

Jobs – Future Development

Date: February 4, 2021

To: The Board of Governors of Exhibition Place

From: Don Boyle, Chief Executive Officer

Wards: All Wards

SUMMARY

At its meeting of October 26, 2020 the Board of Governors received a power point presentation from Hotel X on its concept plan and future development of the Phase 2 Lands. At the same meeting, questions were raised by the Board regarding existing leaseholders and development at Exhibition Place, and how the City's policies and the Board of Governors can contribute to creating good quality work for Toronto residents. A motion was moved and adopted where the Board directed the Chief Executive Officer, Exhibition Place to review and report back on options for the Board to ensure that high-quality jobs with full-time hours, fair wages, and benefits, are being secured through future development of the land and other projects at Exhibition Place, including review of relevant City of Toronto policy such as the Fair Wage Policy.

Consultation with staff from the City of Toronto was held to review the Fair Wage Policy and Articles in the City of Toronto and Exhibition Place lease templates that support the Board's direction. The requirement that tenants comply with the City's Fair Wage Policy is standard language in the current template. Although classes of workers to whom the Fair Wage Policy applies is limited, the City's Fair Wage Office has advised that those classes are reviewed from time to time.

Given the breadth, scope and complexity of the issue, coupled with the potential legal implications, Corporate Real Estate, the Fair Wage Office and Exhibition Place have agreed to continue to explore potential measures that could be implemented.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. That the Board of Governors receive this report as information.

FINANCIAL IMPACT

There are no negative financial implications of receiving the report.

DECISION HISTORY

At its meeting of October 26, 2020, the Board of Governors of Exhibition Place received a power point presentation from Hotel X on the concept plan and development of the Phase 2 Lands.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EP14.5>

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<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EP14.7>

COMMENTS

FAIR WAGE POLICY AND LEASE TEMPLATE

The Exhibition Place lease template was updated in late 2018 with input from the City Legal Department, the lease terms contractually requires tenants to comply with the Fair Wage Policy. The Toronto Fair Wage Policy and the Fair Wage Schedule are attached to this report as Attachments 1 and 2, respectively.

The job categories subject to the Fair Wage Policy are limited and are listed in the Fair Wage Schedule. Most of the affected categories are in the construction industry and trades. However, some non-construction sectors are included, such as security guards, cleaning and maintenance, landscaping, and clerical workers in the identified job sectors. Categories subject to the Policy are reviewed from time to time by the Fair Wage Office. Currently, the Policy would not apply to many of the food and hospitality job classifications employed by tenants at Exhibition Place, including the employees of Hotel X's former food services operator, discussed further under the next heading.

To provide further job protection, the City of Toronto Corporate Real Estate Management and Exhibition Place could consider adding language to the lease template requiring tenants to make reasonable commercial efforts to offer full-time employment with fair wages and benefits, wherever possible. However, given the

breadth, scope and complexity of the issue, coupled with the potential legal implications, Corporate Real Estate, the Fair Wage Office and Exhibition Place have agreed to continue to explore potential measures that could be implemented.

HOTEL X TERMINATION OF FOOD SERVICES PROVIDER

The issue of protection of workers rights at Exhibition Place arose recently connected with Hotel X and their third-party food services operator, Peter and Paul's Hospitality Group ("P&P").

P&P is a specialized hospitality and events company and has a long history of operating restaurants and other hospitality venues throughout the Greater Toronto Area.

P&P employees worked in the restaurant and other food and beverage operations at Hotel X. P&P were responsible for all employment aspects such as recruitment, hiring, termination, training, setting wages, and all other applicable terms and employment conditions.

As a third-party operator, P&P corporate entities subleased space in Hotel X to operate restaurants, food and beverage services. All services were open to the public, including both hotel guests and the general public.

Hotel X informed Exhibition Place management that on or about July 2, 2020, P&P had ceased providing services to Hotel X.

Subsequently, a claim was brought against various Hotel X corporate entities by P&P employees. The claim was filed with the Ministry of Labour on July 28, 2020. The claim stated that Hotel X owed the employees of P&P termination and vacation pay. The claimant submitted that because Hotel X terminated the subleases with their employer, P&P, and replaced them with another third-party operator's employees, the Employment Standards Act, 2000, building services provisions should apply.

The Ministry of Labour rendered a decision regarding the complaint on November 26, 2020, a copy was provided to Exhibition Place by Hotel X.

After a review of all of the evidence presented by the parties, it was concluded by MOL that no amounts were owed to the claimant by Hotel X. As Hotel X, was neither the claimant's employer nor liable for such claimed amounts, the Ministry's Employment Standards Officer concluded that Hotel X had committed no contraventions under the Act.

CONTACT

Kelvin Seow, Director, Stakeholder Management & Strategic Planning, 416-263-3111, kseow@explace.on.ca

SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Attachment 1 – Toronto Fair Wage Policy
Attachment 2 – Fair Wage Schedule