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March 26, 2025

DELIVERED BY EMAIL (ababbington@labourcouncil.ca)

Andrea Babbington
President
Toronto & York Regional Labour Council
896 Don Mills Road, Tower 2, Suite 730
Don Mills, ON M3C 1W3

Dear Ms. Babbington,

Thank-you for your letter of March 24, 2025. As you note in your letter, Fairmont Royal York Hotel is indeed a landmark institution in the City of Toronto. We take a tremendous amount of pride in our Hotel and in our dedicated colleagues who work tirelessly each day to achieve our collective mission of delivering a world-class luxury guest experience through their extraordinary service, passion, innovation and creativity. Our colleagues are simply the best at what they do and they demonstrate that to us each day.

As you may be aware, the past several years have been extremely difficult for our colleagues from a labour relations perspective. In April 2018, Unifor attempted to raid the bargaining unit represented by UNITE HERE Local 75, which created a significant divide among our colleagues who supported Unifor or Local 75. Unifor's Application for Certification was ultimately dismissed by the Labour Relations Board in March 2021. Throughout this difficult and length period of uncertainty, we did our very best to not let the dispute between Unifor and Local 75 affect our relationship with our colleagues, and to maintain a positive workplace despite the significant divide among our colleagues.

Shortly thereafter, in April 2022, another union (THEU-CSN) attempted to raid the bargaining unit represented by Local 75, which caused the significant divide among our colleagues to resurface. After more than two years of litigation at the Labour Relation Board, the remaining disputed ballots were finally counted in August 2024. Local 75 narrowly won the vote by a count of 305 votes to 301 votes. THEU-CSN's Application for Certification remains outstanding at present time because THEU-CSN has asked the Labour Relations Board to grant it remedial certification, or in the alternative, a second certification vote, pursuant to section 11 of the Act. The tension between THEU-CSN and Local 75, and their respective supporters, has continued, both within and outside the Hotel.

As soon as the outcome of the certification vote was determined in August 2024, we immediately resumed collective bargaining with Local 75 for the renewal of the collective agreement which had expired on April 30, 2022.

Between September and December 2024, Fairmont and Local 75 worked diligently through our respective bargaining committees to conclude a new collective agreement, and worked around the clock to reach a tentative agreement in the early morning hours of December 6, 2024. The agreement we reached includes a significant lump-sum signing bonus (up to \$5000.00) for our colleagues, classification-specific wage adjustments and annual across the board wage increases which will make our extraordinary colleagues the highest paid hospitality workers among our competitors in Toronto, including the Sheraton Centre, Westin,



and Hilton hotels by the last year of the four year agreement. The new agreement also includes significant improvements to benefits and pension contributions, premiums, allowances, gratuities, and other financial and non-financial working conditions. The parties also used bargaining as the opportunity to resolve approximately fifty grievances which had been outstanding for some time. We also agreed to convene regular labour-management meetings to deal with certain issues that could not be fully resolved at bargaining in a collaborative and cooperative way. The tentative agreement was ratified by our colleagues in December 2024 with a full and complete recommendation by Local 75 and its bargaining committee.

At the conclusion of bargaining, we were very pleased to have reached what we believed to be a very positive outcome for our colleagues, and for our relationship with Local 75, over the next four years, and to have turned the page on the more than two years of the turmoil, uncertainty and economic pressure that our colleagues had to endure as a result of the THEU-CSN raid application. We added a separate payroll run to ensure that our colleagues received their signing bonuses in time for the holidays.

Unfortunately, since we reached our agreement with Local 75, its representatives, and in some cases, colleagues directed by Local 75 representatives, have, for reasons which are not clear to Fairmont, engaged in escalating campaign of conduct in which they have refused to comply with long-standing rules in the Hotel regarding attendance in the employee cafeteria (which Local 75 complied with for more than 2 years after the rule was implemented) and repeatedly violated their obligations under the collective agreement. This escalating campaign of conduct recently culminated with a demonstration on March 14, 2025 in which 40-60 union representatives and colleagues marched through public areas of the Hotel, including our lobby and main mezzanine overlooking the lobby, yelling disparaging remarks regarding the Hotel through multiple bullhorns and waving disparaging signs regarding the Hotel. This demonstration occurred during peak check in time, adversely impacted our guest experience, interrupted the operations of the Hotel, damaged Fairmont's brand reputation, required the Hotel to provide refunds to guests, and negatively impacted our colleagues' (represented by Local 75) ability to perform their duties and earn gratuities as a result of the said refunds. The demonstration was so disruptive that Toronto Police Services had to be called to the Hotel to bring it to an end.

The Hotel has taken reasonable corrective action in relation to colleagues who were involved in this unlawful demonstration. Although we are not at liberty to discuss specific corrective action taken, I can assure you that no colleagues have been dismissed from their employment and all continue to be actively employed by Fairmont. Any dispute over the corrective action taken can be addressed by Local 75 through the grievance and arbitration procedure of the collective agreement if and when they choose to file such grievances.

Our senior management team is, and always has been willing, to sit down with our colleagues, and representatives of Local 75, to discuss and resolve matters of concern, and to find common ground where it is possible to do so. That has historically been a key feature of our relationship with Local 75 as our longstanding labour relations partner. During the demonstration on March 14, neither Ms. Gaunzon, nor Mr. Alcaide, who are mentioned in your letter, communicated any specific ``injustices``. In fact, when inside the executive office, Mr. Alcaide advised our senior managers who were present that he understood that the Hotel was not responsible for the labour relations disruptions that have plagued the Hotel over the past two years.

However, if there are ``injustices`` that are occurring in the Hotel since we concluded collective bargaining in December 2024, we have a vested interest in getting to the bottom of that as soon as possible, and are willing to meet with Local 75 representatives, and our colleagues, to discuss them in a constructive manner, whether it is through our established labour-management meeting process or through another ad hoc

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mechanism to facilitate such meetings. To date, Local 75 has not requested a labour-management meeting to address such injustices or otherwise specified these injustices to management. Unlawful protests in public areas of the Hotel will not achieve that end and serve no constructive labour relations purpose.

I hope that my letter provides you with some additional context regarding the events that have lead us to this unfortunate juncture in our relationship with Local 75, and which lead you to reach out to me.

I would welcome the opportunity to meet with you and Guled Warsame, President of Local 75, to further discuss any suggestions or recommendations you may have as to how we can work more collaboratively with Local 75 to constructively address and resolve these issues and allow us to each focus on what is most important to both of us – our colleagues.

Sincerely,

A handwritten signature in black ink, appearing to read "Edwin Frizzell". The signature is fluid and cursive, with a large loop at the end.

Edwin Frizzell, Regional Vice-President ~ Central Canada & General Manager

CC: Nicole Stewart, Assistant Director of Talent & Culture
Anna Chartres, Regional Director of Talent & Culture, Central Canada