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Disabled employees refused leave to appeal Nortel restructuring

[Drew Hasselback](#) January 10, 2011 – 4:26 pm

Counsel for a group of disabled Nortel employees has 60 days from last Friday to appeal a fight over their long-term disability benefits to the Supreme Court of Canada.

In November, Judge Geoffrey Morawetz of the Ontario Superior Court of Justice [rejected a request](#) by the Dissenting Nortel Disabled Employees for richer benefits.

The disabled employees sought leave to appeal a judge's ruling denying to the Ontario Court of Appeal, but Madame Justice Karen Weiler [refused on Friday](#). Among other things, she said that an appeal would hinder the progress of the Nortel restructuring.

Financial analyst Diane Urquhart says she's worried that if the lower court decision stands, it could affect up to 1.1 million Canadians covered by self-insured disability income benefit plans at work:

When deficient HWT assets are used to pay both vested future pensioners life insurance benefits and disability income on an HWT termination, the disabled income gets deeply compromised. This is because the actuarial liabilities for disability income are always a small proportion of the total actuarial liabilities for vested pensioners life insurance benefits and disability income due to only 0.90% of the workforce being disabled.

We'll keep you posted.

Drew Hasselback

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