In this issue:

1. Owner Owes No Duty to Subcontractors in Tendering

The existence of a duty of an owner in a tendering process to subcontractors was considered by the Supreme Court in *Design Services Ltd. v. Canada*, 2008 SCC 22. The court found that the claims of the subcontractors did not fall into any recognized, pre-existing categories of duty of care in claims of pure economic loss and that finding a new duty of care was not justified in the circumstances, holding that:

> ...the appellants' ability to foresee and protect themselves from the economic loss in question is an overriding policy reason why tort liability should not be recognized in these circumstances. The appellants had the opportunity to arrange their affairs in such a way as to be in privity of contract with PW relative to "Contract A", but they chose not to do so and they are now trying to claim through tort law for lack of a contractual relationship with PW. Tort law should not be used as an after-the-fact insurer.

A summary of the decision can be found in the article, *Supreme Court of Canada Rules Owner in Tendering Process Owes No Duty of Care to Subcontractors*, by Paul Ivanoff and Roger Gillot, published in the May 12, 2008 Osler Update.

2. Update on Provincial Budget Legislation

The Budget Implementation and Tax Statutes Amendment Act, 2008, S.M. 2008, c.3 received Royal Assent on June 5, 2008. The statute makes a variety of amendments to tax and financial legislation. The amendments eliminate the corporation capital tax for qualifying manufacturers effective July 1, 2008, and reduce the tax in 2009 and 2010, eliminating it for fiscal years beginning after 2010 for other corporations (except Crown corporations and financial institutions). The Act also makes a number of changes to provincial income taxation, summarized in the *Explanatory Note* to the original Bill.

3. Update on Provincial Securities Laws

The Securities Amendment Act, S.M. 2008, c.8 (Bill 6) received Royal Assent on June 12, 2008. With the exception of ss.13-15, which came into effect upon Royal Assent, the Act comes into force on a day to be fixed by proclamation. *The Securities Transfer Act*, S.M. 2008, c.14 (Bill 12) received Royal Assent on July 12, 2008 and is in effect from that date.

4. New Federal Not-for-Profit Legislation Introduced

On June 13, 2008, the federal government introduced Bill C-62, An Act respecting not-for-profit corporations and certain other corporations. The backgrounder accompanying the news release of the same date sets out that this Act will result in:

- the creation of a new, modern, *Canada Not-for-Profit Corporations Act*;
- the movement of some 12 business corporations created by Special Acts of Parliament, subject to the *Canada Corporations Act*, into the *Canada Business Corporations Act*;
- the repeal of the outdated *Canada Corporations Act*; and
- a reduction in the paperwork burden by approximately 4,700 information and administrative requirements.

5. Securities Decisions on CanLII

CanLII recently announced that it has posted Securities Commission decisions for Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Nunavut and Ontario.

6. The First Seven Years of *PIPEDA*

The recent report of the Privacy Commissioner of Canada, *Leading by Example: Key Developments in the First Seven Years of the Personal Information Protection and Electronic Documents Act (PIPEDA)*, has been posted on the Commission's website.

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