

# BMO Layoffs: Legal Options For BMO Employees Facing Job Loss And Insights From Previous Court Cases



The Bank of Montreal (BMO) is one of Canada's largest financial institutions, providing a wide range of services from personal and commercial banking to wealth management and investment banking. With a vast workforce that spans across Canada and internationally, BMO plays a significant role in the financial industry. However, like many large corporations, BMO has faced employment law challenges, particularly concerning [layoffs](#) and [terminations](#).

Although layoffs can happen at any time at BMO, there have historically been layoffs in the fall ahead of bonuses being paid out. This is often done even though Monkhouse Law has established at the Court of Appeal ([Paquette v. Terago Networks Inc.](#)) and Supreme Court ([Matthews v. Ocean Nutrition Canada Ltd.](#)) that employees are generally owed bonuses even if terminated.

This post examines BMO layoffs and the legal options available to employees affected by them. We'll review key cases involving BMO, including those where Monkhouse Law has represented employees, and highlight important legal insights from these rulings. For any BMO employee facing termination or layoff, this information is essential, offering a clear understanding of how courts have ruled in similar situations and outlining effective strategies to challenge dismissals.

## **Monkhouse Law's Role in Challenging BMO Layoffs**

Monkhouse Law, a prominent employment law firm, has been at the forefront of representing employees against major corporations, including BMO. Notably, Monkhouse Law has achieved significant successes in cases such as [Cheetham v. Bank of Montreal](#) and [Maticevic v. Bank of Montreal](#). These cases illustrate the firm's expertise in handling complex employment disputes, particularly those involving large financial institutions.

### **Cheetham v. Bank of Montreal (2024 BCSC 419)**

The [Cheetham case](#) is a class action lawsuit representing a group of employees who were laid off by BMO. The plaintiffs, represented by Monkhouse Law, argued that BMO's method of termination was unjust and violated their employment contracts. The central issue was whether BMO had provided adequate notice and severance pay to the affected

employees, as required by Canadian employment law.

**Judge's Findings:** The case was presided over by Justice Shergill, who found that there was a certifiable class action against BMO for alleged underpayment of vacation and holiday pay. The Judge also certified a common issue of whether BMO acted in good faith. This case underscores the importance of proper notice and fair treatment of workers.

**Legal Takeaway:** Employers must adhere strictly to the terms of employment contracts and statutory obligations when conducting layoffs. Failure to do so can result in significant financial penalties and damage to the company's reputation.

### **Maticevic v. Bank of Montreal**

In the [Maticevic case](#), Monkhouse Law successfully argued that BMO had unjustly dismissed the complainant without just cause. The complainant, who had been with BMO for several years, was terminated abruptly without adequate notice or compensation.

**Adjudicator's Findings:** The labour adjudicator ruled in favor of the complainant, awarding significant damages for wrongful dismissal. The judge emphasized that BMO had acted in bad faith by not providing reasonable notice or an opportunity for the employee to transition to new employment.

**Legal Takeaway:** This case highlights the court's willingness to penalize employers who fail to provide fair notice or act in bad faith during the termination process. It also reinforces the notion that employees are entitled to compensation that reflects their length of service and the impact of the termination on their career prospects.

### **Chaudry v. Bank of Montreal**

In this [case](#), the plaintiff, a senior executive at BMO, was terminated without cause and sought damages for wrongful dismissal. The plaintiff claimed a reasonable notice period of 36 months and additional damages for unjust enrichment and disgorgement of profits.

**Judge's Findings:** Justice Matheson dismissed the plaintiff's motion to amend the statement of claim to include unjust enrichment and disgorgement. The court found that the claim for unjust enrichment was not legally tenable, and the plaintiff's request for a 36-month notice period was excessive.

**Legal Takeaway:** This case highlights the limitations on the types of damages that can be claimed in wrongful dismissal cases. The court's rejection of the unjust enrichment claim indicates that such arguments must be carefully structured to meet legal standards.

### **Monkhouse Law's Success in Li v. Bank of Montreal**

Monkhouse Law has also been involved in significant appellate work, notably in the case of

#### **Li v. Bank of Montreal (2020 FCA 22)**

In this case, the plaintiff sued BMO for wrongful dismissal after being terminated without cause. The case went through several levels of appeal, ultimately reaching the Supreme Court of Canada.

**Judge's Findings:** The Federal Court of Appeal, led by Justice De Montigny, upheld the

lower court's decision in favor of the plaintiff. BMO's application for leave to appeal to the Supreme Court was dismissed, effectively ending the case in favor of the plaintiff.

**Legal Takeaway:** The success in this case demonstrates Monkhouse Law's ability to effectively represent clients through the appellate process, ensuring that justice is served even at the highest levels of the judiciary.

## Other Significant Cases Against BMO

In addition to the cases handled by Monkhouse Law, several other notable cases have been brought against BMO, further illustrating the legal challenges the bank has faced regarding layoffs and terminations. Below, we summarize some of these cases and the legal principles they highlight.

### Chrabalowski v. BMO Nesbitt Burns Inc.

The plaintiff, an Investment Advisor, was terminated by BMO without cause and sought damages for wrongful dismissal, including moral damages for the loss of clientele they suffered due to the abrupt termination.

**Judge's Findings:** The court, led by Justice Lederer, denied the plaintiff's request to amend the claim to include moral damages and loss of clientele. The judge ruled that the amendments constituted a new cause of action, which was barred by the statute of limitations.

**Legal Takeaway:** This case underscores the importance of timely and accurate pleadings in wrongful dismissal cases. Employees seeking damages must ensure that all claims are included in the initial filing to avoid being barred by limitation periods.

### Roda v. Bank of Montreal

In this case, the plaintiff was dismissed from BMO and sought damages for wrongful dismissal, arguing that the bank had failed to provide adequate notice and severance pay.

**Judge's Findings:** The court ruled in favor of the plaintiff, awarding damages for wrongful dismissal. The judge found that BMO had not provided the plaintiff with the statutory minimum notice period, thereby breaching employment standards.

**Legal Takeaway:** Employers must ensure compliance with statutory notice requirements during terminations. Failure to do so can result in significant legal and financial consequences.

### Ratz-Cheung v. BMO Nesbitt Burns Inc.

The plaintiff in this case was an investment advisor who was terminated by BMO without cause. She sought damages for wrongful dismissal, including compensation for the loss of opportunity to sell her book of business.

**Judge's Findings:** Justice Vermette awarded the plaintiff damages for wrongful dismissal but rejected the claim for loss of opportunity to sell the book of business. The judge found that while the plaintiff had been wrongfully dismissed, the evidence did not support the claim for additional damages related to the sale of her book of business.

**Legal Takeaway:** This case illustrates the challenges of claiming additional damages beyond the standard wrongful dismissal compensation. Plaintiffs must provide

compelling evidence to support such claims notwithstanding having a legal entitlement to the loss of opportunity.

## Lessons for Employees Facing Layoffs at BMO

The cases discussed above provide valuable insights for BMO employees who may be facing layoffs or terminations. Here are some key lessons:

- 1. Know Your Rights:** Employees should be aware of their legal rights under Canadian employment law, including the right to reasonable notice and fair severance pay. Employers are required to adhere to these standards, and any deviations can be legally challenged.
- 2. Document Everything:** In cases of wrongful dismissal, thorough documentation of all interactions with the employer can be crucial. This includes keeping records of communications, performance reviews, and any notices received from the employer.
- 3. Seek Legal Advice Early:** Consulting with an experienced employment lawyer, like those at Monkhouse Law, as soon as a layoff or termination is imminent can help employees understand their rights and options. Early legal intervention can also help in preserving evidence and building a strong case.
- 4. Consider All Avenues for Compensation:** Employees should explore all potential claims, including those for unjust dismissal, moral damages, and loss of opportunities. However, these claims must be carefully crafted to meet legal standards and avoid being dismissed by the court.
- 5. Don't Be Intimidated by Large Employers:** The cases discussed show that even large, well-resourced employers like BMO can be held accountable for unlawful termination practices. Employees should not hesitate to stand up for their rights, knowing that the legal system can provide recourse.

## Conclusion

Layoffs and terminations are challenging experiences, particularly when they occur without cause or adequate notice. However, the legal system offers protections to employees, ensuring that they receive fair treatment and compensation. The cases discussed in this blog post illustrate the importance of understanding your rights and seeking expert legal advice when facing termination.

Monkhouse Law has a proven track record of successfully representing employees in wrongful dismissal cases against major corporations like BMO. Whether through securing substantial settlements or achieving favorable rulings in court, Monkhouse Law is committed to protecting the rights of employees and ensuring that justice is served.

*The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.*

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