



UNITE HERE LOCAL 40

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January 17, 2022

Hon. John Horgan
Premier of British Columbia
Parliament Building
Victoria, BC V8V 1X4

Hon. Melanie Mark
Minister of Tourism, Arts, Culture and Sport
Room 133 Parliament Buildings
Victoria, BC V8V 1X4

Dear Premier Horgan and Minister Mark,

Last week, the province announced a new \$15 million relief grant, the Tourism Accommodation and Commercial Recreation Relief Fund, that will provide, among other supports, property tax relief to large accommodation providers. On behalf of B.C.'s tourism workers, we urge the province to disqualify employers who terminated long-term staff during the pandemic from taking advantage of this fund.

To be eligible, large accommodation owners must have employed more than 149 employees for at least four months in 2019. As you know, some hotel employers used the pandemic as an excuse to terminate long-term staff rather than commit to bring them back when business returns. The province should not provide financial support to bad actors.

For example, Pacific Gateway Hotel in Richmond employed over 200 workers prior to the pandemic. Despite the long tenure of its workforce, the owner terminated 70% of the staff last year rather than commit to return workers to their jobs when business recovers. This disproportionately impacted women and immigrant workers.

We understand current program eligibility rules should disqualify large hotel owners who are non-residents of British Columbia. That means Mississauga-based Westmont Hospitality Group should rightfully be ineligible. Westmont affiliates own several large hotels in British Columbia, including Pan Pacific Vancouver which terminated nearly 100 workers during the pandemic.¹ The rules would appear to also exclude foreign-owned hotels like Hilton Metrotown and APA-

¹ Westmont affiliates own Pan Pacific Vancouver (Ocean Pacific Hotels Ltd.), Fairmont Waterfront (3428834 Canada Ltd.), and the JW Marriott and Douglas Hotels at Parq (Parq Equity Limited Partnership).

owned and operated Coast Hotels. These owners also used the pandemic as an excuse to terminate long serving staff.²

The B.C. government has provided the tourism sector with over \$355 million in direct financial supports. Despite receiving millions in taxpayer funds from the province, employers are not required to return workers to their jobs once business recovers.

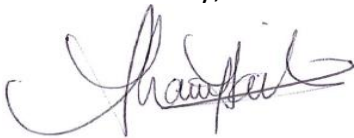
Since the size of an employer's 2019 workforce is being used to benchmark eligibility for property tax relief, we urge the province to ensure employers have maintained a commitment to their pre-pandemic staff. Otherwise, the province will be financially rewarding wealthy employers who undercut the most vulnerable during a public health crisis.

The unequal impact of pandemic job losses on women, especially women of colour, in B.C.'s hospitality sector undermines workers' economic security and increases precarity. The province's decision to not protect the jobs of hospitality workers laid-off during the pandemic was a missed opportunity to support those in the sector who were hardest hit.

Finally, we urge the province to consider the equity of providing property tax relief to hotel owners and developers who have taken advantage of offshore tax havens for the purposes of tax avoidance. Pacific Gateway is co-owned by PHI Hotel Group and Bahamas-based offshore entity, Van-Air Holdings Ltd. Developer Larco Hospitality, which has a history of using offshore tax havens in the British Virgin Islands and Liechtenstein to avoid taxes, owns four large hotels in B.C.³

The ongoing impact of the pandemic on hospitality workers deserves your attention. The province should link taxpayer funded relief to big hotel owners with a demonstrated commitment to retain laid-off staff. We look forward to your response and welcome the opportunity to discuss this matter with you.

Sincerely,



Zailda Chan
President

cc: Hon. Ravi Kahlon, Minister of Jobs, Economic Recovery, and Innovation
Hon. Harry Bains, Minister of Labour

² During the pandemic, Hilton Metrotown terminated 97 workers, and APA-owned Coast Hotels in Victoria and Prince George terminated dozens of long-term staff.

³ Larco Hospitality controls Sheraton Vancouver Airport, Marriott Vancouver Airport, Hilton Vancouver Airport and Fairmont Vancouver Hotel.