

## **CAFII ALERTS WEEKLY DIGEST: April 29 to May 6, 2022**

May 6, 2022

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## GOVERNMENT LEGISLATION AND STRATEGY NEWS

### U.S. Lawmakers Push Insurers To Stop Underwriting Fossil Fuels

*By Josh Saul and Max Reyes, Bloomberg News, April 27, 2022*

[https://www.dig-in.com/articles/u-s-lawmakers-push-insurers-to-stop-underwriting-fossil-fuels?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=V2\\_DIG\\_Trending\\_20210320%2B%E2%80%98%E2%80%99%2B05%2F04%2F2022&bt\\_e=a3e5uHOCX5R2sA9xfAy1nZhyDxh88yUm9PNMtoXJxg8Cetfj0AwvJjNp2s8dZioo&bt\\_ts=1651694500534](https://www.dig-in.com/articles/u-s-lawmakers-push-insurers-to-stop-underwriting-fossil-fuels?utm_source=newsletter&utm_medium=email&utm_campaign=V2_DIG_Trending_20210320%2B%E2%80%98%E2%80%99%2B05%2F04%2F2022&bt_e=a3e5uHOCX5R2sA9xfAy1nZhyDxh88yUm9PNMtoXJxg8Cetfj0AwvJjNp2s8dZioo&bt_ts=1651694500534)

A group of U.S. Democratic lawmakers, mostly members of the Congressional Progressive Caucus, have asked some of the nation's biggest insurance companies to stop underwriting new fossil fuel projects that contribute to climate change.

New York Representatives Mondaire Jones and Alexandria Ocasio-Cortez as well as California's Jared Huffman and Adam B. Schiff were among 16 lawmakers who issued the letters on Wednesday, May 4 to more than a dozen insurance companies, including American International Group Inc., Berkshire Hathaway Specialty Insurance Co., and Chubb Ltd.

"The insurance industry profits from the expansion of fossil fuels while ripping the rug out from under the communities most affected by climate change," according to the letters.

To avoid the most catastrophic effects of climate change, the International Energy Agency says there can't be any new development of fossil fuel projects. The letter also criticized insurers for cutting back services and raising prices in areas most affected by climate threats, such as wildfires.

The letters come as insurers try to distance themselves from fossil fuels and achieve carbon neutrality goals.

Last month, AIG committed to a net-zero greenhouse gas emission plan that included a halt on investing in and insuring construction of new coal-fired power plants, thermal coal mines, and oil sands. Other insurers have taken similar steps, with more than 20 of the world's largest insurers committing to transition their portfolios to net-zero emissions by 2050.

## REGULATOR/POLICY-MAKER NEWS

### FSRA Unveils Third Credentialing Body For Financial Planner Title

*Ontario Regulator Takes Another Important Step In Investor Protection With Approval Of Licensing And Designation-Granting Entity*

*By Leo Almazora, Wealth Professional, May 4, 2022*

[https://www.wealthprofessional.ca/news/regulators/fsra-unveils-third-credentialing-body-for-financial-planner-title/366337?utm\\_source=GA&e=YnJlbmRhbi53eWNrc0BjYWZpaS5jb20&utm\\_medium=20220504&utm\\_campaign=WPCW-Breaking-20220504&utm\\_content=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8&tu=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8](https://www.wealthprofessional.ca/news/regulators/fsra-unveils-third-credentialing-body-for-financial-planner-title/366337?utm_source=GA&e=YnJlbmRhbi53eWNrc0BjYWZpaS5jb20&utm_medium=20220504&utm_campaign=WPCW-Breaking-20220504&utm_content=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8&tu=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8)

The Financial Services Regulatory Authority of Ontario (FSRA) has approved a third credentialing body for financial planner title use in the province.

Nearly a month after FP Canada and Advocis' Institute for Advanced Financial Education (IAFE) were announced as the first two credentialing bodies recognized under Ontario's title protection framework, FSRA has announced that the Canadian Securities Institute (CSI)'s Personal Financial Planner (PFP) designation is now an approved credential for those seeking to be recognized as financial planners in the province.

This is another important step towards strengthening consumer and investor protection across Ontario and minimizing regulatory burden," Huston Loke, Executive Vice President, Market Conduct at FSRA, said in a statement. "We now have three highly-qualified credentialing bodies with the addition of CSI, as it is an existing licensing and designation-granting entity."

Credentialing bodies approved by the FSRA are authorized to grant either the financial advisor title or financial planner title under Ontario's title protection regime. They are also responsible for overseeing and enforcing the conduct of those to whom they grant the financial planner or financial advisor credential.

"CSI is very pleased to be approved as a credentialing body by the FSRA under the Financial Professionals Title Protection Framework," said Marie Muldowney, Managing Director, Canadian Securities Institute. "The approval of our Personal Financial Planner (PFP) designation will enable present and future PFP designation holders to use the Financial Planning title in Ontario.

To be a credentialing body, FSRA requires designation and license-granting entities to have robust supervision processes, as well as a code of conduct requiring credential holders to put their client's interest first and treat consumers fairly.

"We are focused on supporting our PFP designation holders to prioritize their clients' interests," Muldowney said. "We have appreciated the openness and co-operation of the FSRA staff throughout the consultation and accreditation process."

## OSFI Publishes Three-Year Strategic Plan

*By Kate McCaffery, Insurance Portal, May 3, 2022*

Expanding the boundaries of its role and its involvement in public policy development, developing its own culture, and engaging stakeholders are all on the list of items the Office of the Superintendent of Financial Institutions (OSFI) which is focused on for the next three years, along with efforts to modernize its supervisory framework by April 2024, and modernize its data collection efforts going forward.

The regulator's 2022-2025 Strategic Plan discusses the regulator's plans to transform itself and outlines the actions it will take to contribute to the public's confidence in the country's financial system into the future.

### Emerging Risk

"While OSFI has gained knowledge from past financial crises and bouts of financial volatility, the Office must adapt to emerging risk facing the financial sector. This transformational strategic plan will position OSFI, in a deliberate and methodical manner, to respond to new and enduring risk. It will also help enhance OSFI's ability to identify risk early, and to respond quickly and authoritatively to the most urgent issues facing the Canadian financial system," the regulator states in its announcement about the publication of OSFI's plan.

It adds that the plan is needed, as the institution's role is becoming more visible to Canadians. "As our involvement in public policy matters intensifies, the strategic plan will help OSFI develop effective, fit for purpose, prudential responses to emerging and developing risk areas facing Canada's financial system."

### Data Management And Analytics

The regulator, which oversees more than 400 financial institutions and 1,200 pension plans, says it will focus on its own culture, on risk, strategy and governance, stakeholder and partner engagement, policy innovation, its supervisory framework, and data management and analytics (OSFI plans to become a leading data and analytics-driven regulator). "While it concentrates on our transformation, OSFI will not divert our focus from our core business activities," says the regulator.

Building on its 2021 publication, Blueprint for OSFI's Transformation 2022-2025, the strategic plan looks at each element, discusses where the organization is headed, its current initiatives, and describes what success will look like when the regulator has achieved it.

### Risks Are More Complex And Inter-Related

The report focuses on risk in particular, saying "it is evident that the risks we face are now more complex and inter-related than ever before. It is evident to us that volatility will arise from several identifiable sources," says OSFI, citing climate change and digitalization as two key concerns. "Going forward, we can fully expect that uncertainty will (also) emerge from other, not yet identified sources."

Among its other stated initiatives, the report states that it plans to establish a new “and empowered” transformation office. It then plans to establish an independent chief strategy and risk office, which will be well resourced, with a goal of helping the organization make risk-intelligent decisions that are delegated to those best positioned to make them. It plans to proactively influence policy-making, and explore the creation of an independent and external, board-type risk advisory council. Focus will also be on establishing a formal strategic stakeholder relations function, expanding stakeholder monitoring, and developing a stakeholder engagement plan that will address every strategic issue or risk.

### Increased Transparency

The Superintendent and the organization’s chief actuary are also slated for higher profile work, as the organization says it plans to increase opportunities for both to be more transparent with the public and with stakeholders. Finally, they say the organization plans to create an analytics advisory committee “in support of continuous improvement in our data and analytics capabilities.”

“OSFI’s 2022-2025 Strategic Plan is the next step in our transformation. It not only sets out our goals and priorities for the next three years, it outlines the concrete actions we will take to ensure that we continue to contribute to confidence in Canada’s financial system,” says the report.

Read Story (Subscription Required): [https://insurance-portal.ca/society/the-office-of-the-superintendent-of-financial-institutions-publishes-3-year-strategic-plan/?utm\\_source=sendinblue&utm\\_campaign=daily\\_complete\\_202205-04&utm\\_medium=email](https://insurance-portal.ca/society/the-office-of-the-superintendent-of-financial-institutions-publishes-3-year-strategic-plan/?utm_source=sendinblue&utm_campaign=daily_complete_202205-04&utm_medium=email)

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## Critical Issues In Financial Regulation: The UK Financial Conduct Authority's Perspective

*Speech by UK FCA CEO Nikhil Rathi, delivered at City Week 2022, April 26, 2022*

<https://www.fca.org.uk/news/speeches/critical-issues-financial-regulation-fca-perspective>

### Highlights

- Cost of living crisis means consumers are more exposed to risk and more reliant on financial services.
- New consumer duty will ensure firms take into account ‘good outcomes’ for consumers and clear rules will in future cut costs for firms.
- Supporting innovation to encourage long-term economic growth and international competitiveness:
- Extending an early oversight scheme to give 300 newly authorised firms guidance on regulatory issues as they grow
- Over 500 applications to attend our first ever CryptoSprint event in May
- Post-Brexit, if you are a predominantly UK business, your regulated entity should be here to protect investors and the integrity of the markets.

## Last 12 Months

It is great to be here again at this important event. It doesn't seem long ago that I was last telling this audience about our plans to transform the FCA.

To be more rigorous on firms seeking approval to operate in our markets, to tailor our rules to better suit our global markets, and play a leadership role in supporting the market-led transition to a more sustainable economy.

We are being tougher on firms causing harm. We launched the first ever criminal prosecution under anti-money laundering regulations and are acting against individuals carrying out regulated activities without authorisation.

We have empowered more colleagues to take more decisions, so we act faster and are being more proactive even where we don't have powers, be it by positively engaging with the Government to ensure scams are covered by the Online Safety Bill, or working with Google so they voluntarily changed policy to only permit FCA registered firms to advertise financial promotions with them.

Following our engagement, Meta has now promised to do the same this year. We look forward to seeing them deliver and await clearer plans from Twitter and others.

To truly transform, we must continue building an operational platform that can adapt and facilitate collaboration, with the human capabilities to harness a data-led approach.

That is the only way we can effectively face the threats and opportunities, be it market abuse, digitalisation of financial services, cost of living challenges, or ESG reforms.

## Cost Of Living Crisis

Our economy already faced rising inflation on the back of the economic recovery emerging from the pandemic. War was then visited on Ukraine by Russia, with the resulting aftershock for commodity and agricultural prices, rippling down to wholesale markets, firms, and consumers.

Inflation is set to reach a 40 year high this year with energy bills rising much faster than wages. Those least able to bear the rises will be hit the hardest.

Our own data shows that over a quarter of UK adults have low financial resilience. Cost of living challenges mean consumers are more exposed to risk while also being more reliant on financial services.

So our focus is on ensuring that all firms we oversee act in their customers' interests.

Our three-year strategy, published earlier this month, sets out market-wide outcomes we expect all firms to deliver, while holding ourselves to tougher standards.

We are stopping firms with inadequate controls from entering our markets. One in seven applicants currently do not obtain authorisation, up from one in 13.

We're now hiring another 80 colleagues to focus on the most problematic firms, already in our markets, going further to remove more quickly those firms that can't or won't meet basic standards. And setting and testing for higher standards, where needed.

### **New Consumer Duty**

Our New Consumer Duty is progressing well, with final proposals coming in July. This is designed to ensure firms take account of the actual impact of their services and product suitability on consumers.

Selling someone the right product with suitable customer service is uncontroversial but, too often, established firms don't.

I want to thank the many business leaders who have engaged positively with us as we develop this significant policy change and assess its impact which will include:

- action to tackle competitors who drive down standards
- giving firms greater certainty about how they should treat consumers and flexibility on how they deliver good outcomes
- supporting future innovation by being clear about the standards required, whatever the product

We envisage fewer future rule changes as a result, which should lower costs to firms.

### **Action On Russia**

Changing our operating model has been vital in our response to the war in Ukraine. We moved fast to respond to the introduction of a range of globally co-ordinated sanctions.

We are becoming more capable of working through solutions at extremely short notice, working hand in glove with domestic and international partners.

We will publish proposals allowing the exceptional use of side pockets in investment funds, given the challenges of disposing of Russian and Belarussian assets.

Our work with the Bank of England and others made sure we could effectively monitor volatile commodity markets; and, as we both saw with London Metal Exchange (LME) and LME Clear, take assertive action where necessary.

LME has since agreed to appoint additional independent directors to strengthen its governance.

### **Environmental, Social And Governance (ESG) Reforms**

As the world is looking to financial markets to enable the transition to a greener and more sustainable economy, international collaboration has never been more vital.



As a regulator, we have been mandated by the government to help firms transition to net zero and asked to take into account Government policy in relation to energy security.

We are supporting international partners who are beginning to mandate climate-related disclosures while we continue to build on the changes we introduced here last January.

### **Diversity And Inclusion**

At the FCA, we are passionate about promoting Diversity and Inclusion to support effective risk management and high standards of conduct.

We recently confirmed positive diversity targets for listed companies, which firms must comply with or explain to their investors why they are not.

These are that 40% of Board seats should be held by women and at least one position should be held by a minority ethnic director. We have broken new ground in asking firms explicitly to aim for at least one of the four most senior Board positions to be held by a woman.

As we invest in our technology platform, we are also recruiting more staff in more parts of the UK, focusing on diversity and new capabilities and being tougher on our own performance.

### **Accountability And Performance**

We set out market-wide outcomes which we expect firms to deliver and we have published metrics to which we can be held accountable in the delivery of those outcomes.

Internally at the FCA, changes to our employment offer, which came into effect at the start of April, mean we can more effectively link pay with performance – both collectively and individually.

We continue to offer one of the best, if not the best, employment package of any regulator or enforcement agency in the UK.

In the face of a highly competitive market for recruitment, over 250 new colleagues have joined us this year already at all levels, including experts from enforcement to crypto and anti-money laundering.

We expect to keep hiring at that pace throughout the year and as part of the Government's Future Regulatory Framework, we stand ready to meet expectations on us of greater transparency and accountability.

### **Innovation And Crypto**

Having carefully managed the impact on financial services of the UK's departure from the EU, we also have a vital opportunity to further enhance the attractiveness and global reach of our wholesale markets.

This is through a proposed secondary objective to support the long-term economic growth and international competitiveness of the UK economy.

We welcome this, as it builds on the work we have already been doing and retaining our agility will be key. We have introduced wide-ranging listing reforms. Our pioneering 'sandbox', a regulatory safe space to test innovative products, has been much copied and now serves as a blueprint for over 40 regulators globally. It has supported the growth and innovation of over 50 blockchain firms. We are building on this through our Early and High Growth Oversight scheme.

Following a successful pilot, we are expanding it to provide closer supervision and support to 300 newly authorised firms.

This will mean that firms can better understand our expectations while they start up and grow, and ensure that we can identify and address harm developing in newly authorised firms quicker.

In May, we will host our first ever CryptoSprint, having been overwhelmed by applications – more than 500 so far.

Innovate Finance says the UK represented nearly half of all European fintech investment last year. High standards, enforced effectively, underpin this success.

As the City Minister said in April, alongside encouraging innovation and having an open mind to new technologies, we need checks and measures that protect our system and consumers from serious financial crime.

In crypto, our remit is currently limited to ensuring anti-money laundering rules apply to crypto firms. Minimum standards expected of the firms we regulate – and some we don't – from notaries to estate agents to make sure firms are not used to funnel money to fuel crime, terrorism, or war.

So far 33 crypto firms have gained registration from us under the anti-money laundering rules. By meeting the standards which society expects and helping to build faith in their business model. Many were rejected as they had inadequate provision to prevent harm or even identify it in the first place.

We worked with many firms to help improve their capabilities instead of just rejecting or approving with no feedback or advice. But those that couldn't or wouldn't meet the standards didn't make it through. This should not be interpreted as anti-innovation. Rather for innovation to endure and benefit consumers as well as entrepreneurs and investors, it cannot trade off against basic expected standards.

So we welcome the Government's recent announcement of a flexible approach to regulation so that we can proportionately deal with any risks that emerge; and to receiving new powers over the promotion and marketing of high-risk assets, such as crypto.

Ahead of receiving those powers, we are finalising our rules, so we can act assertively once we do. But supporting innovation while maintaining standards is not enough.

The debate between legitimate investment and trading and unregulated entertainment and gambling has become blurred.

Research shows that those who invest in these products frequently do not understand the risks they run. Nearly half do not know they could lose their money. Many overstate their understanding. And most adults do not know that crypto is not regulated by the FCA, apart from our narrow remit on ensuring anti-money laundering rules are upheld.

We need to draw clear lines. We need clarity around ruling out future Financial Services Compensation Scheme (FSCS) coverage for investment losses from crypto, even when advised. As we have consistently warned, if you invest in crypto, you need to be prepared to lose all your money.

Another issue is that firms we reject can still service UK customers from off-shore. While we have been encouraged to see partner agencies follow our lead when we have rejected firms' registrations, it is not enough to rely on our global influence. This needs wider consideration by policy-makers.

### **Post-Brexit**

For authorised firms, we remain committed to a system that allows firms to provide cross-border financial services in a way that protects consumers and markets.

We are effectively collaborating with Government and supporting the Treasury's market access agenda. Whether that be the Mutual Recognition Agreement with Switzerland or standing ready to play our role in implementing the UK-EU Memorandum of Understanding on regulatory co-operation.

To ensure post-Brexit stability we introduced a Temporary Permissions Regime (TPR) for firms to continue operating here while making permanent arrangements.

As that comes to an end, firms are coming to us with their plans. For businesses focussed in the UK, this will usually mean they want to set up an FCA-authorised subsidiary. Most plans we've seen meet our expectations. But in some cases, we've asked firms to think again.

Where firms are not predominantly focused on the UK, and where we have good co-operation with the home state regulator, a branch may be appropriate.

We have different powers over branches. So if you are a predominantly UK business, if most of your clients are here, it follows that your main entity should be here as well. This better protects UK-based investors from harm and protects the integrity of the wider UK market.

In some cases, an international firm can operate here without FCA authorisation, through the Overseas Persons Exclusion (OPE). For example, if a firm's UK business is just a handful of wholesale market clients. But in our view, the OPE is not intended to run a UK-focussed business.

The Government has been clear that firms with significant UK business must continue to maintain the appropriate operations, permissions, and authorisations in the UK. And importantly we need to be able to supervise them effectively.

## Facing the future

I have outlined just some of the challenges and opportunities confronting us, and how we plan to meet them by focussing on those problems in front of us rather than addressing issues by asset class or sector, often after the event.

Our new strategy will ensure that everything we do has an over-arching focus on:

- reducing and preventing serious harm
- setting and testing for higher standards
- promoting competition and positive changes

So we are always programmed and equipped to tackle big problems and embrace major opportunities, whatever they may be.

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## Helping Regulators Get Their Heads Around Climate Risks

### *FSB Launches Consultation On Emerging Supervisory Approaches To Climate Concerns*

*By James Langton, Investment Executive, April 29, 2022*

[https://www.investmentexecutive.com/news/from-the-regulators/helping-regs-get-their-heads-around-climate-risks/?utm\\_source=newsletter&utm\\_medium=nl&utm\\_content=investmentexecutive&utm\\_campaign=NT-EN-morning&hash=6d73923380f292a40dc042b455f0fde3](https://www.investmentexecutive.com/news/from-the-regulators/helping-regs-get-their-heads-around-climate-risks/?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=NT-EN-morning&hash=6d73923380f292a40dc042b455f0fde3)

As financial regulators around the world step up efforts to grapple with the financial impacts of climate-related risks, the Financial Stability Board (FSB) is launching a consultation on emerging supervisory approaches to these risks.

The global policy group published a consultation paper that aims to provide guidance to the world's regulators on developing oversight mechanisms for monitoring and managing systemic risks that arise due to the effects of climate change on financial sector firms.

Among other things, the guidance is intended to promote consistency in the regulation of this developing area.

The paper focuses on three main issues: ensuring consistent comparable reporting of climate-related data from financial institutions; systemic supervisory approaches, including stress testing and scenario analysis; and possible macro-prudential policies to address systemic risks, such as adopting systemic capital buffers for climate-related risks.

The paper noted that, in Canada, the Office of the Superintendent of Financial Institutions (OSFI) and the Bank of Canada recently published the results of a joint pilot project to examine climate transition scenarios, which found, “a number of potential material risks to the financial system, and that a delayed climate action could produce fairly substantial macro-economic costs.”

Future work from the Bank of Canada will look at potential systemic implications for both the transitional, and physical, risks of climate change, the FSB noted.

At the same time, regulators in Europe are considering the introduction of system-wide buffers to increase banks’ resilience, and to provide incentives to reduce exposures to climate-related risks, the paper said.

“The premise of this buffer is that a disorderly transition would result in greater financial stress and potential losses to the financial system, and therefore, require a larger capital buffer,” it noted — adding, “This buffer could be linked to a carbon-intensive credit-to-GDP ratio and would decrease as banks reduce their carbon-intensive exposures.”

The consultation on this, (and other) approaches, runs until June 30.

The FSB said its final recommendations will be published in the fourth quarter.

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## DIVERSITY/INCLUSION/FIGHTING SYSTEMIC RACISM NEWS

### Bank Of Canada Reaching Out To Indigenous Groups On Economic Reconciliation

*Barriers Exist To Accessing Financial Services, Deputy Governor Says*

*By The Canadian Press, May 5, 2022*

[https://www.investmentexecutive.com/news/industry-news/boc-reaching-out-to-indigenous-groups-on-economic-reconciliation/?utm\\_source=newsletter&utm\\_medium=nl&utm\\_content=investmentexecutive&utm\\_campaign=INT-EN-All-afternoon&hash=6d73923380f292a40dc042b455f0fde3](https://www.investmentexecutive.com/news/industry-news/boc-reaching-out-to-indigenous-groups-on-economic-reconciliation/?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=INT-EN-All-afternoon&hash=6d73923380f292a40dc042b455f0fde3)

A senior Bank of Canada official says the central bank will reach out to Indigenous groups over the next two years to help it define what economic reconciliation means and what the central bank’s role in that should be.

In a speech to the Indigenous Prosperity Forum in Gatineau, Quebec, deputy governor Lawrence Schembri said the central bank will look to its existing partners — and, hopefully, new ones — for help.

Indigenous peoples face many barriers to accessing financial services, including credit and capital, that non-Indigenous Canadians do not.

Schembri says the challenges are the direct result of colonial policies that have led to geographic and economic isolation, financial dependence, and widespread poverty and suffering.

However, he says work has started to help reduce the barriers to financial inclusion.

Schembri said the central bank hopes that it can take a meaningful step toward building trust and strengthening its relationship with Indigenous peoples.

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## B.C.'s New Anti-Racism Legislation Allows Us To Turn Intersectional Data Into Systemic Change

*Opinion by Kasari Govender, Contributed to The Globe and Mail, May 4, 2022. Kasari Govender is British Columbia's first independent Human Rights Commissioner. BC's Office of the Human Rights Commissioner exists to address the root causes of inequality, discrimination and injustice in the province by shifting laws, policies, practices and cultures.*

[https://www.theglobeandmail.com/opinion/article-bcs-new-anti-racism-legislation-allows-us-to-intersectional-data-into/?utm\\_medium=email&utm\\_source=Politics%20Briefing&utm\\_content=2022-5-4\\_14&utm\\_term=Politics%20Briefing:%20Trudeau%20says%20his%20government%20is%20looking%20at%20using%20legislation%20to%20ensure%20women%e2%80%99s%20abortion%20rights%20are%20permanently%20protected&utm\\_campaign=newsletter&cu\\_id=Ts6FwhWx6n2rSHC0x7MiReEeFJOJkTb](https://www.theglobeandmail.com/opinion/article-bcs-new-anti-racism-legislation-allows-us-to-intersectional-data-into/?utm_medium=email&utm_source=Politics%20Briefing&utm_content=2022-5-4_14&utm_term=Politics%20Briefing:%20Trudeau%20says%20his%20government%20is%20looking%20at%20using%20legislation%20to%20ensure%20women%e2%80%99s%20abortion%20rights%20are%20permanently%20protected&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHC0x7MiReEeFJOJkTb)

The “grandmother perspective” to data collection, which I first learned from Gwen Phillips of the Ktunaxa Nation, suggests that government should collect data as a grandmother would collect information about her family: to better care for them, rather than exercise control with a big brother mentality. This perspective formed the basis for the recent recommendations on disaggregated data collection from British Columbia's Office of the Human Rights Commissioner to the provincial government.

A grandmother collects her grandchildren's stories like pencil marks on the wall, measuring their growth. Data can also tell a story – one that helps us to understand people's needs at a community level. Policy-makers, too, need good information to design good laws, policies, and services.

This week, the B.C. government introduced the Anti-Racism Data Act, new legislation to collect disaggregated demographic data. The new law, if passed, facilitates the collection of personal information for the purposes of identifying systemic racism and advancing racial equity.

Disaggregated demographic data are information based on different aspects of our identities: for example, information broken down by race, gender, or educational status. While the Statistics Canada census already collects disaggregated data in relation to the general population, this new law will facilitate the collection of such data in relation to government policies, practices, and services, such as health care. Comparing statistics based on these two datasets can reveal patterns and inequalities. Information about inequalities, in turn, can help us design better policies to tackle systemic discrimination. We can't act on what we don't know.

Importantly, data must be collected on more than just racism in order to be effective. If we can't understand how gender, race, age, and other factors work together or intersect to inform our experiences in the world – and more accurately, how sexism, racism, ageism, ableism, and so on inform our experiences – then we won't be able to create good public policy that meets people's real needs.

Race-based data only tell part of the story. For example, we know that in Canada, racialized men earn 78 cents for every dollar earned by white men, according to a 2019 Canadian Centre for Policy Alternatives report. But that gap widens significantly for racialized women, Indigenous women, transgender women, and women with disabilities. Indeed, racialized women earn only 59 cents for every dollar earned by white men.

Treating all racialized people as a homogenous group not only obscures the problem, but it also reinforces it by leading to solutions that are only tailored to the experiences of the dominant subgroup within that category.

We may identify racist stereotypes as being one of the barriers contributing to the wage gap. But we also need to understand that stereotypes of racialized women may be quite different than stereotypes of racialized men. Ignoring these gendered differences silences and omits the experiences of racialized women. We need to truly understand the scope and complexity of the wage gap in order to solve it; intersectional data collection and analysis is key to that end.

However, there is a serious downside to collecting all this information. Despite its power to focus the gaze of policy-makers on real world inequities, data also have the power to reinforce negative stereotypes, and some people have legitimate concerns about sharing this information.

In recent recommendations from my office, we called on the provincial government to put control over data in the hands of those from whom the data are being collected. For example, disaggregated demographic data about a First Nation should only be collected in service of that community and upon the consent of that Nation, and used at their direction. The new legislation creates advisory roles for those who are directly impacted to embed this democratic approach to data and to counter any harms it may cause.

For decades, racialized communities, scholars, and activists have been calling for this kind of legislation. Over the last two years, the public calls for disaggregated-data collection have grown louder. Protests against police brutality, a growing awareness of the ways in which racism impacts health outcomes, including those of COVID-19, and a movement to push back on the mainstream emergence of white nationalism have brought systemic racism into the consciousness of the masses. While data may not be the most glamorous call to action, they may be one of the most fruitful.

The new legislation is an important marker of our growth toward a more equal society. However, data collection is just one pencil mark on the wall; the next milestone to measure will be whether we are able to use it to create real social change. Implementation requires using intersectional data and a meaningful community governance model to turn information into action.



## NEWS ABOUT/FROM CAFII MEMBERS AND/OR PARENT COMPANIES

### RBC Wealth Management Sees Executive Shake-Up Amid Suit Alleging Misogynistic 'Boys' Club'

*Mike Weber, Branch Director At RBC's Wealth Management Division For Almost 40 Years, Was Replaced Last November Amid Lawsuit Alleging He Turned A Blind Eye To Sexist Behaviour. RBC Denies The Allegations.*

*By Rosa Saba, Toronto Star, April 27, 2022*

Long-time leaders at RBC's prominent Bay Street wealth management arm appear to be moving quietly down the ladder amid an ongoing lawsuit by a former employee that accuses the bank of fostering a misogynistic and unhealthy workplace culture.

Mike Weber has been vice-president and branch director at RBC's wealth management division for decades, since 1983. But his title changed in November 2021. According to his LinkedIn page, as of November he is now portfolio manager and senior investment adviser — the very position of those he managed for almost 40 years.

Weber has been replaced as branch director by Steve Harrop, who up until last fall was a vice-president and branch manager in Newmarket, according to his LinkedIn page.

Weber was named in a lawsuit in 2018 by former RBC employee Mihaela Constantinescu, who alleged Weber turned a blind eye to sexist behaviour by men at his branch; she described the branch as a "boys' club."

Constantinescu believes Weber's quiet move from long-time branch director to investment adviser is a demotion.

"This move is unheard of," she said. "It was a partial validation of what I have been saying about his conduct."

Around the same time, Gary MacDonald, who had been an RBC regional director for Metro Toronto (including the wealth management division) for more than two decades, became a portfolio manager. His LinkedIn page says he decided to step down from the role so he could focus more on his clients.

Several sources familiar with RBC's wealth management arm said the move by Weber would almost certainly be seen by others in the industry as a demotion or a downward move, given his tenure with the company and proximity to retirement.

RBC spokesperson Greg Skinner did not deny the moves by Weber and MacDonald but said RBC cannot provide information on employees' career decisions for privacy reasons. Skinner responded on behalf of the two men, who did not reply to requests from the Star.



Skinner said that last year Constantinescu agreed to dismiss her claims against the individual defendants, meaning the lawsuit is now only against RBC Dominion Securities.

Constantinescu confirmed this, and said it “changes nothing.”

“My claim against RBC remains intact, but now RBC bears the sole responsibility for the conduct of the persons named” in the lawsuit, she said in an email. She pointed to the moves by Weber and MacDonald as proof that her claims have merit, and asked whether the uppermost leaders at the bank will be held accountable.

Weber joined the team of Alan O’Hanlon, also a portfolio manager and senior investment adviser. His bio on the team page skims over the fact that most of his time at RBC has been as branch director; it describes him joining Pitfield Mackay Ross as an investment adviser in 1983, which was acquired by RBC a year later.

“During his tenure, he has been involved in the leadership of our national branch network,” reads Weber’s bio.

A former RBC employee who worked on the 39th floor during Weber’s reign described sexist and demeaning comments by men she worked with. She said Weber enabled and even participated in this behaviour.

Another former employee described herself and other women being harassed and humiliated by men at the office with little to no consequences from human resources.

“It wasn’t rare, the way I was treated,” she said.

RBC did not comment specifically on the former employees’ allegations, but has previously denied such claims about the bank’s workplace culture.

In an emailed statement, Skinner said the bank is “well known for fostering a culture of integrity, inclusion, and mutual respect, based on its values and Code of Conduct. We are confident that the facts presented through the legal process will establish that Ms. Constantinescu’s allegations are without merit.”

RBC strongly denied the allegations in Constantinescu’s lawsuit, which she filed after being terminated in March 2018. A month earlier, she had complained about a male colleague’s inappropriate conduct, leading to that person’s dismissal.

After she was let go, she sued the bank for wrongful dismissal, alleging a sexist culture at the lucrative wealth management division on the 39th floor of Royal Bank Plaza, perpetuated by leaders such as Weber.

The lawsuit also alleges that a male colleague was given a promotion over her despite her having better job performance, which RBC denies.

The bank, in turn, accused Constantinescu of sending confidential information to a personal email address, which she says was common practice. That was one reason RBC cited for its decision to let Constantinescu go. The bank also cited an outburst of anger she displayed during the investigation process and her decision to listen to a recorded call between two RBC employees, which Constantinescu said was not prohibited.

Her lawsuit claims that her colleague's promotion was part of a conspiracy to get rid of her, a claim RBC denied.

Constantinescu said she is not giving up on her ongoing lawsuit, which is currently at the pretrial stage.

"RBC turns a blind eye to bad behaviour," she said. "People are afraid for a reason."

Read Story (Subscription Required): [https://www.thestar.com/business/2022/04/27/rbc-wealth-management-sees-executive-shake-up-amid-suit-alleging-misogynistic-boys-club.html?li\\_source=LI&li\\_medium=thestar\\_recommended\\_for\\_you](https://www.thestar.com/business/2022/04/27/rbc-wealth-management-sees-executive-shake-up-amid-suit-alleging-misogynistic-boys-club.html?li_source=LI&li_medium=thestar_recommended_for_you)

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## COVID-19 PANDEMIC RESILIENCE AND RECOVERY NEWS

### 'Welcome To The New Normal': Airport, Passport Delays Expected To Last Into Summer, Expert Says

*By Brooklyn Neustaeter, CTV News, May 4, 2022*

<https://www.ctvnews.ca/canada/welcome-to-the-new-normal-airport-passport-delays-expected-to-last-into-summer-expert-says-1.5888062>

As eager Canadians look to travel following two years of pandemic restrictions, one expert says long wait times for renewed passports and at airports will be the "new normal" for those taking vacations this summer.

Martin Firestone, president of Travel Secure, a Toronto-based travel insurance brokerage, told CTV's Your Morning on Wednesday, May 4 that there simply are not enough staff at key areas in airports, such as baggage drop off, check-in, and security, to handle the sudden surge in travellers.

"Welcome to the new normal. It just appears that travel has come back bigger and better than ever. Sadly though, the infrastructure is not where it once was," Firestone said. "Now people are facing long lineups and run the risk of missing a flight."

The problems started in recent days and the Canadian Air Transport Security Authority (CATSA) confirmed to CTV News Toronto on Monday, May 2 that the agency is experiencing issues with staffing.

"As air travel recovers we are observing simultaneous peaks, which can result in passengers flooding more than one security checkpoint at a time, making the redistribution of resources to address these passenger volumes more challenging," the CATSA said in part in a statement.

Firestone says arriving early at the airport is the best strategy to combat the long wait times, as well as planning ahead.

"You can't get there early enough. I know it says two hours domestic, three hours international -- I don't think it's enough. You just have to be there, sit there, take your time there, rather than sitting at home and trying to time it because if you miss that flight, that plane is not waiting for you," he said.

In a statement to CTV's Your Morning, the Office of the Minister of Transport said it is aware of these issues at airports and is working with the CATSA "to implement additional measures and resources to address delays and staffing concerns as quickly as possible."

"Our Government recognizes that as the sector carries on with its recovery, adjustments to supporting normal levels of travel continue to take place. We will continue to support the industry and ask that travellers remain patient as we work with CATSA to resolve this issue," the statement read in part.

Despite this, Firestone said he is not hopeful that the issues will be rectified ahead of the summer travel season.

"This is the first two days in May and it's not traditionally a busy time and look what's happening. You only can imagine what's going to happen come summer time," he said. "I think we're going to still face this problem and all you can do to protect yourself is get [to the airport] way in advance and when you land, be prepared to sit and wait."

In addition to long lines at airports, many Canadians are reporting lengthy delays and wait times at passport offices as the federal government works to process thousands more applications as compared to the past year.

Because Canadians were advised to avoid all non-essential travel during the COVID-19 pandemic, Firestone said people were not looking at their passports as often as they had been previously and unknowingly let the documentation expire.

Given the long wait times, Firestone said it is best not to book a trip until you have your renewed passport in hand.

"Even paying doesn't guarantee you getting an appointment and getting that passport in two days. So that's added to the list of the new normal as we'll call it," he said.

If a flight is delayed or cancelled and the reason is within the airline's control and not safety-related, travellers are entitled to "a specific standard of treatment, compensation, and rebooking or a refund" under Canada's Air Passenger Protection Regulations (APPR).

However, if Canadians book an international trip and don't have their passport by the time of departure, Firestone says they'll be on the hook for changing their flight.

"There is no insurance in the world that's going to pay for a cancellation of a trip because you don't have a passport [or] because you're in a long lineup at security, so you have to be just prudent and get yourself organized before you travel this year," he said.

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## Toronto Pearson Urges Ottawa To Boost Security Staffing Levels As Airports Complain Of Long Waits For Screening

*By Eric Atkins, Mahdis Habibinia, and Josh O'Kane, The Globe and Mail, May 4, 2022*

Some of Canada's busiest airports are warning of excess delays, while its biggest is asking Ottawa to boost staffing levels at passenger screening checkpoints to alleviate lengthy waits and long lineups.

Travellers returning to Canada are enduring long waits at customs and security clearance, and being made to sit in planes, sometimes for more than an hour, before they can disembark.

The Greater Toronto Airports Authority (GTAA), operator of Toronto Pearson, Canada's busiest airport, says this is due to delays at departure and arrival checkpoints staffed by Canadian and U.S. government agencies.

The staffing shortages are magnified by a resurgence in air travel more than two years after pandemic restrictions put an end to most resort vacations and business trips.

"International arriving passengers are facing bottlenecks and very lengthy delays in border processing—a direct result of legacy public health requirements in response to the COVID-19 pandemic," the GTAA said in a statement on Wednesday, May 4. "To prevent severe passenger congestion, airport and airline staff are forced to hold passengers on planes and deliberately meter the flow of arriving travellers into the customs hall for processing by [customs inspectors], a process that we know and appreciate is incredibly frustrating for passengers."

The GTAA pointed to staffing shortages at pre-flight security screening run by the Canadian Air Transport Security Authority (CATSA), U.S. customs pre-clearance provided by U.S. Customs and Border Protection, international clearance by the Canada Border Services Agency, and health checks from the Public Health Agency of Canada.

Staff at Vancouver International Airport warned passengers recently to arrive as early as possible for both domestic and international flights because of CATSA's shortages.

"It is unclear when this situation will improve," the airport's staff wrote in a news release last week. Vancouver is Canada's second busiest airport. It is transporting 45,000 passengers daily and expects that number to grow, the news release said. Aeroports de Montreal, which operates the Montreal-Trudeau International Airport, said on Wednesday, May 4 that its passengers have also faced serious delays due to a labour shortage in recent weeks, including for international flights.

Transport Minister Omar Alghabra told reporters on Monday, May 2 that he and his ministry are working with CATSA to solve the delays within a “few weeks.” He acknowledged that the problems were due to a staffing shortage, and said there would be no quick fix. “If you turn off the economy, once you turn it back on, it comes back with imbalances in it. We’re seeing it especially in the travel sector.”

Toronto resident Steve Freiman flew into Pearson from a holiday on the Turks and Caicos Islands two weeks ago and had to stay in his seat for 75 minutes before being allowed to leave. He said he has had to endure such waits a few times since the winter. “It was very difficult,” said Mr. Freiman, who suffers from claustrophobia. “It’s just the indignity of it. There is no excuse for this. This is the largest international airport in the country and you have to be prepared.”

WestJet Airlines is concerned about the delays which the poor service from government agencies is causing, spokeswoman Madison Kruger said. The Calgary-based airline is carrying more passengers now than it has since the beginning of the pandemic. “These issues are causing unnecessary delays that affect the entire travel and tourism ecosystem,” Ms. Kruger said.

The GTAA called on the government to eliminate random COVID-19 testing on arrival; invest in more staffing and technology; and to encourage the U.S. government to return its on-site workforce to pre-pandemic levels.

“While we may be open, we are far from recovered,” the GTAA said. “Recognizing aviation’s importance to the national economy and global perceptions of Canada, we need government’s immediate help to support air sector recovery so we can once again proudly welcome the world.”

CATSA said on Monday, May 2 that it is working to reduce waiting times, reporting that the past two years saw a “number of layoffs throughout the aviation industry, including the security-screening workforce.” CATSA said its third-party security contractors are working to increase staffing, but are facing recruitment challenges echoed throughout the commercial aviation industry.

Read Story (Subscription Required): <https://www.theglobeandmail.com/business/article-toronto-airport-long-waits-staffing/>

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## Long Lines Still Persist At Pearson As Gardaworld Looks To Hire More Airport Screeners

*Passengers Continue To Report Crowds And Long Lines At Toronto’s Pearson Airport On Thursday, May 5. A Job Posting By Gardaworld Offers \$21 An Hour And A Free Uniform To Potential Candidates.*

*By Dorcas Marfo, Toronto Star, May 5, 2022*

GardaWorld, a Canadian private security company, is hiring screeners for Toronto’s Pearson airport amid the chaotic scenes and lengthy delays at screening points that still persisted on Thursday morning, May 5.

The Canadian Air Transport Security Authority (CATSA) has apologized for the inconvenience to air travellers and “assured the travelling public that the federal Crown corporation is aggressively working to address the situation,” according to a statement released on Monday, May 2.

The agency blames low staffing by its third-party security contractors, which includes GardaWorld, and “recruitment challenges” being faced by the commercial aviation industry as a whole.

“CATSA has been actively supporting them as additional measures are taken to recruit, train, and certify new, qualified screening staff,” said the Monday, May 2 news release. CATSA said it continues to work with third-party security contractors to increase staffing levels.

GardaWorld is offering potential applicants \$21.79/hour to \$24.37/hour to screen travellers at Pearson airport, among other duties, according to a recent job posting.

The posting also offers a free uniform, and free training to potential candidates.

GardaWorld claims that 26 per cent of their front line employees are promoted to become part of their corporate teams.

The Greater Toronto Airports Authority, in a news release on Wednesday, May 4, said “Wait times for departing passengers at security screening points are being negatively impacted by staffing challenges at CATSA. US-bound travellers are impacted both by CATSA and USCBP staffing shortages.”

“To prevent severe passenger congestion, airport and airline staff are forced to hold passengers on planes and deliberately meter the flow of arriving travellers into the customs hall for processing by CBSA, a process that we know and appreciate is incredibly frustrating for passengers,” said a spokesperson for the GTAA.

On Thursday, May 5, CATSA is reporting checkpoint wait times between five and 15 minutes at Pearson on its website.

The GTAA is urging the federal government to “streamline or eliminate in-bound legacy public health requirements at Canada’s airports and, in so doing, help to alleviate bottlenecks for international arriving passengers.”

They are also asking the government to eliminate random testing upon arrival at Canada’s airports and instead to look to effective and proven options such as community wastewater testing.

The GTAA maintains that its main goal is to “provide a safe, healthy, seamless experience for everyone passing through Toronto Pearson and to offer air passengers in Canada the world-class travel experience they deserve and expect.”

Read Story (Subscription Required): [https://www.thestar.com/news/gta/2022/05/05/long-lines-still-persist-at-pearson-as-gardaworld-looks-to-hire-more-airport-screener.html?source=newsletter&utm\\_content=a14&utm\\_source=ts\\_nl&utm\\_medium=email&utm\\_email=6D73923380F292A40DC042B455F0FDE3&utm\\_campaign=teve\\_121907](https://www.thestar.com/news/gta/2022/05/05/long-lines-still-persist-at-pearson-as-gardaworld-looks-to-hire-more-airport-screener.html?source=newsletter&utm_content=a14&utm_source=ts_nl&utm_medium=email&utm_email=6D73923380F292A40DC042B455F0FDE3&utm_campaign=teve_121907)

## Airport Delays In Canada Could Ease By Summer, Industry Official Says

By Allison Lampert, Reuters, May 5, 2022

<https://globalnews.ca/news/8812393/airport-delays-canada-improvement/>

Staffing shortages that led to long passenger lines this week at some of Canada's largest airports could see some improvement by the crucial summer travel season, an industry official said.

Monette Pasher, interim president of the Canadian Airports Council (CAC), said on Wednesday, May 4 that she is optimistic that recent recruitment efforts by Canadian Air Transport Security Authority (CATSA), which screens passengers, baggage, and airport workers, could help reduce delays by summer, although there are no guarantees.

"We're likely going to see longer lines than pre-COVID-19, but it should be better," Pasher said in an interview.

Surging travel demand, combined with staffing shortages after a pandemic-induced slump, has left airports from Europe to Canada wrestling with delays in recent weeks.

Canada, which recently eased travel restrictions, has faced long lines at airports in Toronto and Vancouver this week.

Pasher said she expects domestic airline seat capacity for June and July to be around 95 per cent of 2019 levels for the same months, although actual passengers could be lower.

On Monday, May 2, passengers complained of long lines at Toronto's Pearson International Airport, the country's busiest.

"It's an absolute gong show through security," said Matthew Green, a member of Canada's parliament, on Twitter about the long line-up for his morning flight from Toronto to Ottawa.

WestJet Airlines, the country's second-largest carrier, said it is concerned about the state of services "given the rapidly increasing number of guests returning to travel this summer."

CATSA said in a statement that new recruits are joining airport teams across the country each week and it is working with partners to improve the situation.

Staffing levels at both CATSA and U.S. Customs and Border Protection, along with health checks on some international arrivals, are creating challenges, said the Greater Toronto Airports Authority (GTAA), which manages Pearson.

"To prevent severe passenger congestion, airport and airline staff are forced to hold passengers on planes and deliberately meter the flow of arriving travelers into the customs hall," it said on Wednesday, May 4.

Air Canada was not available for comment.



“As the air sector continues to recover, staffing remains an issue that the industry is working as quickly as possible to resolve,” the office of the Minister of Transport said in a statement.

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## Airbnb Bets On Pent-Up Travel Demand To Drive Revenue Growth

*By Reuters, May 3, 2022*

[https://www.theglobeandmail.com/business/international-business/article-airbnb-bets-on-pent-up-travel-demand-to-drive-revenue-growth/?utm\\_medium=email&utm\\_source=Top%20Business%20Headlines&utm\\_content=2022-5-4\\_7&utm\\_term=&utm\\_campaign=newsletter&cu\\_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb](https://www.theglobeandmail.com/business/international-business/article-airbnb-bets-on-pent-up-travel-demand-to-drive-revenue-growth/?utm_medium=email&utm_source=Top%20Business%20Headlines&utm_content=2022-5-4_7&utm_term=&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb)

Vacation rental firm Airbnb Inc. projected second-quarter revenue above market estimates on Tuesday, May 3, betting on pent-up demand to drive a strong summer travel season after COVID-19 curbs were eased globally.

The San Francisco-based firm expects revenue between \$2.03 billion and \$2.13 billion, compared with the average analyst expectation of \$1.96 billion, according to Refinitiv data.

Shares of the company rose more than 3% in extended trading.

The rise of hybrid working has in recent months encouraged people to book longer and more frequent stays in destinations away from cities, giving a boost to rental providers.

Airbnb, which made a slew of changes to its service last year to take advantage of the post-pandemic travel rebound, said it posted the strongest growth for gross nights booked in non-urban areas in first three months of 2022.

“In Q1, long-term stays of 28 days or more remained our fastest-growing category by trip length compared to 2019,” the company said in a statement.

Gross booked nights in urban destinations also posted strong growth and rose above pre-pandemic levels thanks to the return of international travel, while nights and experiences bookings – a key metric of the platform’s performance – exceeded 100 million for the first time.

That, along with a 37% surge in average daily rates over 2019 levels, drove Airbnb’s revenue 70% higher from a year earlier.

Online travel websites Expedia Group Inc. and Trivago NV also posted higher quarterly revenues on Monday, May 2, as demand returned to pre-pandemic levels.

Airbnb reported a net loss of 3 cents per share, compared with analysts’ estimates of a 29 cents per share loss.



## What Could 'COVID-19 Season' Actually Look Like?

### *New Variants, Waning Immunity Make It Hard To Predict When The Next Wave Will Hit*

By Adam Miller, CBC News, April 30, 2022

<https://www.cbc.ca/news/health/COVID-19-season-canada-omicron-variants-vaccines-1.6436072>

As wave after wave of COVID-19 crashes over us, the hope is that we'll eventually reach a point where seasonality of the virus will make the pandemic easier to predict and ride out.

But with highly contagious new variants emerging and driving surges around the world at different times — will we reach a regular "COVID-19 season" anytime soon?

The pandemic hasn't followed a clear-cut pattern in Canada, with waves hitting erratically in the spring, fall and winter over the past two and a half years, largely due to public health measures lifting and new variants threatening immunity from vaccines and prior infections.

Different variants have also caught countries off guard at unexpected times (and sometimes missed them altogether), making it increasingly challenging for us to predict when and where COVID-19 waves would hit next.

"Let's be honest, the virus is in control here, not us," said Dr. Michael Gardam, an infectious diseases physician, medical director of infection prevention and control at Women's College Hospital in Toronto and CEO of Health PEI.

"We're entirely at the whim of whatever random evolutionary events occur and it's really hard to predict."

#### **Different Countries, Different Waves**

Canada currently has a nasty mix of Omicron sub-variants — including BA.1, BA.2, BA.2.12.1 and BA.2.3 — fuelling an ongoing sixth wave after public health measures were widely lifted, despite over 80 per cent of Canadians vaccinated and close to half the population infected.

The U.S. avoided a major BA.2 wave until late last month, but BA.2.12.1 is now quickly becoming the dominant strain at almost a third of new cases, while Europe is also contending with a surge in BA.2 sub-variants and the emergence of BA.4 and BA.5.

That's despite relatively high vaccination rates, with just over two-thirds double vaccinated in the U.S. and more than 70 per cent in Europe, and even higher levels of prior infection.

More than half of Americans had been infected with the virus as of February, according to new data from the U.S. Centers for Disease Control and Prevention, while EU officials reported between 60 and 80 per cent of the European population have had COVID-19.

"It is going to get increasingly difficult to compare countries ... and honestly even before this it was kind of hard," said University of Arizona immunologist Deepta Bhattacharya.

"The Alpha wave really nailed the U.K. and it didn't really do that here and I don't know why that is. It certainly got introduced here and it didn't spread to the same extent and I have no idea why. So there's all sorts of stuff that makes it very difficult to understand and predict."

### **Population Immunity Could Blunt Future Waves**

Another factor that's hard to predict is just how population immunity will change — and whether prior infections and high vaccination rates will protect, or wane over time.

Tulio de Oliveira, the director of South Africa's Centre for Epidemic Response and Innovation, said South Africa has had a high level of population immunity with over 90 per cent estimated to have been previously infected, vaccinated or both.

"That's one of the reasons why we believe that the big Omicron wave that we had didn't translate to a very high number of hospitalizations and deaths," he said.

"And BA.2, despite emerging and going on to dominate all the infections in South Africa, did not translate into an uptick of infection, which was very different in Europe, where they had a BA.1 wave followed by a BA.2 wave."

That double whammy of Omicron's BA.1 and BA.2 hit Canada hard as well, fuelling a devastating fifth wave late last year that subsided right as BA.2 sparked a smaller sixth wave in April — but it also drove up our levels of population immunity.

"It gives you a sense that the more people who are infected with this and are vaccinated, the better you are at weathering it," said Gardam.

"The hope is it starts to become like the other coronaviruses that infect us every year that cause colds ... and eventually it's pretty hard for the virus to come up with something so novel that you haven't seen part of it before."

As a result, Omicron and its sub-variants completely changed Canada's immunity landscape over the past few months.

Previously, Canada was more in line with a country like South Korea given our high vaccination rates and previously low levels of prior infection, de Oliveira said, with much of the country seeing relatively low levels of COVID-19 throughout the pandemic.

With Omicron, we were more similar to countries like South Africa and the U.S. with much higher levels of population immunity — but our high vaccination rate protected us.

"What that means is that potentially as new variants and sub-variants of Omicron emerge ... that may translate into a relatively high number of infections, but potentially not in a very high rate of hospitalization and death," he said.

"Look at wave one, it was a very small wave but there were a lot of hospitalizations," said Gardam.

"Then finally Omicron hit and the spike in infections was insane, but the death rate never got as high as it did in earlier waves. So we are getting better at fighting this off."

Gardam said the difference between provinces such as Prince Edward Island and Ontario throughout the pandemic is that the Maritime provinces that took a COVID-19 zero approach had little pre-existing immunity over the last two years.

But when Omicron hit in December, it exploited the province's lack of population immunity.

"It was just like bang, here it is," he said. "And it's still going through the population and yet we had stricter measures than Ontario and other provinces did, but they had all these different waves going through that we didn't have."

### **How Will We Get To 'COVID-19 Season' With Variants Constantly Emerging?**

While it's unclear if Canada's newfound levels of population immunity and consistently high vaccination rates will fend off future waves of the virus and get us closer to seasonality, there are early hints from other countries that we may be able to better predict waves going forward.

Tom Wenseleers, an evolutionary biologist at Belgium's KU Leuven University said on Twitter that South Africa is starting to show signs of seasonality with COVID-19, which could look like "a significant wave every six months with significant mortality and morbidity."

"The impact on the healthcare system of both BA.2.12.1 and BA.4 and BA.5 is really not clear yet. They will cause waves of infections, for sure, but the impact on hospitalizations & expected mortality cannot yet be estimated at this time," he told CBC News.

"The early data would seem to suggest similar severity as original Omicron in terms of case hospitalization ratio ... but this is really early data to infer this."

De Oliveira, who led the research team that identified sub-variants BA.4 and BA.5 in South Africa, said waning immunity from infection and vaccination could factor into their spread.

"The only thing that may play a role in that is just the timing of the BA.1 wave, and that's why we are looking very carefully at the data," he said.

"We are talking about three or four months past the peak of BA.1 and we know around three or four months is when the population immunity starts decreasing."

A new preprint study co-authored by de Oliveira, which has not yet been peer reviewed, suggested there could be "growth advantages" for BA.4 and BA.5 over BA.2 in South Africa that could potentially spark another wave, but whether that will happen there or in other countries remains to be seen.

And more variants are likely on the horizon.

"That just seems to be the behaviour of SARS-CoV-2 and I think that we shouldn't be shocked when we see another variant," said Alyson Kelvin, a virologist at the Canadian Center for Vaccinology and the Vaccine and Infectious Disease Organization in Saskatoon.

"But also keep planning for them, unfortunately, which I think, impacts our vaccination strategies ... by the time you roll [an updated vaccine] out there's a new variant."

While Canada's chaotic COVID-19 wave pattern hasn't shown major signs of seasonality yet, there are some indications we're moving towards it.

"There still is seasonality associated with COVID-19. It doesn't mean that it's a perfect fit, but of course there are times during the colder months in Canada where we see more cases," said Dr. Isaac Bogoch, an infectious diseases physician at Toronto General Hospital.

"Hopefully, this wave will subside and we have a great summer ahead of us .... but can that be disrupted with a very transmissible variant? Maybe. It might."

Gardam said that if we look long-term at other viruses such as H1N1, the flu strain that started the 1918 pandemic, we can expect COVID-19 to circulate for many years now that eliminating it altogether isn't possible — but it likely won't cause anywhere near the same level of illness.

"I have to assume that 20 years from now, there will be remnants of this coronavirus around that we get infected with regularly," he said. "But it's just not a big deal anymore."

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## Why COVID-19 And Flu Could Be In A 'Tug Of War' In The Years Ahead

### *Influenza A Infections Rising In Canada After Long Lull, Nearing Average Seasonal Level*

By Lauren Pelley, CBC News, May 1, 2022

<https://www.cbc.ca/news/health/why-COVID-19-and-flu-could-be-in-a-tug-of-war-in-the-years-ahead-1.6436253>

For more than two years, as Canadians experienced a roller coaster of COVID-19 infections, influenza seemed to take a backseat.

The family of viruses that causes the flu was barely spreading across the country until a recent, belated return of Influenza A caught scientists' attention.

In March — as COVID-19 restrictions lifted and more people began mingling — positive tests for influenza A viruses began rising in Canada. By late April, federal data showed a nearly seven per cent test positivity rate, close to the average level for this time of year and largely driven by a spike in Quebec.

This unusually late flu season may offer clues for how COVID-19 and influenza will impact each other in the years ahead, with one theory suggesting these two rival viruses could ebb and flow — but it's tough to predict what, exactly, that would look like.

"It'll be interesting to see what happens as COVID-19 gets less dominant, if influenza starts to compete with it, and they have a tug of war over the next couple of years," said Dr. Sumon Chakrabarti, an infectious diseases specialist with Trillium Health Partners in Mississauga, Ontario.

### **Flu Typically Spikes In Winter**

In a typical flu year, cases first rise in the fall, spike in the winter and taper off in the spring, with sporadic infections throughout the rest of the year — with influenza A viruses circulating before influenza B.

The viruses' disappearance throughout the pandemic might be tied, in part, to shifts in behaviour throughout much of the last two years as COVID-19 surged unpredictably, variant after variant.

"We were able to successfully suppress influenza circulation with our other public measures related to COVID-19," said Dr. Danuta Skowronski, the epidemiology lead for influenza and emerging respiratory pathogens at the BC Centre for Disease Control.

The lifting of restrictions, coupled with a rise in global and domestic travel, likely played a role in influenza returning in recent months, said Dr. Isaac Bogoch, an infectious diseases specialist at the University Health Network in Toronto.

A mismatched flu vaccine this season may be another factor behind this unusual spike, as U.S. public health authorities reported, or simply waning immunity from shots given back in the fall, according to Skowronski.

But some close COVID-19 watchers say that the virus that causes it, SARS-CoV-2, may also have helped keep influenza at bay.

### **'Viral Interference'**

There was once speculation that COVID-19 and flu could create what some dubbed a "twindemic," with both types of infections hitting countries at once, but those fears haven't materialized.

Instead, some medical experts say there could be some level of "viral interference," in which a virus such as SARS-CoV-2 pushes out other pathogens at a population level for a period of time.

"There's some type of interesting viral suppression and competition going on here," said Chakrabarti, who suggested that COVID-19 and flu may ebb and flow in circulation.

Throughout the pandemic, he explained, widespread COVID-19 infections may have kept people's immune systems on high alert, giving SARS-CoV-2 a long-term advantage over the flu.

"There were flu outbreaks this year, mostly in pockets of the United States, but still it clearly wasn't a regular flu season and influenza was clearly suppressed," echoed Bogoch.

"Now, people talk about viral interference with influenza and COVID-19 and I wouldn't ignore anything. I think the short answer is you can't get over-confident with how the next year or so is going to play out."

On the flip side, virologist Alyson Kelvin of the University of Saskatchewan's Vaccine and Infectious Disease Organization said the sudden return of influenza may actually be tied to millions of Canadians' immunity being dulled by the fifth and sixth COVID-19 waves — not sharpened by a COVID-19 infection.

"The circulation of SARS-CoV-2 — specifically Omicron — may have left people slightly immune-compromised," she said.

"After the virus comes in and infects people, their immune system is weaker, leaving an opportunity for Influenza A to infect people in the weeks following their initial Omicron infection."

Several experts who spoke to CBC News did agree there could be unexpected shifts in the influenza season based on how the virus behind COVID-19 operates going forward.

"Will SARS-CoV-2 and COVID-19 cases become more seasonal? If so, we might see a different pattern of influenza cases," Kelvin said.

In the short term — more reassuringly — both viruses are expected to fade away as the weather warms up before returning, at some point, in the fall.

This lull period is the time when health care systems and governments need to start planning for an uncertain future, according to Dr. Leon Rivlin, chief of emergency medicine at Humber River Hospital in Toronto.

Right now, as flu cases are ticking up, hospitals are still facing staffing shortages tied to COVID-19, he said. On his team, seven physicians called in sick for suspected SARS-CoV-2 infections just last weekend.

"We're going to have this upsurge again," he warned. "And once again, we're going to be strained for human resources."

The months ahead could be crucial to ensure that Canadians continue getting vaccinations that offer protection against severe illnesses, while policy-makers ensure that there's adequate space and staff to handle patients who do fall seriously ill with COVID-19 or flu.

"There's going to be both short-term and long-term solutions," Chakrabarti said. "Ultimately, we need some type of way to absorb any sudden surge of infections that occurs."

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## Flair Airlines Says It Has Made 'Significant Concessions' To Regulator In Bid To Keep Operating Licence

*By Eric Atkins, The Globe and Mail, May 4, 2022*

Flair Airlines says it has made "significant concessions" to the federal regulator in a bid to stave off the loss or suspension of its operating licence.

The Canadian Transportation Agency on March 3 issued a preliminary decision that the Edmonton-based airline might not be Canadian because of the control exerted by Miami-based 777 Partners, a 25-per-cent owner, lender, and provider of leased aircraft to Flair. The CTA gave Flair until May 3 to respond or risk losing its licence.

Flair spokesman Mike Arnot said in an interview on Wednesday, May 4 that Flair responded by the deadline with a package of reforms that Flair's executives are confident will satisfy the regulator. "In that response and over the course of the past week, Flair has made some significant concessions on the elements of concern that the CTA had" including corporate finance and governance, Arnot said.

Flair has diversified its investor base to include more Canadians, he said, and made changes "to isolate the impact of the debt that Flair owes to 777 Partners so the debt is not a lever of influence," Mr. Arnot said. "Flair has offered ongoing transparency and oversight by the CTA," he added.

Mr. Arnot declined to provide details on the amendments to the airline's debt agreement with 777 Partners, which The Globe and Mail has reported was \$129-million at 18-per-cent interest in late 2020.

Flair has said that it will name more Canadians to its board, which was comprised of three American 777 Partners executives and two Canadians.

Foreigners are allowed to own as much as 49 per cent of a Canadian airline, with individual stakes capped at 25 per cent. Additionally, no foreigner can exert control over a domestic airline, calling the shots and dictating management's decisions. The CTA's preliminary ruling found that 777 Partners appeared to violate this requirement.

"No Canadian or group of Canadians are in a position to exercise control over Flair," the CTA said in its preliminary decision.

The CTA said in a statement that it is reviewing Flair's submission and will issue a decision on June 1.

Read Story (Subscription Required): <https://www.theglobeandmail.com/business/article-flair-airlines-says-it-has-made-significant-concessions-to-regulator/>



## Is Flair Airlines Canadian Enough? We'll Know On June 1

*Questions Are Still Swirling Regarding The Fate Of The Ultra-Low-Cost Carrier Flair Airlines, With The Deadline For It To Respond To Ownership Concerns Having Arrived Tuesday. Anne Gaviola Has The Details.*

*By Craig Lord, Global News, May 4, 2022*

<https://globalnews.ca/news/8809590/flair-airlines-deadline-watchdog-june/>

A final decision on whether Flair Airlines is Canadian enough to fly in the country will be announced on June 1, according to the watchdog undertaking the ownership review.

The Canadian Transportation Agency (CTA) said in a short update on Wednesday afternoon, May 4 that it has received Flair's response to its preliminary ruling, which found the Edmonton-based ultra-low cost carrier might not meet the Canadian ownership standards for its licence.

Flair had been given 60 days to address the CTA's concerns, with Tuesday, May 3 marking the deadline to respond.

A CTA panel will take the next six weeks to review the submission, and if it determines then that the airline does not meet the bar for Canadian control, the airline could immediately have its licences suspended.

The CTA originally told Global News the decision would be delivered on June 15, but then retracted that date after publication. It provided the new June 1 date on Tuesday evening, May 3.

A spokesperson for Flair Airlines told Global News on Tuesday, May 3 that "the airline is working closely with the CTA to resolve the matter, but would have no further status updates."

Flair CEO Stephen Jones has been adamant that the budget airline will be flying this summer despite the uncertainty surrounding its review.

The company has overhauled its board of directors and made changes to its governance structure in an effort to dampen the influence of 777 Partners, the U.S.-based investor it turned to in order to stay afloat during the COVID-19 pandemic.

Jones said last month that the company is in the process of refinancing its debt from 777 Partners and needs more time to meet the Canadian ownership requirements. Flair has asked the Minister of Transport for an 18-month exemption to these rules but no decision has been made on the request.

The ultra-low cost airline has argued that it has been vital in improving competition and airfare prices in Canada's aviation industry, and that denying Flair the exemption or suspending its licence would hurt the sector. Major players and competitors in the sector have argued that the company shouldn't get a pass for violating Canadian regulations.



## Flair Airlines Adds Flights From Waterloo To Montreal While Licence Is Under Federal Review

*By Jeff Outhit, Waterloo Region Record, May 5, 2022*

[https://www.therecord.com/news/waterloo-region/2022/05/05/flair-airlines-adds-flights-to-montreal-while-licence-is-under-federal-review.html?source=newsletter&utm\\_content=a03&utm\\_source=ml\\_nl&utm\\_medium=email&utm\\_email=6D73923380F292A40DC042B455F0FDE3&utm\\_campaign=wrhp\\_124714](https://www.therecord.com/news/waterloo-region/2022/05/05/flair-airlines-adds-flights-to-montreal-while-licence-is-under-federal-review.html?source=newsletter&utm_content=a03&utm_source=ml_nl&utm_medium=email&utm_email=6D73923380F292A40DC042B455F0FDE3&utm_campaign=wrhp_124714)

Flair Airlines is expanding while waiting to learn on June 1 if a federal regulator determines if it is a foreign-controlled airline that should not be allowed to operate.

The Canadian Transportation Agency announced the deferral date on Wednesday, May 4 in a review that could see the government suspend or cancel the airline's operating licence. It was originally supposed to make a final ruling this month.

The discount airline plans 160 June flights at the Region of Waterloo International Airport. On Wednesday, May 4 it announced plans to begin flying between Waterloo and Montreal on July 7, expanding its destinations out of the regional airport.

The announcement for Montreal service was made in a joint release with the Region of Waterloo, which has provided Flair with more than \$300,000 in subsidies and has tied a \$35-million terminal expansion to the airline.

Flair has brought a surge of passengers to the regional airport. Waterloo regional Chair Karen Redman has pleaded with the federal regulator to support Flair's licence.

The airline said it is confident that it will keep its licence after making "significant concessions" to comply with ownership rules.

"Bookings remain strong," Flair spokesperson Mike Arnot said. "Flair has been in very close contact with (the transportation agency) and every indication we have is that the steps that the airline has taken will be satisfactory. ... The airline is here to stay and residents of Kitchener-Waterloo should feel comfortable booking with Flair."

In April, the Edmonton-based airline said it planned to ask the government for 18 more months to pay off debt it owes to U.S. investors so it could meet rules on Canadian ownership and control.

Flair responded to the federal agency by a Tuesday, May 3 deadline. "Flair has submitted its response," the agency said on Wednesday, May 4 on its website. "The agency is in the process of reviewing it."

The agency said in a statement that it "will consider all evidence and if it determines at the end of the process that Flair is not Canadian, Flair's licences would be suspended. At the end of the review process on June 1, the agency will issue a final public determination with reasons and conclusions."

Other airlines have opposed Flair's request for more time, arguing it would be unfair to competitors who must follow the same ownership rules.

The transportation agency made a preliminary ruling on March 3 that Flair is mostly controlled by U.S. investors, which is against the law.

Past carriers that have failed or withdrawn from the Region of Waterloo International Airport over two decades include Quikair, Northwest, Bearskin, and American.

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## How Employers Are Incentivizing The Return To The Office

*By Alyssa DiSabatino, Canadian Underwriter, April 27, 2022*

[https://www.canadianunderwriter.ca/brokers/how-employers-are-incentivizing-the-return-to-the-office-1004220715/?utm\\_medium=email&utm\\_source=newcom&utm\\_campaign=CanadianUnderwriterWeek&utm\\_content=20220429145753&hash=6d73923380f292a40dc042b455f0fde3](https://www.canadianunderwriter.ca/brokers/how-employers-are-incentivizing-the-return-to-the-office-1004220715/?utm_medium=email&utm_source=newcom&utm_campaign=CanadianUnderwriterWeek&utm_content=20220429145753&hash=6d73923380f292a40dc042b455f0fde3)

Many in the P&C insurance industry plan to return to work in-person, so companies may want to consider ways to incentivize their employees to return to their offices, suggests a panellist at the Insurance Institute of Canada's Pivot with Purpose webinar.

"[It's] about creating opportunities," says Trevor Buttrum, director of operations at TalentEgg. "What incentivized me to come into the office?"

He says the industry needs to get creative to make the office somewhere that employees want to be.

"What kinds of opportunities may be created for me that I wouldn't have otherwise had, whether it's access to leaders, whether it's access to mentorship, whether it's the opportunity to be a part of a conversation with cross-functional colleagues?" Buttrum poses.

"Is there a wellness incentive for being there? Is there a bonus incentive for the days that I'm in the office? Do I get a commuting allowance?"

Companies should also stress to employees that they are taking the necessary COVID-19 safety measures. "The other thing that's important to recognize here is safety. So, creating a sense of, 'We've got you,' and 'We've thought about all of the implications [related to being in the office],'" Buttrum adds.

To encourage employees to return to the office, companies should make it clear why they want everyone back in the office, says Thomas Wright, vice-president of specialty risk at Westland Insurance.

"It's a question that I hear often... 'Why are we going back?'" he poses. "It's so important to be clear on why we're moving back to the office."

Wright suggests professional development as a possible answer to the "why" question.

“Having that dialogue one-on-one with someone to say, ‘This is why I believe you should be here. These are the benefits that I think it means for you, your future, your career.’ Instead of just saying, ‘We’re coming back three days a week,’ and that’s it.” he says. “Tell them why we’re making that decision and be transparent about it.”

Buttrum adds that it’s important to have “pulse checks” with employees and let them weigh in on how they feel about the return to work.

“The other thing about the return to work is, certainly, not everybody’s happy working at home,” he says. “There’s never a more important time to be gauging how people are feeling about a potential return, if they haven’t already made that journey.”

Buttrum says that a company may be able to stave off the Great Resignation if people feel like they’re being heard. However, he adds it’s alright for employees to move on if they see fit.

“If the new normal for your organization is not a fit for that employee, it’s actually okay for them to go. It doesn’t reflect on us as leaders necessarily if an individual is choosing a different reality that fits better with who they are.”

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## Is This The Hybrid Office Of The Future We’ve Been Waiting For? IBM Is Betting It Is

*IBM’s Brand New Toronto Space Has Movable Walls, Adjustable Work Stations And Conference Rooms Lined With Monitors, Which Act As Portals Between Workers In The Office And Colleagues Tuning In From Home.*

*By Alex Cyr, Special To Toronto Star, May 6, 2022*

At IBM’s new headquarters in downtown Toronto, the private office has fallen out of favour. In fact, in the entire 63,000-square-foot space, only three remain. One belongs to IBM Canada president Dave McCann, but he’s not picky about who uses it.

“Mine doesn’t have a lock, it’s used every day by whoever feels like it when I’m not here,” he said.

One of McCann’s first missions since he became president in January after 13 years with the company has been to facilitate the consolidation of IBM’s four downtown offices into one headquarters in the heart of the city’s financial district.

This new workspace is designed for the new era of the hybrid workforce: a balance of working from home with returning to the office. The goal is to rebuild a work culture that the company feels can only truly be realized with some level of in-person interaction.

“You need the best of in office and out of office. You want employees to experience the true end-to-end spectrum of what hybrid means,” McCann said.

Occupying the seventh and eighth storeys at 16 York St., the areas were designed to be nearly identical. But the walls are movable, work stations adjustable, and the furniture lightweight and easy to re-arrange. The office spaces are so flexible they can be adjusted to suit the varying groups and staff members at the office.

“We don’t have back-to-work mandates,” said Charbel Safadi, a senior partner at IBM who is overseeing the office transformation. “We ask our employees to come in with a purpose, come to the office when it makes sense.”

Flexibility was top of mind when architecture and design firm Gensler came up with the plans for this new age hybrid work space.

The goal was to design a space with various attractive work stations that encourage IBMers to come to work every day, said Aileen Holland, Gensler’s Toronto studio director.

So it has client-facing breakout spaces, social areas with pool tables, and café-style working booths, not to mention the views of Lake Ontario and a proximity to transit hubs all to encourage workers to come in for a comfortable day at the office. Its finishing touches — adjustable tables and desks, breastfeeding and changing room areas, and meditation and prayer spaces — make the workspace more practical and welcoming than previous arrangements.

Holland’s challenge was to combine four offices into one space while avoiding overcrowding — IBM employees from all around the world can come use the office and clients often come in too, sometimes for weeks or months, to collaborate with staff on various projects.

Yet the office is bolstered with enough collaborative technology that employees won’t feel they are missing out when they choose to work from a distance.

The conference rooms are designed for hybrid meetings, lined with monitors acting as portals between workers in the office and colleagues tuning in from home. Mural, a big-screen smart board, facilitates real-time collaboration between staff and clients, wherever they may be. It allows people in different locations to work on designs and visual projects simultaneously, functioning like a bigger and more technical Google Doc.

“You need both the physical space and the virtual capabilities to support the way your staff wants to live and work, and not mandate the way they do those things,” said Safadi.

IBM Toronto’s previous four-office setup made it challenging at times for the technology, consulting, communications, and marketing teams to collaborate and interact, said Safadi.

When IBM shut down for the pandemic in March 2020, the company took it as an opportunity to bring staff together at one location. As remote work took over, it became clear to Safadi and his team that some of those collaborations would have to happen through the office’s many screens and monitors.

“We solved the problem of how we work in a collaborative fashion in a hybrid working environment,” said Safadi. “And having that shared environment is a must. I think anybody right now who doesn’t have the flexibility and collaboration tools built into their office is going to struggle and alienate their employees.”

To avoid congestion, most work stations — like the conference rooms — are shared and users must book a slot through an in-house online platform.

The platform uses IoT technology to track those bookings and learn which kinds of work stations are most in use. Executives can then use that data to reconfigure the work spaces to best suit employees.

“We can constantly update the office based on the preferences of whoever uses it,” said Sharon Shum, program manager of design and projects at IBM Canada.

“I think that’s something we’ve realized since all working from home in these last years: you work best where you are comfortable.”

Read Story (Subscription Required): <https://www.thestar.com/business/2022/05/06/ibms-new-toronto-office-is-designed-for-the-new-era-of-the-hybrid-workforce.html>

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## OTHER CAFII MEMBER-RELEVANT INDUSTRY/BUSINESS/SOCIETAL NEWS

### Canadians Are Piling On Credit Card Debt Again

*By Matt Lundy, The Globe and Mail, April 29, 2022*

Early in the pandemic, many Canadians got their financial house in order, paying off credit cards and other high-interest debt. It certainly helped that spending options were limited and the federal government spent billions on financial assistance for those whose paycheques were affected.

Now, the tide is shifting. Canadian households held about \$80-billion in credit card liabilities with chartered banks in February 2022, an increase of 8.9 per cent from a year earlier, according to Statistics Canada. While that sum is nowhere close to a peak – credit card debt totalled \$89.6-billion in December 2019 – it’s been rising steadily the past year.

The build-up is not inherently problematic. People are finding more opportunities to pull out their plastic as the economy re-opens, while the country’s unemployment rate is at a record low and wages are accelerating. Households have saved an additional \$300 billion over the course of the pandemic, compared with typical rates of saving. And delinquency rates – that is, the proportion of people falling behind on required monthly payments – remain low, “with no significant signs for concern,” credit reporting agency TransUnion said in a March report.

The broader context, however, is rife with uncertainty. As Canadians paid off credit cards, they took on billions in new mortgages, driving the household debt burden to record highs. The Bank of Canada is now raising interest rates in aggressive fashion to tame inflation, which will lead to higher debt-servicing costs. Steep inflation is also sopping up part of the savings cache.

“All in all, significant household indebtedness remains a vulnerability, which adds an extra layer of risk for the Bank of Canada’s tightening plans,” Ksenia Bushmeneva, a Toronto-Dominion Bank economist, wrote in an April report. “It will need to remain vigilant to make sure this hiking cycle does not end in tears.”

Read Story (Subscription Required): [https://www.theglobeandmail.com/business/article-canadian-credit-card-debt-rising/?utm\\_medium=email&utm\\_source=Top%20Business%20Headlines&utm\\_content=2022-5-1\\_17&utm\\_term=Canadians%20are%20piling%20on%20credit%20card%20debt%20again&utm\\_campaign=newsletter&cu\\_id=Ts6FwhWx6n2rSHCOx7MiReEeeFJOJkTb](https://www.theglobeandmail.com/business/article-canadian-credit-card-debt-rising/?utm_medium=email&utm_source=Top%20Business%20Headlines&utm_content=2022-5-1_17&utm_term=Canadians%20are%20piling%20on%20credit%20card%20debt%20again&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHCOx7MiReEeeFJOJkTb)

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## Should Companies Hire For A Culture Fit? Yes, But How About We Call It A Match For Values

*By Radhika Panjwani, Special To The Globe and Mail, May 1, 2022. Radhika Panjwani is a former journalist from Toronto and a blogger.*

When academic Kyle Brykman co-founded TalentFit, a tech startup that uses artificial intelligence and machine learning to match job applicants and companies based on “culture fit,” some people feared the approach would erode an organization’s diversity, equity, and inclusiveness efforts.

“Hiring for ‘culture fit,’ has got a bad reputation because people fixate on the terminology,” noted Professor Brykman, an assistant professor of management at University of Windsor’s Odette School of Business.

“My experience is that it often gets thought of as an organization where everyone’s the same or homogeneous.” He said he would never advise organizations to hire people that all have similar traits or backgrounds. “For me, it means finding people who share common values and common approaches to work.”

Corporate culture comprises elements such as values, vision, attitudes, and practices that define how a company operates and treats its employees. Hiring for culture fit means recruiting applicants whose core values are aligned to those of the company, explained Professor Brykman. There is compelling evidence from dozens of studies that show that hiring candidates based on a culture fit reduces turnover, increases employee satisfaction, and results in improved performance, he said.

During interviews, some hiring managers will ask questions specifically designed to assess a candidate's compatibility. Asking candidates to describe their ideal working environment, for example, can be an eye-opener. If you're a small company that values autonomy, individual contributions, and competition among its workers, you may be less inclined to hire someone whose past successes were fostered in a collaborative setting with several resources at their disposal.

### **Beer Logic And Bro Culture**

Patty McCord, former chief talent officer at Netflix, has a different take on hiring.

In a Harvard Business Review article, she writes that the process involves going beyond what's detailed in the résumé – making great hires is all about matching the applicant to the role through unconventional means. Ms. McCord noted that at Netflix, she and others had to be creative about where they searched for the right talent. This extended beyond what was detailed in the résumés.

"Finding the right people is also not a matter of 'culture fit,'" Ms. McCord notes. "What most people really mean when they say someone is a good fit culturally is that he or she is someone they'd like to have a beer with. But people with all sorts of personalities can be great at the job you need done."

In her book *Pedigree: How Elite Students Get Elite Jobs*, Lauren Rivera chronicles the results of her interviews with 120 hiring executives at elite investment banks, management consulting firms, and law offices. Eighty two per cent of managers admitted that one of the most important criteria they looked for in employees was "culture fit," but only half had a clear idea of their organizational culture. And only one-third of respondents had the tools to measure culture fit during the recruitment process.

Candidates were judged on unspoken expectations around certain social behaviours and nearly all recruits hired were from ultra-prestigious schools. The process was flawed because after the applicant pool was whittled down based on the institutions they attended, hiring executives chose candidates they liked.

"These tactics, used to discern a 'cultural fit' between the applicant and workplace, systematically eliminate low-income, high-performing college students who may be qualified for jobs at such firms," writes Ms. Rivera in the book.

### **Curse Of Culture Fit – Homogeneity**

To hire for a culture or values fit, organizations must first map the skills and abilities of a diverse cross-section of their employees using a qualitative methodology; create structured interviews where everyone is asked the same set of questions and analyze and evaluate responses to root out biases, Professor Brykman said.

He also suggests that applicants too must do their due diligence by checking out reviews about the company and its values by asking questions such as: "How do you resolve conflict?" "What are some recent changes you made based on employee feedback?" and "What was the emotional tone of the company during a recent crisis?"



Read Story (Subscription Required): [https://www.theglobeandmail.com/business/careers/article-hire-culture-fit/?utm\\_medium=email&utm\\_source=Top%20Business%20Headlines&utm\\_content=2022-5-17&utm\\_term=&utm\\_campaign=newsletter&cu\\_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb](https://www.theglobeandmail.com/business/careers/article-hire-culture-fit/?utm_medium=email&utm_source=Top%20Business%20Headlines&utm_content=2022-5-17&utm_term=&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb)

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## A Record 4.5 Million Americans Quit Their Jobs In March

By Anneken Tappe, CNN Business, May 3, 2022

<https://www.cnn.com/2022/05/03/economy/job-openings-quits-march/index.html>

The US labor market remained on fire in March with a record 4.5 million workers quitting their jobs, new data from the Bureau of Labor Statistics showed on Tuesday, May 3.

The number of quits increased most significantly in the professional and business services sector, as well as construction.

"As employers require workers to return to offices, quits are ticking upwards. A major reason for quitting is to find a remote opportunity," wrote ZipRecruiter chief economist Julia Pollak on Twitter.

Meanwhile, available jobs also rose, climbing to 11.5 million, the highest level since the data series began in December 2000.

That means there were 1.9 job openings for every unemployed worker in March.

Retail and manufacturing job postings rose, while government jobs and positions in transportation, warehousing, and utilities decreased.

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## UPCOMING WEBINARS AND EVENTS

### Web Seminar: McMillan – Head In The Clouds: Understanding Cloud Agreements

**Dates:** Wednesday, May 11, 2022

**Time:** 1:00 p.m. – 2:00 p.m. EDT

The cloud has opened up several opportunities for service providers to expand their business offerings while keeping tighter controls over their technology and related assets. At the same time, customers have an opportunity to access technology and related services at a more manageable price point.



In this session, we will discuss some of the legal benefits and risks for both a service provider and a customer to move into the cloud by diving into some of the key provisions which you would expect to see in a cloud agreement and an analysis of the practical considerations which a business should keep in mind when considering offering or accessing cloud services.

[Register Here](#)

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## Web Seminar: Torys – Leveraging The Data Life Cycle: Data Strategies For Business Leaders

**Dates:** Thursday, May 12, 2022

**Time:** 9:00 a.m. – 10:00 a.m. EDT

Join Torys' data governance and strategy team for an important series on managing the data life cycle. The series will provide practical takeaways for the complete spectrum of data management for businesses, including board governance, crisis and breach management, data sharing and licensing, dispute resolution strategy, and more.

No matter how protected, no organization is immune from a cybersecurity or data breach. When a crisis hits, a tested crisis management plan for both management and the board of directors is critical to an effective response. In this session we look at recent U.S. and Canadian developments on director liability for cyber incidents, best practices for governance and communications strategy during a crisis.

[Register Here](#)

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## Web Seminar: Digital Insurance – Transforming Policyholder Behavior With Frictionless Experiences

**Dates:** Thursday, May 12, 2022

**Time:** 2:00 p.m. – 3:00 p.m. EDT

If you could encourage any behavior from your policyholders, what habits would you want them to adopt? Whether you're imagining consistently on-time premiums or stronger policyholder retention, believe it or not, your organization has the power to influence these behaviors and more.

Join our live webinar, hosted by DigIn, to learn:

- How insurers can strategically eliminate friction and drive ideal policyholder behaviors
- What is the concept of "adding fuel" and why is it ineffective for driving business results?
- Which engagement points insurers should maximize to conserve staff time, impress policyholders, and more

[Register Here](#)

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## Web Seminar: Back To The Office: Redefining Workplace Wellness in the Post-COVID-19 World

**Dates:** Tuesday, May 17, 2022

**Time:** 12:00 p.m. – 1:00 p.m. EDT

Strengthening mental health supports in the workplace will be critical for businesses as we look to address the impacts of COVID-19 on our employees. With blurred lines between personal time and work, new working arrangements, and increased anxiety, what can be done to innovate your workplace? Employers will need to offer wellness programs, flexible work, and practical solutions to help ease employee stress around return to work.

Join Canadian Club Toronto on May 17 to hear our expert panelists discuss the growing needs for these types of supports, what options are available, and the benefits to businesses that react quickly to this critical issue in the months to come.

[Register Here](#)

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## Web Seminar: LIMRA And LOMA Canada Virtual Annual Conference – On The Right Side Of Change

**Dates:** Wednesday, May 25 & Thursday, May 26, 2022

**Time:** 10:00 a.m. – 1:00 p.m. EDT

Necessity is the mother of invention, and the pandemic has been a great catalyst for innovation in insurance. It has instigated radical changes in business models and practices, provided a massive digital wake-up call, and unlocked unprecedented levels of customer experience and personalization. Today, the industry is looking fundamentally different: much more agile, secure, connected and digitally-enabled.

This conference will explore what we have learned as an industry, and how we can stay the course and sustain the pace of transformation in order to remain on the right side of change.

[Register Here](#)

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