Litigation Update



November 2007 - No. 15

In this issue:

- 1. <u>Informer Privilege: SCC</u>
- 2. Determining the Master's Jurisdiction: C.A.
- 3. Amending Pleadings Out of Time: Q.B.
- 4. *Insurance Act* Amendments
- 5. Federal Court Rule Amendments

1. Informer Privilege: SCC

The Supreme Court in <u>Named Person v. Vancouver Sun</u>, 2007 SCC 43, held that informer privilege is absolute and subject only to the "innocence at stake" exception. The court went on to address how the privilege should be applied so as to minimally impact or impair the open court principle. The <u>case report</u> on the <u>All About Information</u> blog provides a succinct summary of decision.

2. Determining the Master's Jurisdiction: C.A.

In <u>Zalizniak v. Zalizniak</u>, 2007 MBCA 118 (CanLII), the court considered whether, in a reference from the Court of Queen's Bench in a marital property proceeding, the master had jurisdiction to determine issues of liability and damages arising from a delayed closing of a real property transaction. The court held that the master's order was a nullity and made the following practical comments:

As a final comment, I have two recommendations that I hope will be of assistance to judges, masters and lawyers when addressing whether a matter should be the subject of a reference.

First, the question of the Master's jurisdiction should always be addressed before the reference is ordered. Typically, this will be an obvious and straightforward consideration, which should start with identifying the specific subsection of the Queen's Bench Rules under which the reference is made. So identifying the subsection will require the judge to address the issue of jurisdiction.

Second, a master should carefully consider whether to decline proceeding if there is concern about a lack of jurisdiction. Obviously litigants will be better served if the matter is referred back to the judge for further consideration rather than putting at risk the proceeding. In *Maitre*, this court wrote favourably about the master declining jurisdiction and referring the matter back to the judge. Q.B. Rule 54.05(1) also contemplates this: "The master hearing the reference shall hear and dispose of any motion made in connection with the reference, but may refer any matter to be disposed of by a judge."

3. Amending Pleadings Out of Time: Q.B.

In <u>Mrak v. Canad Inns et al</u>, 2007 MBQB 206 (CanLII), the court considered whether to "...give leave to amend the statement of claim to substitute Maple Leaf for the nominal defendants when

the limitation period for commencing an action against Maple Leaf has expired." The decision addresses a number of issues, including the practice of naming "John Doe" or "Jane Doe" as nominal defendants and whether "special circumstances" exist to justify amending the pleadings after the expiry of the limitation period.

4. Insurance Act Amendments

<u>Bill 7</u>, *The Insurance Amendment Act*, was reintroduced in the Manitoba legislature on October 9, 2007. The explanatory note to the Bill sets out that the proposed amendments will make Manitoba's *Insurance Act* more consistent with similar legislation in other provinces.

5. Federal Court Rule Amendments

The Federal Court Rules were amended effective September 27, 2007. The <u>Rules Amending the Federal Court Rules (Case Management)</u> were published in Part II of the October 17, 2007 Canada Gazette. The background statement to the rules states that the amendment effect the following changes:

- (1) To align the status review and case management rules with the current practice of the Federal Court of Appeal and the Federal Court in order to enhance the efficiency of the courts.
- (2) To amend the rules to allow one or more prothonotaries to be appointed as case management judge.
- (3) To amend the rules to allow the Court to order at any time that a case proceed as a specially managed proceeding.
- (4) To make an amendment stating that the case management judge or prothonotary referred to in paragraph 383(c) can rule on any matter raised before the specially managed proceeding is assigned, unless the Court directs otherwise, and to allow the judge or prothonotary to order a status review at any time.

Go to the eLaw Archive

The Law Society of Manitoba provides this service solely for the benefit of and to support the competence of its members. Members should exercise their professional judgment in using or adapting any content.