

## Member's Quarterly

## Winter 2026 Edition

### Feature

## Big Changes in Small Claims Court

*Legislative updates: what you need to know*

The Small Claims Court is a branch of Ontario's Superior Court of Justice that handles civil disputes involving smaller monetary amounts. It offers a faster, more affordable and simplified legal process compared to higher courts.

Common cases include: Unpaid debts (e.g., invoices, loans, overdue rent), breach of contract, property damage, substandard services or defective goods, and certain employment - related disputes.

### New Monetary Limit: What's Changing?

As of October 2025, Ontario increased the Small Claims Court limit from \$35,000 to \$50,000. This change aligns with national trends. Alberta raised its limit to \$50,000 in 2022, and British Columbia currently sits at \$35,000.

This new threshold makes it easier and more cost-effective for individuals and small businesses to address disputes without going through the more complex and expensive Superior Court process.

### Impact on the Superior Court

The updated limit is expected to shift up to 30% of cases currently heard in the Superior Court down to Small Claims Court, particularly: contract and debt disputes, property damage from accidents or negligence, employment conflicts, such as wrongful dismissal or unpaid wages.

This redistribution aims to ease pressure on the Superior Court, allowing it to focus on more complex and high-value litigation.

### Challenges Ahead

Despite the positive intent, Ontario's Small Claims Court is already facing serious delays, with some regions such as Toronto, Peel and Ottawa reporting wait times of up to three years from filing to trial.

To prevent further bottlenecks, this reform must be accompanied by: hiring more judges and court staff, investing in mediation programs, enhancing digital infrastructure and online dispute resolution tools

### Why This Matters

If implemented effectively, the \$50,000 limit will: expand access to justice, reduce litigation costs, and accelerate dispute resolution for thousands of Ontarians. However, without structural improvements, it could simply shift delays from one level of court to another.

### Bonus: Impact on Landlord-Tenant Disputes

The reform will also affect the Landlord and Tenant Board (LTB), which will now be able to handle claims up to \$50,000 for unpaid rent and property damage - another move toward a more efficient dispute resolution system.

Stay informed and prepared. This reform marks a significant shift in how civil justice is delivered in Ontario. If you have a legal matter falling within the new limit, Small Claims Court could soon become your go-to option.

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