

Date Issued: July 24, 2020

File: SC-2020-002504

Type: Small Claims

**Civil Resolution Tribunal** 

Indexed as: Holland Plumbing Services Inc. v. MEG Holdings Ltd., 2020 BCCRT 820

BETWEEN:

HOLLAND PLUMBING SERVICES INC.

APPLICANT

AND:

MEG HOLDINGS LTD.

RESPONDENT

#### **REASONS FOR DECISION**

Tribunal Member:

## INTRODUCTION

- 1. This is a dispute over unpaid plumbing invoices.
- The applicant, Holland Plumbing Services Inc. (Holland), says that the respondent, MEG Holdings Ltd. (MEG), owes it \$2,327.50 for plumbing work that it performed in some rental units that MEG owns.

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- 3. MEG denies the claim. It says that it paid Holland "immediately" for its plumbing work and says Holland is attempting to "rebill" it for the same work.
- 4. MEG alleges that Holland is "using this platform to avoid a Residential Tenancy Branch debt" owed by one of Holland's employees. In its Dispute Response, MEG said that it expects "\$2,000 in lieu of us not counter claiming for the difference". I note that MEG did not bring a counterclaim against Holland in this Civil Resolution Tribunal (CRT) dispute. Holland says its claim is unrelated to the tenancy dispute between MEG and Holland's employee.
- 5. The parties are each represented by a company employee.

## JURISDICTION AND PROCEDURE

- 6. These are the CRT's formal written reasons. The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). The CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between parties to a dispute that will likely continue after the dispute resolution process has ended.
- 7. The CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, or a combination of these. Though I found that some aspects of the parties' submissions called each other's credibility into question, I find I am properly able to assess and weigh the documentary evidence and submissions before me without an oral hearing. In *Yas v. Pope*, 2018 BCSC 282, the court recognized that oral hearings are not always necessary when credibility is in issue. Further, bearing in mind the CRT's mandate of proportional and speedy dispute resolution, I decided I can fairly hear this dispute through written submissions.
- 8. The CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of

law. The CRT may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.

9. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

# ISSUE

10. The issue in this dispute is to what extent, if any, MEG owes Holland \$2,327.50 for alleged outstanding invoice balances.

# EVIDENCE AND ANALYSIS

- 11. In a civil claim such as this, the applicant Holland bears the burden of proof, on a balance of probabilities. I have only discussed the parties' evidence and submissions to the extent necessary to give context to my decision.
- 12. It is undisputed that Holland performed plumbing services in rental buildings that MEG owned. At issue in this dispute are 4 invoices for plumbing work that Holland says remain unpaid (disputed invoices). The disputed invoices are summarized as follows: January 11, 2019 \$976.50 for replacing a shower diverter, January 14, 2019 \$988.75 for new roof drains, February 25, 2019 \$194.25 for a toilet and pipe leak, and March 22, 2019 \$168.00 to replace a braided toilet supply line and fill valve.
- 13. As referenced above, one of Holland's employees personally rented a suite in a MEG-owned building in 2019. MEG says that the disputed invoices appeared months late and only after Holland's employee failed to pay MEG his rent. MEG says the disputed invoices contain little or no information and Holland was unresponsive when MEG asked for more information. MEG suggests this is because Holland was attempting to 'rebill' or 'double-bill' for plumbing work that it already paid for. MEG alleges that Holland is attempting to collect again on paid

invoices in order to off-set unpaid rent and damages that one of its employees allegedly owes MEG.

- 14. For the reasons that follow, I find Holland likely performed the plumbing work, Holland's claim is unrelated to its employee's tenancy, and MEG did not pay for the work in the disputed invoices.
- 15. On the first issue, MEG does not explicitly dispute that Holland performed the plumbing work described in the disputed invoices. Holland's employee's statement before me describes the work it says it performed on each job at MEG's request. MEG did not contest any specific item described in the employee's statement despite having the opportunity to do so. MEG also did not identify any specific problems with Holland's work or provide evidence that Holland's plumbing work was below a professional standard and so, I find it was not faulty. Without evidence to the contrary, I find it is more likely than not that Holland performed the plumbing work as agreed and as described in the disputed invoices.
- 16. As for the double billing allegation, I find it is not supported on the evidence. Contrary to MEG's assertion, I find the disputed invoices are reasonably well detailed. The invoices clearly identify the nature of the work, date, location, and hours. Based on the invoices, I find that MEG could have reasonably determined if it already paid Holland for the same work. In other words, this is not a situation where Holland had mass billed MEG for various jobs in a way that 'hid' whether or not it had paid. There is no objective evidence before me, such as bank records or credit card invoices, that show MEG already paid for the work. I find MEG provided no proof of payment because it has not yet paid. Otherwise, I find it would have provided its payment documents or explained their absence as this is its primary defence. Thus, I find that MEG failed to pay Holland for the claimed plumbing work.
- 17. On the tenancy issue, Holland is a corporation, which is a legally distinct entity from its employees. MEG does not say that Holland was a party to the tenancy agreement and there are no tenancy related documents in evidence. So, I find Holland was likely not a party and had no obligations under the tenancy agreement.

Also, a company employee's personal debt is not normally a company debt. If the employee owed a personal debt, which is not proven, MEG has not shown that Holland is liable for that debt. Further, Holland is a plumbing business and there is no evidence that Holland's employee was working on its behalf in exchange for rent. Thus, I find the employee dispute is unrelated to Holland's billing for plumbing work.

- 18. I acknowledge MEG's allegation that Holland is attempting to take advantage because MEG's director is elderly. However, I find MEG's allegation is unsupported by any evidence that this has occurred.
- 19. I find the disputed invoices clearly describe the work and breakdown of the charges and amounts owing for each job. I also find they are supported by Holland's employee's uncontested statement describing the performed work. I am satisfied on the weight of the evidence that MEG owes Holland the amounts claimed in the disputed invoices. I find that MEG must pay Holland a total of \$2,327.50 for the plumbing work.
- 20. The *Court Order Interest Act* applies to the CRT. It says that a court, or here the CRT, must add interest on a pecuniary award from the date the cause of action arose to the date of the order. Here the parties dispute the dates that Holland invoiced MEG. There is no correspondence in evidence enclosing the invoices. In its application for dispute resolution, Holland stated that its claim arose on July 4, 2019. On a judgment basis, I have calculated interest on the full \$2,327.50 invoiced amount from July 4, 2019 to the date of this decision. This equals \$45.83.
- 21. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. I find Holland is entitled to reimbursement of \$125 in CRT fees. Neither Holland nor MEG claimed dispute-related expenses.

#### ORDERS

- 22. Within 30 days of the date of this order, I order MEG to pay Holland a total of \$2,498.33, broken down as follows:
  - a. \$2,327.50 for the plumbing work,
  - b. \$45.83 in pre-judgment interest under the Court Order Interest Act, and
  - c. \$125.00 in CRT fees.
- 23. Holland is entitled to post-judgment interest, as applicable.
- 24. Under section 48 of the CRTA, the CRT will not provide the parties with the Order giving final effect to this decision until the time for making a notice of objection under section 56.1(2) has expired and no notice of objection has been made. The time for filing a notice of objection is 28 days after the party receives notice of the CRT's final decision. The Minister of Public Safety and Solicitor General has issued a Ministerial Order under the *Emergency Program Act*, which says that tribunals may waive, extend or suspend a mandatory time period. The CRT can only waive, suspend or extend mandatory time periods during the declaration of a state of emergency. After the state of emergency ends, the CRT will not have this ability. A party should contact the CRT as soon as possible if they want to ask the CRT to consider waiving, suspending or extending the mandatory time to file a Notice of Objection to a small claims dispute.
- 25. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. A CRT order can only be enforced if it is an approved consent resolution order, or, if no objection has been made and the time for filing a notice of objection has passed. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Trisha Apland, Tribunal Member