

COURT OF KING'S BENCH OF MANITOBA

B E T W E E N:

JORGE ELIEZER BERNAL,	)	<u>Timothy J. Lach</u>
	)	<u>Austin Sutherland</u>
plaintiff,	)	<u>(articling student)</u>
	)	for the plaintiff
-and-	)	
	)	
INTEGRA CASTINGS INC.,	)	<u>Joe Caligiuri</u>
	)	<u>Dylan Brown</u>
defendant.	)	<u>(articling student)</u>
	)	for the defendant
	)	
	)	Judgment Delivered:
	)	April 22, 2026

ASSOCIATE JUDGE GOLDENBERG

INTRODUCTION

[1] The plaintiff, Jorge Bernal ("Bernal"), has brought a motion to consolidate this action against the defendant, Integra Castings Inc. ("Integra"), in Court of King's Bench File No. CI 24-01-46837 (the "Constructive Dismissal Action"), with Integra's action against Bernal in Court of King's Bench File No. CI 24-01-47157 (the "Promissory Note Action").

[2] Integra carries on business as a foundry and primary metal manufacturing facility in the City of Winkler, in the Province of Manitoba. Bernal is a metallurgic engineer who in or around December 2011 signed an employment agreement (the "Employment

Agreement”) and was employed with Integra in various roles, primarily as its Director of Continuous Improvement and Operations.

[3] In May 2012, Bernal and Integra allegedly entered into two promissory notes, and in August 2014, an additional promissory note was allegedly executed (the “Promissory Notes”).

[4] In May 2024, Bernal discontinued his job duties with Integra, on the basis of the alleged constructive dismissal.

PROCEDURAL BACKGROUND

[5] The following pleadings have been filed in the two actions:

June 5, 2024	Bernal filed a statement of claim in a Constructive Dismissal Action related to Integra’s alleged breach of Bernal’s Employment Agreement and subsequent alleged constructive dismissal.
July 5, 2024	Integra filed a statement of defence and counterclaim in the Constructive Dismissal Action alleging that Bernal breached the Employment Agreement by failing to maintain Integra’s company vehicle.
July 5, 2024	Integra filed a statement of claim in the Promissory Note Action related to Bernal’s alleged failure to repay a promissory note.
August 30, 2024	Bernal filed a statement of defence and counterclaim in the Promissory Note Action denying a breach of the promissory note and alleging that Integra breached the terms of the note by charging interest at a rate higher than agreed.
September 16, 2024	Integra amended its counterclaim to the Constructive Dismissal Action.
September 18, 2024	Bernal filed a reply and defence to the counterclaim in the Constructive Dismissal Action
October 8, 2024	Integra filed a reply and defence to the counterclaim in the Promissory Note Action.

THE LAW

[6] Rule 6.01(1) of The Court of King's Bench Rules, M.R. 553/88 (the "Rules") sets out the procedure for consolidating actions:

Order

6.01(1) Where two or more proceedings are pending in which,
 (a) there is a question of law or fact in common;
 (b) the relief claimed arises out of the same transaction or occurrence or series of transactions or occurrences; or
 (c) for any other reason an order ought to be made under this rule;
 the court may order that,
 (d) the proceedings be consolidated, or heard at the same time or one immediately after the other; or
 (e) any of the proceedings be,
 (i) stayed until after the determination of any other of them, or
 (ii) asserted by way of counterclaim in any other of them.

[7] Proportionality is a fundamental principle of the Rules. Rule 1.04 provides in part as follows:

General principle

1.04(1) These rules shall be liberally construed to secure the just, most expeditious and least expensive determination of every civil proceeding on its merits.

Proportionality

1.04(1.1) In applying these rules in a proceeding, the court is to make orders and give directions that are proportionate to the following:
 (a) the nature of the proceeding;
 (b) the amount that is probably at issue in the proceeding;
 (c) the complexity of the issues involved in the proceeding;
 (d) the likely expense of the proceeding to the parties.

[8] Furthermore, section 94 of *The Court of King's Bench Act*, C.C.S.M. c. C280, sets out that: "As far as possible, a multiplicity of proceedings shall be avoided."

ANALYSIS

[9] Bernal seeks an order consolidating the Constructive Dismissal Action and the Promissory Note Action pursuant to Rule 6.01(1). The question is whether these

proceedings share a common question of law or fact, whether the relief claimed arises out of the same transaction or occurrence, or whether, for any other reason, consolidation is appropriate. Having reviewed the pleadings and the procedural history, I am satisfied that the criteria for consolidation are met.

COMMON QUESTIONS OF LAW OR FACT

[10] Although the two actions are framed differently—one sounding in constructive dismissal and the other in debt recovery—they involve the same parties and arise from a closely connected factual matrix. Both proceedings require the Court to interpret and apply the terms of the Employment Agreement and to assess the nature of the employment relationship between the parties at the relevant times. The circumstances surrounding Bernal’s departure from Integra, the parties’ respective obligations under the Employment Agreement, and the financial arrangements between them (including the Promissory Notes) are factual issues that overlap significantly.

[11] The pleadings also reveal that each party raises allegations of breach against the other arising from the same employment relationship. Integra’s counterclaim in the Constructive Dismissal Action alleges that Bernal breached the Employment Agreement by failing to maintain a company vehicle. In the Promissory Note Action, Bernal defends this claim in part on the basis that the Promissory Notes were a term of the Employment Agreement. While these issues are distinct, they are not isolated; they form part of the broader dispute between the parties concerning their respective rights and obligations during and at the end of Bernal’s employment.

[12] The evidence required to adjudicate both actions will substantially overlap. Witnesses, documentary records, and the parties' own testimony will be relevant to both proceedings. Determinations on the terms of the Employment Agreement in the Constructive Dismissal Action may be dispositive of some or all of the issues in the Promissory Note Action. As a result, separate trials would likely require duplication of evidence and risk inconsistent factual findings.

RELIEF ARISING OUT OF THE SAME TRANSACTION OR OCCURRENCE

[13] The relief sought in both actions arises out of the same series of transactions and occurrences—namely, the parties' long-standing employment relationship and the financial arrangements made during that relationship. The Promissory Notes were executed while Bernal was employed by Integra, and it appears likely that the parties' respective claims concerning the notes cannot be fully understood without reference to the employment context. Likewise, it may be necessary to consider the financial obligations and expectations that existed between the parties at the time of Bernal's departure in order to fully adjudicate the constructive dismissal claim.

[14] The outcome of one action will necessarily inform the other. For example, findings regarding the parties' credibility, the terms of the Employment Agreement, or the circumstances of Bernal's departure may bear directly on the enforceability or interpretation of the promissory note. Consolidation therefore promotes coherence and avoids the possibility of conflicting judgments.

PROPORTIONALITY AND AVOIDANCE OF MULTIPLICITY

[15] Rule 1.04 requires the Court to make orders that are proportionate to the nature, complexity, and likely expense of the proceeding. Conducting two separate actions involving the same parties, overlapping facts, and interrelated issues would be inefficient and unnecessarily costly. Consolidation will streamline the litigation, reduce duplication, and promote the just, most expeditious, and least expensive determination of the matters on their merits.

[16] Section 94 of ***The Court of King's Bench Act*** further directs that, as far as possible, a multiplicity of proceedings shall be avoided. Consolidation is consistent with this statutory objective. Any possible prejudice to Integra such as not having the debt collection matter addressed in a summary manner is outweighed by there being a single, coherent forum for resolving all of the disputes between the parties.

CONCLUSION

[17] In light of the common factual and legal issues, the interconnected nature of the relief sought, and the principles of proportionality and efficiency, I find that consolidation is appropriate under Rule 6.01(1). The two actions will therefore be consolidated and proceed together. If the parties cannot agree on the issue of costs they may arrange to speak to the matter.

J. L. Goldenberg
Associate Judge