, that it was open to the Lay Observer to consider the decisions issued on the complaints and, if appropriate, to make a further recommendation, starting the process afresh.

The committee received papers relating to the second case late in December.

Marketing and information for members

The revamped 17 titles in the NZLS Law Awareness pamphlet series continue to be very popular with the public, particularly through citizens advice bureaux and community law centres, and with lawyers who use them as part of their marketing initiatives. Over 71,000 were supplied to lawyers and nearly 74,000 supplied free to the public in 2003.

The media continues to show strong interest in many legal matters and the secretariat is grateful to committee conveners and members who assist in handling requests for comment.

LawTalk continues to perform strongly as the main vehicle of communication with members, complemented by the redesigned website (www.lawyers.org.nz), which has had a good reception. Although the magazine style editions of LawTalk were dropped in 2003 in favour of a consistent (and new) design, a 22% increase in advertising saw more pages produced in total than in the previous five years. While the intention is to standardise the size of LawTalk at 24 pages per issue, in 2003 only six issues were of this length, the rest ranging up to 44 pages. The increased advertising revenue saw LawTalk show an overall surplus of \$209,000 for the year, before indirect costs are taken into account.

NEW ZEALAND LAW PRACTITIONERS DISCIPLINARY TRIBUNAL

Tribunal members: Nigel Hampton QC (Chair), Christchurch; John Rowan QC (Deputy Chair), Wanganui; Dr Bill Black, Nelson (*lay member*); Laurence Cooney, Ashburton; Stuart Gaze, Auckland; Anne Hinton QC, Auckland; Judith Medlicott, Dunedin; Peter Radich, Blenheim; Jim Rowe, Featherston (*lay member*); Shelley Sage, Auckland; Denis Sheard, Auckland; Allan Spence, Auckland (*lay member*); John Upton QC, Wellington; Ben Vanderkolk, Palmerston North; Owen Vaughan, Manukau City.



Nigel Hampton QC

Report from the Chair

The maximum membership (12) has been maintained through 2003, which is as well because the year was particularly busy with the tribunal sitting on what is thought to be a record number of matters: 21 matters were heard involving $26\frac{1}{2}$ hearing days. For practitioner members, who sit unpaid, the burden has been particularly heavy and the profession must be kept aware of this.

New members have taken a full role in matters and I am grateful for that, as well as for the continued goodwill of members who are working on beyond their six-year terms awaiting the "takeover" of the tribunal's function by the new body (NZ Lawyers and Conveyancers Disciplinary Tribunal) to be established under the Lawyers and Conveyancers Bill.

There was considerable input into the submissions on the bill and I thank members, both lay and professional, for their assistance in that regard. Most of my concern as to the disciplinary provisions of the bill has been covered in submissions and, hopefully, will be heeded.

Troubling to the tribunal in the year just past has been the number of charges brought which reflect criminal convictions entered against practitioners and practitioners' employees. The convictions of practitioners especially are of real significance and alarm. I hope that this is just a "blip" (which can occur from time to time) and not an indication of some trend.

Again I express my thanks to the tribunal secretariat, and particularly to Jock Nicolson for his considerable efforts as secretary.

Given the build-up of cases in the last part of 2003 yet to be heard and determined, 2004 looks as if it is going to be an extremely busy year as well, a matter, unfortunately, not to be looked forward to.

My thanks to all tribunal members for their efforts over the past year and to John Rowan for his able assistance as deputy chair.

Nigel Hampton QC

TRIBUNAL DECISIONS

Detailed reports of decisions relating to practitioners and employees of practitioners who have appeared before the tribunal are published in LawTalk during the year so the following is a brief summary only.

Struck off

Philip Gerald Anthony Coburn, barrister & solicitor of Christchurch – struck off on 13 October 2003 after pleading guilty to a charge that being convicted of offences punishable by imprisonment reflected on his fitness to practise and tended to bring the profession into disrepute; also censured and ordered to pay costs of \$1,897.80 to the Canterbury DLS and \$2,052 to the NZLS.

William Raymond Harris, barrister & solicitor of Cambridge – struck off on 26 November 2003 after being found guilty of 29 charges alleging misconduct in his professional capacity, and/or negligence or incompetence in his professional capacity such as to reflect on his fitness to practise or as to tend to bring the profession into disrepute. Mr Harris has appealed against this decision and is suspended from practice until the appeal has been decided.

Stuart Grant Hughes, barrister & solicitor of Wellington – struck off on 28 April 2003 after being found guilty of conduct unbecoming a barrister or solicitor and of charges that his conviction of an offence punishable by imprisonment reflected on his fitness to practise and tended to bring the profession into disrepute; ordered to pay costs of \$3,563.37 to the Wellington DLS and \$2,120.61 to the NZLS.

Richard Bruce Leete, barrister & solicitor of Christchurch – struck off on 13 October 2003 after admitting that being convicted of offences punishable by imprisonment reflected on his fitness to practise and tended to bring the profession into disrepute; ordered to pay costs of \$3,329.95 to the Canterbury DLS and \$2,717.60 to the NZLS.

Craig Andrew Leishman, barrister & solicitor, formerly of Perth, now of Auckland – struck off on 2 April 2003 after being found guilty of charges that being convicted of offences punishable by imprisonment reflected on his fitness to practise and tended to bring the profession into disrepute, and which amounted to conduct unbecoming a barrister and solicitor; ordered to pay costs of \$7,800 to the Wellington DLS and \$4,555.35 to the NZLS.

Robert John McKee, barrister of Auckland – struck off on 3 March 2003 after being found guilty of six charges of misconduct in his professional capacity and one of negligence or incompetence sufficient to reflect on his fitness to practise; ordered to pay costs of \$5,000 to the Auckland DLS and \$3,956 to the NZLS.

Dinesh Dahyabhai Patel, barrister & solicitor of Auckland – struck off on 6 March 2003 after being found guilty of three charges of misconduct in his professional capacity; ordered to pay costs of \$10,818 to the Auckland DLS and \$12,482.25 to the NZLS.

Suspended from practice

Donald Bruce Leyland, barrister & solicitor of Wairoa – suspended for three years from 16 October 2003 after being found guilty of three charges of misconduct in his professional capacity and one of negligence and incompetence in his professional capacity, such that it reflected on his fitness to practise and tended to bring

the profession into disrepute; order made that if he does return to practice, he should not practise as a solicitor on his own account, whether in partnership or otherwise, until authorised by the tribunal to do so; also censured and ordered to pay costs of \$5,000 to the Gisborne DLS and \$3,454.30 to the NZLS.

Julien Michel Leys, barrister and solicitor of Auckland – censured and suspended for three years from 10 July 2003 for conduct unbecoming a barrister and solicitor; ordered to pay costs of \$20,000 to the Auckland DLS and \$11,103 to the NZLS.

Peter Amarat Rama, barrister & solicitor of Wellington – suspended from practice for two years from 3 July 2003 on being found guilty of misconduct in his professional capacity; ordered to pay costs of \$20,872.12 to the Wellington DLS and \$8,085.70 to the NZLS, and \$316 towards witness expenses.

Censured and fined

Brian Robert Ellis, barrister & solicitor of Auckland – admitted a charge that being convicted of an offence under the Serious Fraud Office Act 1990 reflected on his fitness to practise; censured and fined \$5,000; ordered to make his practice available for inspection by the Auckland DLS at his cost at six-monthly intervals for three years and to make annual reports on his practice to the ADLS; ordered to pay costs of \$15,037.89 to the ADLS and \$4,823.17 to the NZLS.

John Lewis Mansfield, barrister & solicitor of Auckland – found guilty of 20 charges of misconduct in his professional capacity and one charge of negligence or incompetence in his professional capacity to such a degree as to reflect on his fitness to practise or to tend to bring the profession into disrepute; gave an undertaking that he would not be involved with operating a solicitor's nominee company and any contributory lending or borrowing transactions between his clients or former clients; censured on each charge and fined a total of \$7,000; ordered to pay costs of \$20,000 to the Auckland DLS and \$7,033.60 to the NZLS.

Restriction on practice

James Charles Morris Parlane, barrister & solicitor of Te Awamutu – admitted being guilty of incompetence in his professional capacity to such a degree that it reflected on his fitness to practise; ordered not to practise, nor instruct any employee, in the fields of giving advice in relation to separation of parties in terms of the Property (Relationships) Act 1976 or certification of agreements pursuant to s21 of that act; the restrictions to apply for 10 years from 27 February 2003; ordered to pay \$2,500 compensation to the client and \$300 witness expenses plus costs of \$7,000 to the Waikato Bay of Plenty DLS and \$9,733.48 to the NZLS.

Appeal against district decision

Fraser Donaldson, barrister of Nelson – appealed against a finding and consequent orders of the Marlborough Nelson Westland Law Practitioners Disciplinary Tribunal that a charge of

NEW ZEALAND LAW PRACTITIONERS DISCIPLINARY TRIBUNAL

accepting instructions directly as a barrister without instructions from a solicitor was justified. The New Zealand tribunal upheld the district tribunal decisions that he make his practice available for inspection twice a year for two years and make six-monthly reports to the Nelson DLS for two years, but reduced the costs to be paid to the Nelson DLS to \$3,840.91; also ordered Mr Donaldson and the Nelson DLS to pay costs of \$1,000 each to the NZLS.

People not to be employed by practitioners

Orders were made under s114 of the Law Practitioners Act 1982 that, as they were guilty of conduct that would render a practitioner liable to being struck off, the following people were not to be employed in connection with a practitioner's practice so long as the orders remain in force:

Karla Elizabeth Tiria Akuhata, former accounts clerk of Bay of Plenty – also ordered to pay costs of \$3,472.38 to the Waikato Bay of Plenty DLS.

Megan Jayne Alderton, former law firm employee of

Taranaki – also ordered to pay counsel fee of \$750 and costs of \$387.25 to the Taranaki DLS and \$430 to the NZLS.

Hilda June Broughton, former legal employee of Auckland – also ordered to pay costs of \$1,276 to the Auckland DLS and \$1,712.53 to the NZLS.

Restoration of name

Murray Henry Coughlan of Auckland – granted, without conditions, restoration of his name to the roll of barristers and solicitors (having been struck off in 1992).

Sanction to employ

Dan Gibson Witters, former barrister & solicitor of Auckland – struck off in 1985; the tribunal sanctioned his employment as a clerk in the Rotorua law firm of Wall McDonnell; undertaking from Mr Witters that he would not conduct himself in any manner that could lead anyone to believe he was acting as a solicitor, or on his own, or that he had any ability to carry out legal work of any kind other than within the confines of the firm's offices.

FINANCE



Warwick Deuchrass

Management Committee – NZLS Special Fund: Warwick Deuchrass (Convener), Dunedin; Chris Darlow, NZLS President-elect; Christine Grice, NZLS President (to 10/03); Ann Wilson, Wellington.

Management Committee - Solicitors' Fidelity Guarantee Fund: Nola Dangen (Convener), Auckland; Bill Armitage, Dunedin; Mike Chapman, Mt Maunganui; Ted Graham, Tauranga; David Murphy, Wellington; Peter Whiteside, Christchurch; Warwick Deuchrass, NZLS Treasurer.

The year saw good progress made on processing claims against the **Solicitors' Fidelity Guarantee Fund**, the committee's particular focus being on claims in respect of the following former practitioners: **P G Coburn, Christchurch:** of 34 claims totalling \$1,330,493.68 as at June 2003, only eight claims involving a total of \$269,978.01 remain to be considered. The committee took particular heart in successfully recovering by way of Mareva injunction the sum of \$83,000 from the bank account of a trust used by Coburn as a vehicle for his misappropriations. **M Edwards, Auckland:** all 10 claims as at 24 September 2003 have been considered with only two still to be finalised. A further claim of \$50,000 has been received since the end of the financial year.

Finance & Administration Committee: Warwick Deuchrass (Convener), Dunedin; Chris Darlow, Auckland; Christine Grice *(to 10/03)*; Ann Wilson, Wellington.

The financial year to 30 November 2003 was completed with the NZLS in a strong financial position and well placed to weather the forthcoming Lawyers and Conveyancers Bill regulatory transition. The surplus from the general operations was \$732,000.

At the end of the year, the society took the significant step of transferring \$854,000 of assets to the new Continuing Legal Education structure. The CLE now operates as a separate activity centre within the NZLS and is expected to be financially self-sufficient.



Nola Dangen

STATEMENT OF ACCOUNTS

NEW ZEALAND LAW SOCIETY

SUMMARY STATEMENT OF FINANCIAL POSITION

as at 30 November 2003

| Current assets | 2003 \$000 | 2002 \$000 |
|---------------------------|----------------------|----------------------|
| Cash and deposits at bank | 6,925 | 6,080 |
| Debtors | 615 7,540 | 534 6,614 |
| Non-current assets | 725 | 874 |
| Total assets | 8,265 | 7,488 |
| Current liabilities | (886) | (841) |
| Net assets | 7,379 | 6,647 |
| Represented by: | | |
| General funds | 5,308 | 4,108 |
| Accumulated funds | 2,071 | 2,539 |
| | 7,379 | 6,647 |

SUMMARY STATEMENT OF CASH FLOWS

for the year ended 30 November 2003

| Net cash inflow from operating activities | 996 | 1,164 |
|--|-------|-------|
| Net cash outflow from investing activities | (151) | (156) |
| Net increase in cash held | 845 | 1,008 |
| Cash at beginning of year | 6,080 | 5,072 |
| Cash at year end | 6,925 | 6,080 |

Approved on behalf of the Board as at 20 February 2004.



W Deuchrass, Treasurer



A D Ritchie, Executive Director

NEW ZEALAND LAW SOCIETY

SUMMARY STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 November 2003

| | 2003 | 2002 |
|---|----------------|---------------------|
| Conoral Operating Account | \$000 | \$000 |
| General Operating Account | | |
| Operating revenue | 4 211 | 2 907 |
| Practising and membership fees Professional development courses | 4,211 2,839 | 3,897 2,470 |
| LawTalk | 505 | 424 |
| Interest | 453 | 382 |
| Service fees and other | 244 | 254 |
| Service lees and other | 8,252 | $\frac{234}{7,427}$ |
| | 0,232 | 7,427 |
| Operating expenses | | |
| Administration | 3,767 | 3,561 |
| Professional development - direct expenses | | 1,461 |
| Committees | 355 | 320 |
| LawTalk - direct expenses | 296 | 248 |
| Information | 92 | 210 |
| Disciplinary - after recoveries | 52 | 40 |
| , | 6,250 | 5,840 |
| | | |
| Operating surplus before income tax | 2,002 | 1,587 |
| Income tax expense | (263) | (212) |
| Transfer of assets to new | | |
| Continuing Legal Education entity | (854) | |
| Net surplus transferred to accumulated funds | 005 | 1 275 |
| accumulated funds | 885 | 1,375 |
| | | |
| Building Operating Account | | |
| Operating revenue | 50 | 49 |
| Operating expenses | 203 | 246 |
| Operating deficit | (153) | (197) |
| | | |
| ACCUMULATED FUNDS | | |
| ACCUMULATED FUNDS | | |
| Opening balance | 2,539 | 2,111 |
| Less: Transfer to general fund | (1,200) | (750) |
| Less: Deficit from building operating account | (153) | (197) |
| Plus: Surplus from statement of | (133) | (197) |
| financial performance | 885 | 1,375 |
| Closing balance | 2,071 | 2,539 |
| Closing balance | 2,071 | 2,333 |
| Comment Sounds | | |
| General Funds | | |
| Opening balance | 4,108 | 3,358 |
| Plus: Transfer in | 1,200 | |
| Closing balance | 5,308 | 4,108 |
| | | |

The financial reporting summaries have been taken from the full audited financial reports of the New Zealand Law Society, the Centennial Maori Scholarship Fund, the Centennial Scholarship Fund, the Cleary Memorial Prize Fund, the Legal Conference Fund, the Inspectorate and the Solicitors' Fidelity Guarantee Fund for the year ended 30 November 2003 for which an unqualified audit opinion was issued on 20 February 2004. The audited financial reports were authorised for issue by the Board on 20 February 2004. These financial reporting summaries cannot be expected to provide as complete an understanding as provided by the full financial report of the financial performance, financial position and cash flows (where applicable) of the financial reports referred to above. The full financial report is available at www.lawyers.org.nz/memaboutus.asp or as a hard copy on request.

SOLICITORS' FIDELITY GUARANTEE FUND

Part A

SUMMARY STATEMENT OF FINANCIAL POSITION

as at 30 November 2003

| | 2003 | 2002 |
|---------------------|----------------|-------|
| | \$000 | \$000 |
| Opening balance | 5,436 | 5,425 |
| Revenue | 316 | 329 |
| Expenses | (22) | (318) |
| Closing balance | 5,730 | 5,436 |
| | | |
| Represented by: | | |
| Current assets | 5 <i>,</i> 755 | 5,680 |
| Current liabilities | (25) | (244) |
| | 5,730 | 5,436 |

SUMMARY STATEMENT OF CASH FLOWS

for the year ended 30 November 2003

| Net cash inflow from | | |
|---------------------------|-------|-------|
| operating activities | 97 | 335 |
| Net increase in cash held | 97 | 335 |
| Cash at beginning of year | 5,590 | 5,255 |
| Cash at year end | 5,687 | 5,590 |

Part B

SUMMARY STATEMENT OF FINANCIAL POSITION

as at 30 November 2003

| Opening balance | 3,904 | 2,977 |
|---------------------|---------|-------|
| Revenue | 1,382 | 1,316 |
| Expenses | (1,187) | (389) |
| Closing balance | 4,099 | 3,904 |
| Represented by: | 4,202 | 4,053 |
| Current assets | (103) | (149) |
| Current liabilities | 4,099 | 3,904 |

SUMMARY STATEMENT OF CASH FLOWS

for the year ended 30 November 2003

| Net cash inflow from | | |
|---------------------------|-------|-------|
| operating activities | 93 | 819 |
| Net increase in cash held | 93 | 819 |
| Cash at beginning of year | 3,950 | 3,131 |
| Cash at year end | 4,043 | 3,950 |

NEW ZEALAND LAW SOCIETY INSPECTORATE

SUMMARY STATEMENT OF FINANCIAL POSITION

as at 30 November 2003

| | 2003 \$000 | 2002 \$000 |
|---|----------------------|----------------------|
| Current assets Current liabilities Net assets | 531 (162) 369 | 535 (198) 337 |
| Represented by: Accumulated funds | 369 | 337 |

SUMMARY STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 November 2003

| Operating revenue Annual contributions Compliance review costs recovered Other | 1,040 149 154 1,343 | 995 212 117 1,324 |
|--|------------------------------|----------------------------|
| Operating expenses | | |
| Inspectors' salaries, travel and other | 908 | 878 |

| Operating expenses | | |
|--|-------|-------|
| Inspectors' salaries, travel and other | 908 | 878 |
| Compliance review costs | 157 | 218 |
| Administration and other | 246 | 239 |
| | 1,311 | 1,335 |
| Operating surplus/(deficit) | 32 | (11) |

SUMMARY STATEMENT OF CASH FLOWS

for the year ended 30 November 2003

| Net cash inflow/(outflow) from | | |
|--------------------------------------|-----|-----|
| operating activities | 73 | (8) |
| Net increase/(decrease) in cash held | 73 | (8) |
| Cash at beginning of year | 350 | 358 |
| Cash at end of year | 423 | 350 |

SCHOLARSHIP AND OTHER FUNDS

SUMMARY STATEMENT OF FINANCIAL POSITION

as at 30 November 2003

| | Centennial Maori | | Centennial | | Cleary Memorial | | Legal Conference | |
|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2003 \$000 | 2002 \$000 | 2003 \$000 | 2002 \$000 | 2003 \$000 | 2002 \$000 | 2003 \$000 | 2002 \$000 |
| Opening balance | 26 | 26 | 25 | 24 | 19 | 19 | 402 | 296 |
| Revenue | 2 | 2 | 2 | 3 | 2 | 2 | 217 | 202 |
| Expenses | (2) | (2) | (2) | (2) | (2) | (2) | (9) | (96) |
| Closing balance | 26 | 26 | 25 | 25 | 19 | 19 | 610 | 402 |
| Represented by: | | | | | | | | |
| Current assets | 26 | 26 | 27 | 27 | 19 | 19 | 610 | 410 |
| Current liabilities | _ | - | (2) | (2) | _ | - | _ | (8) |
| | 26 | 26 | 25 | 25 | 19 | 19 | 610 | 402 |

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AUDIT REPORT

To the Members of the New Zealand Law Society

The abridged financial statements of the New Zealand Law Society, Solicitors' Fidelity Guarantee Fund, New Zealand Law Society Inspectorate, Legal Conference Fund, Cleary Memorial Scholarship Fund, Centennial Maori Scholarship Fund and the Centennial Scholarship Fund (the "Society") have been extracted from audited financial statements for the year ended 30 November 2003 on which we expressed unqualified opinions dated 20 February 2004.

Board's Responsibilities

The Board is responsible for preparing the abridged financial statements and determining their form and content.

Auditor's Responsibilities

We are responsible for reporting whether the information contained in the abridged financial statements has been correctly extracted from audited financial statements.

Basis of Opinion on the Abridged Financial Statements

We have undertaken procedures to provide reasonable assurance that the amounts set out in the abridged financial statements have been correctly taken from the audited financial statements of the Society for the year ended 30 November 2003. We have no relationship with or interests in the Society other than in our capacity as auditors.

Unqualified Opinion on the Abridged Financial Statements

In our opinion the amounts set out in the abridged financial statements for the year ended 30 November 2003 have been correctly taken from the audited financial statements of the Society from which they were extracted.

For a better understanding of the scope of our audit for the Society's financial statements and of the Society's financial position, financial performance and cash flows for the year ended 30 November 2003, this report should be read in conjunction with the Society's audited financial statements for that period.

Our examination of the abridged financial statements was completed on 20 February 2004 and our unqualified opinion is expressed as at that date.

Chartered Accountants Wellington, New Zealand

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OTHER NZLS REPRESENTATIVES

Nominees to statutory bodies

Council of Legal Education: David Collins QC, Wellington; Christine Grice, Hamilton; John Matthews, Christchurch (*to 07/03*); Robert Osborne, Christchurch (*from 07/03*); John Walker, Dunedin; Richard Worth MP, Auckland.

NZ Council of Law Reporting: Christine Grice (ex officio as NZLS President to 10/03); Chris Darlow (ex officio as NZLS President from 11/03); Peter Jenkin QC, Wellington; Chris McVeigh QC, Christchurch; Trevor Shiels, Dunedin; Graham Taylor, Wellington.

Psychologists Board: Helen Cull QC, Wellington.

Court-related

Department for Courts Liaison Group: Christine Grice (to 10/03), Chris Darlow (from 11/03), (both as NZLS President); John Marshall, Adrian More, Bill Wilson QC (all NZLS Board); Alan Ritchie (NZLS Executive Director); Dick Edwards (NZLS Director of Legal Affairs).

Courts Consultative Committee: Christine Grice, Hamilton; Raynor Asher QC, Auckland.

Courthouse Design, Property & Security Committee: Dick Edwards (NZLS Director of Legal Affairs).

Criminal Practice Committee: Judith Ablett Kerr QC, Dunedin; Richard Earwaker, Auckland; Gary Turkington, Wellington.

Maori Land Court Consultative Committee: Russell Feist, Wellington.

Maori Land Court Rules Committee: John Stevens, Wellington.

National Caseflow Management Committee: Judith Ablett Kerr QC, Dunedin; Mark von Dadelszen, Hastings.

Rules Committee: Chris Finlayson, Wellington; Tom Weston QC, Christchurch.

Rules Committee - District Courts Subcommittee: Paul Chisnall, Wellington; Keith de Ridder, Levin.

International

International Bar Association: Bruce Slane, Auckland (NZ Councillor, Member IBA Management Committee); Wendy London, Hawera (IBA Deputy Secretary-General).

LAWASIA: Christine Grice, Hamilton (NZ Councillor from 09/03); Ian Haynes, Auckland (NZ Councillor to 09/03, Member Executive Committee); Bernard Banks, Wellington (Alternative NZ Councillor).

Charitable

Donald Beasley Institute: Peter Cartwright, Wellington.

J R McKenzie Trust Board: Radha Balakrishnan, Wellington.

New Zealand Law Foundation: Gray Cameron (Chair), Auckland; Christine French, Invercargill; John Gallie, Te Awamutu; Chris Hart, Auckland; James Johnston, Wellington.

Sutherland Self Help Trust: Wayne Chapman, Wellington.

West Coast Development Trust: Martin Sawyers, Westport.

Todd Foundation Administration Board: Peter Jenkin QC, Wellington (to 07/03); David Collins QC, Wellington (from 07/03).



OFFICERS AND DIRECTORS

Officers

President Christine Grice (to 30 October 2003)

Chris Darlow (from 31 October 2003)

Vice Presidents Raynor Asher QC (for Auckland)

Nevin Dawson

(for rest of North Island — to 10/03)

Warwick Deuchrass (for South Island)

Ann Wilson (for Wellington)

Treasurer Warwick Deuchrass

Directors

Executive Director Alan Ritchie

Deputy Executive Director

& Director of Education Annette Black

Senior Director Margaret Bryson

Director of Finance Grant Caradus

Director of Legal Affairs Dick Edwards

Director of Regulatory Services Rae Mazengarb

Director of Communications Sue Ewart