

Ontario Superior Court Upholds Principles of New Employment Agreement for Existing Employee

May 02, 2018

Facts

Michelle Lancia was employed by Park Dentistry and its predecessor as a restorative dental hygienist from November 1997 to February 2016. In August 2014, as part of Park Dentistry's effort to transition all employees to written employment contracts, Ms. Lancia was presented with a letter attaching a new employment agreement and explaining that she had the option of signing the new Agreement by January 14, 2016, or her employment would be terminated in 18 months, on February 14, 2016 (with the period between August 2014 and February 2016 constituted working notice).

Ms. Lancia signed the new Agreement two days after it was provided to her, despite being given ample time to seek legal advice. She received a signing bonus of \$2,000 for signing prior to September 19, 2014.

On February 9, 2016, Ms. Lancia resigned from her employment with Park Dentistry. **She then brought a claim – approximately 13 months after her resignation – alleging** that she was constructively dismissed from her employment due to a material change in the employment relationship (claiming that the new employment agreement was unenforceable for lack of consideration), and alleging sexual harassment.

Both parties sought summary judgment in favour of their respective positions.

Decision

The Court held that there was no genuine issue requiring a trial and that Ms. Lancia was not constructively dismissed. In coming to this conclusion, the Court rejected Ms. Lancia's argument regarding consideration and highlighted her delay in bringing a claim for constructive dismissal. The Court also found that Ms. Lancia had not established her allegations of sexual harassment.

With respect to the employment agreement, the Court found that Ms. Lancia had in fact received consideration: the \$2000 signing bonus. The Court also commented that, in

any event, Park Dentistry was not required to provide consideration in the **circumstances. In this regard, the Court confirmed that an employer has the right to transition an employee to a new contract without consideration as long as common law reasonable notice of the change is provided. The manner in which Park Dentistry went about introducing its new employment contracts was, in this case, appropriate and consistent with established legal principles.**

The Court also found Ms. Lancia's delay in bringing her constructive dismissal claim to be significant. If an employee intends to treat an alleged breach of contract as constructive dismissal, he or she must communicate that decision to the employer within a reasonable time. Ms. Lancia had failed to allege constructive dismissal until 13 months after she resigned.

In the end, the Court concluded that Ms. Lancia had unilaterally terminated the employment relationship and that her constructive dismissal claim had no merit.

The Lancia v. Park Dentistry provides a helpful summary of the issues and principles for employers to consider when imposing new employment agreements on existing employees. It serves as a reminder that, while it can be challenging in some cases, it is possible to impose new agreements on existing employees, so long as the proper process is followed and employees are provided with sufficient reasonable notice of the change.

By

[Stephanie Young](#)

Expertise

[Labour & Employment](#)

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

[blg.com](#)

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2025 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.