

**NOVA SCOTIA COURT OF APPEAL**

**Citation:** *Imperial Oil Ltd. v. Atlantic Oil Workers Union, Local No. 1,*  
2006 NSCA 100

**Date:** 20060818

**Docket:** CA 234716

**Registry:** Halifax

**Between:**

Atlantic Oil Workers Union, Local No. 1, and  
the Individuals Listed in Schedule "A"

Appellants

v.

Imperial Oil Limited and McColl-Frontenac Inc.

Respondents

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**Judge:** The Honourable Justice Thomas Cromwell

**Appeal Heard:** May 18, 2006

**Subject:** Interpretation of release; unjust enrichment

**Summary:** The appellants, former unionized and non-unionized employees of the respondents, received two sorts of benefits when the respondents' undertaking was sold: they received a severance package and "grow-in" pension benefits on the partial wind-up of their pension plan. The respondents claimed that they were not entitled to both benefits and sued in contract and unjust enrichment. The appellants defended both claims on the merits and as well argued that the court had no jurisdiction to deal with the claim as it related to the unionized employees. The trial judge found he had jurisdiction, dismissed the contract claim but upheld the claim in unjust enrichment. The appellants appealed the jurisdictional and unjust enrichment findings and the respondents cross-appealed the dismissal of their contract

action.

**Issues:**

1. Did the judge err in dismissing the contract claim?
2. Did the judge err in finding that the appellants had been unjustly enriched?
3. Did the judge err in finding that the court had jurisdiction to hear the claim as it related to the unionized employees?

**Result:**

Appeal allowed and cross appeal dismissed. The judge did not err in dismissing the contract claim. The release on which the claim was based did not bar the appellants from seeking a partial wind-up of their pension plan. However, the judge erred in finding that the respondents should recover on the basis of unjust enrichment. Specifically, he erred in finding that there was no juristic reason for the appellants to retain both benefits. It was not necessary to address the jurisdictional point.

**This information sheet does not form part of the court's judgment. Quotes must be from the judgment, not this cover sheet. The full court judgment consists of 31 pages.**