

In the matter of an Arbitration

Between

Service Employees International Union, Local 2 (the Union)

And

Siloam Quality Cleaning Services (the employer)

For the Union:

Taylor Akin, counsel

Belkis Casado-Daly, Business Agent

For the employer:

No one appearing for the employer

Before Arbitrator Michael McCreary

The union and employer are parties to a collective agreement effective July 1, 2022 to June 30, 2025. The collective agreement is referred to as a City-Wide collective agreement. The agreement covers, among others, cleaners. The employer operates a cleaning services business in Ottawa. The union has filed three grievances, one for unpaid wages and union dues, a second for unpaid benefit remittances and a third for unpaid pension contributions.

The three grievances were referred to me pursuant to Section 49 of the *Labour Relations Act*. A hearing was scheduled for and convened on May 7, 2025. The employer received a Notice of Hearing with the zoom co-ordinates for today's hearing. In addition, Ms. Casado-Daly testified that she spoke to the owner of the employer Mr. Habteab Debessay yesterday. He advised her that he was aware of the hearing scheduled for today and may or may not attend, he also indicated the employer had not paid the wage increases mandated by the collective agreement. In the result I am confident that the employer received notice of the hearing and was aware of today's proceedings.

In order to allow for last minute personal circumstances that would make a participant late for the hearing I stood this matter down for half an hour. The Notice of Hearing indicated that the hearing would commence at 10:00 am. In fact, the hearing commenced at 10:30 am in the absence of the employer.

Ms. Casado-Daly testified. She is a business agent for SEIU Local 2 operating out of the Ottawa area. She serves a variety of cleaning and maintenance bargaining units at 474

Elgin St. Ottawa. The employer has had a contract for cleaning services at 474 Elgin St. since November 1, 2022. There are 10 cleaners in the bargaining unit represented by the union. The collective agreement was entered into evidence; it is signed by the employer. Schedule A of the collective agreement outlines wage rates including a minimum increase in wages as of January 1, 2025. Article 4 of the collective agreement states the union dues obligation of the employer. Article 22 of the collective agreement outlines the employers' obligations with respect to health and welfare benefit contributions. Schedule B of the collective agreement outlines the employers' obligations with respect to pension contributions.

Ms. Casado-Daly testified that the total amount owed by the Employer since October of 2024 is \$23,524.80. This total amount can be broken down as follows:

- a. \$1,920.00 for owed wages as a result of the Employer's failure to implement a \$0.30 wage increase to all employees as of January 1, 2025;
- b. \$5,026.40 for Union dues calculated at 2% of each employee's gross wages;
- c. \$11,552.00 representing the benefit remittances owed, calculated at \$0.95 per each hour worked; and
- d. \$5,026.40 for outstanding pension contributions, representing 1% for the Employer contributions and 1% for employee contributions.

Submissions of the Union

Ms. Akin submitted that the employer had violated the collective agreement by failing to pay wages, union dues, benefit remittances and pension contributions and that I ought to order the employer to pay the total amount of \$23,542.80 based on the testimony of Ms. Casado-Daly.

Decision

Having heard the evidence of Ms. Casado-Daly and the submissions of Ms. Akin, I hereby declare that Siloam Quality Cleaning Services is bound to the City-Wide collective agreement and has violated that collective agreement by failing to pay wages, union dues, benefit remittances and pension contributions in the amounts noted above. In the result, I hereby order Siloam Quality Cleaning Services to pay to the union the amount of \$23,542.80 forthwith.

Dated at Toronto the 7th day of May 2025.

Michael McCreary
Arbitrator Michael McCreary

