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BRITISH COLUMBIA
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UNFAIR CONTRACTS RELIEF PROJECT

Backgrounder

Why the Legislative Assembly Should Enact the Contract Fairness Act

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INTRODUCTION

The BCLI's proposed *Contract Fairness Act* is draft legislation that is the centrepiece of the *Report on Proposals for Unfair Contracts Relief*. This report presents the final recommendations of the Unfair Contracts Relief Project Committee, an all-volunteer committee of experts that spent two years studying how the general law of contracts deals with the problem of unfairness.

WHAT WILL THE CONTRACT FAIRNESS ACT DO?

The *Contract Fairness Act* will:

- clarify ambiguities in the contract-law concepts of unconscionability, duress, and undue influence, and provide a framework for integrating these three concepts;
- provide that the duty of good faith is implied in the performance of all contracts and define what "good faith" means for the purposes of this duty;
- fine-tune the law of contractual misrepresentation, primarily by addressing remedial anomalies in the current law.

WHY SHOULD THE LEGISLATURE ENACT IT?

The *Contract Fairness Act* will benefit British Columbians by:

- providing a clearer and more accessible statement of the law;
- ensuring that this area of contract law keeps pace with social and economic developments;
- giving the courts enhanced remedial flexibility to tackle unfair contracts.