

Memorandum of Agreement
for a Renewed Collective Agreement
Between

The Greater Vancouver Hotel Employers Association and its Members ("the Employer")
And
UNITE HERE, Local 40 ("the Union")

This Memorandum of Agreement is made on the 6th of November, 2014 between the Greater Vancouver Hotel Employers Association (the "Employers") on behalf its members that are parties to the 2014-2014 Collective Bargaining Agreement and UNITE HERE Local 40 ("the Union").

Whereas the Union and the Employers are desirous of maintaining stable, harmonious and cooperative labour relations;

Whereas the Employers and the Union are parties to the 2010-2014 Collective Agreement, and the parties wish to renew the Collective Agreement, in a manner consistent with their cooperative relationships.

Now therefore, the Union and the Employers agree as follows:

A. General Provisions

1. For the purpose of this Agreement, the Greater Vancouver Hotel Employers Association shall be referred to as the Employers. UNITE HERE Local 40 shall be referred to as the Union.

2. The Union and the Employers will execute or cause to be executed a successor agreement to the 2010-2014 Collective Bargaining Agreement (hereinafter referred to as "Successor Collective Agreement"), modified only as necessary to implement the terms of this Agreement. The Successor Collective Agreement shall be on the terms and conditions set forth in Sections B, C and D.2 below, except as otherwise mutually agreed to in writing by the parties.

3. Effective upon execution of this Agreement, the term of the Collective Agreement shall be extended to and including the effective date of the successor Collective Agreement:

a). Effective upon execution of this Agreement and through the effective date of the Successor Collective Agreement (a) the Union agrees that it will not in connection with any disputes or disagreements concerning the interpretation for implementation of the matters addressed in this Agreement, including but not limited to disagreements arising from discussions referenced in Section B 3-4, defame, disparage, demean, denigrate or interfere with the business or operations (or cause or permit any affiliated unions or their agents to defame, disparage, demean, denigrate or interfere with the business of operations), of the Employers or any of its respective officers, directors, executives, managers or agents; and

b). The Employers will not in connection with matters addressed in this Agreement, defame, disparage, demean, denigrate, or interfere with the business or operations (or cause their agents to defame, disparage, demean, denigrate or interfere with the business or operations) of the Union or any of its respective officers, directors, executives, managers or agents. These provisions shall not be interpreted to restrict any communication by any party unrelated to the matters addressed in this Agreement. The provisions of this section are not intended and shall not be interpreted to restrain or limit the parties in the ordinary performance of their respective responsibilities.

B. Successor Collective Agreement Terms and Conditions (Excluding Wage rates and Employer Contributions to Health and Welfare, Pension and Other Benefit Funds)

1. Except as otherwise explicitly provided herein or as subsequently agreed to in writing by the Employers and the Union all terms and conditions of the Collective Agreement shall continue without interruption or modification through the termination date of the renewed Collective Agreement.

2. A new Article ("Successorship") shall be added to the Collective Agreement as provided in Addendum A.

3. Job Security at the Four Seasons Hotel: In addition to the successor language in Addendum "A", the Union and the Four Seasons Hotel have reached a separate Letter of Agreement which provides additional job security rights for the employees of this hotel.

4. The parties have agreed to modify Article 15 – HEALTH CARE PLAN, PENSION, WAGE LOSS PROTECTION and Appendix 5 (2010-2014 Collective Agreement) as provided in Addendum "B".

5. Modify Article 13 – Statutory Holidays, add new BC stat holiday – Family Day – to list in 13.01 (a) and delete all of 13.08 – Anniversary of Employment.

6. *Successor Collective Agreement Term.* The Successor Collective Agreement shall be a four (4) year agreement from July 1, 2014 – June 30, 2018.

C. Successor Collective Agreement Terms and Conditions: Wage Rates and Employer Contributions to Health & Welfare, Pension and Other Benefit Funds.

1. The Bargaining Committee parties to the Collective Agreement shall agree to the following total package increases

July 2014	July 2015	July 2016	July 2017	Cumulative
\$0.75	\$0.75	\$0.70	\$0.69	\$2.89

2. The Union shall annually allocate each package increase for that year to hourly wage rate increases, benefit fund contribution increases and pension contributions in its sole discretion, but may not allocate to any fund to which the Employer has not agreed to contribute.

a) In the first year of the Successor Collective Agreement, the Union may allocate funds to maintain the benefit plans, but may not allocate funds which would result in retroactive improvements of any benefits. Pension contributions may be increased retroactively to July 1, 2014.

b) In deciding on allocations to benefit improvements, the Union will follow the current process of obtaining the recommendation of the Plan Administrator with respect to the contributions necessary to maintain the current benefits, to maintain the customary reserves and, should the Union choose, to fund any or all of the following improvements (i) lowering eligibility, (ii) improving paramedical or (iii) improving vision benefits.

c) The Union will not cause any improvements to be made to benefits in the last year of the Successor Collective Agreement to ensure that, in the last year, the benefits are fully funded with the maintenance of the customary reserves on the expiry date of the Agreement.

3. All other economic terms of the Collective Agreement (e.g. vacations, overtime and premium pay provisions, holidays, etc.) shall remain unchanged during the term of the Successor Collective Agreement.

4. Allocations to wage and benefit fund contribution increases shall occur only on the effective date of the Successor Collective Agreement and on anniversary dates thereof. The dollar amounts of the package increases shall not be altered by time-weighting of the effective dates of the allocations made by the Union.

5. The overall wage increases allocated by the Union shall be distributed to all employees in the form of cents per hour increases in each classification's wage rate. Seventy five (75%) percent of total GVHEA bargaining unit hours are presumed to be worked by non-tipped employees and twenty five (25%) percent by tipped employees. Tipped employees may receive a different wage increase than that received by the non-tipped employees. This decision is at the sole discretion of the Union and will be made during its annual allocation process. The overall wage increased allocated by the Union may be distributed to non-tipped and tipped employees in proportion to the 75%/25% presumed hours. (For example, should the Union choose to allocate for tipped employees, fifty (50%) percent of the wage increase for non-tipped employees, it may do so by dividing the amount of the overall wage increase by 0.875 to determine the non-tipped wage increase and dividing the resulting number by 2 to determine the tipped wage increase).

6. The Union may propose change(s) in the tipped/non-tipped formulas. Any such change(s) shall be put into effect with the understanding that the Employer's total annual cost in each year is not increased above the cost it would have incurred using the formula.

7. Beginning in 2015, the Union shall advise the Employers of each allocation at least thirty (30) days prior to the effective date of allocation, provided that if the Union's notice to the Employers is less than thirty (30) days, the Employers will not be excused from paying the increases as allocated by the Union unless there is actual prejudice to the Employers by the delay and then the Employers may be excused only for a period of time equal to the length of the Union's delay in giving notice.

8. Each annual total economic package increase to be committed by each Employer as set forth herein is an absolute maximum. Notwithstanding any change in applicable law or in conditions or circumstances, whether contemplated by the parties or not (including but not limited to changes in circumstances relating to the implementation of or modifications to applicable laws regulating health care benefit fund funding requirements) the amount of the annual total economic package increase shall not exceed the amounts set forth above. The cost of providing a transit pass discount to eligible employees is solely the Employer's and is excluded from this Section and is separate and apart from the total economic package increases in this Agreement.

9. In no event shall any provision in the Collective Agreement, Successor Collective Agreement, Memorandum Agreement, Side Letter or any other such agreement (including but not limited to any provision in any such agreement purporting to guarantee or ensure minimum or specified health and welfare or pension contributions or benefits or minimum reserve levels) result in an annual total package increase in excess of the amounts set forth above. Any and all such provisions shall be modified to ensure that the Employers receive the full benefit of this Subsection.

10. The total economic package increase shall not be increased by any actions of the plans. Each annual allocation shall be subject to any required approvals of applicable Health and Welfare, Pension, or other benefit fund(s). In all circumstances in which a Benefit Fund requires contributions greater than those allocated by the Union (whether by operation of a Rehabilitation Plan, by law or otherwise), then at the sole discretion of the Union it may either reduce health care benefits, or the additional required contribution shall be diverted from the wages of employees on whose behalf contributions to the funds are made or, to the extent permitted by law and by the applicable trust funds, from pension fund contributions to which the applicable Employer contributes pursuant to a Successor Collective Agreement. To the extent that the implementation of this Agreement would result in the Employers failing to comply with minimum contribution or funding requirements or other requirements of a Benefit Fund, or any legal requirement relating to any of the Benefit Funds, or if for any reason any Benefit Fund refuses to accept the terms of this Agreement or the Successor Collective Agreement, the Union shall promptly take all necessary steps (including but not limited to agreeing to diversion from or reductions to wages) so as to permit the Employers to comply with all such requirements without any increase to any annual total economic package and without the Employers incurring any other costs or liabilities of any kind, provided that the Union shall be in no event be responsible in whole or part for any pension fund withdrawal liability nor the health care fund's hours bank reserve liability of the Employers unless the Employers'

withdrawal is caused by a Benefit Fund rejecting the Employers' continued participation because the Union failed to allocate sufficient contributions to meet the Benefit Fund's standards.

11. Effective May 1, 2015, the Employer will provide a transit subsidy to employees for their use on the following basis:

- a) Eligible employees must be regular full time or part time employees with one (1) year of service.
- b) The eligible employee must apply to receive the transit subsidy and transit passes for a minimum period of six (6) months at a time. Eligible employees may sign up for this subsidy four times annually:
 - By March 7th for a April 1st commencement
 - By June 7th for a July 1st commencement
 - By September 7th for an October 1st commencement
 - By December 7th for a January 1st commencement
- c) For the calendar year 2015 the March 7th sign-up for an April 1st commencement in paragraph (b) above will be replaced by an April 7th sign up for a May 1st commencement.
- d) The subsidy paid by the Employer will be fifteen percent (15%) of the cost of a 1; 2 or 3 zone transit pass. In the administration of this sub-section the Employer will deduct eighty-five percent (85%) of the cost of the 1, 2 or 3 zone transit pass through payroll deduction. The Employer will purchase and issue the monthly transit passes to participating employees.
- e) This provision will come to an end at the expiry of the Collective Agreement unless its specifically agreed to by the parties that this program continue, provided however, that any employee who applies for the transit pass program by April 7, 2018 or by June 7, 2018 will participate for a six (6) month period.
- f) Either party may request that the GVHEA and the Union discuss ongoing issues regarding this transit program and the parties shall meet within two (2) weeks of that request.

D. Dispute Resolution

1. The parties agree that any disputes over the interpretation or application of this Agreement shall be submitted to expedited arbitration using a mutually acceptable person. If the parties are not otherwise able to agree upon an arbitrator, the grieving party may request the

Ministry of Labour to appoint an arbitrator. The arbitrator shall have the authority to determine the arbitration procedures to be followed provided the procedures are consistent with the Arbitration Act of British Columbia, as amended, which governs arbitrations under this Agreement. The Arbitrator shall have no authority to alter, amend, add to, subtract from or otherwise modify or change the terms and conditions of this Agreement or engage in interest arbitration. Without limiting the foregoing, the Union acknowledges and agrees that the Arbitrator shall have no authority to alter, amend, add to, subtract from or otherwise modify the provisions of Section C in any manner detrimental to the Employers. Any costs incurred by the parties in the instituting proceedings before the Arbitrator, or defending against the same, shall be in the responsibility of the respective party. The expenses and fees of the Arbitrator, and of the court reporter, if any, shall be shared equally by the Employers and the Union. The Arbitrator shall have the authority to order the non-compliant party to comply with this Agreement. Any arbitration award or decision issued by the Arbitrator, written or otherwise, shall be final and binding upon the parties.

2. Unless otherwise mutually agreed to by the Employers and the Union in a written document expressly referencing this Agreement, the arbitration provisions herein shall be the sole and exclusive dispute resolution procedure for any disputes between parties concerning or relating to an interpretation or application of any term in this Agreement, notwithstanding that the issue or dispute also is subject to or may fall within the grievance and arbitration provisions of the Collective Agreement or Successor Collective Agreement. The Employers and the Union hereby waive any right they may otherwise have under grievance and arbitration provisions of the Collective Agreements and Successor Collective Agreements with respect to any and all disputes concerning the interpretation or application of any provision of this Agreement, and the appropriate bargaining parties shall modify the grievance and arbitration provisions of the Successor Collective Agreements as necessary to conform to this Section D.

E. Miscellaneous

1. UNITE HERE Local 40 represents and affirms that it is fully authorized to enter into this Agreement as a party to the Collective Agreement, and that it shall be bound to the terms herein. The Employers represent and affirm that they are fully authorized to enter into this Agreement on behalf of the Employers parties to the Collective Agreement.

2. The Union acknowledges that the provisions of Sections A.3, C2-3 and C8-10 are material provisions of this Agreement, and that the Employers would not have entered into this Agreement in the absence of these provisions.

3. The parties acknowledge that they have not relied on any representations, promises or agreements of any kind made in connection with the decision to accept this Agreement, except for those expressly set forth herein.

4. This Agreement may not be modified or altered except upon the express written agreement of both parties wherein explicit reference is made to this Agreement.

ADDENDUM B
ARTICLE 15
HEALTH CARE PLAN, PENSION PLAN AND WAGE LOSS PROTECTION

15.01 CONTRIBUTIONS FOR HEALTH CARE AND PENSION PLANS

- (a) Effective July 1, 2014, the total amount of the Employer's contribution for the Health Care Plan will be \$2.25 for each hour of employment performed by an employee covered by the Agreement.
- (b) The total amount of each employee's contribution for fringe benefits will be nine cents for each hour of employment performed by him/her.
- (c) Each year, the contribution to the Health Care Plan will be established at an hourly contribution which, in the Plan Administrator's view, will ensure that the benefit levels are maintained and an adequate Fund Reserve is in place. The Dental Fee Schedule each year will be the current schedule for that year.
- (d) The current Employer contribution per hour will be maintained. If during the term of this collective agreement, the Plan Administrator deems that an increase or decrease is necessary, any such increase will be implemented annually on July 1st of each contract year. The Plan Administrator will notify the Union and the Employers of any projected increase or decrease in health care contribution rates by April 15th and any such increase or decrease shall be paid out of the Union's annual July 1st allocation. Effective July 1, 2018 this subsection 15.01 (d) will terminate and the Employers' obligation under this Article will be fully restored.

15.02 CONTRIBUTIONS FOR PENSION

- (a) Effective January 1, 2014, the Employers contribution to the Pension Plan will be one dollar and two cents (\$1.02) for each hour of employment performed by an employee covered by the Agreement.
- (b) For the duration of the 2014-2018 Collective Agreement (July 1, 2014 – June 30, 2018) any increase or decrease in pension contributions will be at the sole discretion of the Union; which will provide the Pension Plan Administrator and the Employers written notice upon reaching its 2014 allocation and thereafter on June 1, 2015, 2016 & 2017.

15.03 PENSION PLAN QUALIFICATIONS

The Employer agrees that all employees who qualify for benefits under the provisions of the Trust Agreement known as the BC Hotel Association/UNITE HERE! Local 40 Pension Plan shall be covered by the pension fund as set out in the said Trust Agreement.

15.04 DEEDS OF TRUST

It is mutually agreed between the Union and the Employer that all terms and conditions of the Trust Deed between the Union and the Greater Vancouver Hotel Employers Association in regards to Health Care, and all terms and conditions of the Deed of Trust between the Union and the B.C. Hotels Association in regards to Pension, shall be binding on the signing parties. This shall at no time determine the hourly rates of contribution as defined within Article 15 of the Agreement.

15.05 PAYMENT OF CONTRIBUTIONS TO ADMINISTRATORS

The Employer agrees to forward all monies payable by him in respect of fringe benefits, on or before the 10th day of the month following the actual performance of work, and shall forward said contributions to the respective Administrators.

15.06 MONTHLY STATEMENTS WITH CONTRIBUTIONS

The Employer also agrees to remit monthly statements setting out the names of the employees in respect of whom the monthly contributions are made, together with their Social Insurance Numbers and the number of hours worked by them.

15.07 PENALTIES FOR DEFAULT

- (a) In the event the Employer fails to remit contributions to the Pension Plan in conformity with the provisions of Article 15.05, the Employer shall, if in default more than ten (10) days after notification by the Union, pay the monies due thereunder and in addition thereto pay the Pension Plan a penalty in the amount of \$50.00. The Employer shall also be responsible for loss of benefits to any employee because of the Employer's default action.
- (b) Payments of contributions to the Health Care Plan under Article 15.05 which are not paid on the due date, will bear interest from the date the contribution was due until it is paid in full, at the prime rate per annum charged by the bank appointed from time to time by the Trustees under the Trust Deed between the Association and the Union to its most credit worthy customers at the date such contribution was due plus one percentage point. The Employer shall also be responsible for loss of benefits to any employee because of the Employer's default action.

15.08 INVESTIGATION OF THE EMPLOYER'S PAYROLL RECORDS

Upon receipt of a reasonable period of advance notice, the Employer shall allow the properly authorized representative of the Union, the Plan Administrators or such other properly authorized representatives of the Board of Trustees to investigate all of the Employer's relevant records for the purpose of ensuring that the proper contributions have been remitted pursuant to the provisions of this Article 15.

15.09 EMPLOYER CEASING TO BE A MEMBER OF THE GREATER VANCOUVER HOTEL EMPLOYERS ASSOCIATION

In the event the Employer ceases to be a member of the Greater Vancouver Hotel Employers Association during the term of the Agreement, the parties shall continue to be bound by all of the obligations established by this Article 15, until such date as they enter into the immediately following renewal Collective Agreement.

15.10 EMPLOYER CEASING TO PARTICIPATE IN THE HEALTH CARE PLAN

In the event it ceases to participate in the Greater Vancouver Hotel Employers Association-Local 40 Health Care Plan, the Employer shall remain responsible for any and all residual liabilities associated with, or arising from its period of participation in the Plan.

15.11 TABLE OF CONTRIBUTIONS

DESCRIPTION	JUN 2014	JUL.1 2014	JUL. 1 2015	JUL. 1 2016	JUL. 1 2017
Health & Welfare Employer	\$2.17	\$2.25	TBD	TBD	TBD
Health & Welfare Employee	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09
Pension	\$1.02	\$1.09	TBD	TBD	TBD

15.12 WAGE LOSS PROTECTION

After two (2) years employment, an employee who is eligible for weekly indemnity under the Greater Vancouver Hotel Employers Association - Local 40 Health Care Plan, shall be reimbursed for the first three (3) days of wage loss, once in each calendar year.

15.13 WORK INJURY PAY

An employee who is injured on the job during his working hours, and who as a consequence

- (a) is required to leave his place of work in order to obtain treatment; and
- (b) receives neither weekly indemnity benefits pursuant to the GVHEA/Local 40 Health Care Plan nor time-loss benefits from the Workers' Compensation Board for the balance of the shift during which he was injured;

shall be paid by the Employer at his straight time rate for all of the hours he was scheduled to work on the day on which he was so injured.

15.14 CONTRIBUTIONS ON BEHALF OF EMPLOYEES IN RECEIPT OF WORKERS' COMPENSATION TIME-LOSS BENEFITS

In the case of an employee who is in receipt of time-loss benefits from the Workers' Compensation Board, the Employer shall remit contributions to the GVHEA Health Care Plan and to the BC Hotel Association/UNITE HERE! Local 40 Pension Plan pursuant to the provisions of subsections (a) and (c) of Article 15.02, on the basis of the hours the employee would have been working other than for his temporary disability.

15.15 POSSIBLE INTRODUCTION OF GOVERNMENT PROGRAMS

The provisions of Articles 15.01 and 15.02 of this Agreement shall be subject to the provisions of the Letter of Understanding which has the same heading, and which forms a part of this Agreement.