

IN THE MATTER between **GREENWAY ACCOMMODATIONS**, Applicant, and
LAURIE MCNEILL AND JOY MCNEILL, Respondents;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter
R-5 (the "Act") and amendments thereto;

AND IN THE MATTER of a Hearing before, **HAL LOGSDON**, Rental Officer,
regarding the rental premises at **HAY RIVER, NT.**

BETWEEN:

GREENWAY ACCOMMODATIONS

Applicant/Landlord

- and -

LAURIE MCNEILL AND JOY MCNEILL

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

1. The application is dismissed.

DATED at the City of Yellowknife, in the Northwest Territories this 11th day of June,
2014.

Hal Logsdon
Rental Officer

IN THE MATTER between **GREENWAY ACCOMMODATIONS**, Applicant, and
LAURIE MCNEILL AND JOY MCNEILL, Respondents.

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter
R-5 (the "Act");

AND IN THE MATTER of a Hearing before **Hal Logsdon**, Rental Officer.

BETWEEN:

GREENWAY ACCOMMODATIONS

Applicant/Landlord

-and-

LAURIE MCNEILL AND JOY MCNEILL

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: April 25, 2014

Place of the Hearing: Yellowknife, NT via teleconference

Appearances at Hearing: Leslie Maillet, representing the applicant
Joy McNeill, respondent
Laurie McNeill, respondent

Date of Decision: June 11, 2014

REASONS FOR DECISION

The parties entered into a written monthly tenancy agreement on August 1, 2012. The monthly rent was set out in the agreement as \$1100 and no security deposit was required. Ms McNeill was employed by the applicant at the time. The applicant submitted that the tenancy agreement was a benefit of employment and the rent was subsidized although there is no reference in the tenancy agreement to employment or subsidy.

Ms McNeill's employment with the applicant ended on October 24 or 25, 2013 but the respondents remained in possession of the premises and the parties began to negotiate a continued tenancy. The applicant proposed rent of \$1800/month and the respondents made a counter offer of \$1400/month. The applicant also presented the respondents with a written tenancy agreement on November 1, 2013, unsigned by the applicant, setting out a rent of \$1750/month for consideration but the respondents refused to sign it. There was no action taken by the applicant to gain possession of the premises. The respondents moved out on March 1, 2014 and paid rent of \$1100/month in November and December, 2013 and January and February, 2014.

The applicant submitted that the respondents were no longer entitled to the subsidized rent of \$1100 from November 1, 2013 to February 28, 2014 and should have been paying \$1700/month. The applicant sought monetary relief of \$2600 (\$650 x 4 months).

Section 56 of the *Residential Tenancies Act* sets out special provisions where rental premises are provided by an employer to an employee as a benefit of employment

56. (1) Notwithstanding any other provision of this Act, where
(a) a tenant who was provided by his or her employer with rental premises during the employment of the tenant as a benefit of employment has had his or her employment terminated, or
(b) a landlord has entered into a tenancy agreement in respect of a caretaker's unit, unless otherwise agreed,
the tenancy of the tenant is terminated on the day on which the employment of the tenant is lawfully terminated.

Section 56 does not deal with the quantum of rent or subsidy which may be provided to the employee/tenant, only their entitlement to the housing. Notwithstanding any economic benefit the employee/tenant may derive from the tenancy agreement, the tenancy is over when the employment is terminated.

Were these premises provided by the employer during the employment of the tenant as a benefit of employment? As noted earlier, the written tenancy agreement makes no reference to employment or that the premises were provided only during the employment of the tenant by the landlord. The applicant submitted that the quantum of rent charged was much lower than market rents and was only provided to employees but the tenancy agreement makes no mention of a reduced rent or a subsidy for employees. The applicant also noted that no security deposit was required which only applied to their employee/tenants. On its face, the tenancy agreement does not suggest that the premises are provided during employment as a benefit. If that is the case then the respondents have paid the full amount of rent by paying \$1100 each month.

If one accepts that the premises are provided during the employment of the tenant as a benefit of employment and section 56 does apply then the tenancy agreement was terminated on October 24 or 25, 2013. Did the parties enter into a new tenancy agreement for the premises? There was certainly some negotiation but there is no evidence that the parties executed another written or verbal agreement. Section 9(4) of the Act might have applied here but the tenancy agreement drafted by the landlord on November 1, 2013 was not signed by either party. I find no evidence of a new tenancy agreement. That being the case, the respondents would be overholding and the landlord would be entitled to compensation of \$1100/month.

Whether the premises were provided during employment as a benefit or not, the tenants' liability is the same. The respondents were liable to pay the applicant \$1100/month to February 28, 2014 which they have done. For these reasons the application is dismissed.

Hal Logsdon
Rental Officer