

EMPLOYMENT STANDARDS FACT SHEET

COLLECTING AN EMPLOYMENT STANDARDS JUDGMENT

The Order of Officer issued on your behalf against your former employer has been filed with the Court of Queen's Bench and has the same legal status as a judgment of that Court. As payment has not been received, there are several options available for you to try to collect the money owed to you. At any time, you may wish to obtain advice from a lawyer, collection agency or civil enforcement agency to assist you.

What steps can Employment Standards take?

Unless advised that you are taking your own action, Employment Standards will undertake to collect the debt through the efforts of our Collections Unit or by referring the debt to a contracted collection agency.

Post Judgment Collections Unit

In addition to filing the Order of Officer and Writ of Enforcement, and registering the writ with Personal Property Registry, Employment Standards will attempt collection from any known bank accounts or third party sources such as contract receivables. Additionally, a lien can be registered at Land Titles Registry against any known property.

Referral to a Collection Agency

Where the Employment Standards collections unit is unable to immediately collect the funds due to you, and you have not taken your own steps to collect, the judgment will be referred to our contracted collection agency. The agency is provided with authorization to collect their fee from your employer.

Where the collection agency is successful in collecting all of the money now owed, the employee receives the employee amount specified in the Order of Officer. The collection agency will retain its fee and the Government receives fees that are specified on the Order of Officer.

Where the collection agency is able to collect only part of the money owing, the agency retains its fee, which is 20% of the amount collected. The remaining 80% of funds are sent to the employee. Only after the employee has received all money owing to them will any remainder go to pay the government fees.

How does it work?

The following example illustrates how money collected by the agency will be distributed.

Situation

- Order of Officer states that the employee is owed \$1000.
- Government fee is \$100 (10% of the amount owed the employee or \$100, whichever is greater)
- Collection Certificate to the agency is for \$250 (25% of the amount owed the employee).
- \$1350 is the total amount to be collected by the agency.

Collection and Distribution Process

1. Order of Officer is issued to the employer for \$1100. (\$1000 plus \$100 government fee). The employer does not pay and the Order is filed with the Court of Queen's Bench.
2. The filed Order is submitted to the collection agency along with a certificate for \$250.
3. When the **full amount of \$1350 is collected**, it will be distributed as follows:

Employee - \$1000

Agency - \$269.50 (\$250 fee assessed plus \$19.50 as 19.5% of the \$100 government fee)

Government - \$80.50

Total – \$1350

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4. When a **partial amount is collected** it will be distributed as follows:

Employee – 80% of any amount collected up to \$1250

Agency – 20%

Government – 80% of any amount collected over \$1250

Thus in our example:

If the agency collects \$1000, the distribution will be as follows:

Employee - \$800 (80% of \$1000)

Agency - \$200 (20% of \$1000)

Government - \$0

Total - \$1000

If the agency collects \$1300, the distribution will be as follows:

Employee - \$1000 (80% of \$1250)

Agency \$259.75 (20% of \$1250 and 19.5% of \$50)

Government - \$40.25 (80.5% of \$50)

Total - \$1300

What steps can you take?

You can refer the debt to a lawyer, collection agency or civil enforcement agency of your choice to commence collection action on your behalf.

If you know of assets belonging to your former employer, you can refer the debt to a civil enforcement agency. The seizure of assets involves several steps and there are costs involved. In some cases the agency may be able to recover those costs from your employer.

If you choose to refer the debt to a collection agency or civil enforcement agency you must advise Employment Standards. Copies of the filed Order of Officer, Writ of Enforcement and Personal Property Registry documents can then be forwarded to the agency to assist them in their efforts and to reduce the costs charged to you.

You can obtain the name of an agency providing services near you by looking in the Yellow Pages under Civil Enforcement Agencies or Collection Agencies.