

This is the response of the Hotel Association of Canada (HAC) and Restaurants Canada (RC) (together, the Associations) to Board Order CB-CDA 2024-083.

The Board has identified the following issues to be considered in this proceeding:

Issue 1: Should the royalty rate be adjusted to account for inflation?

Issue 2: What methodology, if any, should be used to adjust for inflation?

The Associations agree that these are the issues to be considered in this proceeding. In keeping with the Board's Guidelines on Inflation, it is understood that the Guidelines are not binding, and therefore it is open to the parties to make arguments on these inflation-related issues. The Associations do not intend to argue these issues at this stage of the proceeding, and simply note that the Board has correctly identified that these are the issues to be argued in the proceeding.