

Productions Made for New Media

This confirms the understanding of the British Columbia Council of Film Unions (“BCCFU”) and the Negotiating Producers concerning the terms and conditions which the Employer may elect to apply to the production of entertainment motion pictures of the type that have traditionally been covered under the Master Agreement or the Supplemental Master Agreement which are made for the Internet, mobile devices, or any other new media platform in existence as of March 29, 2009 (hereinafter collectively referred to as “New Media”).¹

The parties mutually recognize that the economics of New Media production are presently uncertain and that greater flexibility in terms and conditions of employment is therefore mutually beneficial. If one or more business models develop such that New Media production becomes an economically viable medium, then the parties mutually recognize that future agreements should reflect that fact.

A. Terms and Conditions of Employment on Derivative New Media Productions

A “Derivative New Media Production” is a production for New Media based on an existing dramatic television motion picture covered by the Master Agreement, including the Supplemental Master Agreement, that was produced for “traditional” media – *e.g.*, a free television, basic cable or pay television motion picture (‘the source production’) – and is otherwise included among the types of motion pictures traditionally covered by the Master or Supplemental Master Agreements.

Employees may be employed by an Employer and assigned to a Derivative New Media Production as part of their regular workday on the source production. The work for the Derivative Production shall be considered part of the workday for the Employees on the source production and shall trigger overtime if work on the Derivative Production extends the workday on the source production past the point at which overtime would normally be triggered on the source production. All other terms and conditions, including fringe benefits, shall continue as if the Employee were continuing to work on the source production.

In all other situations, terms and conditions of employment are freely negotiable between the Employee and Employer, to the extent permitted by the B.C. Employment Standards Act, except for those provisions identified in Paragraph C. below, and provided that the Employee and Employer cannot negotiate wages and overtime less than the minimums set out in the B.C. Employment Standards Act for Employees not covered by a collective agreement.

B. Terms and Conditions of Employment on Original New Media Productions

Terms and conditions of employment on Original New Media Productions are freely negotiable between the Employee and Employer, to the extent permitted by the B.C. Employment Standards Act, except for those provisions identified in Paragraph C. below,

¹ This Sideletter applies to the production of certain types of programs intended for initial use in New Media and does not cover work involved in the selection of content for, design or management of any website or any other New Media platform on which productions made for New Media appear.

and provided that the Employee and Employer cannot negotiate wages and overtime less than the minimums set out in the B.C. Employment Standards Act for Employees not covered by a collective agreement.

C. Other Provisions

(1) Fringe Rates

The aggregate fringe rate payable for Pension, Health, Holiday Pay and Vacation Pay on covered New Media Productions shall be ten percent (10%) of straight time earnings only. The Council shall allocate the percentage among the aforementioned fringe categories. The Employer is not required to make Pension and Health contributions on behalf of any Employee who has been issued a work permit, provided that proof of payment to such Employee's applicable IATSE or Teamsters Pension and Health plan is provided to the Council.

(2) Grievance and Arbitration

The provisions of Article Eleven of the Master Agreement, "Grievance and Arbitration" shall apply.

(3) Staffing

It is expressly understood and agreed that there shall be no staffing requirements on New Media Productions and that there will be full interchange of job functions among Employees, so that a single Employee may be required to perform the functions of multiple job classifications covered hereunder.

(4) No Strike, No Lockout

The provisions of Article 1.12 of the Master Agreement, "No Strike, No Lockout," shall apply.

(5) Assignment of Wages

The provisions of Article 9.06 of the Master Agreement, "Assignment of Wages," shall apply.

(6) Layoff, Termination of Employment and Replacement

The following provisions of the Master Agreement shall apply to all Employees employed on New Media Productions: Article 1.11, "Council Representatives;" Article 4.09, "Force Majeure;" and Article 10, "Lay Off and Discharge."

(7) No Other Terms Applicable

Except as expressly provided in this Sideletter, no other terms and conditions of the Master Agreement or the Supplemental Master Agreement shall be applicable to Employees employed on New Media Productions.

D. Sunset Clause

The parties recognize that these provisions are being negotiated at a time when the business models and patterns of usage of New Media Productions are in the process of exploration, experimentation and innovation. Therefore, the provisions of this Sideletter shall expire on the termination date of the Master Agreement and will be of no force and effect thereafter. No later than sixty (60) days before that expiration date, the parties will meet to negotiate new terms and conditions for New Media Productions.

The parties further acknowledge that conditions in this area are changing rapidly and that the negotiation for the successor agreement will be based on the conditions that exist and reasonably can be forecast at that time.