

INTRODUCTION

- [1] This decision determines an application filed under the *Residential Tenancy Act* (“Act”) with the Residential Tenancy Office (“Rental Office”).
- [2] The Tenant filed an application disputing an eviction notice served by the Landlord’s representative (“Representative”) for non-payment of rent. The application also seeks compensation for wages and breach of quiet enjoyment, which is the subject of Order LD25-170.

DISPOSITION

- [3] The tenancy is terminated effective 5:00 p.m. on May 21, 2025. The Tenant must vacate the Unit by this time and date.

BACKGROUND

- [4] The Unit is a two-bedroom and one-bathroom apartment above a commercial unit, owned by the Landlord.
- [5] In the Summer of 2023, the parties entered into an employment contract. The Tenant moved into the Unit and rent was deducted from the Tenant’s wages. Rent is \$650.00 due on the first day of the month. No security deposit was required.
- [6] The Tenant later wanted to separate the employment contract from the tenancy agreement.
- [7] On December 4, 2024 the parties signed a written, fixed-term tenancy agreement on a *Form 1-Standard Form of Tenancy Agreement*, for the period of December 4, 2024 to December 1, 2025. Rent remained at \$650.00 due on the first day of the month and no security deposit was required.
- [8] On April 2, 2025 the Representative served the Tenant with a *Form 4(A) Eviction Notice* with an effective date of April 22, 2025 (“Notice”) for non-payment of rent.
- [9] On April 11, 2025 the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* (“Application”) with the Rental Office disputing the Notice, which is the subject of this decision. The Application also seeks compensation for wages and breach of quiet enjoyment, which is the subject of Order LD25-170. The Application was amended on April 15, 2025.
- [10] On April 23, 2025 the Representative filed an application with the Rental Office seeking vacant possession of the Unit. This claim will be determined in this decision along with the Application. The Landlord’s application also seeks compensation for rent owing, which is the subject of Order LD25-170.
- [11] On April 24, 2025 the Rental Office emailed the parties notice of a teleconference hearing scheduled for May 8, 2025.
- [12] On May 2, 2025 the Rental Office emailed the parties an evidence package containing a 108-page PDF and 2-video recordings.
- [13] On May 8, 2025 the Tenant and the Representative joined the teleconference hearing for determination of the Application. The parties confirmed receipt of the evidence package and confirmed that all documents and videos submitted to the Rental Office were included.

ISSUE

- A. Must the Tenant vacate the Unit due to the Notice?

ANALYSIS & FINDINGS

[14] The Landlord has the onus to prove, on the civil standard of the balance of probabilities, a valid reason to end the tenancy.

[15] In this case, the Landlord seeks to end the tenancy under subsection 60(1) of the *Act*, which states:

A landlord may end a tenancy if rent is unpaid after the day it is due, by giving a notice of termination effective on a date that is not earlier than 20 days after the date the tenant receives the notice.

[16] For the reasons below, I find that the Notice is valid, the Application to dispute the Notice is denied, and the tenancy is terminated by the timeline below.

The Evidence

[17] The parties' evidence establishes that there was an existing employer-employee relationship, which occupancy of the Unit was part of the employment agreement. The Tenant's rent was paid through the Tenant's wages each month.

[18] The Tenant wanted to separate the employment agreement and the tenancy agreement. The parties came to a mutual agreement and signed a tenancy agreement on December 4, 2024. It appears all the terms and conditions continued.

[19] In January 2025, the Tenant filed a complaint against the Landlord with Labour and Industrial Relations.

[20] The Landlord gave the Tenant a temporary layoff effective January 17, 2025, with an anticipated return-to-work date of April 14, 2025.

[21] Despite the layoff the parties agreed that the Tenant's rent for February and March 2025 was paid by the Tenant's overtime/bonuses accumulated over the 2024 year.

[22] In a January 15, 2025 email to the Tenant, the Representative stated:

*"...has paid his rent in full for the months of February and March 2025.
The next rent payment of \$650.00 will be due on April 1, 2025, by end of business day (5 PM Atlantic Time). Please note that this payment must be made directly by the tenant, as the previous arrangement of rent being deducted from [Tenant]'s payroll will not apply."*

[23] On March 24, 2025 the Representative emailed the Tenant with formal notice that their employment was permanently eliminated effective April 14, 2025.

[24] On April 1, 2025 the Tenant did not pay April's rent.

The Landlord's Evidence

[25] The Representative stated that the Tenant did not pay April 2025's rent. The Representative stated that the employment dispute is a separate dispute from the rent owing disputing.

[26] The Representative stated that the January 15, 2025 email clearly stated that February and March's rent was covered by the Tenant's bonuses. The Representative stated that the Tenant knew that \$650.00 was due on April 1, 2025 and would not be deducted from the Tenant's payroll because he was no longer employed.

- [27] The Representative stated that he inspected the Unit on April 3, 2025 with 24-hour notice given to the Tenant. The Representative stated that the condition of the Unit was unsanitary.
- [28] The Representative stated that the Landlord is only seeking April 2025's rent and is not seeking compensation for May 2025's rent.

The Tenant's Evidence

- [29] The Tenant disputed the Notice, and stated that the Representative served the Notice in retaliation for filing a complaint against the Landlord with Labour and Industrial Relations.
- [30] The Tenant stated that April's rent was not paid because he believed the employment dispute with the Landlord would have been resolved before April 1, 2025.
- [31] The Tenant stated that he is currently not in Canada, and is having financial difficulties. The Tenant stated that he does not have April 2025's rent or the funds to pay moving and storage costs.
- [32] The Tenant stated that he received the January 15 email from the Representative, but did not respond to the email.

Determination

- [33] I find that the Landlord has submitted compelling evidence to terminate the tenancy under subsection 60(1) of the *Act*.
- [34] The evidence establishes that the parties had an employer-employee relationship, which part of the relationship included the occupancy of the Unit. Generally, if a landlord wanted to terminate a tenancy due to the end of employment, the landlord would terminate the tenancy under subsection 66(1) of the *Act*.
- [35] However, in this case, the parties separated the tenancy and the employment agreement in December 2024. The evidence establishes that the parties agreed that rent for January, February and March 2025 would be covered by the Tenant's bonuses or overtime accrued in 2024. This is established in a January 2025 email between the parties.
- [36] The evidence further establishes that the Tenant was reminded that starting April 1, 2025, rent would be due and not taken from the Tenant's wages as he was no longer employed by the Landlord.
- [37] Subsection 19(1) of the *Act* states:
- (1) *A tenant shall pay rent when it is due under the tenancy agreement, whether or not the landlord complies with this Act, the regulations or the tenancy agreement, unless the tenant has an express right under this Act to deduct or withhold all or a portion of the rent.*
- [38] I find that the Tenant did not pay April's rent on the first day of the month. Further, the Notice was not invalidated under clause 60(4)(a) of the *Act* because the Tenant did not pay the rent due within ten days of service.
- [39] For these reasons, I find that the Notice is valid and the Application to dispute the Notice is denied.
- [40] The Tenant must vacate the Unit by the timeline below.

IT IS THEREFORE ORDERED THAT

1. The tenancy between the parties will terminate effective **5:00 p.m. on May 21, 2025.**
2. The Tenant must vacate the Unit by this time and date.
3. A certified copy of this Order may be filed in the Supreme Court and enforced by Sheriff Services as permitted by the *Act*.

DATED at Charlottetown, Prince Edward Island, this 14th day of May, 2025.

(sgd.) Cody Burke

Cody Burke
Residential Tenancy Officer

NOTICE

Right to Appeal

This Order can be appealed to the Island Regulatory and Appeals Commission (the "Commission") by serving a Notice of Appeal with the Commission and every party to this Order within **7 days of this Order**. If a document is sent electronically after 5:00 p.m., it is considered received the next day that is not a holiday. If a document is sent by mail, it is considered served on the third day after mailing.

Filing with the Court

If no appeal has been made within the noted timelines, this Order can be filed with the Supreme Court of Prince Edward Island and enforced as if it were an order of the Court.