

Former Nortel workers on disability get day in court, but no success

'It's a huge disappointment,' says former Nortel worker

By Julie Ireton, [CBC News](#) Posted: Jan 25, 2017 5:00 AM ET Last Updated: Jan 25, 2017 5:00 AM ET

Two former Nortel workers who represented themselves before a bankruptcy court in Toronto on Tuesday are disappointed by the outcome.

Judge J. Frank Newbould ruled no further money will be set aside for former Nortel employees who were sick and on long term disability (LTD) when the company collapsed in 2009.

Jennifer Holley and Greg McAvoy had asked the court to set aside \$44 million in order to pay out 100 per cent of the disabilities benefits for a few hundred people also on LTD.

- [Former Nortel workers seek justice](#)

They argued that not fulfilling their claim violated their charter rights as persons with disabilities. But that request was turned down by the court.

Justice Newbould has yet to present reasons and is expected to do so in the coming days.

Holley and McAvoy both made their presentations to a fairness hearing in Nortel's bankruptcy proceedings via phone yesterday, as they said they were too sick to travel.

"It's a huge disappointment," said Holley. "But at the same time, the continued level of stress having to prepare for the fairness hearing, not being familiar with the court, put a stress on both Greg's and my health."

CEOs claiming millions in bankruptcy proceeding

Approximately \$700 million has already been set aside in reserve and money will eventually be paid out to creditors.

Former CEO Frank Dunn is claiming about \$120 million and Nortel's last president, Mike Zafirovski, is asking for \$11 million.

Nortel, which was at one time a technology giant in Canada and employed thousands of people across the country, filed for creditor protection in January 2009.

McAvoy, who now lives in an assisted-living facility in Calgary, was diagnosed with multiple sclerosis while still working as a manager at Nortel. Holley has Crohn's disease and worked for Nortel in Ottawa.

- [Former workers who lost benefits look to government](#)

Tuesday's court decision means that Holley, McAvoy and the other former workers with disabilities will now receive lump sums of approximately \$100,000 each, likely by spring.

They previously received settlements in 2010 of approximately \$85,000 in 2010, but many, including McAvoy have recently been living on a disability pension.

'There's no question this is sad'

The former Nortel workers said they've received countless hours of pro bono financial advice and counselling from independent financial analyst Diane Urquhart over the past eight years.

Urquhart was in the Toronto courtroom on Tuesday.

She said the atmosphere was sombre and the judge was respectful and polite, listening to McAvoy and Holley's presentations to the court.

"They had their day in court, but there's no question this is sad," said Urquhart. "We wanted to be optimistic, but with the flaws in the bankruptcy process, this is how it has ended."

But this may not be the end of the legal road for Holley and McAvoy.

They said they now plan to seek legal advice from a constitutional lawyer.

"A charter challenge should still be on the table," said Urquhart.

Holley agrees.

"We've talked to the government already that this violates our charter rights," she said. "They've chosen to do nothing about it. There's one last step for us, to take it to a court, a higher authority."

Explore CBC

CBC Home	Music	Documentaries	Digital Archives
TV	Life	Comedy	Games
Radio	Arts	Books	Contests
News	Kids	Parents	Site Map
Sports	Local	Indigenous	

Stay Connected

Apps	RSS	Podcasts	Newsletters & Alerts
----------------------	---------------------	--------------------------	--

Services and Information

Corporate Info	Reuse & Permission	CBC Shop	Jobs
Public Appearances	Terms of Use	Help	Doing Business with Us
Commercial Services	Privacy Policy	Contact Us	Renting Facilities

