

ONTARIO SUPERIOR COURT OF JUSTICE DETERMINES THAT PLAINTIFF CANNOT ALLEGE DISCRIMINATION MOTIVATED DISMISSAL WHERE DISMISSED WITHOUT CAUSE

Reid v. Doubleclick Email Canada Inc., 2005 CarswellOnt 147 (S.C.J.)

The Ontario Superior Court of Justice recently upheld an employment agreement in which an employee agreed to release his employer from further claims upon receiving pay in lieu of notice on dismissal.

Doubleclick employed Christopher Reid for 17 months. It then dismissed him without cause. In accordance with their employment agreement, Doubleclick paid Reid two weeks' pay in lieu of notice. The agreement stipulated that this payment released Doubleclick from liability for all subsequent claims related to employment and termination.

Following his dismissal, Reid filed a racial discrimination complaint with the Ontario Human Rights Commission. However, the Commission dismissed his complaint on the basis that it had been filed more than six months after the events upon which it was based.

Reid then brought an action against Doubleclick for wrongful dismissal and breach of contract. He alleged that his dismissal was discriminatory. He also claimed damages for mental distress and emotional upset, as well as punitive, exemplary and aggravated damages. Relying on the employment agreement, Doubleclick moved for summary judgment to dismiss the action.

At trial, Reid raised three arguments against the employment agreement. First, he claimed to be under the impression that the termination pay provision in the agreement was only a minimum. The Court quickly rejected this contention. It found that the provision was unambiguous. Furthermore, Doubleclick was not required to pay more than the entitlement set out in the agreement.

Second, Reid alleged that the impugned agreement had been superseded by a subsequent agreement. The Court noted, however, that the latter agreement did not address Reid's position, compensation or termination. Therefore, it did not alter Reid's entitlement as set out in the original agreement.

Finally, Reid asserted that Doubleclick breached their agreement by discriminating against him on the basis of race. Accordingly, Doubleclick could no longer enforce its terms. The Court stated that, "while an allegation of discrimination cannot, on its own, create a civil cause of action, it can constitute evidence of discrimination that is relevant to the issue of whether there is cause for dismissal." In this case, however, Doubleclick did not allege cause when it dismissed Reid. Therefore, there was no cause of action to which Reid could attach his discrimination claim.

Reid's claim for punitive and aggravated damages stemmed from his discrimination claim. Based on the Court's rejection of Reid's discrimination claim, there was no cause of action to support his claim for punitive and aggravated damages.

The Court granted summary judgment and dismissed the action. It concluded that the parties' original agreement was valid and that Doubleclick complied with its provisions. Specifically, Doubleclick paid Reid the sum to which he was entitled under the agreement. Since Reid agreed to release Doubleclick from all subsequent claims, he could not bring an action based on allegedly discriminatory treatment.