

Local News

Career Academy Bankruptcy Case Back in Court for Two-Day Trial

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It has been almost 22 years since Lorraine Lush's college closed its doors, but the legal battle involving the province and the Newfoundland Career Academy is far from over.

Lawyers for Lush—who now goes by her married name, Lorraine Lush Mastropietro—and the Department of Education will be in court on Friday morning for the start of a two-day trial.

Lush Mastropietro and her husband John filed a statement of claim against the province back in 2004—six years after the Career Academy went bankrupt. At its peak, the college had 15 campuses in three provinces, employed almost 300 people and had close to 3,000 students enrolled in courses.



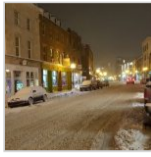
The couple claim that the province acted illegally by denying The Career Academy payment of almost \$3-million in student loans.

Without the money they could not pay staff. The claim states that at the time they also found a buyer for the college, but that government would not approve the sale of the business unless the buyer agreed to pay all creditors 100 per cent of what was owed. The buyer would not agree, the sale fell through, and The Career Academy went bankrupt.

Will Hiscock is representing the Mastropietros. Hicsock says if they win the case it would vindicate the couple. The only thing left would be to determine how much the government would have to pay in damages.

Two days have been set aside to hear the matter in Supreme Court.

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