EP14.5.1



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October 21, 2020

The Board of Governors of Exhibition Place 100 Princes' Blvd., Suite 1 Toronto, ON M6K 3C3

Re: Exhibition Place Hotel X Development – Phase 2 Lands (Ward 10). EP13.5

We are writing on behalf of over 200 foods, beverage and cleaning workers at Hotel X that are owed unpaid termination pay. We understand that Hotel X is seeking approval to <u>lease public lands under</u> <u>authority of the Exhibition Place</u> to develop a second tower for its hotel complex. We urge you to halt consideration of Hotel X's proposal until the dispute with its food, beverage and cleaning staff has been rectified.

Unlike most hotels in Toronto, Hotel X uses a business model of subcontracting its core services that contributes to the growth of precarious work in the hospitality sector. Through contract flipping of its food and beverage services in mid-July to secure the NHL contract, over 200 employees faced mass termination and are owed, under the *Employment Standards Act*, approximately \$1.4 million in unpaid termination pay.

Food and beverage workers were looking forward to their recall to work in mid-July and felt secure knowing that Hotel X had secured the NHL contract. These same workers were, instead, terminated when Hotel X brought in a new subcontractor with ties to the NHL and further expansion on Exhibition Place lands.

Toronto Star's reporter, Sara Mojtehedzadeh, <u>reported</u> on October 4, 2020 that no one is taking responsibility for the unpaid termination pay yet, [D]espite the pandemic, Hotel X is seeking to expand its presence through a "Phase 2 development" at Exhibition Place." On October 5, 2020, the Toronto Star <u>Editorial Board</u> called on governments "to address the numerous gaps in worker protections that allow companies to profit by taking advantage of workers. The pandemic has made this all the more clear by exposing how many precarious and low-wage workers have not workplace benefits."

We agree with the Editorial Board that the provincial government must close the gap in provincial labour laws. However, the City of Toronto, through its authority over public lands at Exhibition Place also has a role to ensure workers are not left behind as companies such as Hotel X recover from the pandemic using public lands.

First, we urge you to make it a requirement of any further lease, that Hotel X ensure that all employment standards violations either directly or through subcontractors, be rectified prior to approvals for further expansion on CNE lands.

Second, we urge you to follow the tenants of the <u>Toronto Poverty Reduction Strategy</u>; in particular, the Quality jobs and Livable Wages provisions. Supporting development of stable, permanent jobs at livable wages is a key part of the poverty reduction strategy. The City of Toronto's <u>Decent Work</u> <u>Framework</u> makes the following points.

"The City can also encourage other large organizations within its sphere of influence, including other municipalities and anchor institutions in the public and private sectors, to work with and to celebrate quality employers who offer decent work."

"Encouraging business systems change among Toronto's anchor institutions has been a guiding strategy for extending the impact of the City's social procurement program and it is also an appropriate strategy for the City to promote decent work, two important components of the City's Poverty Reduction Strategy."

The City of Toronto and its agencies must use their position of power to ensure procurement and lease development adhere to basic minimum employment standards. Further, as the COVID-19 pandemic has to clearly demonstrated, gaps in our labour laws have enabled business models, such as Hotel X's subcontracting model, to flourish leading to lower wages and working conditions in the hospitality sector. Municipal entities, such as the Exhibition Place must take responsibly ensure parties that benefit from public resources follow decent work principles.

We are a group of former Hotel X and its contractors' employees representing over 200 workers. Parkdale Community Legal Services, Cavalluzzo and the Workers' Action Centre are assisting us in our pursuit of our minimum employment standards entitlements. As hospitality and food and beverage workers, the second wave of COVID-19 is devastating for us; many are out of work and those that have work are at risk of COVID-19 exposure. Your assistance in obtaining our termination pay will help us negotiate this terrain.

We are happy to meet with you to provide additional details and discuss how you can rectify this problem. For further information, please contact Mary Gellatly, Parkdale Community Legal Services at 416-531-2411 ext 246 or Kris Archer, worker representative, at 647-294-4657.

Yours sincerely,

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