



MEMBER RELEASE

January 20, 2012

TO: Mayor and Council; Chair and Board; Senior Staff
FROM: Union of BC Municipalities
RE: **Supreme Court Decision in Catalyst v. North Cowichan (District)**

Earlier today, the Supreme Court of Canada delivered Reasons for Judgment in its decision to dismiss an appeal by Catalyst Paper Corp. regarding the property tax bylaws of the District of North Cowichan.

The unanimous decision (7-0) of the Supreme Court brings an end Catalyst's legal challenge to North Cowichan's property taxation policies.

In the decision, Chief Justice Beverley McLachlin wrote: "I conclude that the power of the courts to set aside municipal bylaws is a narrow one and cannot be exercised simply because a bylaw imposes a greater share of the tax burden on some ratepayers than on others."

The decision held that "reasonableness means courts must respect the responsibility of elected representatives to serve the people who elected them and to whom they are ultimately accountable". Chief Justice McLachlin also wrote that "courts reviewing bylaws for reasonableness must approach the task against the backdrop of the wide variety of factors that elected municipal councillors may legitimately consider in enacting bylaws, including broad social, economic and political issues. Only if the bylaw is one no reasonable body informed by these factors could have taken will the bylaw be set aside."

A fuller discussion by Young, Anderson of the SCC's decision in this matter can be seen by clicking on the following link:

<http://www.younganderson.ca/publications/bulletins/supreme-court-of-canada-upholds-north-cowichan-tax-rates-bylaw/>.

The entirety of the SCC's decision can be seen by clicking on the following link:

<http://scc.lexum.org/en/2012/2012scc2/2012scc2.html>.