

4 daycare workers still waiting for \$18.5K in unpaid wages 10 months after ministry decision ^[1]

Brampton daycare owner says workers submitted fraudulent claims against her, but is committed to pay

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EXCERPTS

A daycare worker, who is seeking thousands of dollars in unpaid wages from her former employer, still hasn't received the money following an Ontario Ministry of Labour investigation that concluded in January.

A CBC Toronto investigation into the daycare provider, which receives public subsidies, found her story is not an isolated case.

Salma Sikder won her case Jan. 31 when an employment standards officer determined her former boss contravened several sections of the Employment Standards Act and awarded her a settlement of \$9,057.52.

"I felt a bit shocked and financial stress and mental stress," said Sikder about not being paid for multiple pay periods in a row.

"If you don't get pay, if you have a family and you have to buy bread if you have to pay taxes... it's stressful."

Frustration boils over after a year of waiting

Sikder's case is one of four Ministry of Labour decisions CBC Toronto has uncovered at the daycare. In each case, April Koster, the owner of Applewood Montessori Academy & Daycare Inc., was found to have contravened the rules.

The four women are owed \$18,499.71 between them but, 10 months after the decisions, none of them have received the money, they say.

Sikder filed her Ministry of Labour claim in September 2017, and showed CBC Toronto the money still hasn't shown up in her bank accounts.

Sikder said she's "feeling frustrated."

"It's been one year since I applied to the labour board. They are trying to collect, trying to negotiate with Applewood and Ms. April ... but I don't have any updates."

CBC Toronto obtained four decisions against Applewood. In Sikder's decision, the employment standards officer wrote that Koster "stated that she owes the claimant wages, but not the amount the claimant alleges. No other evidence was provided by the employer to dispute the allegations of the claimant."

'I am not hiding from this debt,' daycare owner says

In a written statement to CBC Toronto, Koster wrote: "There is no attempt to rip off employees. Businesses go through ups and downs and mine is no different and I am doing my best to resolve my issues as expeditiously as possible."

Koster said in some cases the women lied but she chose not to appeal because "it is not a good use of time."

"I am not hiding from this debt nor am I disputing it, I am paying it off as quickly as I can," said Koster. She said she has worked out a financial arrangement with the Ministry of Labour, but wouldn't provide proof.

Sikder played CBC Toronto voicemail messages from the Ministry's collections unit from this fall, which stated they had no updates for her.

However, since CBC Toronto first started investigating the story, Sikder again reached out to collection services with the government, who confirmed Koster is working with them.

Sikder was told to call back in January for further updates.

"I am crossing my fingers and hoping I'll get it," Sikder said.

Confusing partial payments cause headaches for workers

The employment standards officer found Koster paid \$2,000 of those "unpaid wages" to Sikder during her employment. Partial payment was an overriding problem, CBC Toronto uncovered.

Shabana Akhtar worked at the daycare until Jun. 23, 2017. After complaining about missed wages directly to the owner, she was paid \$901 in back pay during her employment, however the Ministry of Labour investigation found she should have been paid \$3,363.75, according to the decision.

"Sometimes she used to pay in part. If she owed us \$800 or \$900, she would give us \$500, or \$200. So that's the habit, not only to me, all of our staff," Akhtar told CBC Toronto.

"Now I have lots of debt on me," she said.

"Because I cannot use my debit card, I use my credit card. Sometimes I didn't pay my bill on time, sometimes I didn't pay my rent. That's a problem."

Shortchanged with no termination pay, worker says

On June 23, 2017, Akhtar told Koster she couldn't be mistreated any longer and gave her verbal notice she was resigning on July 1, 2017.

To her surprise, Koster then gave her a written termination notice June 25, 2017, which was effective immediately.

"She never gave me any complaints ... she never gave me any notice," said Akhtar.

The employment standards officer found Akhtar was not properly compensated for the termination and Koster was ordered to pay her \$600 for that.

On Jan. 5 of this year, the Ministry of Labour probe determined Akhtar was owed \$4,203.64. She said she has still not received it.

Aliya Janmohamed, 34, is owed \$3,901.89 from Koster and she said the pay situation at the daycare was sketchy right from the beginning.

"My next paycheck was always being delayed, and delayed and delayed until I'm like, 'I'm fed up, I'm tired, I need my pay.' I earned that. I worked really hard," said Janmohamed.

Janmohamed said Koster offered to give her cash under the table.

"I'm like 'No, I want my actual e-transfer.'"

8 compliance orders against Applewood total \$25,733.18

From Jan. 1, 2015, until Aug. 23, 2018, CBC Toronto found there were 20 Employment Standards Claims against Applewood Montessori Academy & Daycare for issues including payment of wages, public holiday pay and termination pay.

Seven claims were withdrawn, one was denied, four are still being investigated and eight compliance notices were ordered against Applewood totalling \$25,733.18, according to the Ministry of Labour.

Once a case has been decided, the employer has 30 days to comply with the order or appeal. The body that handles those appeals, the Ontario Labour Relations Board, had no records of an appeal application from Applewood.

After the 30-day period of no payment or no appeal, delinquent cases are handed over to a government collections unit.

"I'm worried because if people can't rely on the ministry, what can we do now? I mean ministries are there to help us, to give us what we earned," said Janmohamed.

"It's a lot of money and I'm glad I'm hopefully getting it soon ... I'm just praying it comes."

Millions of lost wages not recovered for victims each year

The four women CBC Toronto spoke to are part of a bigger problem, according to records from the Ministry of Labour.

For example, in the 2017/18 fiscal year, Ministry of Labour officers assessed \$25.7 million worth of claims, however only \$20 million was recovered, which might include claims from previous years.

The Minister of Labour oversees the Employment Standards Act and the Minister of Finance oversees the collections agency recouping delinquent funds. CBC Toronto sent both ministers requests to explain what more could be done, such as garnishing employers' income, or repossessing assets.

"We want people to be paid as soon as possible wages that they are [owed]," said Labour Minister Laurie Scott, "so we can look at the ministry of finance to see about the collections."

Association worries workers "exploited" while public money is involved

Alana Powell, the interim co-ordinator with the Association of Early Childhood Educators of Ontario, said the association is not aware of such an "extreme situation" involving people who work at daycares.

"I think my first gut reaction was probably shock," said Powell. "The fact that early childhood educators and the Child Care Workforce are being exploited is obviously really problematic for a lot of reasons."

She found it especially concerning that Applewood would be found to have skipped wages and not followed other Employment Standards

Act rules after accepting government subsidies.

"If public funding is being misused to make profits again that's something we'd be really, really concerned about," said Powell.

CBC Toronto asked Peel Region how much public money Applewood has received, however a Peel communications specialist said she was not able to release how much taxpayer money the daycare received, citing privacy concerns.

"In many cases, we are obligated through contract to allow our partners the opportunity to give permission for this information to be released," the communications specialist said.

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