



Civil Resolution Tribunal

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File: SC-2021-004141

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Jagla v. Stansfields.ca Professional Services Ltd.*,
2022 BCCRT 61

B E T W E E N :

ALEKSANDER JAGLA and EWA JAGLA

APPLICANTS

A N D :

STANSFIELDS.CA PROFESSIONAL SERVICES LTD.

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Trisha Apland

INTRODUCTION

1. This dispute is about payment for painting services.
2. The respondent, Stansfields.ca Professional Services Ltd. (Stansfields), hired the applicants, Aleksander Jagla and Ewa Jagla, to paint a house that Stansfields was renovating for a client. The Jaglas sent Stansfields two invoices for \$3,360 and

\$2,031.75 for the completed work. Stansfields only paid them for the second invoice. They claim \$3,360 allegedly still remaining for the job.

3. Stansfields agrees that the Jaglas painted its client's house but denies that it owes them anything more than the \$2,031.75 it already paid. I discuss the parties' positions in more detail below.
4. The Jaglas are self-represented and Stansfields is represented by the company's owner.
5. For the reasons that follow, I find Stansfields owes the Jaglas \$1,328.25 for the painting job.

JURISDICTION AND PROCEDURE

6. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that 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 the dispute's parties that will likely continue after the CRT process has ended.
7. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
8. Section 42 of the CRTA says 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 whether Stansfields owes the Jaglas \$3,360 as claimed for the painting job.

EVIDENCE AND ANALYSIS

11. In a civil proceeding like this one, as the applicants the Jaglas must prove their claims on a balance of probabilities (which means “more likely than not”). I have read all the parties’ submissions but refer only to the evidence and argument that I find relevant to provide context for my decision.
12. The Jaglas operate a painting business, “West Painting & Decorating”. Stansfields operates a business called “Kitchen Cabinets for Less”. The parties have been doing business together for a number of years. In 2019, Stansfields was renovating a client’s home and hired the Jaglas to perform the painting portion of the renovation under a verbal contract. These facts are not disputed.
13. The Jaglas submitted signed witness statements from its workers, supported by contemporaneous texts, that describe the painting work completed on the job in September and November 2019. Stansfields does not dispute the quality or completion of the work so I find there was no issue with it. The issues in this dispute are about the contract’s scope, rate, and payment.
14. The Jaglas’ submissions are mostly focused on the work they performed and what they claim they are owed. The Jaglas do not clearly explain the parties’ pre-contract negotiations about job scope or rate and there is no written evidence about them. While a contract does not need to be in writing, it can be difficult to determine what the parties agree on verbally when it is later disputed, as it is here.

15. The only evidence about the verbal contract's terms is in the Jaglas' Dispute Notice. They stated that in October 2019 they billed Stansfields "as per verbal agreement \$2,700 + \$500 + tax for additional work done". Their October 18, 2019 invoice shows the Jaglas invoiced Stansfields \$3,200 plus tax for labour and materials. It is not broken down into an hourly rate or set out the material costs. So, I find the Jaglas' Dispute Notice statement likely meant the parties agreed to a fixed rate of \$3,200, plus tax.
16. Stansfields does not comment on the Jaglas' assertion in the Dispute Notice about the fixed rate even though it was a key issue in this dispute and it had the opportunity to do so in response. On balance, I find the parties likely agreed to a fixed rate of \$2,700 for the job and \$500 for additional work, plus tax (\$3,360) when they entered into the verbal contract.
17. The emails show that the Jaglas sent the Stansfields a second invoice on November 29, 2019. I note the email attaching the second invoice is in evidence but the November invoice itself is not. However, the parties agree the November invoice was for \$1,935 plus tax (\$2,031.75) and that Stansfields paid that second invoice in full on December 12, 2019.
18. Stansfields says it billed its own client based on what it thought was the Jaglas' only invoice, which was actually the second, November invoice. Stansfields says its client then paid it based on that invoice and so that is what it paid the Jaglas. It says it had done work with the Jaglas for years and had never received 2 invoices for "the same work in the same rooms". It says "unfortunately" the Jaglas made a mistake by sending only a partial invoice. It says after it received the other invoice it asked its client, "on behalf" of the Jaglas, for additional payment but the client refused to pay any more.
19. I find Stansfields's assertions about the billing timing is inconsistent with the submitted evidence. The Jaglas' emails show it sent its invoices to Stansfields in October and November 2019. I find Stansfields had already invoiced its client by that time. In particular, Stansfields submitted 1 "final" invoice addressed to its client dated August

29, 2019 for the painting portion of the total job for a fixed amount of \$4,200. There is no other invoice or evidence about Stansfields's agreement with its client. I note it invoiced its client more than it paid the Jaglas. As a general contractor, Stansfields was entitled to make a profit on the job. So, I find the \$4,200 is not determinate of these parties' agreement here. However, I find it means Stansfields invoiced its client before the Jaglas started the painting work and well before the Jaglas billed it for their work. To the extent Stansfields argues that the parties agreed payment was contingent on what its client paid and its client only paid \$2,031.75, I am not persuaded by that argument.

20. The Jaglas say Stansfields added to the job scope beyond the initial agreement. In their reply argument, the Jaglas describe the November work as a "second" and "separate" project. Since Stansfields only paid the November invoice, they say it still owes them \$3,360 for the first project as invoiced in October 2019.
21. While a bathroom was admittedly added later, Stansfields says the Jaglas and the client came up with the scope and there were not 2 projects. As mentioned, it also disputes that it owes any more for the painting job.
22. There is no independent evidence about the initial job scope or who determined it. I find the Jaglas' workers statements only establish that they did the painting in 2 stages. There is also no independent evidence that the Jaglas and Stansfields discussed a separate project or came to any agreement between them about this. I find that the Jaglas have not proven with evidence that Stansfields hired them for a second project at an additional cost.
23. As for the bathroom, the fixed rate already included \$500 for "additional" work and there is no evidence the parties discussed or came to any agreement for more. As I have found the parties had agreed to a fixed rate, I find nothing turns on the number of hours spent on the job. Based on the overall evidence, I find the Jaglas have not proven the parties agreed to more than the fixed rate of \$3,360 (including tax) for the job, even with additional work.

24. As mentioned, Stansfields does not dispute the painting quality or its completion. So, I find the Jaglas were entitled to be paid in full on substantial completion of the job: *Belfor (Canada) Inc. v. Drescher*, 2021 BCSC 2403 at paragraph 16. Based on their agreed fixed rate, I find Stansfields owe the Jaglas the \$1,328.25 balance for the completed job (\$3,360 - \$2,031.75) and it must pay the Jaglas this amount.
25. As shown in their demands for payment, the Jaglas attempted to charge 1% interest on their outstanding invoice. However, they made no contractual interest claim and say the parties had no agreement on an interest rate. Without an agreement, I find the *Court Order Interest Act* applies to this debt. The Jaglas are entitled to pre-judgment interest on the \$1,328.25 debt from December 12, 2019, a reasonable time to pay after job completion, to the date of this decision. The interest equals \$23.60.
26. 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 the Jaglas are partially successful in their claims and are entitled to reimbursement of \$87.50 for half their paid CRT fees. I find their expense of \$34 to serve Stansfields is reasonable and supported by receipts. Given their partial success, I find they are entitled \$17 as half that expense. Stansfields did not pay any CRT fees or claim dispute-related expenses.

ORDERS

27. Within 30 days of the date of this order, I order Stansfields to pay the Jaglas a total of \$1,456.35, broken down as follows:
 - a. \$1,328.25 in debt,
 - b. \$23.60 in pre-judgment interest under the *Court Order Interest Act*, and
 - c. \$104.50, for \$87.50 in CRT fees and \$17 for dispute-related expenses.
28. The Jaglas are entitled to post-judgment interest, as applicable.

29. I dismiss the Jaglas' remaining claims.
30. 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.
31. 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