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In This Issue

Supreme Court Restricts Breadth of Fiduciary Duty

Claim Against Third Party Struck: MBQB

MLRC Seeks Input on Proposed Limitations Reform

Review of Judicially Assisted Dispute Resolution Program

The Future of Law - 2009 Isaac Pitblado Lectures

Upcoming Law Society CPD

CBA Conference

Supreme Court Restricts Breadth of Fiduciary Duty

In <u>Galambos v. Perez</u>, 2009 SCC 48 the Supreme Court of Canada overturned a decision of the B.C. Court of Appeal (2008 BCCA 91) which found that a lawyer owed fiduciary obligations to his employee despite the lack of a mutual understanding that he would act only in the employee's best interests. The Court of Appeal found a power dependency relationship existed between the lawyer and his bookkeeper employee and awarded the employee \$200,000 (the unsecured amount the employee had unilaterally loaned to the law firm and lost when the lawyer declared bankruptcy). The Supreme Court disagreed, holding that the Court of Appeal exceeded the limits of appellate review and unduly extended the scope of fiduciary obligations. The Supreme Court identified three errors: 1) it was not established that a power-dependency relationship existed; 2) there was no undertaking, express or implied, that the lawyer would act only in the employee's interests with respect to the loan; and 3) the lawyer had no discretionary power over the employee's interests that he was able to exercise unilaterally or otherwise, and this negated the existence of an *ad hoc* fiduciary duty.

Claim Against Third Party Struck: MBQB

In <u>Baldes v. Billinghurst</u>, 2009 MBQB 240 the master granted the third parties' motion to strike a claim against them pursuant to Queen's Bench Rule 25.11. The master agreed with the third parties' argument that there was no issue raised between the plaintiff and defendants for which the third parties should be bound. The defendants had argued that the third party lawyers had contributed to the plaintiff's losses by leading the plaintiff to believe that a settlement had been reached in a previous breach of contract action between the parties. The defendants had pleaded in their defence that they were not liable and that no settlement was reached, so the substance of their third party claim had already been raised against the plaintiffs by way of defence.

MLRC Seeks Input on Proposed Limitations Reform

The Manitoba Law Reform Commission has prepared a draft report for consultation on *The Limitation of Actions Act*. The proposed changes are also outlined briefly in the Executive Summary. The Commission invites comments on the issues raised in the draft report, or on any other issues relevant to limitations reform in Manitoba. The Commission will assume that comments received are not confidential unless anonymity is specifically requested. Mail, fax (204-948-2184), or email (lawreform@gov.mb.ca) your comments to the attention of Cameron Harvey Q.C. by November 13, 2009.

Review of Judicially Assisted Dispute Resolution Program

As announced in a <u>Notice</u> dated October 29, 2009, the Court of Queen's Bench has established a committee to review the Judicially Assisted Dispute Resolution (JADR) program established in 1994. The committee invites participation by the profession either by written submission or at an informal lunch discussion to be held November 9, 2009 at the Law Society. See the notice for further details.

The Future of Law - 2009 Isaac Pitblado Lectures

The 2009 Isaac Pitblado Lectures looks at the future of law in Practising Law in the 21st Century: evolution or revolution. Keynote speakers include Professor Richard Susskind, OBE, author of *The End of Lawyers? Rethinking the Nature of Legal Services* (reviewed here), Jordan Furlong, editor of the *National* magazine and Dan Pinnington, practice advisor at LawPRO. The program takes place November 13 & 14, 2009 at the Fort Garry Hotel, Winnipeg.

Upcoming Law Society CPD

The Law Society and Seminar Partners Inc. are co-sponsoring the program <u>Advanced Cross-examination Techniques</u>, which takes place January 25, 2010 at the Delta Winnipeg. Acclaimed presenters Larry Pozner and Roger Dodd will cover leading questions, controlling witnesses, cross-examination sequences, loops and trilogies, and the chapter method of cross-examination in this intensive day long seminar.

Human Rights Commission staff and experienced practitioners will review important developments in the area of human rights law and provide practical tips concerning all levels of the process in <u>Let Me Get This Right: A How-To Session for the Human Rights Commission Process</u>. The noon hour program will be held February 4, 2010 at the Law Society classroom.

CBA Conference

The Canadian Bar Association conference <u>Access and independence</u>: <u>Restoring the Balance in Administrative Tribunals and Labour Boards</u> will be of interest to lawyers practising labour and employment or administrative law. The overall theme of the conference, which takes place November 20-21, 2009 in Ottawa, is access to justice. Presenters include Michel Bastarache, who will deliver the keynote address, and Madam Justice Rosalie Abella, of the Supreme Court. Check the <u>program brochure</u> or <u>registration form</u> for further details.

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