



Ministère de la Justice Department of Justice
Canada Canada

WORKING DOCUMENT

**EVALUATION
OF THE LEGAL AID
MANITOBA EXPANDED
ELIGIBILITY PROJECT**

SUMMARY REPORT

July 1991

WD1991-14a

**Division de la recherche et
de la statistique/
Research and Statistics Division**

**Secteur des politiques/
Policy Sector**

Canada 

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This is a summary of the evaluation study conducted for the Department of Justice by Prairie Research Associates in association with Coopers and Lybrand Consulting Group and Professor Rick Linden, University of Manitoba.

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1.0 INTRODUCTION

Evaluators of Legal Aid Manitoba's Expanded Eligibility project found its first year of operation to be an overall success. Legal Aid Manitoba has clearly demonstrated the potential for programs like Expanded Eligibility to make legal assistance available to people who would otherwise go without because they do not qualify for regular legal aid but still cannot afford a lawyer's services.

1.1 Expanded Eligibility Program

Legal Aid Manitoba provides services to those unable to afford legal representation. It is organized much like legal aid services in other provinces. Eligibility is based on income; thresholds are set to income levels based on the Statistics Canada Low Income Cutoffs, and the threshold eligibility amounts increase with family size.

Under the previous system, it was recognized that clients who were denied legal assistance either deferred their use of the Private Bar, or proceeded at significant personal cost. The result was that many rejected applicants either placed themselves and their families in financial peril, failed to pay fees owing to the Private Bar, or were unable to seek redress of their cases through the courts.

In June 1989 "The Expanded Eligibility Program" was introduced with funding assistance from the Department of Justice Canada. This pilot program recognized the need for an intermediate position on eligibility.

The advantages to the applicant of the Expanded Eligibility Program are:

- Since the client is paying the Legal Aid Manitoba tariff for legal services, the total costs will be much lower than if these services are secured privately (on average 25 per cent - 35 per cent of the total fee);
- There is no retainer;
- There is a limitation on disbursement costs, as Legal Aid Manitoba is able to purchase some services at reduced cost;
- Payments are by fixed monthly instalments which allows a person with limited income to budget for legal costs rather than receiving large and irregular invoices.

Applicants accepted into the Expanded Eligibility Program are required to enter into an agreement which outlines a payment schedule, fixes a monthly payment, and removes the need for a retainer. Like regular legal aid, clients accepted into the Expanded Eligibility Program are issued a "certificate" which authorizes a lawyer to proceed with the case. (Coverage of legal services is the same whether clients are eligible under Expanded Eligibility or under regular legal aid.)

The monthly instalments start immediately and the initial payment is requested within two or three weeks from the time the certificate is issued. Failure to maintain payments results in the certificate being cancelled and the lawyer instructed to cease service. Because cases vary in terms of the legal resources required, clients are not provided with an estimated total bill, but the Expanded Eligibility contract does cite an average and the monthly instalment.

In the period ending March 31, 1990, Legal Aid Manitoba had issued 25,694 certificates. In 1989, 23,732 certificates were issued compared to 24,367 in 1988. Between June 1, 1989 and August 31, 1990 -- the period for which data were collected for the evaluation study -- there were 748 Expanded Eligibility certificates issued.

1.2 Main Issues in the Evaluation

This evaluation was designed to examine the Expanded Eligibility Program, especially with respect to:

- improved accessibility to legal services;
- overall cost efficiency, and in particular, issues related to default on payments and the costs associated with attempts to collect debts;
- client satisfaction;
- attitudes toward repayment; and
- relationship between the Expanded Eligibility Program and the Private Bar.

1.3 Methodology

The research process began with the development of an Evaluation Framework (consisting of identification of main issues, associated questions and consequent indicators, and data needs).

Data were gathered by means of the following:

- Retrieving data from administrative files which included information on 748 Expanded Eligibility clients, purposes of the certificate (case attributes) and detailed accounting data (trial balances and monthly statements of receivables and account status).
- Interviews with 147 Expanded Eligibility clients and 91 applicants who were refused legal aid before the introduction of Expanded Eligibility.
- Interviews with members of the Private Bar selected in consultation with Legal Aid Manitoba (to ensure that the individual had significant experience with regular legal aid as well as Expanded Eligibility);
- Management interviews that included several meetings with Legal Aid Manitoba senior managers as well as telephone interviews with various middle managers.

The analysis involved intensive reviews of accounting information to develop profiles of operating costs and late payment patterns. Client accounts' information was linked with case and other client data to facilitate an analysis of the determining features of payment patterns. The client and nonparticipant information was analyzed using standard procedures of survey research (cross-tabulations).

2.0 MAIN FINDINGS

2.1 Attributes of Clients and Cases

The Expanded Eligibility (E.E.) Program clearly serves the working poor. Client income and wealth are significantly lower than Manitoba averages. In terms of age and income distribution, the majority of regular legal aid clients (R.L.A.) are younger and from a lower income level than the Expanded Eligibility clients. A slightly higher percentage (35.4 per cent) of Expanded Eligibility clients are women compared to regular legal aid clients (32.5 per cent).

TABLE 1
INCOME BY PROGRAM

Family Income	Program	
	E.E.	R.L.A.
\$0-10,000	2.2%	51.2%
\$10,001-20,000	43.4%	41.1%
\$20,001-30,000	42.5%	6.0%
\$30,001+	12.0%	1.7%
Average Income	\$21,828	\$10,657

Note: Total percentages may not sum to 100 per cent due to rounding.

TABLE 2
CERTIFICATE PURPOSE

Certificate Purpose	Program	
	E.E.	R.L.A.
Criminal		
Category A	0.5%	0.4%
Category B	9.1%	9.6%
Category C	23.5%	50.0%
Total Criminal	33.1%	60.0%
Civil/Domestic	66.9%	40.0%

Tables 1 and 2 show that about 67 per cent of the cases handled in the Expanded Eligibility Program are civil and domestic (compared to 40 per cent in regular legal aid) and are concentrated in the low to middle income levels. Conversely, the results of the regular legal aid sample indicate that the majority of the matters handled are criminal cases (most often relatively minor offenses) and are concentrated in the lowest income level.

2.2 Cost and Cost Recovery

Arrears

The ratio of clients in arrears, that is, clients whose accounts are more than 30 days overdue, was 35.8 per cent of active accounts for the period studied. This is reasonable given the type of program, constrained resources and newness of the Program.

The aging of the Accounts Receivable on the basis of the account balances, on August 31, 1990 was as shown in Table 3. Generally speaking, in situations where credit is extended, for example department stores or credit cards, it is quite common for many people to leave bills unpaid past 60 days and absorb the late payment fees. In this light, the 16.8 per cent level for delinquency over 120 days appears to be reasonable given the special circumstances of the client population.

TABLE 3

STATUS OF ACCOUNTS RECEIVABLE (NUMBER OF ACCOUNTS)

Current (No Default)	Defaults Between 30 Days and 90 Days	Defaults More Than 120 Days	Total
291	85	77	453
65.6%	17.6%	16.8%	100%

* Delinquency ratio - 35.8 per cent [(85+77)/453].

With additional experience, improved computer systems and an increase in collection procedures, a delinquency rate in the 20 per cent to 30 per cent range could be expected. However, if the caseload increases at the present rate, delinquencies could increase because of insufficient resources to manage the accounts.

Defaults

The estimated rate of recovery of between 78 per cent to 86 per cent on the net billings for the period, and the corresponding default rate of between 14 per cent to 22 per cent can be considered to be quite good, especially when one considers the newness of the

Program, type of clientele, initial training and start-up costs, and, that a higher default was expected.

Client/Case Characteristics Related To Late Payments/Defaults

Delinquencies are higher than average, especially delinquencies in the over 120 day category, when clients:

- reside in the Northern region;
- have minor criminal cases.

Correspondingly, delinquencies, especially delinquencies in the over 120 day category, tend to be lower than average when clients:

- reside in Winnipeg;
- are in the higher income levels;
- have civil and domestic cases.

TABLE 4

DELINQUENCY BY REGION

Region	Accounts 0 Days Delinquent	Accounts 30-90 Days Delinquent	Accounts >120 Days Delinquent	Total
Winnipeg	68.6%	17.7%	13.7%	100.0%
Brandon	64.2%	17.9%	17.9%	100.0%
North	35.9%	28.3%	35.9%	100.0%
Dauphin	75.0%	0.0%	25.0%	100.0%

Note: Rows may not sum to 100 per cent due to rounding.

TABLE 5

DELINQUENCY BY PURPOSE OF CERTIFICATE

Purpose of Certificate	Accounts 0 Days Delinquent	Accounts 30-90 Days Delinquent	Accounts >120 Days Delinquent	Total
Criminal				
Category A	50.0%	50.0%	0.0%	100.0%
Category B	63.4%	12.2%	24.4%	100.0%
Category C	44.4%	25.9%	29.6%	100.0%

Total Criminal	49.7%	22.5%	27.8%	100.0%
Civil & Domestic	71.8%	16.9%	11.3%	100.0%

Reasons And Patterns For Late Payments/Defaults

In addition to the broad factors in delinquencies (attributes of the client and case), the main reasons and patterns for late payments and defaults are those we would expect (moved with no forwarding address, in jail, lost job, no business telephone number, and case is concluded).

The overall patterns and factors in default reflect the nature of the client group. They are very transient, have many other demands on their income, and are low income.

Administration of Collections

Collection procedures are generally good for the present client load. The prompt cancellation of certificates for overdue accounts is an important policy and should be retained. Also the policy for bad debts requiring Board approval is appropriate.

Collection procedures and the rate of recovery have been affected by system and administration inefficiencies as well as sudden volume increases. These are typical of first year operations.

The current staffing appears close to a threshold and may require increased resources as certificate volumes increase. This issue will require close monitoring since maintenance of receivables is critical to the financial viability of the Program.

The procedures and the rate of recovery may possibly be enhanced by additional time spent directly contacting overdue accounts by telephone and by a more systematic approach, but this requires that additional staff time be made available.

The collections portion of the Program should continue to produce positive cash flow in the future provided that lawyer billing patterns do not change significantly. A move to recovering administrative costs and investments in new systems could alter this cash flow picture. Also, if client loads exceed the capacity of the current staff to manage the receivables, cash flows may deteriorate.

Cost of the Program

Administration costs for the period June 1, 1990 to May 31, 1991 were analyzed and projected by the evaluators and were found for the most part to be comparable to Legal Aid Manitoba's budget for the Expanded Eligibility program in that period. (The

evaluators found the program's 1990/91 net costs of \$144,000 to be approximately \$8,000 more than budgeted).

The amount of \$144,000 represents the costs to Legal Aid Manitoba of running the program during that period. Clients have only been required to pay the lawyer's fees, with administrative costs covered by a grant from Justice Canada and the normal provincial allocation to Legal Aid Manitoba.

Costs per Case and Client

A rough calculation places the average administrative cost per Expanded Eligibility client at \$192.00. When this calculation is made on the basis of salary and office costs only (excluding defaulted payments), the cost per client is \$115.00.

The fee cost varies by case type, and whether a private lawyer or Legal Aid Manitoba staff counsel provides the service. Table 6 shows the average fees charged by private lawyers who provide services to Legal Aid Manitoba compared to the costs of services provided by staff counsel. There is every reason to believe that the shown cost advantage of using staff counsel would apply similarly to Expanded Eligibility.

TABLE 6
AVERAGE FEE BY CASE TYPE

	Private Lawyer	Legal Aid Manitoba Staff Counsel
Criminal		
Category A	\$1,628	\$1,360
Category B	\$625	\$308
Category C	\$333	\$167
Civil/Domestic	\$450	\$322

2.3 Client Perceptions of Expanded Eligibility

As noted earlier, the evaluators interviewed 147 (current and former) Expanded Eligibility clients.

Awareness and Understanding of the Program

Two-thirds of the respondents were referred to Legal Aid by their lawyers. Others were referred by duty counsel or heard about Legal Aid from a social worker, friend or

member of the family, or on the street. The majority of respondents (95.2 per cent) reported that they understood the Expanded Eligibility agreement.

Attitudes toward Eligibility and the Expanded Eligibility Contract

As shown in Table 7, a slight majority thought that the requirement to pay for legal services on a monthly basis was fair. Some of those who thought that repayment was unfair indicated concern about their ability to make monthly payments. Those who said they were surprised about having to repay Legal Aid Manitoba were still relieved at receiving assistance.

TABLE 7

REACTIONS TO EXPANDED ELIGIBILITY AGREEMENT

Type of Reaction	
Payments were fair	52.1%
Payments were unfair	25.1%
Were surprised/payments	11.8%
Were concerned/payments	6.3%
No reaction	4.9%
Total	100.0%

Note: Total percentages may not sum to 100 per cent due to rounding. n = 144

The majority of the respondents reported that they felt Legal Aid Manitoba (L.A.M.) staff understood their financial position at the time of application. Some 38 per cent felt differently and the table below illustrates their reasons.

TABLE 8

FACTORS ATTRIBUTED TO LAM NOT UNDERSTANDING FINANCIAL CIRCUMSTANCES

Factors	
Debts	46.0%
Overestimated ability to pay	42.0%
Spousal income	8.0%
Other	4.0%
Total	100.0%

Note: Total percentages may not sum to 100 per cent due to rounding. n = 50

When asked about how financial information should be considered when determining eligibility and monthly payments, respondents said that all expenses should be considered, that debt load and recent changes in income are important factors and that equity and spousal income should not be considered.

Financial Problems Experienced by Clients

Most of the clients interviewed (67.1 per cent) reported that they experienced difficulties in budgeting their monthly payments. Correspondingly, a substantial proportion of the sample (49.7 per cent) indicated that they had fallen behind with monthly payments at some time. (It was generally found that clients respond well to reminder notices.) Only 22.4 per cent had attempted to have their payments adjusted.

Delinquent accounts may be managed more effectively if it were known that monthly payments might be adjusted. This would result in a lower average payment over a longer period of time.

If Clients Hadn't Qualified under Expanded Eligibility ...

What could have been done if assistance were refused? Table 9 shows the reported options if assistance had been refused. Almost one-third of the respondents said they would have dropped their case and 21.3 per cent would have borrowed money from a non-bank source to pursue their case.

TABLE 9

WITHOUT ASSISTANCE HOW WOULD CASE HAVE BEEN PURSUED

How Would Case Have Been Pursued?	
Dropped case	29.5%
Borrowed non-bank to pursue case	21.3%
Don't know	13.7%
Represented myself	11.0%
Made my own arrangements privately	8.9%
Taken bank loan	6.2%
Used savings to pursue case	3.4%
Other	2.7%
Be in jail	2.1%
Postpone matter	1.4%
Total	100.2%

Note: Total percentage may not sum to 100 per cent due to rounding. n = 146

Satisfaction with the Expanded Eligibility Program

Most of the clients interviewed (81.2 per cent) were satisfied with the services provided by their lawyer and the quality of the representation they received. Similarly, most felt they received the same quality of service as legal clients who do not receive assistance and that their lawyers took their cases seriously. About one quarter of the clients reported some level of dissatisfaction. Although there is no comparison group, it is possible that a similar level of dissatisfaction may be expressed by clients who retain lawyers without the assistance of Legal Aid Manitoba.

One interview question asked respondents whether they agreed or disagreed with various statements about the service they received from Legal Aid Manitoba. This question stated, "I am now going to read a number of statements. As I read each statement please tell me whether you agree or disagree. Now thinking about legal aid...".

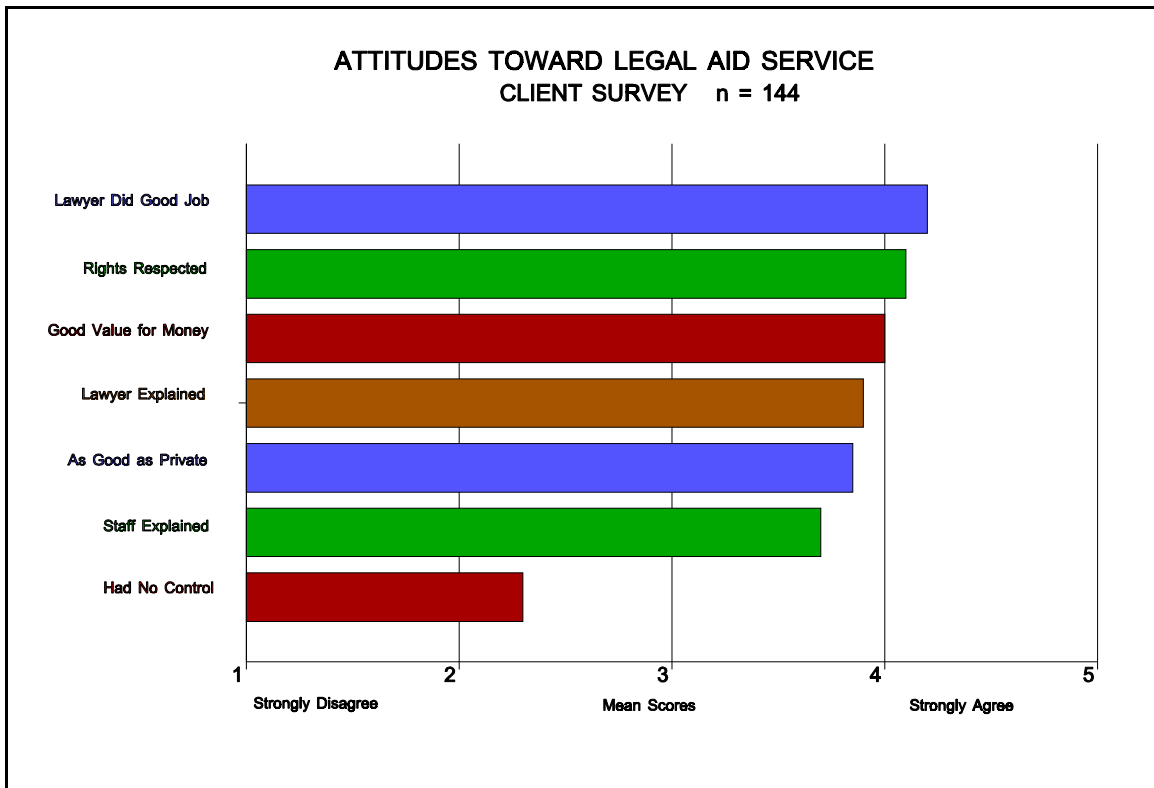


FIGURE 1: ATTITUDES TOWARD LEGAL AID SERVICE

The percentage of the sample responding in each category was converted to an average response on a scale of strongly disagree (1) to strongly agree (5). Figure 1 shows how the respondents scored each statement.

Client Satisfaction and Delinquency

Based on a merging of data from the administrative files and the client survey, there is evidence to suggest that there is some relation between satisfaction with legal services or the type of counsel used and delinquency. There were fewer payment arrears

of any duration with those who reported being satisfied and who engaged private lawyers under the Expanded Eligibility Program. Further examination is required, however, before this relationship can be fully supported.

2.4 Non-Participants

The nonparticipant respondents most frequently stated that all expenses and debt load should be considered when determining eligibility. Similar to respondents in the client survey, they suggested that debt load is an important factor to consider and that spousal income and other equity/assets should not be considered. Despite their reported dissatisfaction with being refused legal assistance, few respondents appealed the decision.

Table 10 below shows how nonparticipants responded to an open-ended question about the effects on their lives of not receiving legal assistance.

TABLE 10

EFFECTS OF NOT RECEIVING LEGAL ASSISTANCE

Financial hardship	37.9%
No effect	32.2%
Lost money	8.0%
Matter unsettled	8.0%
Mental stress	6.9%
Reduced spending	2.3%
Went to jail	2.3%
Positive effect	1.1%
Bankruptcy	1.1%
Total	100.0%

Note: Total percentages may not sum to 100 per cent due to rounding. n = 87

2.5 Perspectives of the Private Bar and Legal Aid Staff

Private Bar

The 23 lawyers from the Private Bar who were interviewed gave a mixed review of the Expanded Eligibility Program. In general, those who handled criminal cases tended to be positive about the program since they received payment for services rendered regardless of whether the client paid. Those who handled civil cases were less supportive. They believed that the program had tended to upset the usual financial arrangements they would make with clients and, therefore, it was believed to reduce their incomes. Most of the lawyers, however, said they had problems collecting from clients who pay on an instalment basis.

These lawyers generally concurred that few Expanded Eligibility certificates were inappropriate and the program was well targeted. Seven were extremely positive in their remarks about the program; nine felt it is good for the client but not for the lawyer. The remaining nine were unequivocal in their dislike of the Expanded Eligibility Program.

It is important to note that many members of the Private Bar were unsure of the differences between Expanded Eligibility and regular legal aid. Also, much of the objection to the program reflected general dissatisfaction with the tariffs offered for all legal aid work.

Legal Aid Manitoba Staff Lawyers

The Legal Aid Manitoba staff who were interviewed were supportive of the Program and believed that it was appropriately targeted. There were many concerns expressed about the difficulty in changing a legal aid operation where service is provided without fee to one where fees are demanded and payment is monitored. It was clear that staff felt considerable ambivalence in this change in the "culture" of the legal aid operation. There was general discomfort with this new role.

However many staff also acknowledged that Expanded Eligibility fills an important gap by providing legal services to people who otherwise would not be able to afford them.

2.6 Organizational Effects of Expanded Eligibility on Legal Aid Manitoba

The Expanded Eligibility Program introduced a new approach to extending legal aid to the working poor. Not only did it change the accessibility of legal aid within the province, it also introduced a new process within Legal Aid Manitoba. Prior to Expanded Eligibility, the entire structure of Legal Aid Manitoba consisted of qualifying clients, and then delivering services without charge except for a small number of clients who were involved in Agreements to Pay.

Expanded Eligibility requires Legal Aid Manitoba to:

- Expend cost in qualifying candidates. Under the regular legal aid program, a high proportion of applicants are on social assistance and once this is verified, no additional financial data are required. Under Expanded Eligibility the financial or means test process is much more onerous and exacting.
- Manage an accounts receivable and accounts payable process. Legal Aid Manitoba must ensure clients pay regularly and on time. This has introduced a different "culture" within the organization.

The new mode where clients are examined closely and monitored continuously for payment history is a shift for Legal Aid Manitoba staff. Rather than providing "access",

the staff must now monitor and check clients. This requires a different mentality, and can be difficult. For cost control reasons, monitoring is essential and many staff may find this distasteful. Against this must be balanced the fact that Expanded Eligibility provides services to those who previously would be disqualified.

3.0 CONCLUSIONS AND RECOMMENDATIONS

In its first year of operation, which can be characterized as a success, Expanded Eligibility clearly filled a need for legal services among the working poor of Manitoba. In general, its administrative function was well executed. Default rates were comparatively low -- the overall default ratio, that is the proportion of accounts which are delinquent by more than 120 days, is around 14 per cent -- and the Program was able to cover the costs of legal counsel.

Expanded Eligibility injects a new dimension into Legal Aid Manitoba, and requires that certain approaches, currently instituted, be strengthened and enhanced. At this time, there is no evidence of serious deficiencies in administration. However, the expected growth in client load resulting from the current publicity campaign will increase administrative loads. Failure to address systems and personnel needs outlined in this report could compromise the initial success of the Expanded Eligibility Program. The recommendations therefore focus on two areas:

- adding administrative support to deal with the anticipated increased client load which will arise from the current publicity campaign; and
- improvements to the process of qualifying applicants and managing the accounts receivable/payable system.

In a third area, relations with the Private Bar, the evaluation offers "cautionary notes" rather than technical recommendations. These follow the main recommendations.

3.1 Administrative Support

- Upgrade the Current Computer System In Accounting

Legal Aid Manitoba should consider replacing current computer hardware and downloading information from the data base system to improve the efficiency of operations.

- Develop Long-term Information Systems Strategy

The current information system is split between a client database and an accounting database. These two systems have evolved to meet the needs of Legal Aid Manitoba, but it is likely that continued expansion of the Program will place greater burdens of all aspects of the information system.

A long-term information systems strategy (Management Information System) should be developed. Based on our initial review, an integrated network system (database, accounting) would appear to offer the most advantages. In our view, the client information system needs to be integrated with the accounting system.

The following should be included in the key information produced to assist senior personnel and management:

- An estimate of unbilled legal fees - on the basis of past experience and case type;
- Monthly delinquency statistics;
- Default statistics and characteristics;
- Delinquency characteristics and patterns;
- Monthly statistics of volumes (number of certificates issued, billings, payments, etc.).

All client history information that is purged upon closing the file should be stored on diskettes. This will facilitate periodic review of the Program.

- Provide Training to Backup Accounts Clerk

Managing an accounts receivable function is labour intensive. To reduce exposure and to assist when the accounts clerk is away, a second person should be trained for the accounts clerk's functions. It is probable that increase in client load will necessitate that this be a full-time position.

- Improve Cost Allocation Aspect of Budget

The Expanded Eligibility budget should be amended to more accurately reflect its current costs.

- Consider Other Cost Recovery Mechanisms

Additional revenue sources should be considered to reduce the administration costs. These could include charging an administration fee, either a flat amount or as a percentage of billings and interest on overdue and/or unbilled amounts. A policy of extending the period of payment, which would probably amount to about 2 - 3 months of extra instalments on average, is probably a more acceptable approach to the average client. However, for many this could represent a doubling of the total fee. Some adjustment based on total fee may be appropriate and less than 100 per cent administrative cost recovery could be considered. Alternatively, a fixed percentage of administrative costs could be added to each bill. (There is always a danger of incurring collection problems if instalments are extended over a longer period.)

3.2 Qualifying Applicants and Managing Accounts Receivable

- Delinquency Management and Certificate Cancellation Policies

There is evidence that certain client and case attributes are associated with a higher risk of delinquency and eventual default. Although the initial year may well be atypical, cases/clients involved in minor crimes and from the North have a higher risk of delinquency. This suggests that increased monitoring/control and/or a stricter cancellation policy for these cases may be warranted. With additional case information, the management information system should be able to become more precise in predicting clients who are likely to default.

As part of the delinquency management process, a discretionary approach to repayment may prove beneficial. As we discovered in the client survey, many did not attempt to renegotiate their monthly payment. Yet, half of those who did were able to obtain a reduction in their instalments and maintain their eligibility. It is probable that delinquencies could be reduced by offering to review instalments for those who fall into arrears.

Another policy which should be considered is to encourage private lawyers and Legal Aid Manitoba staff counsel to provide better estimates of the total costs the client may face. However, there is risk in projecting fees. Any case may have particular difficulties which causes costs to increase well beyond previous ranges. Clients could easily misinterpret the estimates as a contract. As an interim measure, one alternative might be to reveal ranges only in those cases where there has been little variation.

Whether to state the expected cost saving from using staff versus private counsel is more controversial. The Private Bar could easily interpret this approach as aggressive marketing by Legal Aid Manitoba. At this time, Legal Aid Manitoba requires the Private Bar to deliver all forms of subsidized legal services, and care must be taken not to alienate private lawyers.

Naturally, any policy of delinquency management and cost recovery should be carefully reviewed as the ongoing administration costs may exceed the benefits. A fully integrated management information system will be essential to producing the timely information needed to support such periodic policy reviews.

- Review Eligibility Guidelines

Clients and nonparticipants (those who were refused service) told the evaluators that wider considerations should determine eligibility. Some clients complained that monthly obligations other than child maintenance and rent should be considered in determining eligibility. For example, some clients stated that car payments (when the vehicle is needed for employment) should be considered when setting the monthly instalment.

The consideration of assets, debts, and income poses an important problem for the Expanded Eligibility Program. At this time it appears that in many cases this

consideration is not guided by explicit policy. (Please note: as this report is being produced, a written policy is in the final stage of approval.)

A related issue concerns the process of verification of economic status. In one aspect, Expanded Eligibility represents a loan program. Clients are allowed access to legal services, for which they pay over an extended period of time. In our view there is benefit in moving the initial application and verification process somewhat closer to the models used by financial lending institutions. Clients who were surveyed did not object to the need for providing such information. Many would welcome it in the context of a broader definition of allowable monthly expenditures.

3.3 Relations with the Private Bar

Several cautionary notes are in order:

- Expanded Eligibility attracted a high number of domestic cases. The Private Bar believes these cases to be more expensive than criminal cases. Aside from the comments regarding Legal Aid Manitoba tariffs which are beyond the scope of this study, expansion of these cases will make more demands on the Private Bar. Private lawyers who deal with domestic cases tend to be ambivalent toward Expanded Eligibility Program. Also, as the client load increases, lawyers may come to view the Program as competition. Legal Aid Manitoba must maintain close contacts with the lawyers who supply this service to ensure there is adequate capacity to deal with increased demand.
- About 25 per cent of all cases use Legal Aid Manitoba staff counsel. Typically the cost is about 50 percent to 70 percent of the cost of using private lawyers. Legal Aid Manitoba could manage costs of an expanded program by hiring more staff counsel. But before such a move is contemplated, it is essential that a study be undertaken to ensure that the marginal costs of additional staff counsel can be met through increased billings. While the evaluators believe that this is the case, an initial investment in salaries and orientation is required. As a first priority, Legal Aid Manitoba is referred to recommendations for investing in an integrated management system. Also, any expansion of Legal Aid Manitoba will require close consultation with the Private Bar.