

Terminating Employees for Lying



Can you fire an employee for lying?

The answer depends on whether you can still trust that employee to do her job faithfully and effectively. At the end of the day, it's up to the courts and arbitrators to determine whether an employer had just cause to terminate an employee for lying. Use this Scorecard, which sums up some of the leading cases across the country, to determine whether one of your own employees can be fired for telling a lie.

LYING IS JUST CAUSE TO TERMINATE	
What Happened	Why Court Upheld Termination
Car service fires driver for not reporting that his licence had been revoked: <i>Collins v. Cascade Services 2008 Ltd.</i> , [2011] C.L.A.D. No. 284, Sept. 16, 2011	<ul style="list-style-type: none">• Failure to report revocation of licence violated specific company policy that driver was aware of and had signed• Driving without a licence for over a year was a serious offence that exposed company to major liability risks
Business manager of 20 years fired for not reporting theft of \$1,800 by colleagues: <i>Houlihan v. McEvoy</i> , [2002] B.C.J. No. 8, Jan. 4, 2002	<ul style="list-style-type: none">• Sometimes a lie can be <i>not</i> saying something• Manager's long service and position of trust made his silence and protection of colleagues especially egregious
Branch manager fired for misleading company investigator about his romantic involvement with a subordinate: <i>Carroll v. Emco Corp.</i> , 2007 BCCA 186, March 19, 2007	Although not specifically asked if he had slept with the subordinate, the manager was deliberately deceitful, especially for someone in management
Ontario government employee fired for lying about repaying an improper loan and preparing false documents to back his denial: <i>Dowling v. Ontario</i> , 2004 CanLII 43692 (ON C.A.), Nov. 26, 2004	<ul style="list-style-type: none">• False denial compounded the dishonesty• Employee had a long track record of committing dishonest acts• Employee was a supervisor and had to be trusted to work unsupervised

Plant manager fired for lying about his aggressive and derogatory treatment of employees: <i>Fewer v. Michelin North America (Canada) Inc.</i> , 2000 CanLII 3486 (NS S.C.), Jan. 11, 2000	<ul style="list-style-type: none"> • False denial aggravates what is already a serious offence • Employee was one of the highest ranking managers in the plant
Payroll manager fired for manipulating payroll accounts: <i>Poirier v. Wal-Mart Canada Corp.</i> , 2006 BCSC 1138 (CanLII), July 24, 2006	<ul style="list-style-type: none"> • Lie directly hurt the company • Manipulation of payroll compromised manager's ability to do his payroll management job • Manager made things worse by falsely denying the accusations
School custodian on leave with a bad back fired after surveillance cameras capture him engaging in strenuous physical activity: <i>Kingston (City) v. CUPE, Local 109 (McLaughlin Grievance)</i> , [2010] O.L.A.A. No. 146, March 12, 2010	<ul style="list-style-type: none"> • Custodian directly profited from his deceit
Supervisor fired for falsely denying that he was napping on the job: <i>Richardson v. Davis Wire Industries Ltd.</i> , 1997 CanLII 4221 (BCSC), April 21, 1997	<ul style="list-style-type: none"> • Although worthy of discipline, napping on the job wasn't an offence worthy of termination • Lying about his actions destroyed any final vestiges of the company's trust and justified termination
LYING IS NOT JUST CAUSE TO TERMINATE	
What Happened	Why Court Didn't Uphold Termination
Court reinstates insurance company employee fired for accessing the private records of a co-worker without authorization: <i>Petit v. Insurance Corporation of British Columbia</i> , 1995 CanLII 177 (BC S.C.), July 6, 2005	<ul style="list-style-type: none"> • After initially falsely denying the offence, the employee eventually confessed • The employee expressed sincere remorse both for accessing the private information and lying about it
Court finds termination of pharmaceutical executive for fudging his expense reports was wrongful and awards him 8 months' notice: <i>Leitner v. Wyeth Canada</i> , [2010] O.J. No. 351, Jan. 21, 2010	<ul style="list-style-type: none"> • Executive had long and distinguished service with company • There was no proof the offence was deliberate—the executive claimed he had just been careless • Offence did not cause the company serious damage—involving less than \$500