

EMPLOYMENT STANDARDS TRIBUNAL

In the matter of an appeal pursuant to Section 112 of the
Employment Standards Act R.S.B.C. 1996, C.113

- by -

Krazy Willy's Buy & Sell Ltd.
("Willy's")

- of a Determination issued by -

The Director of Employment Standards
(the "Director")

ADJUDICATOR: David B. Stevenson

FILE No.: 2000/468

DATE OF HEARING: September 21, 2000

DATE OF DECISION: October 30, 2000

DECISION

APPEARANCES:

on behalf of the Appellant	H. Bruce Kaun, Esq. Ben Meisner
on behalf of the individual	Renee Reichelt Sandra Plato

OVERVIEW

This is an appeal pursuant to Section 112 of the *Employment Standards Act* (the “Act”) by Krazy Willy’s Buy & Sell Ltd. (Willy’s”) of a Determination which was issued on June 12, 2000 by a delegate of the Director of Employment Standards (the “Director”). The Determination concluded that Willy’s had contravened Section 63 and subsection 54(2) of the *Act* in respect of the employment of Sandra Plato (“Plato”), and ordered Willy’s to cease contravening and to comply with the *Act* and to pay an amount of \$8,009.80.

The appeal, filed with the Tribunal on July 5, 2000, identified three grounds for appeal:

1. There was bias, and a resulting breach of the rules of natural justice, on the part of the delegate of the Director;
2. The delegate of the Director committed an error in law by applying the wrong legal standard of proof in reaching the conclusions that Plato did not quit or abandon her position; and
3. The delegate of the Director erred in law in her interpretation and application of Sections 50 and 54 of the *Act* to the particular circumstances of the claim and erred in applying previous case law that was clearly distinguishable on its facts.

The parties were advised at the outset of the hearing that an appeal is not a new hearing nor is it a reinvestigation of the complaint, that there is a burden on the appellant to show the Determination was wrong and that, while there are no formal, in the sense of being written, procedural rules for hearings before the Tribunal, the responsibility of the Tribunal, as with any similar administrative tribunal, is to ensure the hearing is fair. The parties were given the opportunity to introduce *viva voce* evidence. Counsel for Willy’s called five witnesses and the representative for Plato called the complainant. The procedure adopted in this case accords with the comments of the Tribunal in *Re World Project Management Inc. et al*, BC EST #D134/97 (Reconsideration of BC EST #D325/96), that:

. . . the Tribunal is not limited to a “true appeal” focussing only on the original decision nor, on the other hand, would it be fair and efficient to ignore the initial

work and determination of the Director. In my opinion, the Tribunal should be flexible in its procedure on appeal to ensure that the intent of the Act to create a fair and efficient dispute resolution process is fulfilled.

ISSUE

The issues raised in this appeal are framed by the above grounds of appeal.

THE FACTS

Willy's is a retail business in Prince George selling a variety of consumer goods. Willy's is owned and operated by Ben Meisner ("Meisner"). The store employs a Manager, 2 or 3 full time and 2 part time cashier/clerks. While Plato had worked off and on for many years for Willy's, her last period of continuous employment commenced in November, 1993. Her last day worked at Willy's was March 14, 1998. She worked as a cashier/clerk at a rate of \$9.00 an hour.

In March, 1998, Plato was 5 months pregnant. Peggy Leighton was the Acting Manager of Willy's from November, 1997 to mid-March, 1998. Mrs. Leighton, at the request of Meisner, wrote a letter in November, 1999 relaying certain knowledge she had acquired and understandings she had formed in respect of Plato in March, 1998, while she was the Acting Manager. The letter was provided to and considered by the delegate. It is referred to in the Determination:

Leighton writes that Plato was pregnant during the time she was manager, and recalled that Plato was scheduled to take maternity leave for the birth of her child, commencing approximately July, 1998.

Mrs. Leighton also testified. She confirmed the contents of the letter. She also testified that she conveyed the above information to Elaine Meisner ("Mrs. Meisner"), who took over the position of Manager on March 16, 1998, and that it was general knowledge that Plato was pregnant and would be going on maternity leave. She also gave Meisner that information. He had wanted to know whether Plato had given a specific date for commencing maternity leave. Mrs. Leighton continued to work for Willy's for "a couple of months" after Mrs. Meisner took over as Manager.

Plato was having some problems with her pregnancy. On March 16, 1998, Plato acquired a note from her Obstetrician stating:

This is to certify that the above named patient [Sandra Plato] has been under my medical care. For medical reasons, she should be off work the following dates:

March 16/98 - June 29/98

Plato brought that note to Mrs. Meisner the same day. Plato told Mrs Meisner that she needed an insurance form filled out. While it was not clear from the evidence, it appears that Plato was

covered by a medical plan that entitled her to apply for paid medical leave. The evidence also indicated that before the medical note was completed, Plato had made some inquiry and had learned that she was entitled to 15 weeks of leave benefits from that plan - the exact number of weeks in the period from March 16 to June 29, 1998.

Plato asked Mrs. Meisner to fill out the Employers Statement on the medical insurance benefit forms. Mrs. Meisner complied, but in doing so, under "was the last date worked due to:", made reference to "maternity leave". She gave the form to Plato. Plato left the store, but returned almost immediately and pointed out to her that she was not going on maternity leave, but was taking medical leave. Mrs. Meisner changed the statement, scratching out "maternity" and inserting, "physician recommended [leave] due to danger to fetus". That was the only change made to the Employers Statement from what Mrs. Meisner had recorded on it.

I will address a conflict in the evidence concerning the date "Sept 16 '98", which appears in the section of the Employers Statement for indicating "the employees anticipated date of return to work". It was Mrs. Meisner's evidence before me that Plato had given her that date as her anticipated date of return. It was Plato's evidence that she did not give that date to Mrs. Meisner. She believed Mrs. Meisner had calculated that date herself and had put it on the form. Plato says she told Mrs. Meisner when she returned to get the change to the reason for going off work that she didn't think that the date was correct and Mrs. Meisner said it could be sorted out later. I accept Plato's evidence on this point. I have carefully measured the evidence against the likelihood of the events unfolding in the manner described by each of the witnesses and find it is more probable that Plato did not tell Mrs. Meisner that her expected return date would be September 16. The only other conclusion is that the date was created by Mrs. Meisner. There are several reasons for my conclusion.

First, in her written statement given to the delegate during the investigation, Mrs. Meisner makes no reference at all to the date September 16. In respect of this area, the statement reads:

About two hours into the job, Sandy arrived (it was her day off) and presented me with a form to fill out for her insurance. She made it clear that she needed the form filled out so that her insurance would cover the cost of her car payments during her leave. I filled out the form, returned it to Sandy who left, then returned, angry that I had written on the form that she was on maternity leave. She demanded that I change the form and write in "medical leave" otherwise, her insurance would not cover her payments. I made the changes.

Later in her statement. Mrs. Meisner says:

The doctor's slip said she would be off work till June 29th, 1998. I didn't see or hear from Sandy again until October 1st of 1998 when she arrived at the store. I am certain that was the day as my full-time/part-time employee was preparing to go away for a week and I would have only one day to discuss the end of her employment before she left.

If Plato had told Mrs. Meisner she would be off until September 16, it would have been appropriate in the circumstances and in the context of the letter to have said so. The letter was,

after all, about the absence of any communication from Plato about her plans. If Plato had given the September 16 date and then let it pass without attempting any communication to Mrs. Meisner, that would have had some significance for Mrs. Meisner.

Second, Plato's evidence indicated that before March 16 she had made some effort to familiarize herself with the extent of her leave entitlements. She knew that she was entitled to 15 weeks paid medical leave under her plan; I am certain that was the basis for the June 29/98 date. It is reasonable to conclude that she also knew she was entitled to 18 weeks pregnancy leave under the *Act* and she intended to commence that leave entitlement immediately following the conclusion of her medical leave, meaning she would be absent on some form of leave, medical or pregnancy, until November 3, 1998. Whether she specifically told Mrs. Meisner of her intention is not particularly significant as any reasonable person in the position of Meisner or Mrs. Meisner with the information available, and known, to them should have reached that conclusion. I also agree with the comment in the Determination, that:

If there was any confusion regarding Plato's medical leave or Pregnancy leaves the employer would or should have had ample time to discuss it with Plato at that time. . .

Third, there was no reason why Plato would indicate September 16 was an expected date of return to work. Even if Plato hadn't calculated the exact scope of her pregnancy entitlement, her due date was July 22, 1998 and it is most improbable that she would have given Mrs. Meisner an expected return date that was only eight weeks after her expected due date and only 11½ weeks after her medical leave benefits ended. Mrs. Meisner had no explanation why Plato would have given September 16 as her return date. Meisner, in his March 16, 2000 letter to the delegate says:

She asked that the forms "employers [sic] anticipated date of return" be listed as September 16th to ensure she would receive the insurance payments.

In my view, that comment is pure invention, unsupported by any evidence, and underscores my conclusion that there was no rational basis for Plato to have given September 16 as her return date but was something Mrs. Meisner put on the form on the understanding it would be sorted out later if necessary.

Plato made no written request for pregnancy or parental leave. There was no confirmed communication between Plato and any person from Willy's from March 16 until October 1, 1998, when Plato arrived at the store and notified Mrs. Meisner that she would be returning to work on November 3, 1998.

I turn briefly to consider another area of dispute that was addressed in the evidence of the parties. There was an assertion made by Meisner in his reply to the delegate that he attempted to contact Plato on three occasions, June 26, July 13 and September 18, 1998. On all three occasions he received no answer. He says, in his March 16, 2000 submission to the delegate, that the call on September 18 was precipitated because:

. . . we were setting our full time employee needs. On that date I advised the part time employee that we might have full time employment available and I would let her know by September 18th, 1998. I tried on that date again to try and reach Ms. Plato with no success.

For her part, Plato alleged that she had called numerous times to inform Willy's about when she would return to work and also told Mrs. Meisner, when she was in the store in the 3rd week of July, 1998, that she would returning to work in the fall. Both of those allegations are noted in the Determination as part of the "Complainant's Position".

Plato said she had an answering machine during the period in question and no messages were left on that machine by Meisner. Meisner said he had a message taking system in place during the period in question and received no messages that Plato had called. Betty Pearson, a cashier/clerk at Willy's, gave evidence going to those allegations. She said she had no recollection of any messages left for Meisner and had no recollection of seeing or talking to Plato in July, 1998. Mrs. Meisner also denied the allegation that Plato had talked to her at the store in July, 1998.

In the appeal, counsel for Willy' challenges the decision of the delegate to have "accepted the version of facts of Plato". There, however, is no indication in the Determination that delegate "accepted the version of facts of Plato" on this point. The only reference in the analysis to Plato communicating with Willy's is found in the following passage:

Plato alleges she tried to call Willy's to advise when she would be returning to work. Plato did physically visit her place of work in September or October advising when she would be returning to work, which was well within the 32 week Pregnancy/Parental leave under the Act.

Similarly, there is nothing in the Determination indicating that the delegate rejected the assertion from Meisner that he had made a number of attempts to call Plato. What the Determination concludes is:

. . . that it would be extreme to terminate anyone's employment on the basis of alleged unanswered phone calls.

In the final analysis, these factual disputes are a non-issues. Their relevance to the conclusions made in the Determination is not apparent on its face. In the context of the appeal and the hearing, those disagreements amounted to no more than a "he said, she said" exchange on matters collateral to the central issues identified in the grounds for appeal.

In August, 1998, Willy's hired a temporary replacement for Plato. In his evidence before me, Meisner said that the temporary employee was aware she was filling in on maternity leave. Mrs. Meisner, in her letter provided to the delegate during the investigation says:

I did not hire any new employee until August, as I was waiting to hear what Sandy's plans would be. The position was full-time/part-time and the employee hired was aware the length of employment would depend on Sandy's plans.

These statements support the conclusion that both Meisner and Mrs. Meisner knew, at all relevant times, that Plato was on pregnancy leave. I reject Meisner's testimony to the contrary, that he "had no idea she [Plato] was on maternity leave".

On or about October 2, 1998, Meisner called Plato and told her Willy's was of the view that she had abandoned her employment and would not be returning her to her employment. There was some dispute about when this discussion took place. Once more, this is a non-issue. For the purpose of the issues considered in the Determination, the relevant fact was the refusal by Meisner to return Plato to her position at Willy's.

On February 16, 2000, the delegate forwarded a letter to Meisner informing him that Plato's file had been transferred to her and requesting that Meisner contact her to discuss the matter further. Meisner said in his evidence that he took it from the letter that a determination had already been made and nothing he said would make any difference. He communicated with the delegate by telephone and provided a reply to the February 16 letter on March 16, 2000. Nothing in that reply expresses any concern that the matter had been predetermined by the delegate.

The delegate also communicated with Plato on or about February 16, 2000. Following this communication, Plato wrote a personal letter to Kelly Moore, Meisner's daughter, and included in that letter reference to the communication she had from the delegate. Meisner learned of this communication on or about March 16, 2000, during a visit with his daughter. He formed the impression from comments made that the delegate had promised Plato she would be receiving some money in three weeks. Meisner called the delegate and asked whether his impression was correct. The delegate advised him that no such promise had been made. There was also some discussion about whether the delegate had told Plato that Willy's was fortunate the matter hadn't been referred to the Human Rights Commission. The delegate said it was possible she had raised the human rights aspect of the matter with Plato.

Kelly Moore was summonsed to give evidence and to produce the letter. She said she had destroyed the letter in March, 2000, just after Meisner asked her for a copy of it, because she didn't want to become involved in a conflict between her father, with whom she trying to reconcile after more than two years of not speaking with him, and Plato. She also said she recalled nothing in the letter about Plato getting some money from her complaint in three weeks. She had no recollection of any reference to the Human Rights Commission in the letter.

ARGUMENT AND ANALYSIS

In the appeal, counsel for Willy's says the facts demonstrate a bias on the part of the delegate amounting to a breach of the rules of natural justice. He said in the appeal that the letter of February 16, 2000 from the delegate to Meisner and the contents of the letter from Plato to Kelly Moore clearly show that a decision on the complaint had already been made before Meisner had any opportunity to reply. In the argument made by counsel for Willy's following the hearing, the central allegations supporting the bias argument were all but abandoned. In his argument, counsel states:

It is the appellant's position that the decision making process was coloured by bias in favour of the Respondent and evidence for that arises in the documents and evidence presented.

There follows an analysis of the February 16, 2000 letter from the delegate to Meisner, in which counsel contends there is a clear statement that the delegate will pay no regard to the written notice requirements in Section 50 of the *Act*, that the letter contains a perceived threat to settle and that the delegate was unable to separate the roles of mediator and fact finder.

In *Re Dusty Investments Inc. d.b.a. Honda North*, BC EST #D043/99 (Reconsideration of BC EST #D101/98), a three person panel of the Tribunal made the following comments in respect of allegations of bias:

We adopt the following comments of Newbury, J.A. in *Finch v. The Association of Professional Engineers & GEO Scientists* (1996), 18 B.C.L.R. (3d) 361 at 376 (B.C.C.A.):

The test for determining whether a reasonable apprehension of bias arises is well-known and clear: Cory J. for the Court in *Newfoundland Telephone Co. Ltd. v. Board of Commissioners of Public Utilities* (1992), 4 Admin. L.R. (2d) 121 (S.C.C.) formulated it this way:

“It is of course, impossible to determine the precise state of mind of an adjudicator who has made an administrative board decision. As a result, the courts have taken the position that an unbiased appearance is, in itself, an essential component of procedural fairness.

To ensure fairness the conduct of members of administrative tribunals has been measured against a standard of reasonable apprehension of bias. The test is whether a reasonably informed bystander could reasonably perceive bias on the part of an adjudicator.”

Consistent with the above statement, the test is an objective one. Two comments are appropriate in that context. First, because allegations of bias are serious allegations, they should not be found except on the clearest of evidence: see *A.B. Lumber Co. Ltd. and North Coast Forest Products Ltd. v. B. C. Labour Relations Board and another*, B.C.J. No. 1858, August 7, 1998, Vancouver Registry No. A980541. Second, the evidence presented should allow for objective findings of fact that demonstrate actual bias or a reasonable apprehension of bias. The rationale for this requirement is anchored in the principle that a party against whom an allegation of bias is made is not permitted to explain away the circumstances in which the allegation arises or to deny the presence of a biased mind. This principle is enunciated by Laskin, C.J.C., in *P.P.G. Industries Canada Ltd. v. A.-G. Can.* (1975), 65 D.L.R. (3d) 354 (S.C.C.), where he stated that “the

introduction of evidence to explain away a situation which raised a reasonable apprehension of bias affecting that party's position in respect of a decision which he challenged" would not be permitted (see also *C.D. Lee Trucking Ltd. v. B. C. Labour Relations Board and others*, B.C.J. No. 2776, November 26, 1998, Vancouver Registry No. A981590).

There is no evidence, let alone clear evidence, that would justify a conclusion the delegate had pre-judged the complaint. Kelly Moore and Plato testified the letter did not say the delegate had promised Plato she would receive money in three weeks. Meisner did not see the letter. He talked to the delegate and indicated the delegate denied making such a promise.

In respect of the letter of February 16, 2000, there is nothing in the letter that indicates the delegate was doing anything more than what was required or allowed under the *Act*. The allegation of bias ignores three relevant aspects of the delegate's statutory responsibility and authority: first, the delegate was statutorily mandated to ensure compliance with the *Act*; second, the delegate had authority, under subsection 76(3), without having received a complaint, to conduct an investigation, and if appropriate to issue a Determination, in furtherance of her obligation to ensure compliance with the *Act*; and third, the delegate had the authority, under Section 78 to assist in settling the complaint.

The allegation of bias is not proven and this ground of appeal is dismissed. Having decided that the decision making process of the delegate was not tainted by any bias, the burden on Willy's in challenging the findings of fact made by the delegate is to show that the factual conclusions were either clearly wrong, manifestly unfair or without any rational basis (see *Re Mykonos Taverna (c.o.b. Achillion Restaurant)*, BC EST #D576/98). This approach balances the statutory objective of achieving "efficient" resolution of disputes with the statutory and legal obligation of the Director and a delegate to adhere to the principles of fairness and reasonableness when exercising authority under the *Act*.

Turning to the second ground of appeal, I can find no indication in the material or in the evidence to support the argument that the delegate applied the wrong legal test in respect of the conclusion that Plato did not quit or abandon her position, but was terminated by Willy's because of her pregnancy. Counsel for Willy's objects to the following statement in the Determination:

. . . I find there has not been a clear and unequivocal fact pattern that would support a conclusion that the employee abandoned or quit her position. Based on a balance of probabilities I find that the complainant's employment was terminated due to Plato's pregnancy.

Counsel for Willy's says that the concept of a "clear and unequivocal fact pattern" is tantamount to imposing a standard of proof beyond a reasonable doubt. I disagree.

There is no doubt that the applicable standard in matters arising under the *Act* is a single standard, proof on a balance of probabilities. But that does not mean that proof on a balance of probabilities can be measured in any manner aloof from the nature of the facts at issue. The application of that standard must respond to the nature of the facts asserted. In *B.S. v. British*

Columbia (Director of Child, Family and Community Services), [1998] B.C.J. No. 1085 (B.C.C.A.), Mr. Chief Justice McEachern, speaking for the majority, stated:

. . . the standard of proof is the standard in civil cases, namely, the standard usually called “the balance of probability”. Sometimes, in applying that standard, the seriousness of the allegation being made is thought to require a higher and more particularized measure of confidence on the part of the decision maker that the balance of probability test has been met. But the test remains the same. The weight of the evidence must show that it is more probable than not that the assertion being made is correct.

The principle expressed in that statement has also been defined in a number of other decisions of high authority, with possibly the most significant being the Supreme Court of Canada decision *Smith v. Smith* [1952] 3 D.L.R.458, where the Court adopted the reasoning of Dixon J. in *Briginshaw v. Briginshaw* (1938), 60 C.L.R. 336, 12 A.L.J. 100, 44 A.L.R. 334 (Aust. H.C.). The following is a portion of the extract from that decision cited by Cartwright J. [at pp. 463-4]:

The seriousness of an allegation made, the inherent unlikelihood of an occurrence of a given description, or the gravity of the consequences flowing from a particular finding are considerations which must affect the answer to the question whether the issue has been proved to the reasonable satisfaction of the tribunal. In such matters ‘reasonable satisfaction’ should not be produced by inexact proofs, indefinite testimony, or indirect inferences. Everyone must feel that, when, for instance, the issue is on which of two dates an admitted occurrence took place, a satisfactory conclusion may be reached on materials of a kind that would not satisfy any sound and prudent judgment if the question was whether some act had been done involving grave moral delinquency.

In applying the principle expressed in the above comments, the phrases “clear and cogent”, or “convincing” evidence, or on a standard of “reasonable probability” have been employed, but none of those phrases change the standard of proof being applied from a balance of probabilities to proof beyond a reasonable doubt.

In the context of the statement in the Determination, the requirement of “clear and unequivocal” evidence that Plato voluntarily terminated their employment is based on two considerations. First, on the inherent unlikelihood that Plato would go to her workplace on October 1, 1998 and notify her employer she was returning November 3 if, in fact, she had quit or abandoned her position. And second, on a recognition that the consequence of concluding she had terminated the employment is the loss of the statutory rights and benefits provided in Sections 50, 54 and 63 of *Act*. The latter consideration is also consistent with the remedial nature of the *Act* and with the Court’s comments in *Re Health Labour Relations Association of British Columbia et al and Prins et al*, (1982) 140 D.L.R. (3rd) 744 (BCSC) at p. 748, that:

It would take the clearest of kind of language to exclude the right of any citizen to the direct remedy furnished by this [the *Act*] legislation.

Similarly, it would require the clearest kind of evidence to exclude any employee from the minimum benefits provided by the *Act*.

In respect of the conclusion that Willy's terminated Plato because of her pregnancy, that was a conclusion the delegate was entitled to make from the facts and from the failure of Willy's to satisfy the burden placed on them pursuant to subsection 126(4) of the *Act*. Even in this appeal, Willy's has made no attempt to meet the burden imposed by that provision, continuing instead to take the high ground and press for a change in the conclusion the Plato had abandoned or quit her employment.

This ground of appeal is also dismissed.

The final ground of appeal is that the delegate erred in the interpretation and application of Sections 50 and 54 of the *Act* to the circumstances of this case. Counsel for Willy's, while accepting the correctness of the cases relied on in the Determination, *Director of Employment Standards v. Blake* (1987) C.L.L.C. ¶14,042 and *Re Capable Enterprises Ltd. (c.o.b. Christopher Robin School)*, BC EST #D033/98 and the reconsideration of that decision BC EST #D336/98, says that the facts of this case are distinguishable from those cases and they should not have been relied on. In my view, the delegate did not err in her interpretation or application of Sections 50 and 54 to the facts of this case.

Plato did not make a written request for pregnancy leave. That fact does not disentitle her to pregnancy leave. As stated in the reconsideration of *Re Capable Enterprises Ltd. (c.o.b. Christopher Robin School)*, *supra*:

. . . the *Act* cannot be interpreted in a way that would disentitle a pregnant employee to leave under Section 50 by reason only that the employee did not request the leave in writing to the employer. There is nothing in Section 50, Part 6 or in any other provision of the *Act* that suggests that result. Pregnancy leave is an important minimum employment benefit that should not be lost by inference. Before an employee is found to be disentitled to such an important benefit there must be language in the *Act* expressing a clear indication that result is intended.

In all probability, nothing more needs to be said. As Plato was entitled to maternity leave, she was entitled to be returned to her position at the end of that leave. However, for the sake of completeness, I would add the facts support the view taken by the delegate.

Meisner and Mrs. Meisner were both aware that Plato was scheduled to take maternity leave commencing in July. Mrs. Meisner knew the leave taken by Plato from March 16 to June 29 was not maternity leave - that point was very explicitly brought home to her by Plato on March 16. I have found that the date September 16 was created by Mrs. Meisner and was had no relevance to either the medical or maternity leaves. I have also found that Meisner and Mrs. Meisner knew, at all material times, that Plato was on maternity leave and, more importantly, they knew that on October 1st and 2nd. If there was any confusion about her status between September 16 and September 30, and there is no reason to conclude there was, any confusion was removed when Plato appeared at the store on October 1 and asked to be returned to work. I accept that they were likely unaware of the exact date on which Plato's maternity leave was to end and may even

have been confused about whether she would return at all, but any confusion about either point was also cleared up on October 1. If there was some dispute or disagreement about whether that was a correct return date, no concern was raised by Willy's.

This aspect of the appeal is also dismissed.

ORDER

Pursuant to Section 115 of the *Act*, I order the Determination, dated June 12, 2000 in the amount of \$8009.80, be confirmed, together with any interest that has accrued pursuant to Section 88 of the *Act*.

David B. Stevenson

David B. Stevenson
Adjudicator
Employment Standards Tribunal