# Court of King's Bench of Alberta

Citation: Beattie v 1382549 Alberta LTD, 2023 ABKB 600

Date:20231024 Docket: 1901 14203 Registry: Calgary

Between:

#### **Andrew Beattie**

**Applicant** 

- and -

### 1382549 Alberta LTD and Craig Beattie

Respondent

## Decision on Costs of the Honourable Justice N.E. Devlin

- [1] The respondents, Craig Beattie ["Beattie"] and his numbered company twice consented to court orders that he complete an audit of the family-owned company he controlled for the 2020 fiscal year. These Orders, issued in 2021 and 2022, came as part of a protracted and bitter filial dispute. Despite being under these two orders, Beattie stopped the audit and refused to continue.
- [2] After a hearing in July of 2023, Justice Wilson held both respondents in contempt, and ordered Beattie to take immediate action to comply with the previous Consent Orders and complete the audit. Beattie did nothing. At a further hearing before Justice Carruthers, Beattie claimed the company lacked the funds to complete the audit but, as on all previous applications, provided no sworn evidence. That stood in contrast to the detailed materials and filed by the applicants on each occasion.

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- [3] In the face of Beattie's continued and flagrant contempt, Justice Carruthers jailed him for the weekend. His Majesty's hospitality had a salutary effect. Beattie appeared before me, in custody, three days later. He advised that the audit would continue, he had scheduled a meeting with the auditors imminently, and an extant line of credit would be used to fund the work. I released Mr. Beattie and, at a follow-up hearing, it was confirmed that the audit was in motion.
- [4] The Applicants have asked for full indemnity costs for the contempt process. They stand on solid footing in this regard. There is a powerful public policy rationale for indemnifying litigants who have to spend significant amounts to enforce Court Orders. It is unfair to functionally penalize successful parties by costing them money to overcome further wrongful conduct against them: *Dreco Energy Services v Wenzel*, 2005 ABCA 185 at para 11; *Demb v Valhalla Group Ltd.*, 2017 ABCA 340 at paras 8-10. The law in this regard was thoroughly and aptly summarized by Lema J. in *Wade v Wade*, 2022 ABQB 64, and I adopt his analysis.
- [5] Court Orders must have meaning. This is a cornerstone of the rule of law. It is fundamentally unjust to allow a simple, intransigent refusal to follow Orders to injure innocent, law-abiding individuals. In the absence of a compelling reason, someone in Mr. Beattie's position should pay the reasonable solicitor and client costs of the party who had to bring them *back* to justice.
- [6] Mr. Beattie offered no sound reason that indemnity costs should not be awarded in this case. Rather, he provided, orally and without evidence, his version of the underlying dispute, including why the audit was likely unnecessary and a cost the company ought not have to bear. He also characterized himself as a victim of his one brother's particularly aggressive litigation approach. I note only that the Orders Mr. Beattie has been found in contempt of were both granted on consent and no evidence has ever been filed to justify a departure from them. Agreeing to Orders one has no intention of complying with creates a strong flavour of gamesmanship.
- [7] Applicant's counsel provided a redacted bill of costs totalling \$41,321 for work done since May 2023. He explained that the costs were, in part, driven by the significant materials filed before Justice Wilson and the follow-up materials filed before Justice Carruthers.
- [8] Given that Mr. Beattie is unrepresented, and that the quantum of the account is significant, I direct that costs be assessed by an Assessment Officer, pursuant to Rule 10.34, under the following directions:
  - the Applicants are entitled to their costs for all four appearances to date on the contempt;
  - costs are to be awarded on a solicitor and client basis, providing full reasonable indemnity; and
  - o the discretion of the Assessment Officer to perform their function is not otherwise constrained by these reasons.
- [9] Mr. Beattie is on notice that he is likely liable for further costs on a similar basis if additional court appearances are required to secure his ongoing compliance with existing Orders.

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Dated at the City of Calgary, Alberta this 24th day of October, 2023.

N.E. Devlin J.C.K.B.A.

# **Appearances:**

Matt Vernon for the Applicant

Craig Beattie Self Represented Litigant