

## SECRETARY GENERAL'S REPORT

A century had passed in the history of The Law Society when we entered 2008. The profile of the profession is changing. Amongst 7,035 members, 88% of them were solicitors holding practising certificates. Out of these 88%, 80% were in private practice and the other practitioners worked in-house in commercial, government or non-government organisations. More than 10% of the 712 Hong Kong law firms have established their representative offices in Mainland China. 332 trainee solicitors were admitted as solicitors after completion of the two-year traineeship. 96 lawyers from other jurisdictions were also admitted as solicitors by the alternative route via the passing of the Overseas Lawyers Qualification Examination. In Hong Kong, being a gateway to China, there were nearly 1,300 registered foreign lawyers and 67 registered foreign law firms. Nine Mainland law firms have set up their operations in Hong Kong. The registered foreign lawyers and foreign law firms are regulated under the *Legal Practitioners Ordinance* by The Law Society.

To excel in our role in serving our members, we have reorganised the Secretariat. Heidi Chu was appointed Deputy Secretary General on 1 March. She assists in the overall management and continues to take charge of the Department of Standards and Development in her new appointment. The Accounts Section and the Administration Section were merged on 1 July to form a new Department of Finance and Administration. Teresa Yeung was appointed Director of Finance and Administration. A new Standing Committee on Member Services chaired by former President Ip Shing Hing was set up to support the Council's policy initiatives in enhancing our members' interests. Wendy Lee, formerly a solicitor in private practice, was appointed Director of Member Services. Valerie Cheung was appointed Director of Communications in charge of the Department of External Affairs that deals not only with the media and public relations, but also Mainland China and international relations of The Law Society.

The enhancement of our members' interests was manifested by The Law Society's initiatives in leading the profession to meet the challenges of the emerging issues affecting legal services. These issues include the Civil Justice Reform ("CJR"), mediation, higher rights of audience for solicitor-advocates, anti-money laundering, the criminal legal aid system, limited liability partnerships ("LLPs"), touting activities by recovery agents, and conveyancing practice.

To assist practitioners in familiarising the changes brought about by CJR and to prepare them for the implementation of the reforms in April 2009, The Law Society and since November, the Hong Kong Academy of Law ("Academy"), have been organising, free of charge, numerous series of CJR training programmes. The Academy was inaugurated in October and is a registered charity promoted by The Law Society.

To facilitate the extension of higher rights of audience to solicitors, The Law Society has also made much effort in assisting the Department of Justice in the drafting of the new legislation and the relevant Code of Conduct. To ensure that solicitors keep up with the international standards on anti-money laundering and terrorist financing, The Law Society introduced *Practice Direction P* and launched a publicity campaign to educate the public and prospective users of legal services the importance of combating money laundering and the efforts made by our profession in this area.

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There was an overwhelming call that the criminal legal aid system should be improved, and that the level of criminal legal aid fee should be reviewed. The Law Society continues with its lobbying efforts with the Administration on these issues. It also continues to work on the introduction of LLPs as an alternative mode of practice for our profession.

Touting activities by recovery agents to accident victims was of great concern. The Law Society believes that the majority of these victims probably qualify for legal aid or the supplementary legal aid, which renders it unnecessary for a third party to finance their claims. The Law Society is stepping up the programme to educate the public of the dangers of the touting activities of recovery agents. The proposal advocated by The Law Society to resolve the difficulty posed to conveyancers by a number of judgments regarding what documents are required to be produced as proof of title to property was accepted by the Administration; and a new section 13A of the *Conveyancing and Property Ordinance* was enacted.

In view of the recent developments in the legal education field, The Law Society updated its Position Paper on Legal Education and Training in December which was first published in 2001. It sets out its position on various aspects including the aim, entry, scope and delivery of each stage of legal education and training. These standards are the benchmarks against which The Law Society evaluates existing arrangements for legal education and training in Hong Kong, and against which it will evaluate future developments.

On international relationship, The Law Society has also made much progress in expanding opportunities for collaboration with overseas practitioners. For the first time in 2008, the Chief Justice invited the law society presidents and bar leaders from other jurisdictions to attend the ceremonial Opening of the Legal Year in Hong Kong. It was an occasion in which The Law Society would be able to renew its relationships with these overseas presidents and bar leaders. This tradition would continue in future years. In May, the President of The Law Society signed in Prague a Memorandum of Understanding ("MOU") with his Czech Bar Association counterpart, Dr Vladimír Jiroušek, in the presence of Mr. John Tsang, Financial Secretary of the Hong Kong SAR, as Guest of Honour. Bilateral trade between the Czech Republic and China surged in recent years. Hong Kong is widely accepted by the international business community as a preferred platform for doing business in China. The Law Society is convinced that there are synergies for Hong Kong solicitors to collaborate with their Czech counterparts. The MOU promotes the exchange of information between lawyers in the Czech Republic and Hong Kong. From a common platform, lawyers will enjoy enhanced accessibility to common resources for a mutually beneficial professional relationship. A Czech Interest Group has been set up to facilitate solicitors to tap into the Czech legal market. The Law Society also maintains close relationships with the International Bar Association and regional law societies and bar associations. In July, we assisted the ABA Section of International Law to organise its 2008 International Legal Exchange Program in Hong Kong. The Law Society of Hong Kong Educational Trust sponsored solicitors, trainee solicitors and law students to attend international law conferences. On the 60th anniversary of the Universal Declaration of Human Rights, the President on behalf of The Law Society signed the Convention between Lawyers of the World in Paris on 6 December reaffirming the fundamental principles of lawyers and the core values of law societies and bar associations.

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To update members on information in the Mainland market and to facilitate members' expansion of their Mainland practices, The Law Society added a new section on "Mainland-related Legal Services" to its members' webpage in March. Posted on this section are seminars, reference materials and website links on the Hong Kong value-added cross-boundary legal services; and information on the anti-dumping proceedings filed against Chinese companies in the EU, the US and India. The Law Society continues to work closely with Mainland lawyers associations to facilitate collaboration by solicitors with their mainland counterparts; and to lobby for further liberalisation measures under CEPA which include the further opening up of the legal market in Guangdong to the profession.

In October, the Council resolved to waive the membership subscription for 2009 in light of the global financial crisis. In the last quarter of 2008, we witnessed a downward trend in the number of unqualified persons employed by local firms of solicitors and registered foreign firms. Nevertheless, the number of lawyers continues to grow at a gradual pace. It is hoped that the difficulties encountered by the legal profession in the global financial crisis will be overcome in the near future.

On behalf of my colleagues at the Secretariat, I would like to thank all Council Members and Committee members, and particularly to acknowledge the leadership and support of President Lester Huang in guiding the work of the Secretariat throughout the year.

**Raymond C.K. Ho**  
*Secretary General*

