Prince George Registry No. 803/83

IN THE COUNTY COURT OF CARIBOO

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PRINCE GEORGE, B.C.

December 22, 1983

8	BETWEEN: ) DONNA LARSON )	
9	) PLAINTIFF ) REASONS FOR	
10	AND: ) JUDGMENT OF	
11	PRINCE GEORGE GOLF ) & CURLING CLUB ) HARDINGE, J.	
12 .	) DEFENDANT )	
13	D. BYL, Esq. appearing for the Plaintiff	
14	P. ROGERS, Esq. appearing for the Defendant	
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17	THE COURT: (Oral) The plaintiff's action is for damages for	
18	wrongful dismissal against her former employer, Prince	
19	George Golf & Curling Club. Prior to her dismissal on	
20	the 17th of December, 1982 the plaintiff had been employed	1

in various capacities by the defendant for approximately five and a half years.

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At the outset she was employed as a waitress. In April, 1981 she was promoted to the position of bar manager. She also performed the duties of food and beverage supervisor for a relatively short time. I do not know the date, but it is in evidence that the plaintiff was on maternity leave for several months during the first half of 1982. She returned to her employment before the expiration of her period of entitlement to maternity leave at the express request of Mr. Grant Hamilton, the manager for the plaintiff. He made the request, he said, because the club was shorthanded.

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When the plaintiff returned to work on the 17th of July, 1982 she did not resume her previous position as food and beverage supervisor. At her request she was assigned the slightly more junior position of lounge manageress. She said that she asked for that position because it was a position of lesser responsibility. Whether she actually said so or not, I got the impression from her evidence that it was because of her family responsibilities that she did not wish to continue, at that time at least, with the added burdens of being food and beverage supervisor.

In mid-September, 1982 Mr. Hamilton became aware that there was a serious shortfall in revenues that should have been received from liquor sales during the months of July and August. He stated that the amount appeared to be between twenty-five and thirty-five hundred dollars. Accounting and other checks that were conducted led Hamilton to believe that the shortfall was not an arithmetic error. He came to the conclusion that there had been a pilferage of either product or cash from the club. Mr. Hamilton called a meeting of the assistant

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manager, Mr. McLeod, himself, and the plaintiff on the 14th of September, 1982 to discuss the problem of the shortages in the bar receipts. During this meeting the plaintiff volunteered to check the bar inventory. She did so following the meeting. The task took her about one and a half hours to complete.

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On the following day, the 15th of September, 1982, there was a further meeting between the same people. At this meeting the subject of checking liquor inventory on a daily basis was discussed at length. Both the plaintiff and Mr. Hamilton agreed that during the course of the meeting it was made clear to the plaintiff that she would be the person responsible for conducting the daily inventory. Where they do not agree is when the daily inventory taking was to commence. Mr. Hamilton testified that during the course of the meeting on the 15th of September he instructed the plaintiff to conduct the first inventory taking and to have the results available for inspection on the morning of the 16th of September. Mr. McLeod said that he was present when the plaintiff was asked to do daily inventories. However, he could not recall the particular dates. He did, however, say that Hamilton told the plaintiff at one meeting that -- and I quote from my notes: "He wanted it (that is, the daily inventory taking) to start the next day." This evidence would tend to confirm Hamilton's evidence.

The plaintiff's recollection of her instructions is

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that at the meeting on the 15th of September there was considerable discussion of the preliminary steps that would have to be taken prior to commencing daily inventory checks. This included, a) removal of the surplus inventories from the bar to a storage cabinet; b) metering the quantities of liquor in the bar; c) reprogramming the cash register; and d) instituting a requisitioning system for bringing additional quantities of liquor from the storage cabinet to the bar as required.

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The plaintiff stated once these preliminary steps had been taken the daily inventory check could be conducted in about ten minutes. It was her understanding that she would have to start the wheels in motion to enable daily inventory checks the next day, but would not have to actually conduct such a check until the following day; namely, the 17th of September, 1982.

It is obvious that at the meeting on the 15th of September the plaintiff made it known that she did not wish to bear the burden or responsibility for inventory checks. She also made it clear that she did not wish to be held responsible for any irregularities in the operation of the club liquor distribution. To that end she asked if she could be relieved of her bar management responsibilities and revert to being a waitress or bartender only. That request was denied. I think it is also clear that at this meeting there was talk of the bar manager being responsible for any irregularities in this operation.

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This talk caused the plaintiff considerable distress for, as she testified, she did not wish to lose her job. No one suggests that at that meeting of the 15th of September, 1982 the plaintiff refused to carry out Hamilton's instructions.

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The next day the plaintiff testified that she arrived at work at about her usual hour of 10:30 in the morning. She said that she took some preliminary steps to reorganize the bar so that the inventory could be readily checked daily. This included getting surplus liquor ready to be removed from the bar to the storage area downstairs. However, she said she could not start taking the extra liquor downstairs until Mr. McLeod arrived to assist her. The reason for this was first that McLeod had said that he would help her, and second, although she did not say so, I gathered from McLeod's evidence that she had injured a foot and was having to get around with the aid of crutches.

Mr. McLeod did not, as was his practice, arrive at work until about 11:30 in the morning. By then the plaintiff was busy doing other things because of the normal lunch hour business. When the lunchtime rush ended about 2:00 in the afternoon the plaintiff started to move the excess liquor downstairs, assisted by McLeod. Just before that she had seen Hamilton and had repeated to him her request to be relieved of her responsibilities as bar manageress. She testified that Hamilton told her he would

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discuss the matter with McLeod and that she should see him again the next morning.

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According to Hamilton, when he saw the plaintiff on the 16th he asked her why an inventory had not been done that day. She replied that she had no intention of doing it. Then she repeated, he said, her request to be relieved from her position of bar manageress and to revert to the position of bartender. Hamilton, however, acknowledged that he did not give the plaintiff any sort of an ultimatum to the effect that if she did not do the inventory check she would be terminated.

. McLeod testified that the plaintiff also told him in the storage room on what I would infer must have been the 16th of September that she wasn't going to do the daily inventory checks. However, McLeod could remember no other conversation between himself and the plaintiff at that time and I can attach little weight to his evidence. That is not to say that I think that he was not telling the truth as far as he recalled it. It is more a matter of his being unable to recall additional parts of the conversation which might have placed an entirely different meaning on that which he said the plaintiff told him. By way of example only, it would, I think, have been an entirely different matter if the plaintiff had said that she wasn't going to do it or could not do an inventory check that day, but would start doing it at some other day or the following day. McLeod, as I have indicated, was

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unable to enlighten us as to whether she added anything to the words he did remember.

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In any event, the plaintiff was clearly very concerned about keeping her job. I cannot conceive that an employee who wished to continue her employment with the defendant as much as the plaintiff obviously did would flatly refuse to do that which she said, and no one disagreed, would take about ten minutes a day once the proper procedures were put in place. That the plaintiff was concerned to keep her employment is evidenced by the fact that she telephoned Hamilton on the night of the l6th. Oddly enough, although Hamilton admitted that he had received the call from the plaintiff and that he had already made the decision in consultation with a director of the club to terminate the plaintiff the next day, he said that he had no recollection of what he said to the plaintiff.

Without dealing with all the variations in the evidence of the three witnesses separately, I am satisfied that the plaintiff did not willfully refuse to obey a lawful and reasonable direction from her superiors. It seems to me that the club's management, having found a considerable shortfall in bar receipts, very quickly concluded that some head would have to roll and that the plaintiff was the best person to choose for that purpose. I say this partly because, although both Hamilton and McLeod claim to have quite clear recollections of anything

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that could tell against the plaintiff, their evidence becomes vague and uncertain in areas that might have been inconsistent with the picture that they attempted to paint of the plaintiff as a disobedient servant. If I am in error and this was not a deliberate attempt to saddle the plaintiff with other persons defalcations, I think that there was a breakdown in communications and the club, as represented by Hamilton, was not prepared to give the plaintiff the benefit of any possible doubt. If he did in fact expect the first daily inventory to be conducted with the result on his desk on the morning of the 16th of September, then he did not make his requirement adequately clear to the plaintiff. She was, I find, justified in believing that she could get the matters organized on the 16th and conduct the first daily inventory check on the 17th.

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In summary, I find that the plaintiff was not guilty of any willful disobedience of a reasonable direction of her employer. Indeed, even if she had been, the fact that the idea of daily inventory checks was abandoned as soon as the plaintiff was terminated indicates to me that the whole idea had an ulterior motive. Failure to comply could not in such circumstances be considered grave.

On the issue of damages, the plaintiff was employed by the defendant for five and a half years. At the time of her termination she held a relatively minor supervisory position. She certainly had done everything that could

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reasonably be expected of her to mitigate her loss, but has been unable to obtain alternate employment. This may be due in part to the current state of the economy in this region. It may also be partly due to the fact that in a relatively small community such as this the fact that a person is dismissed from a job, allegedly for cause, may make other potential employers more reluctant than they would otherwise be to hire that person.

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In his very recent decision in <u>Hunter v. Northwood</u> <u>Pulp & Timber</u> (Unreported) Mr. Justice Locke in a case where an employer alleged cause for dismissal that later it was unable to prove, awarded damages equal to eight months pay for a man with less service, but in a somewhat more responsible position than the plaintiff.

In the present case Hamilton admitted that, apart from the one alleged lapse, the plaintiff had been a loyal and competent employee. I realize there can be no precise measurement by which the quantum of damages can be determined in cases such as the present. I do, however, think that I am entitled to take into consideration the length of service, the degree of seniority, and the difficulty in obtaining alternate equivalent employment, and also the prejudicial effect which the defendant's actions would be likely to have on the plaintiff's ability to obtain alternate employment, among other considerations. Considering those matters, it is my opinion that the plaintiff in the present case should be entitled to

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damages equal to six months pay. She has already received the equivalent of six weeks pay. She is therefore entitled to the equivalent of an additional four and a half months. According to my calculations that works out to a sum of \$7,020. The defendant calculates the value of the discount on meal prices offered to its employees as being worth \$100 per month. I think it is only reasonable therefore that an additional \$600 be added to the damages.

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General damages are therefore assessed at \$7,620. Prejudgment interest on that amount at the rate of twelve percent per annum from the 17th of September, 1982 to this date will be added to that amount.

The defendant alleges a criminal act on the part of the plaintiff in its statement of defence. No evidence of any conduct of any such nature was led at the trial. Indeed, I am told that counsel for the plaintiff was specifically advised a few days before the trial that no attempt would be made to prove the allegation. However, the allegation was made and was never formally abandoned by amending the statement of claim to delete it or otherwise. I think this sort of practice is to be discouraged. Accusing people of criminal acts should not be done lightly or as a matter of form. When counsel elect to include such an allegation in the pleading they should be sure that they have at least some evidence to support it. After all, pleadings in civil actions are open to public scrutiny. The fact that statements made in pleadings are

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privileged in respect to the fact that they cannot become the subject of an action for libel should make counsel all the more careful not to include in pleadings defamatory statements of which they have no evidence. I have no evidence in this case as to the extent, if any, that the unfounded allegations against the plaintiff may have had on her ability to secure employment. Therefore I do not think that I should and I have not taken the allegation into consideration in assessing damages. However, I do think that it justifies awarding the plaintiff costs on a somewhat higher scale than normally would apply. Accordingly I direct that costs be taxed and allowed as though the amount involved was the sum of \$15,000. There will be judgment accordingly.

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