



e2r Alert!

Small Claims Court: Monetary Limit Increase

Since its last increase in 2020, the Small Claims Court ("SCC") has been reserved for claims that fall below a monetary limit of \$35,000. Any claims above this monetary limit must be filed with Ontario's Superior Court of Justice.

However, **as of October 1, 2025**, litigants will be able to issue claims with the SCC at or below a new monetary ceiling of \$50,000.

The theory behind the increase is that it will make the SCC more accessible to litigants seeking to benefit from the typically more streamlined and efficient legal rules and procedures provided by the SCC.

In our view, this upcoming change will make accessing the legal system more cost efficient and less time consuming for Plaintiffs (typically employees) and Defendants (typically employers) alike. While not always the case, actions in the SCC often result in lower legal fees, administrative costs, and less time between the filing of a claim and its resolution (via settlement or trial).

Making the SCC more accessible may have the added benefit of reducing the backlogs that have bogged down the Ontario Superior Court of Justice for years. While it remains to be seen whether the Superior Court backlog will now shift over to the SCC, for now, our view is that the increased monetary limit to \$50,000 has the potential to improve access to justice for both employees and employers in Ontario.

If you would like to discuss this incoming shift in SCC eligibility, or have questions about how it may impact any existing SCC or Superior Court claims your organization is currently dealing with, please contact us to speak with an Advisor.