



News Release

SCC DECISION MAKES IMPORTANT STATEMENT ABOUT CORE LEGAL PRINCIPLES

**For Immediate Release
March 13, 2015**

The Federation of Law Societies of Canada says today's Supreme Court decision striking down certain provisions of Canada's Proceeds of Crime (Money Laundering) and Terrorist Financing Act and regulations pertaining to the legal profession, is an important statement about core principles that are at the heart of Canada's legal system.

"The court has recognized that a lawyer's duty of commitment to a client's cause is a principle of fundamental justice" says Tom Conway, President of the Federation of Law Societies of Canada. "Canadians should be reassured by this decision, which upholds basic constitutional protection of individual legal rights."

The decision by the Supreme Court concludes a 14 year legal battle between the Federation and the government of Canada over application of the federal anti-money laundering and terrorist financing regime to lawyers and Quebec notaries. The regulations would have forced lawyers to collect information about their clients and their financial transactions and turn that information over to the government on demand. The Supreme Court found those requirements violated protection in the Charter against unreasonable search and seizure, and rights of security of the person.

"It is fundamental to the system of justice in Canada that lawyers cannot be required to function as state agents, acting against their clients' interests, and their offices cannot be turned into archives for the use of the prosecution against their clients," the Federation said in its brief to the Supreme Court.

The Federation and its member law societies have been actively engaged in the fight against money laundering and terrorist financing activities for over a decade. Model Rules prohibiting legal counsel from accepting \$7,500 or more in cash, and detailed know-your-client obligations have been adopted and implemented by all law societies. All lawyers and Quebec notaries are bound by these rules, which accomplish the important goal of protecting the public by fighting money laundering and terrorist financing in a way that respects important constitutional principles including the duties legal counsel owe to their clients.

"Money laundering and terrorist financing are serious crimes" the Federation President added. "Any member of the legal profession who is caught participating in illegal activities will be subject to law society discipline and possible disbarment, in addition to any criminal charges that may be applicable."

Law societies undertake regular audits of activities of the legal profession as part of their regulator responsibilities in the public interest, ensuring compliance with client identification and cash handling rules.

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The Federation would like to thank its outstanding legal team headed by John Hunter, Q.C. of Hunter Litigation Chambers of Vancouver, and Roy Millen of the Vancouver office of Blakes, as well as the Canadian Bar Association, the Barreau du Québec, the Chambre des notaires du Québec and the Law Society of British Columbia for their supportive interventions throughout this process.

The Federation of Law Societies of Canada is the national coordinating body of the 14 law societies mandated by provincial and territorial law to regulate Canada's 100,000 lawyers, Quebec's 4,000 notaries and Ontario's 6,000 paralegals in the public interest. It is a leading voice on issues of national and international importance relating to the administration of justice and the rule of the law.

For more information about the Federation, please visit our web site at www.flsc.ca.

To arrange for a photograph of the Federation President, please contact:

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