

### Court of Appeal File No. CA51094 Air Passenger Rights v. WestJet Airlines Ltd.

GISTRY	COURT OF APPEAL
	EAL FROM the order of The Honourable Madam Justice Sharma of eme Court of British Columbia pronounced on the 30 <sup>th</sup> day of 2025.
BETWEE	N:
	Air Passenger Rights Appellant (Petitioner)
AND:	
	WestJet Airlines Ltd. Respondent (Respondent)
AND:	
	Civil Resolution Tribunal Respondent
	(Tribunal Whose Order was Under Judicial Review)
	LOWER COURT TRANSCRIPT

**Supreme Court Proceedings in Chambers** (Pages 1 - 25)

## Court of Appeal File No. CA51094 Air Passenger Rights v. WestJet Airlines Ltd.

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# IN THE SUPREME COURT OF BRITISH COLUMBIA (BEFORE THE HONOURABLE MADAM JUSTICE SHARMA)

	ŀ	New Westminster, BC March 24–25, 2025
In the N	latter of the <i>Judicial Review Procedure Act</i> , F	R.S.B.C. 1996, c. 241
BETWEE	N:	
	Air Passenger Rights	Petitioner
AND:		
	WestJet Airlines Ltd.	Respondent
	PROCEEDINGS IN CHAMBERS	
Counsel	for the Petitioner:	S. Lin
Counsel	for the Respondent:	K. Chaudhary M. Dery
	for the Attendee, olution Tribunal:	Z. Rahman

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## Reporter certification

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No exhib	oits marked.	

March 24, 2025 Vancouver, BC

#### (EXCERPT FROM PROCEEDINGS)

(PROCEEDINGS COMMENCED) ([10:04:42 AM]) (EXCERPT BEGINS) ([10:54:38 AM])

#### SUBMISSIONS BY CNSL S. LIN:

CNSL S. LIN: So here what the Supreme Court of Canada analyzed was, well, is this standardized compensation of 400, 700 or 1,000 dollars -- is it, quote/unquote, action for damages, or is it something else? If it's action for damages, it's trumped, and this regulation needs to be struck down. If it's not an action for damages, they can coexist, no problem. And this is what -- and the Supreme Court of Canada ultimately, of course, ruled that it was -- the standardized compensation amounts are not action for damages, and it starts from paragraph 94.

Because the [APPR] do not provide for an action of damages but instead create an entitlement to standardized compensation that does not seek to measure a passenger's loss, they fall outside the scope of Article 29 --

Of the Montreal Convention.

-- and do not conflict with the *Montreal Convention*. The two forms of passenger compensation envisaged by the *Regulations* and the *Montreal Convention* are capable of "standing together." The bargain at the centre of the *Montreal Convention* remains undisturbed. In --

#### And emphasized.

-- actions for damages passengers continue to enjoy certain evidentiary presumptions "on proof of damage" ... which address "the need for equitable compensation based on the principle of restitution" ... Carriers remain shielded from unlimited liability

arising from --

Again, quote.

-- actions for damages related to claims for death or bodily injury, damage or loss of baggage and cargo and for delay.

95:

It is helpful to look beyond the context of the *Montreal Convention* to other instances in which courts have considered whether a statutory entitlement is an award of damages.

And then I'm just reading the highlighted portion.

In concluding that the compensation owed under the *Employment Standards Act* was not an award of damages and there was no double recovery, the court characterized the compensation payable under the *Employment Standards Act* as "minimum entitlements" that "are not linked to ... actual loss suffered ..." The entitlements could be contracts with damages in the employment context, which seek to correct the loss suffered by a plaintiff through monetary compensation ...

And then further on in paragraph 97:

... the fact that claims payable pursuant to the [APPR] can be vindicated by way of an action in court does not change the nature of the compensation or the *Regulations* themselves.

So the airlines were arguing, well, you can file in court to claim the standardized compensation, so it must be a standard -- an action for damages. And the Supreme Court of Canada rejected that proposition and says:

... even assuming, without deciding, that judicial proceedings that seek to vindicate a claim under the *Regulations* --

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2 THE COURT: Sorry. Where are you reading from? 3 CNSL S. LIN: 97. The --97. 4 THE COURT: 5 CNSL S. LIN: -- highlighted -- 97. THE COURT: Yeah. 7 CNSL S. LIN: So the -- the argument was that because 8 you can file in court doesn't --9 THE COURT: Yes. 10 CNSL S. LIN: -- necessarily mean an action for 11 damages, but the Supreme Court of Canada rejected 12 that proposition and said: 13 14 ... even assuming, without deciding, that 15 judicial proceedings that seek to vindicate a 16 claim under the Regulations amount to an 17 "action" for the purposes of the Montreal 18 Convention, the claim would not be for 19 "damages." 20 21 And I emphasize that's the key here. It's not a 22 claim for damages. 23 24 Where such claims are filed in courts of law, 25 the claim is not in the nature of one for 26 damages --27 28 Not in the nature of one for damages. 29 30 -- because the claim is not tied to any harm 31 suffered by the claimant and does not require any "case-by-case assessment" or relate to 32 "compensation for harm" ... Instead, the 33 claim is for payment of an amount that is 34 35 already owed as a matter of standardized 36 entitlements provided for under a consumer 37 protection scheme. 38 39 So that's the context of -- of what was before the 40 CRT, and we say what was being assigned -- was it 41 an assignment of a damages claim or a debt claim? 42 And we have a -- I would say a very clear answer 43 from the Supreme Court of Canada that they 44 completely ruled out this -- these standardized 45 entitlements as a damages claim.

And on that point I would refer to my -- my

colleague from the CRT, their submissions.

THE COURT: Yes.

CNSL S. LIN: So paragraph 2. Since the CRT's response was filed the SCC issued its decision -- the one we just went through -- and the decision requires the CRT to clarify its position. And here we see APPR disputes are decided under the CRT small claims jurisdiction. The section provides for the CRT to resolve claims for relief in the nature of, quote/unquote, debt or damages within the monetary amounts set by regulations. So up to \$5,000 the CRT can rule on, quote/unquote, debt or damage -damages or debt. Amongst other things, the IATA case -- the International Air case -- the SCC found that the APPR did not provide for an action for damages but instead created standardized entitlements. Precisely what -- the paragraphs we went through just now.

And then paragraph 5 I think is important here. Since International Air was issued the CRT has issued decisions confirming its jurisdiction to decide APPR disputes as claims in debt. So there were two CRT decisions rendered — that's in tabs 3 and 4 of our authorities — the Reshaur case versus West Jet and the Pansegrau v. Air Canada, both issued after the — the supreme court decision. Both tribunal members looked at the supreme court decision and found that they were invoking their jurisdiction for adjudicating debt, not damages, in order to grant those APPR entitlements.

And here my friend at paragraph 6 also notes the nature of APPR claims and the CRT's jurisdiction to resolve them were not at issue in the final decision, of course, because the supreme court has not rendered their decision yet, so it was not discussed. They're also not at issue in this judicial review. However, this court has been asked to consider the validity of the Boyds' assignment of their claim to APR.

While the CRT continues to take no position on the merits of judicial review, the CRT acknowledges that claims in debt can validly be assigned at law without violating the rule against champerty.

And footnote 6 -- I'll take the court through those two decisions.

THE COURT: M'mm-hmm.

44 45

46

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CNSL S. LIN: We have them in our authorities. 2 Further, section 36 of the Law and Equity Act 3 does permit the assignment of debts. Again, we 4 will go through section 36, and we say that's a 5 complete answer to the standing issue. 7 [PROCEEDINGS FROM 11:01:08 AM TO 12:05:48 PM] 8 9 THE COURT: But judicial review is not an appeal. It's 10 a very different thing, and I think -- and that's 11 where I think part of your friend's argument is. 12 CNSL S. LIN: I think we have to take a step back and 13 look at what is the substance of the judicial review. At the end of the day we are essentially 14 15 applying the test for an appeal because the question that's being judicially reviewed is a 16 17 question of law. THE COURT: It -- it's not. It's not. A -- on a 18 19 judicial review I am acting as a supervisory 20 court. I am not an appellate court. That's very 21 clear in the law. And so -- and that may not make 22 a difference to your argument, but it's where I 23 stumble. 24 CNSL S. LIN: Yes. THE COURT: I'll put it that way. 25 So -- so that's 26 where I -- that's where I understand the 27 controversy might be, that yes, they purported to 28 absolutely assign, but this doesn't control 29 whether or not they can seek judicial review. 30 So --31 CNSL S. LIN: But --32 THE COURT: So if it's -- just think of it in a 33 different sense. Someone gets a decision from the 34 Human Rights Tribunal, and the employer's supposed 35 to pay them money. They assign that and --36 according to your argument they could assign that 37 and someone else can go and get that money. 38 That's completely contrary to -- to the idea of what the Human Rights Tribunal is, which is to 39 40 give compensation to that employee that was 41 wronged. And then whether the tribunal is right 42 or not has to do with whether they stayed within the bounds of their jurisdiction.

CNSL S. LIN: Respectfully, I would disagree with the

proposition that the CR -- the Human Rights

judgment debt. It's an example in the --

Tribunal's judgment cannot be assigned. That is a

```
It's not. It's compensation.
       THE COURT:
 2
       CNSL S. LIN: No, it is -- it's compensation --
 3
                   It's compensation --
       THE COURT:
 4
       CNSL S. LIN: -- that --
 5
                   -- for discrimination against a person.
       THE COURT:
            probably shouldn't go down that road because I'm
 7
            not going to have to answer that question.
                  I think I -- I am -- I understand what you're
 8
 9
            saying, that this is really just a debt and the
10
            judicial review is simply on a question of law:
11
            did the tribunal get it wrong or not. And you say
12
            there's no reason why, given that it's just a
13
            debt, it can't be assigned. So I should probably
14
            confine myself -- I shouldn't jump off to the
15
            human rights because that's getting too
16
            complicated.
17
                  Okay.
                         I -- I think I understand your point.
18
            You're saying in this instance because it's a
19
            question of law there's nothing about the judicial
20
            review that -- that makes it any different than
21
            any other method of enforcing or appealing; is
22
            that fair?
23
       CNSL S. LIN: Correct. And section 36 I think is
24
            really the answer. We assigned -- we received the
25
            assignment of the debt [indiscernible] chose in
26
            action, and that statute says we also receive all
27
            legal or other remedies.
                                       And we submit that of
            course judicial review is part and parcel of "all legal or other remedies." It's one of the -- the
28
29
30
            ways to enforce a debt.
31
       THE COURT:
                   Well --
32
       CNSL S. LIN: Or the only way --
33
                   -- I think probably --
       THE COURT:
34
       CNSL S. LIN: -- left.
                   -- what you have to do is look at what a
35
       THE COURT:
36
            judicial review is; right? A judicial review is
37
            the supervision of a statutory decision maker.
38
            That's all it is.
39
       CNSL S. LIN: Yes. And it -- it in theory should be
40
            brought by the person that has direct private
41
            interest, but it then goes back to the question --
42
            the Boyds have severed their interest.
                                                      They
            already gave the debt away. Why would they have
43
44
            an interest in -- in -- in advancing a judicial
45
            review? And that's --
46
       THE COURT: Well, they could have; right?
                                                    If they
47
            didn't assign it, they could have.
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CNSL S. LIN: They could have, but they -- they chose
 2
            to assign it and -- assign the -- the debt away,
 3
            and that is precisely what section 36 provides,
 4
            when you can have a debt or [indiscernible] legal
 5
            chose in action being advanced by not the assignor
            but the assignee exclusively.
 7
                  I'm going to assume that there is no case
       THE COURT:
 8
            out there that addressed this particular issue --
 9
       CNSL S. LIN: No. My --
10
                   -- and that's --
       THE COURT:
11
       CNSL S. LIN: -- friend --
12
       THE COURT:
                   -- why --
       CNSL S. LIN: -- hasn't --
13
14
                   -- we're here.
       THE COURT:
       CNSL S. LIN: -- cited any, and we say --
15
16
       THE COURT: All right.
17
       CNSL S. LIN: -- it would be resolved on the basis of
18
            awarding all legal and other remedies for the
19
            debt --
20
       THE COURT: Okay.
21
       CNSL S. LIN: -- under section 36.
22
       THE COURT: Okay. I understand.
       CNSL S. LIN: That's the substantive legal answer I
23
24
            submit, as we noted in paragraph 16A of our -- of
25
            our --
26
       THE COURT: Yes.
                         Yeah.
                                Thank you.
27
       CNSL S. LIN: We excerpted section 36 as well.
28
            That's -- we say is the answer.
29
                 Again, it goes back to the point about
30
            Stevenson. Nobody will have -- would be able
31
            to -- to -- to advance a judicial review in a
32
            circumstance like this if -- if the assignee could
33
            not because the assignment has severed every
34
            possible interest that the Boyds could have.
35
       THE COURT:
                   If it's valid; right?
36
       CNSL S. LIN:
                    Yes.
37
       THE COURT:
                   You -- you agree that there's an -- if your
38
            friend's argument -- and I'm sorry. It may not be
39
            exactly his argument, but his argument would
40
            depend on saying this assignment can't be valid,
            that -- because of the judicial review.
41
42
       CNSL S. LIN: Well, I can't -- I don't think he could
43
            say because of the judicial review. He needs to
            look at the law of assignment, which is the law we
44
45
            looked at --
46
       THE COURT:
                   Yeah.
47
       CNSL S. LIN: -- and is it -- is the underlying claim a
```

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debt or damages. I think that's the key legal
 2
            question that was what this court was facing in
 3
            Argo Ventures. And the court said well, it's not
 4
            obviously a debt, so no issue under section 36.
 5
            But even if it's damages, we still have this case
            law.
                  Still not an issue. So that --
 7
       THE COURT: But a judicial review is neither of those
            things. It's not -- it's not an action. Judicial
 8
 9
            review is based on the prerogative writs --
10
       CNSL S. LIN: Yes. And it's --
11
       THE COURT:
                   -- that forces a statutory decision maker
12
            to do or not do something.
13
       CNSL S. LIN: And it's a legal --
       THE COURT:
14
                  So it's not --
15
       CNSL S. LIN: -- end for --
                   -- actually --
16
       THE COURT:
17
       CNSL S. LIN: -- other --
                   -- against West Jet; right?
18
       THE COURT:
19
       CNSL S. LIN:
                    Well, not directly, but --
20
       THE COURT:
                   It's not.
21
       CNSL S. LIN: It's not directly against West Jet, but
22
            the -- the legal effect of it is. And ultimately
23
            I think the whole intent of section 36 is to
24
            capture all legal and other remedies. It would be
25
            a very messy situation where it's the Boyds doing
26
            judicial review, but then they -- they have
27
            already assigned away their -- their --
28
       THE COURT:
                  Well, no.
                              I --
29
       CNSL S. LIN: -- debt.
30
       THE COURT: I guess that's my question to you, is that
31
            you've not come across any case that talks about
32
            whether section 36 of the Law and Equity Act
33
            refers -- the wording of that phrase that you keep
34
            mentioning includes petitions for judicial review
35
            or applications for prerogative writs.
36
       CNSL S. LIN: I haven't found a single --
37
       THE COURT:
                   Yeah.
38
       CNSL S. LIN:
                    -- decision where it --
39
       THE COURT:
                   Okay.
40
       CNSL S. LIN: -- says that judicial review -- you can't
            step into the shoes of the person seeking judicial
41
42
            review as an assignee. I haven't found any
43
            decision to --
44
       THE COURT: No, but you've not found a case that says
45
            you can.
46
       CNSL S. LIN: And we say it's because it's -- it's
47
            obvious you can because of the wording here.
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THE COURT: Well, I've never seen it. Have you ever --
 2
       CNSL S. LIN: Yeah.
 3
                  -- seen it?
                               I've never seen it.
       THE COURT:
 4
       CNSL S. LIN: I've seen it in the foreclosure context.
 5
            The example --
       THE COURT:
                   Foreclosure is not judicial review, Mr. --
 7
       CNSL S. LIN: Yes.
 8
       THE COURT:
                   -- Lin.
       CNSL S. LIN: It's not judicial review.
 9
                  Well, that's -- but that is the important
10
       THE COURT:
11
            difference, I think, is what I'm asking about.
12
       CNSL S. LIN: Yeah. And -- and again it goes back to
13
            the point that judicial review needs to be
14
            [indiscernible] by the person with direct
15
            interest.
16
       THE COURT:
                   Yeah.
17
       CNSL S. LIN: And the only person with direct interest,
18
            according to Stevenson, would be the assignee
19
            because all interest has been severed as of the
20
            date of the --
21
       THE COURT: I see --
22
       CNSL S. LIN: -- assignment.
23
                  -- what you're saying. Okay.
       THE COURT:
24
       CNSL S. LIN: Yeah.
25
       THE COURT:
                  Yeah. Okay.
                                 Thank you. I -- you're
26
            saying that the assignment gets over the standing
27
            problem by giving a direct interest to your
28
            client.
29
       CNSL S. LIN:
                    Exactly. We -- we are the only ones with
30
            a direct interest as of July 24th, the date of the
31
            assignment, and that's, I would submit, the
32
            precise language that was used in Stevenson as
33
            well.
34
       THE COURT:
                  Okay. Sorry.
                                  In Stevenson?
       CNSL S. LIN: Stevenson.
35
36
37
                 ... any rights to bring an action against
38
                 Mr. Popoff had been assigned to Ms. Deasey
                 and cannot be assumed by Ms. Stevenson as she
39
40
                 seeks to do by bringing this action.
41
42
       THE COURT:
                  Okay.
                    And then Madam Justice Southin's
43
       CNSL S. LIN:
44
            discussion I think is -- is key.
45
46
                      Where there is an assignment within the
47
                      section of which notice has been given,
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 the assignor cannot sue for the debt. The action must be brought by the assignee.

(EXCERPT ENDS) ([12:13:55 PM]) (PROCEEDINGS ADJOURNED TO MARCH 25, 2025, AT 10:00 AM) ([4:01:18 PM])

March 25, 2025 Vancouver, BC

#### (EXCERPT FROM PROCEEDINGS)

(PROCEEDINGS COMMENCED) ([10:02:33 AM]) (EXCERPT BEGINS) ([10:07:41 AM])

#### SUBMISSIONS BY CNSL M. DERY:

CNSL M. DERY: So where -- what the first sort of consideration is when there's a flight disruption -- and you'll see this in -- in paragraph 4 here -- is what you have to look at is whether the flight disruption was caused by something that was within the carrier's control, within the carrier's control but required for safety or outside of the carrier's control, and so different things flow from that determination.

And who -- who makes that determination, Madam Justice? My client does. My client has an obligation to -- to communicate to passengers under the statute what the reason for the disruption was, and you'll see that correspondence, and you have seen -- you were referred to an email --

THE COURT: M'mm-hmm.

CNSL M. DERY: -- yesterday by my friend where my client was doing that.

And so then if the -- if the passenger is not satisfied with either the compensation or the -- or the explanation outside of control, then they can -- they can dispute it, they can file a claim, they can bring a lawsuit or they can complain to the Canadian Transportation Agency, who also adjudicates disputes, another -- another tribunal that handles these kinds of -- these kinds of complaints. So that -- that's broadly how -- how it works.

### [PROCEEDINGS FROM 10:09:11 AM TO 10:23:54 AM]

CNSL M. DERY: The tribunal has lots of discretion in terms of its procedure, how to do a hearing, what evidence -- not bound by the rules of evidence. It's a -- it's a, you know, layperson friendly procedure.

So as far as -- the arguments before the tribunal talked about how the -- and just at paragraph 29 -- the eligibility of compensation depends on the cause of the delay and the -- like the -- the resulting delay. And you'll see at the top of page 5 the provision in the APPR that provides for the standardized compensation, which is \$1,000 if the delay is over nine hours. And we've put there as well the section of the APPR with respect to labour disruption. At paragraph 33 -- and this was evidence 

At paragraph 33 -- and this was evidence before the tribunal -- we say the claimants are bound by the terms and conditions of the passenger ticket, the terms and conditions of West Jet's international tariff. That together is the contract of carriage, which has -- has terms and conditions. In that tariff, which I won't take you through -- it's a lengthy document -- there are term -- the -- the terms of the APPR is --

THE COURT: M'mm-hmm.

CNSL M. DERY: -- are repeated in that tariff. They're produced in that tariff, and so that -- that is in there. And those -- that tariff has to be filed with the regulator before it comes into effect.

Now, the -- the claimants -- Mr. and Mrs. Boyd -- argued that because there was no strike -- no actual strike the cancellation was not due to strike or work stoppage.

### [PROCEEDINGS FROM 10:25:41 AM TO 10:51:00 AM]

CNSL M. DERY: We say that -- we say that none of -- a judicial review does not fall into any of those categories. It just doesn't. It's not a -- it's not a debt. It's not a -- and you can see the definition of "debt" here from a very old case from the -- from 1940. A debt is:

... a sum payable in respect of a liquidated money demand recoverable by action ...

And so while the claim was for a debt, the assignment is not for that debt. The assignment is to judicially review the decision and then pocket the debt, I gather -- pocket the -- the compensation if successful.

As far as the legal chose in action, we have

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that definition there in our submission from a
decision of the court of appeal, and you can -you can see that -- and I talked to you a little
bit about it yesterday, as to where -- what kind
of things are choses in action -THE COURT: M'mm-hmm.
CNSL M. DERY: -- and whether they are assignable, and

CNSL M. DERY: -- and whether they are assignable, and we say that's not -- again, a judicial review is not that.

And from the -- from the Alberta court of appeal at paragraph 80 of our submission it states that:

A chose in action is a right to sue ... includes the right to recover personal property, the right to recover debts, the right to recover damages in contract or tort or for failure to perform a duty.

And the -- as you heard -- as you heard from my friend and -- that the Supreme Court of Canada had to make a decision here recently with respect to -- and what that case was -- and I'm not sure it was through -- explained too much yesterday, but what that decision was was -- was the IATA -the International Air Transport Association is a -- is a -- is an industry group of a lot of airlines -- a lot of international airlines, and so they challenged the Air Passenger Protection Regulations and said that -- that they could not stand because they were in conflict with the Montreal Convention. And so the court went through an analysis as to what is a claim under the Montreal Convention and what is this -- what are the standardized compensation amounts. And the court found that -- that a Montreal Convention claim was a claim for damages, and the APPR standardized compensation amounts are not damages. They are -- they're just standardized -standardized amounts. Nobody has to -- you know, there's no -- there's no individuality to it. It is just if you have a delay and you fall under the statute -- it's determined to be outside of control -- that is the amount. It's a standardized compensation amount.

So the court said well, we don't have a conflict here. There's -- the Montreal Convention

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is damages. The -- the APPR are
            standardized compensation.
                                       The court did not say
 3
            that APPR standardized compensation amounts are
 4
            debt, that it is classified legally as a debt.
 5
            What my friend has done is take one sentence that
            said those are amounts already owed to mean that's
            a debt. And, you know, in fairness to -- to my
 7
            friend, the CRT had to decide after IATA came down
 8
 9
            whether it had jurisdiction -- continuing
10
            jurisdiction to hear these claims if they were not
11
            a claim for -- for damages because that's what the
12
            CRT --
13
       THE COURT:
                  Yeah.
                         I was --
14
       CNSL M. DERY: -- has --
15
                  -- going to --
       THE COURT:
       CNSL M. DERY: -- jurisdiction --
16
17
                  -- ask about --
       THE COURT:
18
       CNSL M. DERY: -- over.
                  -- that because --
19
       THE COURT:
20
       CNSL M. DERY: Yeah.
21
       THE COURT: -- it's a federal statute, so I was a
22
            little unclear.
23
                     The convention -- sorry. The Montreal
       CNSL M. DERY:
24
            Convention is a -- or --
25
       THE COURT:
                  No, the --
26
       CNSL M. DERY: Oh, the APPR --
27
                  -- APPR --
       THE COURT:
28
       CNSL M. DERY: -- is a -- is a federal statute.
29
       THE COURT: -- is federal legislation. Usually federal
30
            legislation doesn't end up in the provincial
31
            court, but --
32
       CNSL M. DERY: It has.
                               Yeah. No.
                                           And it gives -- it
33
            gives -- it does give a right of -- you know, a
34
            right of a claim to --
       THE COURT: Right.
35
36
       CNSL M. DERY: -- to passengers to bring -- to bring a
37
            claim and they -- and they can pursue that
38
            through --
39
       THE COURT: Because it's --
40
       CNSL M. DERY: -- either through the courts --
                  -- they're bringing it against West Jet,
41
       THE COURT:
42
            not --
43
       CNSL M. DERY: Correct.
       THE COURT: -- against the agency.
44
       CNSL M. DERY: Correct. Yeah. Absolutely.
45
46
       THE COURT: But did you say that the CTA also hears
47
            these case, or did I mishear you?
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CNSL M. DERY: No, you didn't. If a passenger is not
 2
            satisfied with something like this -- again, a
 3
            disruption outside of control --
 4
       THE COURT:
                   Yes.
 5
       CNSL M. DERY:
                     -- et cetera -- they also have the
            option of bringing a complaint before the CTA.
 7
                  So the Boyds could have gone to the CTA?
       THE COURT:
 8
       CNSL M. DERY: Yes, they could have. But they --
 9
       THE COURT:
                  Well, that --
10
       CNSL M. DERY: -- chose to --
11
       THE COURT:
                  -- makes no --
12
       CNSL M. DERY: -- sue.
13
       THE COURT: -- sense to me at all, but okay.
14
            ignore that issue.
15
       CNSL M. DERY:
                     That's how -- that's how -- yeah, they
16
            can go to the -- they can go to the CTA, make a
17
            complaint, and the CTA can order -- you know, can
18
            order remedies.
19
       THE COURT: Because if they did that, then they would
20
            go to the federal court of appeal.
21
       CNSL M. DERY: Correct. To appeal that --
22
       THE COURT: Right.
23
       CNSL M. DERY: -- decision.
                                    Yes. Correct. And I've
24
            handled --
25
       THE COURT:
                   Right.
26
       CNSL M. DERY: I've handled those as well.
27
                  I guess I'm just a little confused, but if
       THE COURT:
28
            no one's making an issue of it, I will ignore my
29
            confusion.
30
       CNSL M. DERY: Oh, no problem. And I think -- I don't
31
            know if this ameliorates your -- your confusion,
32
            but the -- the CTA is not granted exclusive --
33
                  Okay.
       THE COURT:
34
       CNSL M. DERY: -- jurisdiction --
35
       THE COURT:
                   Okay.
36
       CNSL M. DERY:
                     -- over these --
                   Fair enough.
37
       THE COURT:
38
       CNSL M. DERY: -- complaints.
39
                  Okay.
       THE COURT:
40
       CNSL M. DERY:
                      I've argued that in many cases. My
41
            friend --
42
       THE COURT:
                   Yes. Okay.
43
       CNSL M. DERY: -- has as well.
44
       THE COURT:
                   It's not exclusive. Okay.
45
       CNSL M. DERY: Yeah.
46
       THE COURT:
                   Yeah.
47
       CNSL M. DERY: Yeah, we've -- I've made the argument
```

```
that that's -- that is the intention, that they
 2
            handle --
 3
                   Right.
       THE COURT:
 4
       CNSL M. DERY: -- these --
 5
       THE COURT:
                  Right. Right.
       CNSL M. DERY:
                     -- things, but there's no -- I can't
 7
            remember the --
 8
       THE COURT: Exclusivity clause.
 9
       CNSL M. DERY: Correct. Yeah, I can't remember the
10
            name of what that kind of a provision is, but
11
            it's -- yeah, there's no sort of --
12
       THE COURT: Exclusivity --
13
                  D SPEAKER: Privative clause. -- clause, I think.
       UNIDENTIFIED SPEAKER:
14
       THE COURT:
15
       CNSL M. DERY: What is it?
16
       UNIDENTIFIED SPEAKER: Privative.
17
       CNSL M. DERY:
                     Privative clause. Thank you. Privative
18
            clause.
19
       THE COURT: Well, the --
20
       CNSL M. DERY: As many times as --
21
       THE COURT: -- privative clause prevents judicial
22
            review, but an exclusivity clause --
23
       UNIDENTIFIED SPEAKER: Oh, sorry.
24
       CNSL M. DERY:
                      Oh.
25
       UNIDENTIFIED SPEAKER:
                              My bad.
26
       CNSL M. DERY:
                      Sorry. That might not be it. Yeah,
27
            there is a term. I can't remember what it is.
28
            think we're both blanking on it.
29
                  Yeah, it's like what's under the labour
       THE COURT:
30
            code or something --
31
       CNSL M. DERY:
                      Exactly.
32
       THE COURT:
                   Yeah.
33
       CNSL M. DERY: Exactly.
34
       THE COURT: Okay. So there's no exclusivity clause?
35
       CNSL M. DERY:
                     Right.
36
       THE COURT:
                   I see.
37
       CNSL M. DERY:
                      And so the --
38
                   Okay.
       THE COURT:
39
       CNSL M. DERY: Yeah. And so the Boyds could have --
            absolutely could have -- and we have -- it won't
40
41
            surprise you. With -- with -- with lay litigants
42
            we have folks who do both, who --
43
       THE COURT:
                   Oh, right.
44
       CNSL M. DERY:
                     -- will -- who will complain and sue.
                   Yeah, yeah. Okay.
45
       THE COURT:
46
       CNSL M. DERY: And so --
47
       THE COURT: Okay.
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CNSL M. DERY: And so we have that happen as well.
 2
       THE COURT: Okay. Right.
 3
       CNSL M. DERY: And so -- so in any event the -- the CRT
            had to decide do we have -- do we still have
 4
 5
            jurisdiction --
 6
       THE COURT:
                   Yes.
 7
       CNSL M. DERY: -- over APPR claims because the Supreme
            Court of Canada has now said --
 8
 9
       THE COURT:
                  It's not damages.
10
       CNSL M. DERY: -- it's not damages.
11
       THE COURT: Right. Okay.
12
       CNSL M. DERY: But we have jurisdiction over debt and
            damages, and so what the CTA has done -- or --
13
14
       THE COURT:
                  Yeah.
15
       CNSL M. DERY: -- sorry. What the CRT has done -- and
16
            my friend will go --
17
       THE COURT:
                  Yeah.
       CNSL M. DERY: -- in much more detail --
18
19
       THE COURT: Yes.
20
       CNSL M. DERY: -- is ask for parties' submissions on
21
            cases --
       THE COURT: Oh, okay.
22
23
       CNSL M. DERY: -- do you think we have jurisdiction --
24
       THE COURT: Okay.
                         Yeah --
25
       CNSL M. DERY: -- and I -- if I --
26
       THE COURT: But no -- no one in front of me is
27
            challenging that jurisdiction, so --
28
       CNSL M. DERY: No, we are not.
29
       THE COURT: Okay.
30
       CNSL M. DERY:
                     And I think -- you know, again, if it
31
            helps, I think what -- what the approach has been
32
            is that -- is that it's going to be on a case by
33
            case basis that people can make jurisdictional
34
            arguments, I think, if I'm right.
35
36
                 [PROCEEDINGS FROM 10:58:07 AM TO 2:47:02 PM]
37
       REPLY BY CNSL S. LIN:
38
39
40
       CNSL S. LIN: And one key point that my friend did not
            address directly is they're saying that we don't
41
42
            have standing, period. I guess the next question
43
            is who does, in light of the situation.
44
            friends have not stated that one way or the other,
45
            but if nobody has standing, then that's a real
46
            problem.
47
       THE COURT: I think he puts the standing and the
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47

invalidity of the assignment together, so I think 2 he would say both -- both arguments mean that only 3 the Boyds could judicially review. 4 CNSL S. LIN: Well, you cannot divorce the assignment 5 and the -- and the standing issue, because if the assignment is a proper assignment of debt, the 7 interest that's passed, then of course there will 8 be private interest standing, in our submission. 9 So it's impossible to sort of divorce the two and 10 look at it disjunctively. You have to consider 11 them --12 THE COURT: No, I don't --13 CNSL S. LIN: -- together. 14 I think your friend does look at them THE COURT: 15 together. And I think the -- the key is -- well, it 16 CNSL S. LIN: 17 goes right back to -- to the Fredrickson scenario and also the text of the assignment. Perhaps I 18 19 can take you there. My friend took you through it, but I think it's important to appreciate why 20 21 we have particular wording. He's pointing to 22 words such as "including actions, complaints, appeals and judicial reviews," "a right to bring and defend legal proceedings." And I think we 23 24 25 would be facing a different argument if we hadn't 26 did [sic] a catch-all to include everything 27 because section 36 had the word "absolute." 28 we kept something back and have -- not have it 29 assigned, then it won't be absolute and then we'd 30 be facing a different type of argument. 31 And on that note I think we can go to the 32 binder that I provided to you and start at tab 1, 33 which I think has a complete answer. Yesterday you asked me about -- at section 36 there's 34 reference to "legal and other remedies," and you 35 36 asked me if there's any case law on that. 37 THE COURT: Yes. 38 CNSL S. LIN: I didn't -- I wasn't able to find 39 Canadian case law initially, and then I -- I went a bit further back to England. 40 41 THE COURT: M'mm-hmm. 42 CNSL S. LIN: And apparently this has been discussed in 43 England in the -- 1888. Tab 1, Read v. Brown. And if we go to page 130 and the section -- just 44 45 taking a step back. Section 36 of the Law and

Equity Act is very similar to the section 53 of

the Conveyancing --

THE COURT: M'mm-hmm.

CNSL S. LIN: -- Act my friend passed up, and all of these statutes actually originate back to [sic] England back in the 1870s when there was the fusion of equity and common law.

THE COURT: Yes.

CNSL S. LIN: And that's when this provision was born. It's actually very similar across the Commonwealth. We have a very similar provision, and the court of appeal of England was dealing with that precisely. So what the court of appeal says here was:

The effect of this comprehensive language is in my opinion not merely to place the assignee of a debt in the same specific position as to legal remedies as his assignor --

Emphasize "in the same specific position."

-- but to enable the assignee of a debt to treat the debt assigned to him as a debt to which as assignee under the statute he has himself personally acquired a legal right enforceable by any legal remedy.

So we have that from the English court of appeal interpreting virtually the same provision.

And I think it goes further. If we go to the next page, page 131:

But I may base my judgment upon stronger ground than this ... subsection 6 of the *Judicature Act* --

Which is the equivalent of section 36.

-- gives to the assignee of a debt ... more than the mere right to sue for it; it gives him the debt and the legal right to the debt, and it follows from that that he would have a legal right to sue for and recover it, even had the section not contained the words "and all legal and other remedies for the same." A question therefore arises as to the true construction of this section.

And the next page is I think important.

In construing  $\dots$  25 sub  $\dots$  6, we must adopt the ordinary rule --

So statutory interpretation. And the second passage that we highlighted is key:

They transfer the legal right to the debt as well as the legal remedies for its recovery.

And here's the key:

The debt is transferred to the assignee and becomes as though it had been his from the beginning; it is no longer to be the debt of the assignor at all, who cannot sue for it, the right to sue being taken from him; the assignee becomes the assignee of a legal debt and is not merely an assignee in equity ... We must give that meaning to the language of the subsection; and, that being so, an assignee, in order to shew that the debt is his and that he may sue upon it, must prove the assignment ...

So prove the absolute assignment in that case. And I won't go further than that.

And then tab 2 is where the Supreme Court of Alberta in the early 1900s adopted very similar language. Page 48 we see -- talking about the -- the absolute assignments, very similar to the section 36 language. And then the next page we see the -- the reference to "all legal and other remedies."

An assignment which is within the subsection has not only the legal right to the chose in action but also all legal and other remedies for the same. The point is conclusively settled in that way. However, by the judgment of the court of appeal in Read v. Brown --

We just looked at Read v. Brown.

-- the words mean what they say. The debt is transferred to the assignee and becomes as though it had been his from the beginning ...

So the Alberta courts have adopted this English position.

And then on page -- on tab 3, later on the Alberta court of appeal -- page 163 of that -- of that case at the bottom:

This section of the *Judicature Act* in my opinion has the effect not only of transferring the legal right to the debt but of arming the assignee with all the legal remedies for the recovery of the debt as well.

Again citing Read v. Brown of the England and Wales court of appeal.

#### [PROCEEDINGS FROM 2:53:28 PM TO 2:57:22 PM]

THE COURT: Sorry. In the same tab?

CNSL S. LIN: The same tab.

THE COURT: Yes.

CNSL S. LIN: Page 8 at the bottom. Again, my friend's references to "debt" are rather narrow. Here this authority confirms that debt includes things that may be payable on or before a specified future date within a limited time on demand or on the occurrence of a specified event.

And we do have the -- the liquidated amount written right into the contract. They -- my friend confirmed it's in his tariff -- it's his -- clients' tariff. They've copy and pasted the APPR obligations right into their own tariff, so we do have a written instrument. It's not the typical credit card debt or mortgage debt, but it's not -- it's certainly supported by the -- the -- the common law definitions here.

And then this author also talked about section 36 of the Law and Property Act -- Law of Property Act, which again is equivalent to the section 36 of the Law and Equity Act we have. And I would draw the court's attention to the bottom of page -- the bottom -- the number's 49. Again, this author cites Read v. Brown, which we just

went through. 2 3 The debt is transferred to the assignee and 4 becomes as though it had been his from the 5 beginning. It is no longer the debt of the assignor. 7 8 [PROCEEDINGS FROM 2:58:45 PM TO 3:00:53 PM] 9 10 CNSL S. LIN: And to -- to the extent my friend is 11 correct about -- about standing, it's a mere 12 irregularity similar to the Fredrickson --13 THE COURT: Well, standing is not an irregularity. 14 CNSL S. LIN: No. 15 THE COURT: Standing is substantive. 16 CNSL S. LIN: Well, irregularity in the sense that it 17 can be cured, because if we don't have standing, 18 the Boyds have standing. And section 2 of the assignment actually confirms they will assist us 19 20 to -- whatever is necessary to -- to defend or 21 advance any -- any -- anything in relation to the 22 So simply including the Boyds as a claim. 23 possible co-petitioner would resolve the issue 24 right there if it's an issue to begin with, which 25 I say it is not. And I will --THE COURT: I'm not sure this is all proper reply, 26 27 You're going -- you're going over Mr. Lin. 28 arguments that you already made. But -- so if you could just deal with new points that came up or --29 30 CNSL S. LIN: Okay. I won't go -- I won't --31 THE COURT: I appreciate the stuff on chose in action 32 arose from a question I raised, but I think on 33 what a debt is -- I think you've addressed that. 34 CNSL S. LIN: Yes. And I'm not going to repeat that. THE COURT: Okay. 35 CNSL S. LIN: And tab 6, this is what I found in 36 37 Halsbury's Laws of England about transfer of 38 remedies, which doesn't -- doesn't change much 39 from what we saw in the Read case. It does 40 confirm that it's everything. 41 THE COURT: Right. 42 CNSL S. LIN: And I think tab 7 is key here. My friend has taken you to some case law on standing, but I 43 44 think the most comprehensive one is this one, the 45 Force -- Force of Nature Society in 2021 from --46 THE COURT: M'mm-hmm.

CNSL S. LIN: -- Madam Justice Tucker. And I think we

need to look at the wording that Madam Justice Tucker used carefully that's in paragraph 102. It's an excerpt.

The JRPA is silent on standing --

We -- we agree on that.

-- leaving the test to the common law.

So just the judicial review standing is based on common law.

> The law was recently summarized in *Gonzales* Hill Preservation Society ...

And here we have the cited passages from that case, and I think paragraph 59 -- the passage within -- is key.

> Who may be heard on an application for [JR]? Generally, only persons who were parties before the tribunal --

We accept that. That's common.

-- or who are directly affected by the tribunal's decision may apply for judicial review.

So if the assignment stands --

Yes.

CNSL S. LIN: -- APR --

THE COURT: That -- that's clear.

CNSL S. LIN: Yes.

Your friend's argument rests on both the assignment being invalid and therefore no

CNSL S. LIN: Yes. And I would also say, if we look at paragraph 60, it does seem to suggest that judicial review is a legal remedy because it's -talks about:

> At common law a person will have standing to seek a remedy in proceedings of judicial review ...

```
So judicial review is part of the legal remedies
            package, is -- is what I take this to mean, and it
 3
            does talk about affected persons. I won't go
 4
            further than that.
 5
                 I guess the guestion is if we flip the
            scenario and let's say the assignment -- there's
 7
            an assignment of the whole claim to air passenger
 8
            rights and West Jet comes in and tries to
 9
            challenge the $353. Who has the right to defend?
10
            Is it the assignee or is it the assignor?
11
       THE COURT:
                   I don't know what you're saying, Mr. Lin.
12
       CNSL S. LIN: Oh, I'm saying let's flip the scenario.
            My friend is arguing standing, but let's flip the
13
14
            scenario where the assignment took place --
15
       THE COURT: M'mm-hmm.
                    -- July 24th, but West Jet doesn't like
16
       CNSL S. LIN:
17
            the $353 judgment. They seek the judicial review.
18
       THE COURT:
                   Right.
19
       CNSL S. LIN:
                     Who would be the one defending it?
20
       THE COURT:
                   The Boyds.
21
       CNSL S. LIN: But they already assigned --
22
       THE COURT:
                   If -- that's only if the assignment's
23
            valid.
24
       CNSL S. LIN: Yeah, if the assignment's valid.
25
            appreciate that, but I'm just trying to illustrate
26
            that point.
27
                 And my friend from the CRT mentioned that,
28
            well, the court needs to be careful in terms of
29
            assignment. I think one important point is -- it
30
            was originally in my original case book, but I
31
            took it out. I -- I will just give you the
32
            citation here. My friend referred to the Civil
33
            Resolution Tribunal Act and said well, it should
34
            be the person themselves acting for themselves to
            advance a case and allowing assignments may
35
36
            somehow be problematic.
37
       THE COURT:
                   Yes.
38
       CNSL S. LIN:
                     2020 BCCRT.
39
                   M'mm-hmm.
       THE COURT:
40
       CNSL S. LIN:
                     2020 BCCRT 1097.
       THE COURT: Okay.
41
42
                    1097.
       CNSL S. LIN:
                            It's Davison v. Wikjord,
43
            paragraph 25.
44
       THE COURT: Why am I looking at a CRT decision?
45
       CNSL S. LIN: Because in that case precisely --
46
       THE COURT: M'mm-hmm.
47
       CNSL S. LIN: -- they dealt with an assignment scenario
```

```
where someone had their damage deposit assigned to
 2
            another person and the other person came in to
 3
            enforce it essentially like a debt. And the --
 4
       THE COURT:
                  But, Mr. --
 5
       CNSL S. LIN: -- CRT --
       THE COURT:
                  -- Lin, that -- you're missing the point.
 7
            The CRT's point is about judicial review.
 8
       CNSL S. LIN: Judicial review and also how it affects
            the -- the --
 9
10
       THE COURT: Yes.
11
       CNSL S. LIN: -- right to be --
12
       THE COURT: Judicial review.
13
       CNSL S. LIN: -- to self --
14
       THE COURT: People coming --
15
       CNSL S. LIN: -- represent --
                   -- in who weren't in front of the tribunal
16
       THE COURT:
17
            now seeking to judicially review the tribunal.
18
            That is her point.
19
       CNSL S. LIN: And I guess my -- my answer would be that
20
            it goes to the assignment again. If the --
21
       THE COURT:
                   Yeah.
22
       CNSL S. LIN: -- assignment is valid --
       THE COURT: What -- the --
23
24
       CNSL S. LIN: -- then --
25
                   -- assignment has to be valid for you to
       THE COURT:
26
            succeed.
27
       CNSL S. LIN:
                    And -- and then if the assignment is
28
            valid, we basically go back to the beginning, and
29
            we will be in a scenario where we could simply go
30
            to the tribunal and say please change the name to
31
            reflect the legal assignment and --
32
       THE COURT:
                  There's no way that's going to happen,
33
            Mr. Lin. You have a big problem, and that is that
34
            it's a judicial review.
35
       CNSL S. LIN: Well, and we say tabs 1 through 5 in the
            reply is the answer. It's -- it's all legal
36
37
            remedies including --
38
       THE COURT: It's a judicial review. It's a judicial
39
            review. It is -- the allegation is the tribunal
40
            exceeded its jurisdiction by making a legal error.
41
42
                 (EXCERPT ENDS) ([3:07:09 PM])
43
                 (PROCEEDINGS ADJOURNED TO APRIL 1, 2025, AT
44
                 2:00 PM) ([3:24:25 PM])
45
46
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#### REPORTER CERTIFICATION

I certify that the proceedings from

(a) timestamp 10:54:38 AM to timestamp 11:01:08 AM and from timestamp 12:05:48 PM to timestamp 12:13:55 PM inclusive on March 24, 2025, and

(b) timestamp 10:07:41 AM to timestamp 10:09:11 AM, from timestamp 10:23:54 AM to timestamp 10:25:41 AM, from timestamp 10:51:00 AM to timestamp 10:58:07 AM, from timestamp 2:47:02 PM to timestamp 2:53:28 PM, from timestamp 2:57:22 PM to timestamp 2:58:45 PM, and from timestamp 3:00:53 PM to timestamp 3:07:09 PM, on March 25, 2025, inclusive, are a true and accurate transcript of these proceedings recorded on a sound recording apparatus, transcribed to the best of my skill and ability in accordance with applicable standards.

Jennifer Friesen Authorized Reporter