Business Law Update



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1. SCC Find No Duty Not to Compete after Employment Ends

In *RBC Dominion Securities Inc. v. Merrill Lynch Canada Inc.*, 2008 SCC 54 the court considered whether to reinstate the damages awarded to the plaintiff, RBC Securities at trial, which were largely reversed at the Court of Appeal (British Columba). The facts of the case were that a manager at RBC organized a mass exit (excepting only 2 employees) of RBC investment advisors to new employment at Merrill Lynch. The court found that in organizing the mass exit, the manager breached his contractual duty of good faith, for an implied term of his employment contract was the retention of RBC employees who were under his supervision. The damages for that breach were the amount of loss it caused to RBC. The court went on to find that generally, an employee who has terminated employment is not prevented from competing with his or her employer during the notice period, and the employer is confined to damages for failure to give reasonable notice. A departing employee might be liable for specific wrongs, however, such as improper use of confidential information during the notice period. For a summary of and commentary upon the decision, read:

- <u>SCC varies BCCA's ruling in RBC v. Merrill Lynch</u> posted by Julius Melnitzer on October 09, 2008 on the Financial Post's <u>Legal Post blog</u>.
- Employee to pay damages for lost profits due to failure to carry out duties, posted by Julian Ho on The Court on October 14, 2008.

2. Making Sense of The Securities Transfer Act

Intangible Investments as Security: Making Sense of Recent Legislative Amendments will be presented by the Law Society on Wednesday, December 10, 2008 from 12:00 - 1:30 p.m. Presenter Ned Brown of Pitblado LLP will provide an overview of the complexities of *The Securities*Transfer Act, C.C.S.M. c.S60 and what it means for your general commercial practice. For more information and to register for the program, contact Legal Studies at the Law Society.

3. Firing Was Non-Discriminatory: B.C.C.A.

In British Columbia, the Court of Appeal concluded in <u>British Columbia (Public Service Agency)</u> <u>v. British Columbia Government and Service Employees Union</u>, 2008 BCCA 357 (CanLII) that the government's decision to terminate an alcoholic liquor store manager for stealing liquor was not discriminatory under the province's Human Rights Code. For a summary of the case history and comments on the result achieved, read <u>Firing BC liquor store manager not discriminatory</u> by

<u>Donna Seale</u> posted October 13, 2008 on her <u>Human Rights in the Workplace blog</u>.

4. Fraudsters Keep On Targeting Lawyers

Lawyers continue to be targeted by fraudsters. The recent <u>notice from the Law Society's Audit Department</u> outlines one scheme that has recently appeared in Manitoba. On October 14, 2008 notice of another scheme was posted by Mitch Kowalski on the Financial Posts's <u>Legal Post</u> blog, <u>Lawyers targeted by fraudsters</u>.

5. Legal Issues in a Greener World

<u>Legal Issues in a Greener World</u> is the theme of the 2008 Isaac Pitblado Lectures taking place at the Fort Garry Hotel on November 14 & 15, 2008. For complete details on the presenters and program agenda, visit the Pitblado Lectures <u>website</u>.

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