



## HIGH COURT OF AUSTRALIA

16 May 2014

SIDHU v VAN DYKE  
[2014] HCA 19

Today the High Court unanimously dismissed an appeal from the Court of Appeal of the Supreme Court of New South Wales, which had held that Mr Sidhu was precluded from departing from his assurances that he would transfer certain real property to Ms Van Dyke.

In 1996, Ms Van Dyke and her then husband moved into a house known as Oaks Cottage, which was located on a block of land known as the Homestead Block owned by Mr Sidhu and his wife. Towards the end of 1997, Mr Sidhu and Ms Van Dyke commenced a relationship, during which Mr Sidhu gave assurances to Ms Van Dyke to the effect that he would subdivide the land and transfer Oaks Cottage to her once the site had been subdivided. Ms Van Dyke continued in her relationship with Mr Sidhu, performed unpaid work on the Homestead Block and Oaks Cottage and did not pursue gainful employment elsewhere. She also did not seek a property settlement from her husband when they divorced in 1998. In 2006, the relationship between Mr Sidhu and Ms Van Dyke came to an end and Mr Sidhu refused to transfer the property on which the Oaks Cottage sat ("the Oaks property") to Ms Van Dyke.

Ms Van Dyke commenced proceedings in the Supreme Court of New South Wales, claiming that Mr Sidhu was estopped from departing from his assurances on the basis that she had acted in reliance on those representations to her detriment. The Supreme Court dismissed her claim on the basis that the trial judge was not satisfied that Ms Van Dyke had acted to her detriment in reliance on Mr Sidhu's assurances.

The Court of Appeal allowed Ms Van Dyke's appeal, holding that, where inducement by the promise may be inferred from Ms Van Dyke's conduct, there was a presumption that Ms Van Dyke acted to her detriment in reliance on Mr Sidhu's representations. The Court found that Mr Sidhu had failed to rebut that presumption. The Court concluded that Mr Sidhu was precluded from departing from his assurances, and ordered Mr Sidhu to pay Ms Van Dyke equitable compensation in an amount to be assessed by reference to the market value of the Oaks property. By grant of special leave, Mr Sidhu appealed to the High Court.

The High Court unanimously dismissed Mr Sidhu's appeal. The Court held that the Court of Appeal erred in proceeding upon a presumption that Ms Van Dyke had acted to her detriment in reliance on Mr Sidhu's representations. Ms Van Dyke bore the onus of proof in relation to detrimental reliance. Nevertheless, the Court concluded that Ms Van Dyke's evidence at trial established that she had acted to her detriment in reliance on Mr Sidhu's representations. On that basis, Ms Van Dyke was entitled to equitable compensation in an amount to be assessed by reference to the value of the Oaks property.

- *This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.*