HOYTS

MEMO

TO: ALL HOYTS NZ EMPLOYEES

FROM:

PAUL WOOD

GM - OPERATIONS NZ

HOYTS and UNITE UNION BARGAINING POSITION – UPDATE 29 JUNE 2018

The Bargaining Meetings to date:

- We met with the Union on 26 / 27 April negotiate for a Collective Agreement in good faith.
- This year, we proposed a 3-year Agreement, rather than negotiating a new Agreement each year.
- After the meeting, we were notified that the Union would not put our offer to its members and the Union's intention to seek mediation.
- HOYTS then participated in mediation on 24 May in good faith to explore a constructive solution to bargaining. No agreement was reached.
- HOYTS clarified its offer to union members 31 May 2018
- The Union informed HOYTS that its offer was rejected and that members had voted to take strike action on 20 June 2018.

The outcome of Mediation 29 June 2018

- HOYTS and the Union agreed to attend mediation on 29 June 2018 having reached a deadlock in bargaining. At mediation, the Union highlighted the key reasons for rejecting the offer and HOYTS explained why it was not in a position to move from its best offer position previously stated. The union clarified that the sign on bonus of \$250 payable to each employee member was rejected in favour of a pass on payment directly payable to the union.
- HOYTS has clarified at mediation that employees who take strike or partial strike action would be locked out of employment in response to the strike. Such lockout would remain in place until 26 July 2018 or acceptance of HOYTS' offer whichever occurs sooner.
- A copy of the offer is attached for reference. As the offer has been rejected already the sign on bonus is withdrawn from the offer.
- 26 July 2018 represents the 4 month anniversary since the first bargaining meeting. After this date we will begin negotiating with non-union members for new individual agreements as we do not think this group should be disadvantaged by our dispute with the union.

• The offer of backpay to 1 April 2018 also lapses if the offer is not accepted by 26 July 2018.

Paul Wood

General Manager Operations New Zealand

HOYTS Cinemas (NZ) Limited