## LAW REFORM COMMISSION OF BRITISH COLUMBIA

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## **Backgrounder**

## LRC 122—Report on the Uniform Enforcement of Canadian Judgments Act

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Obtaining a court judgment for money is sometimes only half the battle if the debtor refuses to comply and pay up. The problem is exacerbated if the debtor's property is in a different province, as the court judgment has no force and effect in that province. In order to invoke the assistance of the local court, the creditor would have to take legal proceedings under existing reciprocal enforcement legislation. The debtor can then raise a variety of defences to stall or block the enforcement. These defences are often very technical and reflect principles that evolved to govern the enforceability of judgments between nations rather than provinces within a federation. As such their application within Canada is more often that not inappropriate. While the courts have now begun to modify these principles, enforcing a judgment from one province in another can still be difficult and cumbersome.

These concerns led the Law Reform Commission of British Columbia to issue a working paper examining the current law in this area, which tentatively concluded that changes were needed. The working paper proposed that British Columbia should implement a "full faith and credit" policy to all judgments from outside the province. In simple terms, this means that the province should recognize judgments from other provinces. The working paper also sought to stimulate similar action by other provinces and proposed that the reform process should involve two national institutions—the annual meeting of Attorneys General and Ministers of Justice, and the Uniform Law Conference of Canada (ULCC). The Attorneys General and Ministers of Justice endorsed the proposals of the working paper in principle and asked the ULCC to develop uniform legislation, which resulted in the drafting of the *Uniform Enforcement of Canadian Judgments Act* (UECJA).

This report focuses on the proposed UECJA. It sets out a general summary of the existing law in relation to the enforcement of judgments between provinces, examining the current difficulties and discussing the need for reform. The report recommends the enactment of the UECJA in British Columbia and suggests the most effective way to integrate it with existing provincial legislation. It also makes recommendations regarding ways in which the Act should be supplemented to deal with problems that might arise from the unauthorized

registration of an out of province judgment or order. Finally, it addresses the issue of administrative procedures to monitor the operation of the Act so that after an appropriate period, an evaluation can be made. The report sets out the UECJA and includes some additional commentary on various provisions within it.

## **Further Developments**

See *Enforcement of Canadian Judgments Act*, S.B.C. 1992, c. 37 [Act not in force. Repealed by the *Enforcement of Canadian Judgments and Decrees Act* effective 4 May 2006 (B.C. Reg. 121/06)].