



Civil Resolution Tribunal

Date Issued: November 1, 2024

File: SC-2023-007883

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Ayub v. Richmond Taxi Co. Holdings Ltd.*, 2024 BCCRT 1113

BETWEEN:

MUHAMMAD AYUB

APPLICANT

AND:

RICHMOND TAXI CO. HOLDINGS LTD.

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Christopher C. Rivers, Vice Chair

INTRODUCTION

1. This dispute is about late fees for taxi operating costs.
2. The respondent, Richmond Taxi Co. Holdings Ltd., charged the applicant, Muhammad Ayub, \$1,530 in late fees for failing to pay their operating costs on time.

Mr. Ayub says Richmond Taxi withheld the late fee from their cheque and that the penalty does not follow the law. Mr. Ayub asks me to order that Richmond Taxi return the late fee of \$1,530.

3. Richmond Taxi says its Board of Directors passed a resolution that required its drivers to pay operating costs by the 15th day of each month or it would charge \$10.00 per day as a penalty. It says it gave notice to Mr. Ayub of their obligation to make those payments. It asks me to dismiss Mr. Ayub's claim.
4. Mr. Ayub represents himself. An employee represents Richmond Taxi.
5. For the following reasons, I allow Mr. Ayub's claim.

JURISDICTION AND PROCEDURE

6. These are the Civil Resolution Tribunal (CRT)'s formal written reasons. The CRT has jurisdiction over small claims brought under *Civil Resolution Tribunal Act* (CRTA) section 118. CRTA section 2 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.
7. CRTA section 39 says the CRT has discretion to decide the hearing's format, including by writing, telephone, videoconferencing, email, or a combination of these. Here, while the documentary evidence and submissions are quite limited, I find that I am properly able to assess and weigh them sufficiently to reach a decision. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, and the small amount of money at issue in this proceeding relative to the time and expense of running an oral hearing, I find that an oral hearing is not necessary in the interests of justice.
8. CRTA section 42 says the CRT may accept as evidence information that it considers relevant, necessary, and appropriate, whether or not the information would be admissible in court.

9. Where permitted by CRTA section 118, 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 Richmond Taxi must repay Mr. Ayub \$1,530 for withheld late fees.

EVIDENCE AND ANALYSIS

11. In a civil proceeding like this one, Mr. Ayub, as applicant, must prove their claims on a balance of probabilities. I have read all the parties' submissions and evidence but refer only to the evidence and argument that I find relevant to provide context for my decision. I note that despite having the opportunity to do so, Richmond Taxi did not provide any documentary evidence.
12. As I say above, the parties provided limited evidence and arguments. However, I am able to infer the basic arrangement from context.
13. Mr. Ayub owns and/or operates a taxicab in association with Richmond Taxi. The exact nature of the parties' relationship is unclear. The parties, in submissions and evidence, refer to Mr. Ayub as a driver or a shareholder, and drivers are sometimes seemingly called owners in the documentary evidence. So, I refer to Mr. Ayub as a "shareholder," but I find the precise nature of their relationship is irrelevant.
14. In a letter dated April 29, 2020, shortly after the onset of the Covid-19 pandemic, Richmond Taxi prepared a written Notice to Shareholders. It said it was informing shareholders of changes to insurance and company expenses. The letter goes on to introduce a number of changes to operating costs and new financial penalties pertaining to driving a taxi. Among them was the introduction of a late fee of \$10 per day if a shareholder.

15. In August 2021, Mr. Ayub says Richmond Taxi issued them a penalty of \$1,530 in late fees. Mr. Ayub says Richmond Taxi withheld that amount from their cheque, which I infer from context is Mr. Ayub's income associated with owning and/or operating a taxi. In other words, Mr. Ayub says the company should have paid him that money but did not because it chose to withhold it as payment for outstanding late fees.
16. Mr. Ayub does not specifically say when in August Richmond Taxi withheld the money.
17. Richmond Taxi does not dispute that it withheld \$1,530 from Mr. Ayub but says only that it sent a "Notice of Penalty" to all shareholders. It does not say when it withheld Mr. Ayub's money. In other words, I find Richmond Taxi agrees that it kept money it owed Mr. Ayub, but did so because it was owed the late fees.
18. The challenge for Richmond Taxi is that it has not provided any legal authority for it to unilaterally impose penalties on its shareholders, including late fees. There is no contract in evidence between the parties that provides Richmond Taxi such authority, such as an employment contract or shareholders agreement. There is no copy of the alleged director's resolution that explains how or why Richmond Taxi could require Mr. Ayub to make those payments. Richmond Taxi does not provide any case law or evidence to support its position.
19. Given that Richmond Taxi does not dispute Mr. Ayub's explanation, I find Richmond Taxi withheld \$1,530 otherwise owing to Mr. Ayub without legal justification. So, I order it to pay Mr. Ayub \$1,530 in debt.
20. The *Court Order Interest Act* applies to the CRT. Mr. Ayub is entitled to pre-judgment interest on the withheld money from August 31, 2021, the latest possible date Richmond Taxi could have withheld the money in August, to the date of this decision. This equals \$172.12.
21. Under CRTA section 49 and the 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 applicant is entitled to reimbursement of \$125 in CRT fees. Mr. Ayub did not claim any dispute-related expenses.

ORDERS

22. Within 14 days of the date of this order, I order Richmond Taxi to pay Mr. Ayub a total of \$1,827.12, broken down as follows:
 - a. \$1,530 in debt,
 - b. \$172.12 in pre-judgment interest under the *Court Order Interest Act*, and
 - c. \$125 in paid CRT fees.
23. Mr. Ayub is entitled to post-judgment interest, as applicable.
24. This is a validated decision and order. Under CRTA section 58.1, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Christopher C. Rivers, Vice Chair