IN THE MATTER OF AN ARBITRATION
under the *Labour Relations Act, 1995*

BETWEEN:

Carpenters District Council of Ontario United Brotherhood of Carpenters and Joiners of America, Local 1072

(the "Union")

- and -

Flair Woodworking Ltd.

(the "Employer")

BEFORE: Jesse Kugler – Arbitrator

APPEARING FOR THE UNION:

Daniel Wright – Counsel
Jennifer Bennett – Sector Coordinator

APPEARING FOR THE EMPLOYER:

No one.

Hearing held by video conference on March 6, April 8 and May 19, 2026.

Background

1. I was appointed pursuant to section 49 of the *Labour Relations Act, 1995*, S.O. 1995, c. 1, Sched. A (the "*Act*") to hear and determine a grievance filed by the Union against the Employer dated January 12, 2026 (the "Grievance"). The collective agreement under which the Grievance was filed has a term of February 15, 2024 to February 14, 2028 (the "Collective Agreement").

2. The Grievance states:

> **NATURE OF GRIEVANCE AND DATE OF OCCURANCE**
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> The Union hereby grieves that the Employer has violated and continues to violate all relevant provisions of the Collective Agreement, including Articles 1, 3, 5, 7, 15, 15.07, 20.02 and 23, by failing and/or refusing to make the proper remittances as and when required by the Collective Agreement, including remittances to the Carpenters' Industrial Pension Trust Fund for pension contributions (including interest charges) and to the Union for Union dues for the months of January 2025 to present and continuing. Health and Welfare contributions to the employees directly have not been paid from January 2025 to present and continuing.
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> The Company has also violated the Collective Agreement, including Article 15.01, Appendix "A" and past practice by failing to pay employees their regular wages and income, including retro and the lack of notice for late payment which is $25.00 week on various occasions during the period of January 2025 to present and continuing. The Company has failed to even provide pay stubs to the employees and has paid cash for a few weeks, leaving the employees the inability to ensure proper deductions are being remitted on their behalf to the government.
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> The Company has failed to make these appropriate contributions for months. This is a continuing grievance and, therefore, the Union grieves all future violations up to and including the date an arbitrator makes a final determination in this matter. Furthermore, given Flair's continued repeated delinquency, we will also be seeking full repayment of all delinquent interest charges owing by Flair, in accordance with the direction of the Carpenters' Union Industrial Division Pension Plan.
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> The Company continues to violate previous decisions/awards from arbitrators to make payment for the previous payments in which the company has failed to pay employees in regard to the same situation as mentioned above.
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> **REMEDY REQUESTED**
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> 1. That the Company immediately comply with the full terms and conditions of the Collective Agreement.
> 2. Cease from any future violations of the collective agreement.
> 3. That the Company make all required payments, with 2% interest for each month or portion thereof, as appropriate.

4. A $25,000 bond as required under the Pension Participation Agreement.
5. That the Company immediately pay all employees wages earned that are past due.
6. Any and all other remedies as the union or arbitrator may deem appropriate.

3. In consultation with the parties, a hearing by video conference into the Grievance was scheduled to take place on May 19, 2026 commencing at 10:00 a.m. Notice of the hearing was delivered to the parties by email on April 13, 2026.

4. By email dated May 13, 2026, the Union advised that it received notice that the Employer made an assignment in bankruptcy on May 1, 2026 under section 49(1) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "*BIA*") and that a trustee, Russo Corp. (the "Trustee"), had been appointed on the same date. The Union further advised that the Employer abruptly and without notice ceased operating on May 1, 2026. Notwithstanding the general stay of proceedings arising from the Notice of Assignment in Bankruptcy, the Union indicated that it intended to proceed with the arbitration hearing scheduled on May 19, 2026 to obtain a determination of the issues raised by the Grievance, including specifically with respect to the Employer's alleged breaches of the Collective Agreement and the quantum of damages arising from those alleged breaches. Although the Employer's representative, Mr. Michael DiMatteo, was copied on the Union's email, the Employer did not respond or object to the Union's intention to proceed with the arbitration hearing for the purposes stated.

5. By email dated May 15, 2026, the Union advised that it gave notice to the Trustee of the arbitration hearing scheduled to take place on May 19, 2026 and that the Trustee responded by confirming that it did not intend to participate in the arbitration proceeding.

6. The arbitration hearing was convened by video conference on May 19, 2026. The Union and its legal counsel attended the hearing at 10:00 a.m. The Employer did not attend. The hearing was adjourned briefly to allow the Union to contact Mr. DiMatteo. Upon the resumption of the hearing, the Union confirmed that the Employer did not intend to participate in the arbitration proceeding. Accordingly, the hearing proceeded in the Employer's absence.

Award

7. The uncontradicted documentary and oral evidence tendered by the Union establishes that the Employer breached the Collective Agreement as alleged in the Grievance. Those breaches are described below.

8. Having regard to the uncontested records and evidence adduced, between January 1, 2025 and January 31, 2026, the Employer failed to pay **$143,081.74** in employee wages contrary to Article 15 and Appendix "A" of the Collective Agreement as follows:

EMPLOYEE	**UNPAID WAGES**
Simon Downhill	$6,012.44
Mario Grossi	$29,043.25
Bao Xuan Huang	$14,196.62
Rudy Lall	$33,347.23
Thanh Hoan Luu	$1,370.30
Leroy Mason	$13.804.13
Bryan Noseworthy	$4,258.63
Ken Tan	$21,423.11
Amanda Weidmann	$13,561.12
Nitin Khanna	$6,058.91
Total	**$143,081.74**

9. Having regard to the uncontested records and evidence adduced, between February 1 and May 1, 2026, the Employer failed to pay **$103,129.69** in employee wages contrary to Article 15 and Appendix "A" of the Collective Agreement as follows:

EMPLOYEE	**UNPAID WAGES**
Simon Downhill	$15,358.28
Mario Grossi	$13,007.06
Bao Xuan Huang	$16,146.80
Rudy Lall	$11,969.55
Leroy Mason	$14,277.60
Ken Tan	$17,052.80
Amanda Weidmann	$14,277.60
Nitin Khanna	$1,040.00
Total	**$103,129.69**

10. Article 3.02 of the Collective Agreement requires the Employer to deduct union dues from employees in accordance with the Union's direction and remit same to the Union on a weekly basis. Having regard to the uncontested records and evidence adduced, between February 1 and May 1, 2026, the Employer failed to deduct and remit **$1,295.66** in union dues contrary to Article 3.02 of the Collective Agreement as follows:

EMPLOYEE	**UNPAID UNION DUES**
Simon Downhill	$175.20
Mario Grossi	$222.67
Bao Xuan Huang	$181.75
Rudy Lall	$150.73
Leroy Mason	$160.68
Ken Tan	$191.95

Amanda Weidmann	$160.68
Nitin Khanna	$52.00
Total	**$1295.66**

11. Article 20 of the Collective Agreement requires the Employer to pay each employee $250 per month for health and welfare benefits. Having regard to the uncontested records and evidence adduced, between February 1, 2026 to May 1, 2026, the Employer failed to pay **$5,500.00** to employees for health and welfare benefits contrary to Article 20 of the Collective Agreement as follows:

EMPLOYEE	**UNPAID HEALTH AND WELFARE CONTRIBUTIONS**
Simon Downhill	$750.00
Mario Grossi	$750.00
Bao Xuan Huang	$750.00
Rudy Lall	$750.00
Leroy Mason	$750.00
Ken Tan	$750.00
Amanda Weidmann	$750.00
Nitin Khanna	$250.00
Total	**$5,500.00**

12. Article 23.01 of the Collective Agreement requires the Employer to make pension contributions on behalf of employees in the amount of $2.20 per hour worked to the Carpenters Industrial Pension Trust Fund (the "Trust Fund"). Having regard to the uncontested records and evidence adduced, between February 1 and May 1, 2026, the Employer failed to contribute **$7,547.10** on behalf of employees to the Trust Fund contrary to Article 23.01 of the Collective Agreement.

13. Article 23.02 of the Collective Agreement requires the Employer to make pension contributions to the Trust fund by no later than the 15th day of the month following the month in which the hours have been earned. Failure of the Employer to make remittances by that deadline resulted in a penalty of 2% interest per month or portion thereof. Based on the uncontested records and evidence adduced, the Employer's failure to make pension contributions in accordance with Article 23.02 results in an interest penalty totalling **$13,741.50**.

14. Article 15.07 of the Collective Agreement requires the Employer to provide at least three days' notice of "insufficient funds to pay an employee any monetary item," and, in such circumstances, requires the Employer to pay a penalty of $25.00 for each failure to pay a monetary item. Based on the uncontested records and evidence adduced, the Employer failed to pay

monetary items and, in accordance with Article 15.07 of the Collective Agreement, owes **$13,125.00** as follows:

EMPLOYEE	**LATE PENALTY**
Simon Downhill	$1,725.00
Mario Grossi	$1,625.00
Bao Xuan Huang	$1,625.00
Rudy Lall	$1,725.00
Leroy Mason	$1,625.00
Ken Tan	$1,125.00
Thanh Hoan Luu	$200.00
Bryant Noseworthy	$100.00
Amanda Weidmann	$1,725.00
Nitin Khanna	$1,625.00
Total	**$13,125.00**

15. I hereby declare that the Employer has breached the Collective Agreement in accordance with the findings above.

16. I remain seized with respect to any issue arising from this Award.

Dated at Toronto, Ontario this 21st day of May, 2026.

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Jesse Kugler – Arbitrator