

Hamilton employee sues Eaton's for \$45m

Torstar News service

A Hamilton appliance technician has launched a \$45-million class-action suit against T. Eaton Co. Ltd.

John Matthew had worked for the retailer for nearly 20 years when he was told in January he was one of the 200 administrative and support staff who will be laid off as part of the retailer's restructuring.

Wednesday, Judge Eugene Fedak, of Ontario Court, general division, ordered Eaton's to advise all of its employees who are being terminated on April 5 that they have a right to join the class action.

In the statement of claim Matthew filed two weeks ago, he argued his dismissal was "without cause" and said Eaton's told him he would not be given a severance package unless he signed a full and final release giving up his employment.

In the court documents, Matthew said Eaton's severance and notice formula is "grossly unfair, inadequate and does not assess each employee's case on an individual basis."

Under the formula, Matthew was entitled to 31 weeks of notice and his severance was based on 19.5 years of service. He said he was told he would have been entitled to 52 weeks of severance and notice had he worked another five months.

Matthew is suing for pain, suffering and mental distress, and seeking punitive damages for Eaton's "bad faith, wanton and callous disregard" of its employees' rights.

Matthew's lawyer, Ted Stayshyn, and Eaton's executive vice-president and chief financial officer Hap Stephen refused to comment on the suit.