

CAFII ALERTS WEEKLY DIGEST: May 20 to May 27, 2022

May 27, 2022

TABLE OF CONTENTS

Regulator/Policy-Maker News	3
Overdraft Protection, Creditor Insurance More Often Recommended To Indigenous And Racialized Consumers, FCAC Finds	3
The Importance Of Harmonizing Title Regulation	5
Diversity/Inclusion/Fighting Systemic Racism News	6
Bravo To Ricky Gervais For Standing Up To Wokeism	6
Reconciliation Can't Be Achieved With Only Symbolic Gestures	8
Kitchener Landback Camp Reacts To New Report On Queen Victoria Statue	10
U.S. Insurance Industry's Diversity Scores Show Modest Improvements	11
News About/From CAFII Members and/or Parent Companies	15
Scotiabank, BMO Report Higher Loan Growth While Ramping Up Stress-Test Scenarios	15
National Bank Posts 11% Jump In Second-Quarter Profit, Hikes Dividend	17
COVID-19 Pandemic Resilience and Recovery News	18
Trudeau Government Inexplicably Clinging To Travel Mask And Vaccine Mandates	18
New Ontario Government Will Have To Take Fresh Look At Policies And Practices That Don't Make Sense In A World With COVID-19	20
'Pack Your Patience': What To Expect As You Book Summer Travel This Year	22
Airport Delays Here To Stay For The Long-Term, Union Says	24
Police Called To Toronto's Pearson Airport As Frustration Flares Amid Delays, Baggage-Handling Glitches	27
International Airline Group Urges Canada To Take Action To Reduce Airport Delays	29
In Niagara Falls, Ontario, High Gas Prices Aren't Keeping Tourists Away But Border Confusion Still A Worry	31
Churchill Tour Operators Call For Clarity Around Border Rules Amid Industry Struggles	34
Soaring Gas Prices Limit Long Weekend Travel Plans For Canadians	35
Soaring Fuel Prices Hamper Canadians' Long-Awaited Travel Plans	36
Hoping To Rent A Car This Summer? Good Luck	38
If You're Travelling This Summer, Should You Get Trip Protection, Travel Insurance — Or Both?	41
Ahead Of Summer Rush, Seasonal Businesses Struggle To Find Workers	42
How This Man Fought For \$5,200 After A Travel Agency Spent His Airline Vouchers — On Other Clients	44

This Refreshing Airline Amenity Is Making A Comeback.....	47
Does Flair Airlines Play Fair? Experts Weigh In On Its Route ‘Exclusivity’ Deals	49
Low-Cost Airline Swoop Wants To Fly You To Edmonton, Halifax From Waterloo Region, But Can’t Due To ‘Monopolistic’ Agreements	53
Ottawa To Conduct Public Interest Assessment Of Westjet-Sunwing Deal.....	56
Other CAFII Member-Relevant Industry/Business/Societal News.....	56
Ottawa Wants To Search Your Phone At The Border, But Its Proposed Rules Are Unreasonably Suspicious.....	56
Long Wait Times, Lack Of Access To Mental Health Care A Priority For Local Residents In Provincial Election.....	58
Waterloo Joins Other Governments In Calling For Decriminalization Of Simple Drug Possession	59
Research/Thought Leadership/Technology/Digitization News	60
Here’s Why Cryptocurrency Will Be As Common As Visa Or Mastercard Within The Decade	60
Upcoming Webinars and Events	63
Web Seminar: Digital Insurance On “How To Level Up Your Processes To Increase Customer Satisfaction”	63
Web Seminar: McMillan LLP On Open Banking – What Is It And What It Means For You.....	64
Web Seminar: Canadian Club Toronto: They. Them. Us.....	64

REGULATOR/POLICY-MAKER NEWS

Overdraft Protection, Creditor Insurance More Often Recommended To Indigenous And Racialized Consumers, FCAC Finds

By Erica Alini, The Globe and Mail, May 26, 2022

When a federal consumer watchdog sent mystery shoppers to hundreds of branches of Canada's big banks and asked them to secretly take notes on their interactions, it found Indigenous or racialized consumers were more likely to be pitched financial products that didn't fit their circumstances. Those individuals were also more frequently offered overdraft protection and balance protection insurance.

The research, commissioned by the Financial Consumer Agency of Canada (FCAC), detected a number of recurring issues with bank employees' conduct, which also included unclear communication and exerting pressure on undecided customers.

The instances of troublesome behaviour represented a minority of interactions between bank staff and the mystery shoppers. But the findings raise red flags, according to the report.

"FCAC expects all consumers to have similar sales experiences and ones that result in a positive outcome for them," said Rana Abu Naameh, director of regulatory guidance and co-ordination at the agency.

For the study, the FCAC engaged a third-party firm to send individuals posing as customers to more than 700 bank branches at Canada's six biggest banks: Bank of Montreal; Bank of Nova Scotia; Canadian Imperial Bank of Commerce; National Bank; Royal Bank of Canada; and Toronto-Dominion Bank. The research, which focused on chequing accounts and credit cards, took place between October and December 2019.

The study found that undercover shoppers who identified as racialized or Indigenous persons were more likely to report what the FCAC called "concerning" sales experiences involving inappropriate recommendations, unsolicited product pitches, or confusing communication.

Students also described unsatisfactory interactions more frequently than other shoppers.

Nearly three-quarters of the secret shoppers rated their experience with bank employees as positive, with 17 per cent reporting neutral impressions and 9 per cent saying they had negative interactions.

"Canada's banks are client-focused with a deep commitment to high ethical standards and complying with established laws and regulations," the Canadian Bankers Association said in a statement via e-mail.

Separately, spokespersons for several of the big banks said they put customers first, while also adding they would review feedback about staff conduct from the FCAC.

“TD colleagues work hard every day to earn the trust of our customers,” a spokesperson for the bank said via e-mail. “We have also brought in enhanced training and education programs to better serve Indigenous, Black, and other diverse communities, including sessions focused on our shared responsibility to interrupt conscious and unconscious bias.”

But even some of the secret shoppers who reported a satisfactory experience described practices which the FCAC said should raise concern. Overall, in 15 per cent of interactions involving chequing accounts and 20 per cent of those involving credit cards, shoppers said that bank employees made inappropriate product recommendations.

One frequently misplaced pitch: premium credit cards. The FCAC found that 28 per cent of credit card recommendations were for so-called “premium” cards that may come with higher costs as well as perks – such as travel rewards – that not all consumers can take advantage of. Such cards typically have minimum individual or household income thresholds. But in 80 per cent of cases, bank staff promoting them never asked the mystery shoppers about their income, the report notes.

In 28 per cent of interactions, the stealth shoppers also said they were offered products beyond what they’d asked for.

Most frequently, the unprompted recommendations involved overdraft protection, which can help consumers avoid declined transactions and extra costs when they don’t have enough money in their account to cover a payment or withdrawal. Banks typically charge a monthly or pay-per-use fee for this optional service.

Notably, 32 per cent of secret shoppers who identified as a visible minority or Indigenous person were offered overdraft protection compared with just 18 per cent of the other shoppers.

A similar trend emerged for credit card balance protection insurance, which helps borrowers pay off their balance in case they lose their job, become disabled or die, among other scenarios. Although just 6 per cent of card shoppers were offered such coverage, racialized and Indigenous customers were more than three times as likely to hear the pitch, the research shows.

New federal rules coming into effect at the end of June will require banks to have new procedures in place to ensure that what they offer matches customers’ needs, the FCAC said.

The Importance Of Harmonizing Title Regulation

Consistency Would Provide Clarity To Investors

By Paul Bourque, President and CEO of the Investment Funds Institute of Canada, May 20, 2022

https://www.investmentexecutive.com/inside-track/_paul-bourque/the-importance-of-harmonizing-title-regulation/?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=INT-EN-morning&hash=6d73923380f292a40dc042b455f0fde3

Across Canada, proposals for reform of financial planning and financial advisor titles are on the agenda of provincial governments and securities and insurance regulators. While there's clear agreement that regulating titles is important, efforts haven't been harmonized, which is at odds with the objective of better serving and protecting Canadian investors.

The Financial Services Regulatory Authority of Ontario recently announced that Ontario's regulation of "financial advisor" and "financial planner" titles has received ministerial approval, with new rules and regulations now in effect. Both the Canadian Securities Administrators and the Ontario Securities Commission have announced plans of their own to tackle title reform, with one step being the client-focused reforms' provisions related to the misuse of titles.

Saskatchewan introduced new legislation related to the financial advisor and financial planner titles last year, and securities regulators in New Brunswick are also consulting on this topic. Quebec has had a legislative scheme for the regulation of the financial planner title and the restriction of other titles for many years.

The securities self-regulatory organizations (SROs) have extensive rules, compliance, and enforcement powers regulating titles. For example, the SROs require their approved persons to meet a minimum standard of education, training, and experience before performing registerable activities. The minimum requirements to conduct registerable activities are substantially similar to the proposed minimum standards for using the financial advisor title.

The SROs have rules that prohibit individuals from holding themselves out in a manner that could be deceptive or misleading. This prohibition includes using a business title or financial designation without the required proficiency or qualifications. SRO members preclude individuals from using the financial planner title unless they have obtained a recognized financial planning designation, which again aligns with the expectations set out in the proposed title regulation rules.

These SRO rules will have to be amended, hopefully only once, since the SROs plan to amalgamate by January 2023.

The Investment Funds Institute of Canada (IFIC) has responded to requests for comment on various proposals for the regulation of individuals holding out as financial planners. We have emphasized two important principles:

- A title should reflect the functions of the person rendering the service and be readily understood by the average investor.
- The regulators should create a nationally harmonized set of rules to govern financial planning, regardless of the specific regulator that may oversee any individual who provides financial planning.

There are two reasons that regulatory harmonization of the financial planner and advisor titles is critical.

First is the importance of financial advice for clients to achieve their financial goals. Independent research and academic studies confirm the higher levels of wealth achieved by those who use advisors on an ongoing basis. Specifically, it has been shown that individuals who work with an advisor save 3.9 times more over a 15-year period than those who don't. These investors also have better savings habits and are more confident in their ability to meet their retirement income needs.

The second reason for a nationally harmonized approach is investor protection. As it stands, financial professionals can hold one of many designations, including Certified Financial Planner, Chartered Professional Accountant, or Personal Financial Planner, to name a few. With the extensive list of financial designations, it becomes challenging for clients to understand whether their chosen professional has the "right" qualifications to suit their needs. If clients are misled or confused about the qualifications or credentials of the professional they retain, they may never achieve their financial goals. Worse, they may lose all of their capital to fraudsters who have no financial planning credentials at all. A harmonized regulatory approach will help mitigate the confusion and help ensure that all clients receive advice from a qualified individual.

When regulatory reform spans federal and provincial jurisdiction and involves provincial regulatory agencies as well as self-regulatory organizations, co-ordination and harmonization are critical if the objectives of the reform are to be achieved. Harmonizing the regulation of titles for financial planning and financial advising activities is key when the regulations cut across functional, geographic, and political boundaries.

DIVERSITY/INCLUSION/FIGHTING SYSTEMIC RACISM NEWS

Bravo To Ricky Gervais For Standing Up To Wokeism

Comedy, In The Ancient Tradition Of Deploying Satire To Rebuke Social Mischiefs, May Be The Force That Halts Political Correctness

Opinion by Rex Murphy, National Post, May 26, 2022

[Rex Murphy: Bravo to Ricky Gervais for standing up to wokeism | National Post](#)

Is it possible that the puerility of the so-called woke movement is finally meeting the dismissive rejection and scorn it deserves?

Up to now it has had a pretty free flow, with the exception of a few brave souls on university campuses or in our schools taking lonely stands, and in most cases being harassed, called ugly names, or even pushed out of their professions.

There's no surprise in that, because it was in the universities that this woke nonsense was birthed — all those classes on the deadening influence of “western culture” or “decolonizing” curriculum and the various other orbits of lunacy that have cuckoo-like taken up residence in our institutes of “higher” learning.

It migrated from the universities to the schools — I mean the many school boards and teachers' unions that have been flushing its doctrines and dogmas through the educational system.

Is The So-Called Woke Movement Finally Meeting The Rejection It Deserves?

There is more preaching going on with some school boards than there is teaching. The preaching is social activism. The teaching — once upon a time — was concerned with guiding young minds into such outdated skills as literacy, numeracy, and some actual knowledge of times past. We called the latter history. History now is a catalogue of the sins of any western nation.

Check out the home pages and Twitter feeds of some of Ontario's school boards and note the obsessional focus on woke issues. At the same time, take a moment to talk with some Ontario parents whose children are in these factories of the higher wokeism. It is — and this should come as a shock — a true thing that many parents speak, with some anxiety, of the dilemma they are in. These parents are typical. They are not, emphatically not, political in any sense. They merely want their children educated in the fundamental skills that it has always been the province of schools to provide.

They are asking: “Should I take my kids out of school?” And then, almost in automatic flow, they ask the second question: “But then what can I do, where can I, or they — the children, go?” Any educational system that has parents asking the first question and sorrowing over the second, is a system that needs radical review. The obtrusion of woke politics and social justice obsessions into the classroom, and part of the curriculum, is a disaster.

It really is too bad that an election is now in progress in Ontario that has given so little, if any, ventilation of this most key concern. To hell with the licence plate stickers rebate. Or any other of the trivial or talking-points issues.

Now to go to the question at the top of the column, the feeling that there may, finally, be some movement to put a stop to the frenzy of woke politics and the cancel culture it has bred and nourished, the prescriptions on what may or may not be debated or talked about.

The pushback is finally arriving. Douglas Murray, a British author, in his *The War on the West: How to Prevail in the Age of Unreason*, offers a counter response to the whole range of woke dogmas.

More telling, however, and who would have guessed, is the pushback that has come from one very high profile comedian. Standing up to political correctness via standup, Ricky Gervais dared to joke about transgender women in his new Netflix special, *SuperNature*.

Standing Up To Political Correctness Via Standup

For example, and this is just the feeblest of his routine, he spoke of “old-fashioned women ... you know, the ones with wombs.” He had a lot of hardier jokes but I will respect the difference between a newspaper and an online venue where you may hear the whole immaculately incorrect performance.

Other people who have spoken thus have been fired or disciplined. Even world-renowned author J.K. Rowling, who has spoken bravely on the integrity and autonomy of women, has been brutally insulted, demeaned, and sent death threats. A more local example would be columnist Barbara Kay of this newspaper. Kay knows there is a cost to criticizing “accepted” thought.

Netflix, in a considerable turnaround on its part, is standing by Gervais, as opposed to quailing before the shouts of “hate speech” from the usual suspects.

Gervais dared face the whirlwind. Good on him. And his Netflix special will be a hit. It’s interesting that comedy, in the ancient tradition of deploying the weapon of satire to correct or rebuke social mischiefs, may be the force that puts a halt to up-to-now triumphal wokeism.

The silence of millions will be lifted because of this one example. And the soft tyranny of political correctness, which has stilled so many voices, in academia, news, writing, and culture generally, will by Gervais’ example be dealt a blow from which it may not recover.

Few, in the woke times we are living, have had the spirit to really stand up.

Reconciliation Can’t Be Achieved With Only Symbolic Gestures

Opinion By Eva Jewell and Ian Mosby, Contributed to The Globe and Mail, May 24, 2022

Eva Jewell (Anishinaabekwe from Chippewas of the Thames First Nation) is the research director at Yellowhead Institute and assistant professor of sociology at Toronto Metropolitan University (formerly Ryerson University). Ian Mosby is a settler scholar and assistant professor of history at Toronto Metropolitan University.

<https://www.theglobeandmail.com/opinion/article-reconciliation-cant-be-achieved-with-only-symbolic-gestures/>

When Tk’emlúps te Secwépemc First Nation announced the discovery of 215 unmarked graves outside of former Kamloops Indian Residential School last May, Canadians reacted with shock and horror. Indigenous people, of course, had been warning for years that these kinds of discoveries were inevitable. The Truth and Reconciliation Commission even devoted an entire volume to the topic of missing children and burial information in its final report.

But, for many Canadians, it was not until the discovery of the thousands of unmarked children’s graves throughout 2021 that the genocidal reality of Canada’s residential school system really hit home. Politicians promised swift change, makeshift memorials appeared across the country, statues fell, and even the university we both teach at was renamed.

Now that a year has passed, though, how much has really changed?

Well, for one thing, news of mass graves of children no longer garner the coverage they once did.

Just last week, anthropologist Geoff Bird said that “the discovery of children buried in residential schools across the country was perhaps ... the most traumatic event in recent Canadian history in terms of defining who we are.” Yet just a day earlier, when Saddle Lake Cree Nation announced they had discovered a mass grave containing “numerous children-sized skeletons wrapped in white cloth” on the site of former Blue Quills Residential School, it received little national coverage.

It seems that as the country’s shock subsides, the news cycle moves on. But many more Indigenous communities will bear the burden and horror of their own findings.

We write an annual report for Yellowhead Institute on Canada’s implementation of the Truth and Reconciliation Commission’s 94 Calls to Action. When these calls were first released on June 2, 2015, Liberal Leader Justin Trudeau – before he became Prime Minister – promised that his party would complete all 94 if elected. But the reality has proven to be much different. According to our most recent analysis, Canada has completed only 11 of the 94 calls to action over the last seven years.

While overall progress has been glacial, last year we found that in the three weeks following the Kamloops revelations, Canada completed three calls to action – more than in the previous three years combined.

At first keen on this change of pace, the feeling fizzled quickly when we realized the completed calls to action are what we see as “low-hanging fruit.” They are, in other words, actions that require little in the way of structural change and are largely symbolic in nature.

It’s not that these calls to action aren’t important; it’s just that the first 42 calls to action (the “Legacy” category), which call on Canada to end the ongoing systemic racism at the heart of its child welfare, education, language, health, and justice systems have gone largely unimplemented.

We don’t need to repeat statistics here to remind Canadians that Indigenous peoples in this country face far greater challenges in these areas than their non-Indigenous counterparts. It’s due to continuing structural discrimination that materializes in problems such as higher rates of Indigenous children in care, lower educational attainment, and chronically underfunded schools; lack of support and resources for Indigenous languages and cultures; poorer health outcomes; and higher rates of incarceration.

It’s the legacy calls to action, then, that are the real barometer of Canada’s willingness to make the changes necessary to actually improve the lives of Indigenous peoples.

It should come as no surprise that Canada has only completed three of the legacy calls to action and that none of these address significant structural issues. Perhaps one of the most telling failures on Canada’s part is that four of the legacy calls to action simply ask that meaningful benchmarks and annual reporting requirements be established in areas such as child welfare (Call No. 2), education (Call No. 9), health (Call No. 19) and justice (Call No. 30). None of these have been completed.

If Canada can't even report the truth about the way Indigenous peoples are treated in this country, how can we ever expect it to make lasting and meaningful change?

For too long, "reconciliation" has meant a few grand but ultimately symbolic gestures that seem to benefit non-Indigenous Canadians more than Indigenous peoples, while the latter are told to be patient – that progress takes time. It's a reminder that unless this country can deal with the continuing harms it is causing to generations of Indigenous peoples, reconciliation will only ever be a comforting lie.

Kitchener Landback Camp Reacts To New Report On Queen Victoria Statue

Report Will Give Citizens An Opportunity To Provide Feedback

By Brent Caterabout, City News Everywhere Kitchener, May 25, 2022

[Landback Camp reacts to new report on Queen Victoria statue - CityNews Kitchener](#)

Following the Victoria Day long weekend, Queen Victoria remains a topic of discussion as a new report is set to be presented to committee on June 8 and to Kitchener City Council on June 20.

According to a city spokesperson, along with the report citizens will be given the opportunity to provide feedback on Queen Victoria's statue in Victoria Park in the coming months.

This all comes after another incident of vandalism to the statue involving red paint on May 5.

While that paint has been since been removed, local Indigenous groups, such as Landback Camp K-W, are reacting to the painting and this new report.

"I think it's clear that some folks in the community are sending a message, repeatedly, about colonial history and the brutal reign of Queen Victoria," said Amy Smoke, a member of the Mohawk Nation Turtle Clan from the Six Nations of the Grand River and co-founder of Landback Camp K-W.

"I personally don't think that you can compare the vandalism of this horrific statue to the genocide of Indigenous people, the comparison is mute, it's a statue," added Smoke.

Back in October of last year, two plaques were added to the statue "acknowledging the cultural harm and erasure inflicted on Indigenous peoples as a direct result of colonialism and that the presence of the statue may contribute to that ongoing harm."

Smoke said those plaques are simply performative as the statue remains in place, and therefore, the plaques don't address the root of the harm which the city says they acknowledge.

Smoke said that, so far, to their knowledge, no consultation has happened between the City of Kitchener and Landback Camp, or other local Indigenous groups.

"I'm concerned that the city keeps putting out statements that they're working in consultation with Indigenous communities. I don't know anybody that they're working with," said Smoke.

Smoke hopes Kitchener doesn't face the same situation as Wilmot Township recently did.

"They spent hundreds of thousands of dollars on community input consultations just to find out we didn't want it anyways." (A statue of Sir John A. MacDonald as part of Wilmot's 'Prime Ministers' Path.)

Smoke said their ultimate hope is that the Queen Victoria statue is removed and replaced with a garden, sacred fire space, or something that brings the community together, rather than causing harm.

U.S. Insurance Industry's Diversity Scores Show Modest Improvements

By S&P Global Market Intelligence, May 17, 2022

<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/insurance-industry-s-diversity-scores-show-modest-improvements-70267950>

U.S. insurance companies are making strides toward the goal of becoming more diverse, aided by a growing conviction that such steps can help boost company performance.

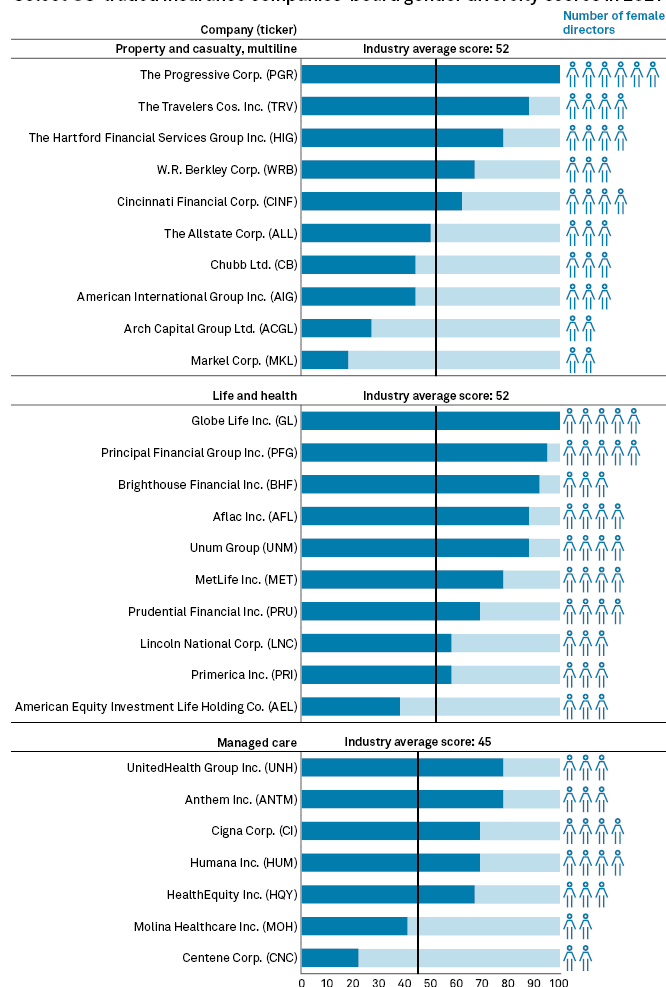
In addition to posting a year-over-year increase in its S&P Global gender diversity score, the insurance industry's workforce also became more racially diverse in 2021, according to data compiled by the U.S. Department of Labor.

Consumer and shareholder activism have helped push diversity up corporate agendas in recent years, as has business experience demonstrating the benefits of a more varied workforce. Principal Financial Group Inc., which boasts five female board members, sees a strong business case for growing diversity, especially in leadership positions.

"We know that diverse workforces and inclusive cultures are more likely to exceed financial targets," said Miriam Lewis, Principal's chief inclusion officer. Such companies are also "more likely to have [a] high performing organization with more innovation, more agility and ... [to] achieve better business outcomes," she added.

Gender Diversity Scores Tick Up

Select US-traded insurance companies' board gender diversity scores in 2021



Data compiled May 4, 2022.
Limited to select publicly traded insurance companies that are traded in major U.S. exchanges.
Industries are classified according to the Global Industry Classification Standard of S&P Global Market Intelligence.
Gender diversity data points are verified and adjusted by S&P Global according to the Corporate Sustainability Assessment, or CSA, methodology and therefore might differ from the original answer a company provided in the CSA or publicly available data in company disclosures.
Industry score is the yearly average for a question score at industry level.
Information collected on a best-efforts basis.
Source: S&P Global Market Intelligence

The property and casualty and life insurance sector recorded an average S&P Global gender diversity score of 52 for 2021, while the managed care space had an average score of 45. The scores are calculated from companies' responses to a 2021 survey on environmental, social and governance issues distributed by S&P Global.

Those scores reflect improvement for the whole insurance industry, as the P&C and life insurance sector held an average S&P Global gender diversity score of 49 in 2020, while managed care's score was 43 that same year. By comparison, the U.S. banking sector recorded a gender diversity score of 40 in 2021, up from 35 in 2020.

Scores are not available prior to 2020 as that was the first year S&P Global produced ESG scores.

All of the top insurance companies by market capitalization in managed care, P&C and life that provided ESG responses to S&P Global had board diversity policies that included mandates pertaining to gender representation in 2021. Some insurers, however, have yet to implement policies regarding nationality, country of origin, or cultural background.



Having a diverse board and leadership team creates richer and fuller discussions, said Lynn White, who leads Genworth Financial Inc.'s ESG efforts as chief of staff.

"The idea is to bring together people with different perspectives, different approaches, so that we can sit and have healthy tension and debate," White said in an interview. "When we come out of that, we've got better decisioning."

The push for greater diversity on company boards represents a larger cross-sector trend. In 2021, companies in the S&P 500 ushered in the most diverse class of new directors ever, with 33% being Black or African American versus 11% in 2020, according to the 2021 U.S. Spencer Stuart Board Index. Female representation on boards of S&P 500 companies also increased to 30% in 2021.

Regulator Involvement

Select US-traded insurance companies' board diversity policies in 2021

Company (ticker)	Board diversity policy includes gender 	Board diversity policy includes race or ethnicity 	Board diversity policy includes nationality, country of origin or cultural background
Property and casualty, multiline			
The Progressive Corp. (PGR)	✓	✓	—
The Allstate Corp. (ALL)	✓	✓	—
The Hartford Financial Services Group Inc. (HIG)	✓	✓	—
Arch Capital Group Ltd. (ACGL)	✓	✓	—
American Financial Group Inc. (AFG)	✓	—	—
First American Financial Corp. (FAF)	✓	✓	✓
RLI Corp. (RLI)	✓	✓	✓
American National Group Inc. (ANAT)	✓	✓	✓
Selective Insurance Group Inc. (SIGI)	✓	✓	✓
AXIS Capital Holdings Ltd. (AXS)	✓	✓	✓
Life and health			
Prudential Financial Inc. (PRU)	✓	✓	—
Aflac Inc. (AFL)	✓	✓	✓
Principal Financial Group Inc. (PFG)	✓	✓	✓
Globe Life Inc. (GL)	✓	✓	✓
Voya Financial Inc. (VOYA)	✓	✓	✓
Primerica Inc. (PRI)	✓	✓	✓
CNO Financial Group Inc. (CNO)	✓	✓	✓
Citizens Inc. (CIA)	✓	✓	✓
Managed care			
UnitedHealth Group Inc. (UNH)	✓	✓	—
Anthem Inc. (ANTM)	✓	✓	✓
Cigna Corp. (CI)	✓	✓	—
Humana Inc. (HUM)	✓	✓	—
Molina Healthcare Inc. (MOH)	✓	✓	—

Data compiled May 4, 2022.

Limited to select publicly traded insurance companies that are traded in major U.S. exchanges.

Industries are classified according to the Global Industry Classification Standard of S&P Global Market Intelligence.

Diversity policy data points are verified and adjusted by S&P Global according to the Corporate Sustainability Assessment, or CSA, methodology and therefore might differ from the original answer a company provided in the CSA or publicly available data in company disclosures.

Information collected on a best-efforts basis.

Source: S&P Global Market Intelligence

The National Association of Insurance Commissioners has launched efforts to identify issues and to develop specific recommendations on action steps that state regulators and insurance companies themselves can take to improve diversity in the industry.

At the most recent NAIC meeting, My Chi To, executive deputy superintendent of insurance at the New York State Department of Financial Services, said she has seen progress and increased engagement.

"The testimony across all of these formal and informal conversations has been remarkably consistent," To said. "Both the recognition that the industry can and should do more to improve the level of diversity within our ranks, but also the level of diversity and commitment that already exists to make this happen."

In addition to bolstering gender diversity, the insurance industry also became more diverse with regard to race and ethnicity in 2021, according to data compiled by the U.S. Bureau of Labor Statistics. The percentage of non-white employees in the insurance workforce, which includes insurance carriers and "related activities," stood at 22.1% in 2021, an increase from 21.4% in 2020.

The percentage of Black or African American employees in the insurance workforce grew to 13.2% in 2021, up from 12.0% in 2020. Asian representation, however, declined to 6.4% of the workforce in 2021 from 7.1% in 2020.

The NAIC is "intentional" about making diversity, equity and inclusion an integral part of its own culture, Evelyn Boswell, the group's director of DE&I, said in an interview.

"It's not just words," Boswell said. "We're putting action behind those words."

NEWS ABOUT/FROM CAFII MEMBERS AND/OR PARENT COMPANIES

Scotiabank, BMO Report Higher Loan Growth While Ramping Up Stress-Test Scenarios

By Ian Bickis, The Canadian Press, May 25, 2022

<https://www.ctvnews.ca/business/scotiabank-bmo-report-higher-loan-growth-while-ramping-up-stress-test-scenarios-1.5918414>

BMO and Scotiabank both reported higher loan growth and profits in the last quarter from a year ago and said commercial and consumer demand remains strong despite growing worries about the economy.

The two banks, the first to report results for the second quarter that ran until the end of April, say that while their results were robust, they have also ramped up their internal stress-testing scenarios as central banks raise interest rates to combat inflation.

"Given the macro-economic environment, we run stress tests that would have more harsh inputs today than we would have possibly a year ago," said Scotiabank chief executive Brian Porter on an earnings call on Wednesday, May 25.

The rising interest rate environment is increasing worries that central banks may overstep and push the economy into a recession, but the banks say they have seen few signs of such a case emerging so far.

Many businesses are still investing to bridge supply chain gaps, on-shore more production, and boost productivity, said David Casper, who leads North American commercial banking at BMO.

“There’s certainly more uncertainty given some of the continued issues that we all know about, supply chain, inflation, but the demand for our clients’ products still is outstripping supply. So they’re still growing, they’re trying to keep up.”

BMO reported overall loan growth of nine per cent for the quarter from a year ago, with slightly better gains in commercial, while Scotiabank reported a 13 per cent gain, boosted in part by a 16 per cent gain in Canadian mortgages.

The activity helped push up net income at BMO’s Canadian personal and commercial division by 21 per cent, while Scotiabank reported a 27 per cent jump in its Canadian division.

Rising mortgage rates have focused attention on the heavy debt loads carried by Canadian households, but the banks say that their lending book remains strong as consumer financial health has improved overall during the pandemic.

“We’re very confident in the health of the Canadian consumer at this point,” said Scotiabank chief risk officer Phil Thomas.

The bank did, however, note that the Canadian housing market has already started to slow as rates start to climb, and it isn’t expecting the same level of mortgage activity for the rest of the year.

“You have seen some slowing in the mortgage growth ... there are some markets, which have, obviously, grown more in the buyers’ favour, let’s say, based on softening,” said Dan Rees, Scotiabank’s head of Canadian banking.

He said that the bank is down about 2.5 per cent in mortgage growth from the prior quarter, but still expects to see year-over-year growth for the remaining quarters to be in the high single digits.

Banks are also not immune from inflationary pressures, with Scotiabank’s expenses ticking up three per cent from a year earlier, including an eight per cent jump in expenses in the Canadian division, and BMO reporting adjusted expenses up two per cent including an 11 per cent jump in Canada as both invest in technology and rising salaries.

Both banks say they expect to keep expense growth in the low single digits, but BMO revised up its estimate to 2.5 per cent for the year, up from 1.5 per cent.

And banks are set to benefit from the rising rates meant to combat inflation, with both reporting slightly higher net interest rate margins compared with the prior quarter.

The rising rates have put a big dent in stock market valuations and trading activity, which helped to push net income at BMO’s capital markets division down 20 per cent from a year earlier, while Scotiabank reported income at its global banking and markets division was down six per cent from a year earlier.

The pullback in markets was, however, more than offset by gains in other divisions, with BMO reporting an adjusted net income, which excludes earnings related to its pending acquisition of Bank of the West, of \$2.19 billion, up from \$2.58 billion the same quarter a year earlier.

Scotiabank reported a net income of \$2.75 billion, up from \$2.46 billion in the same quarter last year.

BMO said it will now pay a quarterly dividend of \$1.39 per share, up six cents from \$1.33 per share, while Scotiabank increased its quarterly dividend three cents to \$1.03 per share.

Meny Grauman, an analyst at Scotiabank, said in a note that while results from the quarter are by their very nature backward looking, it was encouraging not to see signs of a slowdown in BMO's earnings.

"The good news from these results is that there is no sign of recession anywhere in the numbers."

National Bank Posts 11% Jump In Second-Quarter Profit, Hikes Dividend

By James Bradshaw, The Globe and Mail, May 27, 2022

National Bank of Canada reported an 11-per-cent rise in second-quarter profit and raised its quarterly dividend as all four of its main business units recorded higher earnings.

The Montreal-based bank earned \$893-million, or \$2.55 per share, in the quarter that ended April 30. That compared to \$801-million or \$2.25 per share, in the same period last year.

On average, analysts were expecting earnings of \$2.27 per share, according to Refinitiv.

The bank raised its quarterly dividend by five cents, or 6 per cent, to 92 cents per share.

National Bank is the last of Canada's Big Six banks to report fiscal second-quarter earnings. It joins Royal Bank of Canada, Toronto-Dominion Bank, and Bank of Nova Scotia among lenders that easily surpassed analyst estimates, in a quarter boosted by low provisions against loan losses and marked by uncertainty about the economic path ahead.

In the quarter, National Bank recorded only \$3-million in provisions for credit losses. New provisions against loans that are past due were mostly offset by a recovery of provisions for loans that are still being paid back.

Profit from personal and commercial banking increased 3 per cent to \$313-million. Residential mortgages were a source of strength once again, with balances up 9 per cent year-over-year, and commercial loans increased by 18 per cent.

Where some rival banks saw diminishing profits from capital markets, National Bank's financial markets earned \$289-million, up 17 per cent year-over-year. Revenue from global markets, and particularly structured products, contributed to the increase.

Wealth management profit was up 3 per cent to \$169-million with stronger revenue from fees. And the bank's U.S. specialty finance and international division, which includes its ABA Bank subsidiary in Cambodia, reported profit of \$152-million, up 18 per cent.

Read Story (Subscription Required): <https://www.theglobeandmail.com/business/article-national-bank-posts-11-jump-in-second-quarter-profit-hikes-dividend/>

COVID-19 PANDEMIC RESILIENCE AND RECOVERY NEWS

Trudeau Government Inexplicably Clinging To Travel Mask And Vaccine Mandates

Opinion By Ashley Hughes, Special to the National Post, May 27, 2022. Ashley Hughes is a British-born freelancer living in Vancouver.

<https://nationalpost.com/opinion/ashley-hughes-liberals-inexplicably-clinging-to-travel-mask-and-vaccine-mandates>

Canada is now a solo traveler on the international stage when it comes to travel mandates for planes and trains — measures which increasingly appear to be punitive rather than backed by any evidence or logic.

As of May 16, the European Union no longer mandates face masks for air travel. This follows the removal of the federal mask requirement on public transport in the United States, after a federal judge ruled such mandates are unlawful.

The U.S. was a laggard to the United Kingdom, which removed its mask mandates on aircraft a full month earlier, in March. The U.K.'s announcement was part of a much larger and more significant move, lifting all remaining travel restrictions, including coronavirus testing requirements, for unvaccinated visitors.

Meanwhile, Canada still has its closed-sky COVID-19 policies firmly in place. The Trudeau government remains wilfully, even vindictively, stubborn in easing its tight grip on the few remaining restrictions within its control — namely vaccine and mask mandates on federally regulated transport, including air and rail.

Under Prime Minister Justin Trudeau's leadership, the federal government is living in a parallel universe, totally out of step with almost any other western country, and even its own provincial governments. Canada's vaccine mandate on domestic travel puts it in the company of North Korea and China.

Almost every country in the world now allows its unvaccinated citizens to fly internationally, except for Canada. Even New Zealand and Australia — two of the most COVID-19-locked down countries on earth, relinquished such control last month. For weeks now, the unvaccinated Antipodeans have been free to travel both within and outside of their countries.

According to the London Times, the list of countries now welcoming the unvaccinated include Lebanon, Cuba, Kazakhstan, and Saudi Arabia.

It will take years, if ever, for Canada's aviation and tourism industries to recover from their glaring absence on the world stage of global air travel.

Moreover, I can't help but wonder what Trudeau, the senior, would think of the junior? After all, it was Pierre Trudeau who enshrined minority rights in the Canadian Charter of Rights and Freedoms, for this very situation that sees the majority being allowed to run roughshod over the minority. He seemed to have a special insight into the power of a herd mentality that can sometimes sweep through a nation, particularly during a national emergency.

"When collective rights take precedence over individual freedoms — as we see in countries where ideology shapes the collectivity, where race, ethnic origin, language, and religion shape the collectivity — we see what can happen to the people who claim they live freely in such societies," he said at the time.

"When each citizen is not equal to all other citizens in the state, we are faced with a dictatorship, which arranges citizens in a hierarchy according to their beliefs."

There are more than 3.5 million citizens who remain unvaccinated not because they are being selfish, which is the political message, but because of their beliefs. Unlike the vaccinated, they believe a vaccine's role in ending a global pandemic has its limits.

That is a significant minority robbed of their fundamental rights — rights enshrined by Pierre Trudeau's Charter — "to enter, remain in, and leave Canada."

The Trudeau administration continues to spout the tired and utterly discredited line of "we are following the science," but what science is this? That line is an ideology itself — a blind belief in some sort of vague definition of "the science."

How about common sense? Pragmatically speaking, if this is evidence-based public health policy, shouldn't federal politicians be asking why "Canadian science" is so different from that followed by the country's own provinces and much of the rest of the world, save for communist China?

And if these federal Canadian scientists really are so offside with their peers, what makes the Trudeau government so confident that it is their advice that should be followed, rather than that being followed by the United Kingdom or the European Union et al?

Both the prime minister, and his deputy prime minister Chrystia Freeland, owe Canadians answers.

For travellers who can't wait for the Canadian government to be dragged kicking and screaming out of its authoritarian, COVID-19-dystopian mindset, do yourselves a favour. Book on British Airways or another, non-Canadian airline. That way, as your plane lifts off from the runway, you can sit back comfortably unmasked, look out the window, and wave, or perhaps give a less polite gesture, to Justin's not-so-free-land.

New Ontario Government Will Have To Take Fresh Look At Policies And Practices That Don't Make Sense In A World With COVID-19

Normalizing Voting By Mail, Renewing Licence Plates Online Instead Of Service Ontario Outlets, Or Allowing People To Drink Alcohol In Parks Instead Of Cramming Inside Bars Among Examples Cited

By Robert Williams, Waterloo Region Record, May 25, 2022

A new government will be elected in Ontario on June 2, and experts warn it will need to find better ways to manage living with COVID-19 than resorting to widespread lockdowns.

"There has been no discourse about how we make ourselves safer. What the conversation continues to be is lockdown or not a lockdown," said Colin Furness, an epidemiologist at the University of Toronto. "The problem is that a lockdown is a failure, they represent not doing anything in advance. When you do nothing at all or very little, and then health care collapses, then you lock down. But it doesn't have to be that way."

As a key first step, said Furness, the new provincial government will have to define what living with COVID-19 means. "Throwing our hands up and just letting everyone get infected is not going to work," said Furness — that's dying with COVID-19, he said, it's not living with COVID-19.

Nearly one if four Ontarians rate the pandemic response as a top issue in the election, according to data collected by Abacus Data from more than 1,500 Ontarians in late April. An online survey from Earncliffe Strategies in early May found similar findings.

The virus is already starting to dominate campaign headlines, with both Green Party Leader Mike Schreiner and NDP Leader Andrea Horwath testing positive this week, forcing the cancellation of several campaign events.

This comes as Ontario continues to move away from pandemic restrictions, with the threat of a new variant looming on the horizon. No one knows for sure what will happen next or how bad it will be, said Furness, but we need to start having honest and open conversations about how we plan before we're into another wave.

The challenge for the next government is to come up with an intelligent way to live with COVID-19, he said. There's a difference between public health policy and healthy public policy, and it's all designed around managing risk — how can we live our lives and go to work without needlessly cramming into indoor spaces?

It starts with a massive public education campaign, he said, to reinforce lessons on why it continues to be important to wear masks in certain situations, how to use rapid tests and why air monitoring matters.

The province is going to have to start investing in helping businesses like restaurants install air monitoring equipment, he said, taking a page from governments in Belgium and Singapore. It will likely be expensive, he said, but it should be the new standard to ensure we can live normal lives as safely as possible.

The new government will also have to take a fresh look at long-standing policies and practices that no longer make sense in a world with COVID-19, said Furness.

He gives examples like normalizing voting by mail, renewing licence plates online instead of packing into a Service Ontario line or allowing people to drink alcohol in parks instead of cramming inside bars.

“Retooling how we do things is going to be enormously important,” said Furness. “Take something as simple as allowing people to drink in parks — that’s a good idea, because we’re getting people outside and away from areas we know cause transmission.”

There also needs to be a consideration for health care workers who are facing severe burnout after two years, said Jim Stewart, co-chair of Waterloo Region Health Coalition, which is part of a provincial network of advocacy groups that want to improve the public health care system in Ontario.

In long-term care alone, he said, Ontario needs about 22,000 full-time personal support workers and 16,000 nurses by 2025 to provide safe levels of care and to staff the thousands of new beds the province has announced.

And with the pandemic having hit long-term care residents particularly hard — the latest numbers suggest about 4,500 nursing home residents have died of COVID-19 in Ontario since 2020 — Stewart said there needs to be meaningful action on how to safely expand the network of homes, while ensuring homes are adequately staffed and designed so that residents can weather the storm of future waves.

Preparing for worst-case scenarios and being able to act accordingly will be imperative for local and provincial governments, said Furness.

Much of the pandemic story in Ontario is a series of easing restrictions too early and ending up back in lockdowns, Furness said. However, he commended the government for backing off on its original province-wide decision-making structure and letting regional medical chiefs make their own decisions.

In Waterloo Region, medical officer of health Dr. Hsiu-Li Wang is preparing for what comes next.

“As the pandemic is not over, we should anticipate future waves and new variants of concern,” she said. “However, we are in a much better place than we were two years ago. We have a better understanding of how to fight the virus using a layered approach. This includes being up to date with vaccines, wearing a mask indoors, ensuring indoor spaces are well-ventilated and staying at home when sick.”

The province has lifted most mandates because community immunity to severe outcomes of COVID-19 is much higher now, she said.

As a result, it has also changed the structure for decision-making.

All future mandates will be implemented by the province moving forward, said Wang. If the local situation changes and doesn't fall in line with what is happening in other parts of the province, Wang said, she can contact the province's Chief Medical Officer of Health to discuss any direct supports the region may need.

In the meantime, she continues to urge residents to do their part and get all recommended doses of the COVID-19 vaccine.

"It is still one of the most important things you can do to protect yourself, your loved ones and the community."

Read Story (Subscription Required): [New government will have to take fresh look at policies and practices that don't make sense in a world with COVID-19 | TheRecord.com](#)

'Pack Your Patience': What To Expect As You Book Summer Travel This Year

By Saba Aziz, Global News, May 23, 2022

<https://globalnews.ca/news/8863956/summer-travel-2022-tips/>

Canadians who are planning to travel this summer, "pack your patience."

That is the advice from one travel expert in Toronto, as unusually long lines at airports and passport offices continue to cause delays across the country.

After two years of COVID-19 restrictions, there is a "pent-up demand to travel," with interest surging "very close" to pre-pandemic levels, said Martin Firestone, a travel insurance broker.

"The dilemma now is that the infrastructure at both airports and passport offices is just not caught up with the demand, and that's what's really causing a problem," he told Global News.

In recent weeks, airports — particularly in Toronto and Vancouver — have seen hours-long security queues, customs bottlenecks, and other delays.

The Canadian Airports Council blames the COVID-19 protocols for the holdup, but the federal government says current health measures are in place to keep Canadians safe as the virus continues to spread.

Factoring in the "tremendous lineups," Firestone said his advice to his clients is to get to the airport well in advance — at least three to four hours before the flight.

The Greater Toronto Airports Authority (GTAA) expects an increase of almost 50 per cent in international passengers at Pearson, Canada's busiest airport, this summer.

Travel Tips

While Canada has eased its travel restrictions this year, some still remain at points of entry, including random COVID-19 testing upon arrival.

All incoming travellers are also required to submit their vaccine and travel information on the ArriveCAN app and show it to border officials upon landing.

Staffing issues at airports on top of COVID-19 protocols and increased travel demand are contributing to the backlogs and hindering the flow of traffic into the country, travel experts say.

Jennifer Weatherhead, co-founder of Travel & Style, recommends being mentally prepared for delays.

“You really need to look into the particular airport that you’re travelling to and where you’ll be coming back,” she told Global News.

“And if you are connecting through any other country or any other airport, try to give yourself as much time as possible.”

Travellers are having to sit for two to three hours in the plane even after landing, which is “pretty aggravating,” Firestone said, adding that such delays will deter many from making plans this summer.

He said people should be prepared for a three-hour differential from the time they land to leaving the airport.

As for booking flights, early morning might not be the best bet to avoid hassle as security lines and customs are just opening up, according to Weatherhead.

“So if you can look to book something that’s either mid-morning or later in the day, see if you have that one change fee possible where you’re not charged to change that one time,” she said.

Passport And Prices

Having a valid passport is a pre-requisite for travel anywhere in the world.

“You can’t fly if your passport has less than six months remaining on it or it is expired,” said Firestone.

Across the country, thousands of Canadians are hastening to renew their passports after more than two years of COVID-19 restrictions.

Passport Canada says it is experiencing very high call volumes right now and wait times are longer than usual.

“If you do not have travel plans in the next two weeks, we suggest you wait to call us,” the agency says on its website.

Amid the delays, Canadians are urged to have their renewed passport in hand before finalizing or booking any trips. If you're not able to get your passport in time, your travel insurance will not cover the trip cancellation, Firestone warned.

Soaring fuel prices amid Canada's high inflation and the war in Ukraine mean travel will be more expensive this year.

As of Sunday, May 22, the average price of gas in Canada was \$1.97 per litre, according to GasBuddy.

Provinces such as Ontario, Quebec and British Columbia have seen prices hit at least \$2.00 per litre, with the latter sitting at \$2.15 per litre on Sunday, May 22. Average gas prices in Newfoundland and Labrador hit \$2.18 per litre. In Manitoba, Saskatchewan and Alberta prices sit under \$2.00 per litre, according to GasBuddy.

The cost of gas has been on an uphill climb since Russia began its invasion of Ukraine, and is still expected to be pricey during the summer. Firestone says this will make cross-border road trips prohibitive, forcing Canadians to rethink driving down south to the United States.

The rise in fuel costs is also having an impact on air fares, with an increment of "25 to 30 per cent," according to Firestone.

"Prices are through the roof," he said. "[Due to] a combination of demand coupled with fuel, there's no inexpensive flights anymore."

Toronto resident Reena Kara says while she is feeling safer flying again, the long airport lines and high air fares are making her "feel more anxious to travel."

Booking your ticket early is the way to go, experts say.

Weatherhead expects backlogs at airports to slow down after summer and recommends booking flights starting now for fall and winter trips.

Airport Delays Here To Stay For The Long-Term, Union Says

*Pearson Still Experiencing Security Delays Of Up To An Hour At Peak Times
According To CATSA*

By Rosa Saba, Toronto Star, May 25, 2022

What do you get when you cross a labour shortage with a severe thunderstorm and pent-up travel demand over a May long weekend?

At Toronto Pearson Airport, at least, it could be a long wait or even a cancelled flight. And though the thunderstorm may be over, air travellers may be in for more such delays in the coming months.

That's what happened to many travellers over the Victoria Day long weekend. Photos and videos posted to social media show airport halls filled with masked travellers, baggage carousels surrounded and piled high with suitcases, and long, snaking lines.

While some travellers were more fortunate — posting photos of almost-empty airports — it's clear that the chaos at airports isn't going away as the summer months draw nearer. Catherine Cosgrove of Teamsters Canada, which represents around 1,000 GardaWorld screening workers across the country, said airport delays are here to stay for the long-term due to a shortage of workers in airport security.

"We envisage continued delays through the summer, fall, and even through to next Christmas," she said in an emailed statement.

Airport delays were already an issue, largely blamed on a combination of labour shortages in the security sector and an unexpected influx of travellers.

The unions representing airport security workers pointed fingers at the Canadian Air Transport Security Authority (CATSA), which contracts out to third-party companies such as Allied Universal and GardaWorld. The unions say the agency is understaffed and workers are underpaid and overworked.

The agency appeared unprepared for the pent-up demand for travel as pandemic restrictions lifted, they said.

Long-weekend plans and the thunderstorm made these problems more acute, said the airport authority in charge of Toronto's Pearson Airport.

Labour shortages and extensive COVID-19 requirements are to blame for the ongoing challenges at airports, which were exacerbated by the storm, delaying flights and baggage, said Ryan White, a spokesperson for the Greater Toronto Airport Authority (GTAA).

On Saturday, May 21, 10 per cent of arrivals and departures to and from Pearson were cancelled due to the weather, said White in an email.

"Over the next few weeks, as passenger volumes continue to increase, there is an urgent need to effectively manage passenger loads and enable recovery at Toronto Pearson," he said.

The longest wait times at Pearson this weekend were on Saturday, May 21, said CATSA spokesperson Suzanne Perseo.

"This past Saturday, during the busy morning period, we experienced wait times up to 60 minutes at peak," said Perseo in an email, adding that for the rest of the long weekend, security screening wait times were less than half an hour at peak.

The storm impacted travel for airline passengers, adding to delays and lineups caused by a shortage of security workers, said a spokesperson for the office of the Minister of Transport Omar Alghabra.

“CATSA has recently hired 400 new screening officers who are going through various stages of training. We are continuing to work closely with CATSA, CBSA (Canada Border Services Agency), and air sector partners to support the industry as (the) level of travel increases.”

Monette Pasher, interim president for the Canadian Airport Council (CAC), said airports are complex ecosystems made up of a lot of moving parts, and there are multiple factors leading to delays for both arriving and departing passengers.

For departing passengers, the shortage of security workers is the main problem, she said, while for international arriving passengers, COVID-19 protocols are taking two to four times longer than they otherwise would.

On Sunday, May 22, Montreal’s airport had wait times of up to two hours for arriving international passengers because of this, said Pasher. There were similar delays in Toronto, she said.

“We really are pressuring the government to work quickly and urgently to save our summer travel season,” she said, adding that the airport council is recommending those public health protocols be lifted to help avoid further delays.

Dave Flowers, president of District 140 at the International Association of Machinists and Aerospace Workers, which represents around 4,000 airport security workers in B.C. and Ontario, previously told the Star that while hiring is being ramped up, turnover is making it difficult to address the staffing shortage.

“The increased passenger loads have only made the working conditions more difficult,” he wrote in an email on Tuesday, May 24, adding that the union’s members are being “pushed to the brink.”

Cosgrove said any event that adds pressure to the system, such as a storm or a long weekend — or both — will “further wreak havoc on an environment already being held together at the seams with Band-Aid solutions.”

The events of the weekend only intensified the call for CATSA, the federal government, and the third-party contractors to address the problems behind the delays, said White.

GardaWorld deferred to CATSA for comments about the long weekend.

GardaWorld previously told the Star that the pandemic resulted in absenteeism and a staff shortage, and that the company is doing everything it can to hire and train new workers.

It’s no small thing to train an airport security worker — the job requires weeks of training as well as security clearance that can take months to receive, meaning the shortage can’t be solved overnight.

“In an already constrained labour pool ... the positions with CATSA are critical safety positions with stringent requirements, making the available qualified applicant pool even smaller. Furthermore, new officers go through several weeks of testing and specialized training before they can be on the job because this is such a critical safety role,” said Allied Universal spokesperson Sherita Coffelt in an email to the Star last week.

However, Coffelt said on Tuesday, May 24 that the long weekend didn't bring any major wait times at the Vancouver airport, and Allied Universal is "working diligently" to increase staffing levels. The company has added more than 100 new employees in the past three weeks, she said.

Airlines have expressed concern about the ongoing delays as interest in travel continues to ramp up with the warmer months ahead.

WestJet spokesperson Madison Kruger said WestJet flew more than 55,500 guests on 534 flights on Friday, May 20 alone, marking the airline's highest single-day total so far in 2022. But despite the uptick in business, it wasn't all smooth sailing.

"While the significant weather event in Ontario did add to cancellations this weekend, we continued to experience unacceptable challenges and remain extremely concerned with the state of services provided by government agencies at our air borders and security screening points," said Kruger in an emailed statement. "This is an urgent issue that requires immediate improvement and we remain focused on resolving the matter directly with the federal government, while working collaboratively with our airport partners."

Air Canada didn't respond to the Star's request for comment on Tuesday, May 24.

CATSA encourages travellers to arrive at the airport two hours in advance for domestic flights and three hours in advance for U.S. and international flights.

Read Story (Subscription Required): https://www.thestar.com/business/2022/05/25/airport-delays-are-here-to-stay-for-the-long-term-due-to-a-shortage-of-workers-in-airport-security-union-says.html?li_source=LI&li_medium=thestar_business

Police Called To Toronto's Pearson Airport As Frustration Flares Amid Delays, Baggage-Handling Glitches

By Temur Durran, *The Globe and Mail*, May 22, 2022

<https://www.theglobeandmail.com/canada/article-police-called-to-torontos-pearson-airport-as-frustration-flares-amid/>

Passengers at Canada's largest airport experienced cancelled flights, lost luggage, and lengthy wait times this weekend, as police were called in to handle conflicts between travellers and staff.

At Toronto Pearson International Airport, at least 10 per cent of all flights – departures and arrivals – were cancelled on Saturday, according to the Greater Toronto Airports Authority. Dozens were delayed.

A severe thunderstorm that swept through Ontario and Quebec on Saturday afternoon led to many cancellations. It hit as Pearson has already been dealing with complaints about travel delays, with pent-up demand from customers who have not flown during the pandemic colliding with a shortage of people to load luggage and conduct customs and security checks.

The GTAA, the agency that runs Pearson, is pointing to the airlines and Ottawa as bearing responsibility. Canada's Transport Minister has pointed the finger at out-of-practice fliers.

This weekend, many travellers stranded during layovers had no choice but to spend the night sleeping on the floor of the airport or to shell out for hotel rooms. Several passengers told The Globe and Mail that airline staff declined to give them meal or accommodations vouchers.

In an e-mailed statement, the GTAA said it is airlines that make the decisions to cancel flights.

"We appreciate that this is frustrating and ask that all involved remember to be respectful. This extends to both in-person interactions and online," said Elley Prior, communications officer for GTAA.

A spokeswoman for WestJet placed the blame on the federal government. "As Canadians return to travel for the first time in more than two years, we remain extremely concerned with the state of services provided by government agencies," said Morgan Bell, WestJet public relations manager, in a statement.

Stephen Jones, president and chief executive officer of Flair Airlines, expressed his regret over delays and cancellations. "We suffered a perfect storm of crews timing out, coupled with a maintenance issue," he said in a statement. "We needed to do better."

Air Canada did not respond to requests for comment.

But it was baggage concerns – not delays and cancellations – that led to Peel Regional Police being called to the airport at least four times on Saturday, May 21, according to interviews with passengers.

They described jarring experiences with checked luggage, where hundreds of bags were left stranded at different locations around the airport. Travellers kept asking staff about their bags but were met with a lack of answers.

Peel Police acknowledged the presence of officers at the airport, but did not provide any further details. Passengers said police were called in when arguments had gotten heated.

Allison Stephen, 26, drove to Calgary's airport from Fort Saskatchewan on Saturday, May 21. She was flying to Toronto to see her partner, who had a rare weekend off from his military service. She spent four hours waiting for her checked luggage at Pearson.

"It was one of the worst experiences I've ever had," Ms. Stephen said. "I saw an understandably angry mob of people from all over the world who had been waiting for hours. Eventually, they called the cops on them."

The GTAA said not all baggage handling is its responsibility. "Baggage handling, including removing from aircraft, putting into the baggage system, and the rate at which bags are put onto a baggage carousel is the responsibility of the airline and their contracted ground handling company," Ms. Prior said.

“The physical baggage system and maintaining the system is the responsibility of the Greater Toronto Airports Authority.”

John Petruk, 47, was not allowed to get off his plane after landing in Toronto from Barcelona for hours. “That is absolutely inhumane,” he said.

Ms. Prior said “many critical airport processes” were delayed because of the storm on Saturday, May 21. “Moreover, 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,” she said.

Reports about delays at Pearson have been circulating widely in recent weeks. Numerous passengers have taken to social media to vent their frustration.

The GTAA said these delays have been because of staffing shortages, specifically at customs and security checkpoints – issues over which it continues to press the federal government.

But Transport Minister Omar Alghabra told reporters last week it is rusty travellers – returning to flying after the pandemic – who are causing delays. “Taking out the laptops, taking out the fluids – all that adds 10 seconds here, 15 seconds there,” he said.

International Airline Group Urges Canada To Take Action To Reduce Airport Delays

By Eric Atkins, The Globe and Mail, May 24, 2022

A group representing most of the world’s airlines is calling on the Canadian government to drop the remaining travel rules related to COVID-19 in a bid to reduce the delays people face at some airports.

The International Air Transport Association said Canada should ensure there are enough staff at security and customs checkpoints, and that the pandemic-related restrictions be dropped. These include the vaccine requirement, submission of health and travel information on the ArriveCan app, and random COVID-19 testing. IATA also wants dedicated immigration lanes in airports for international arrivals who did not provide health information in advance, to allow others to move through customs check-ins more quickly.

“It is clear that people want to travel. We can therefore ill afford to have passengers subjected to unacceptable wait times both on arrival in the country or on departure,” said Peter Cerda, IATA’s regional vice-president for the Americas. “The relevant authorities must urgently consider removing the last remaining travel-related COVID-19 restrictions and work with the industry on policies and processes which will allow passengers to pass through airports with no undue delay.”

The resurgence in demand for air travel has run into a shortage of the people who work at Canada’s busiest airports. Most were laid off in the pandemic, and are slow to be replaced in a hot job market.

This has left passengers fuming as they are held on parked aircraft, lined up at security and customs checkpoints, or waiting for their baggage.

Markus Ruediger, a spokesman for IATA, said the lineups and delays are the worst in Toronto and Vancouver, but also present in Montreal. Canada stands out among countries as having the most acute staff shortages and airport congestion problems, Mr. Ruediger said from Montreal.

The “untenable” delays cascade to airports in other countries and parts of Canada, he said, causing crew shortages and air-traffic snarls.

“It’s pretty dire,” he said. “It’s delays, delays, delays.”

Garda World, which operates the security screening for the Canadian government at airports in Ontario, Manitoba, Saskatchewan, Alberta, and Northwest Territories is trying to hire “hundreds” of pre-flight security staff, said spokesman Louis-Antoine Paquin.

But he said the process is slowed by a shortage of available recruits, lengthy security checks before hiring, and weeks-long training. And employees laid off in the pandemic had little trouble finding new work, given that they retain their security accreditations, and are less likely to return.

“People are not staying home waiting for us to call them back for a shift,” Mr. Paquin said by phone.

To meet demand for airport staff, Garda has boosted the size of its training staff, held recruitment drives, and advertised for the roles, which pay in a range of \$21.80 in Toronto to almost \$26 in Edmonton.

Transport Minister Omar Alghabra has met with the head of the government agency responsible for security screening and the contractors hired to conduct it, including Garda, in a bid to resolve the problems before the busy summer travel season. He recently told reporters that the staff shortage is compounded by variable flight schedules and travellers unaccustomed to check-in procedures.

Read Story (Subscription Required): https://www.theglobeandmail.com/business/article-iata-urges-canadian-officials-to-take-action-to-reduce-delays-at/?utm_medium=email&utm_source=Coronavirus%20Update&utm_content=2022-5-24%20&utm_term=Coronavirus%20Update:%20Seniors,%20fearful%20of%20long-term%20care%20homes%20and%20COVID-19,%20seek%20new%20ways%20to%20live%20together&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb

In Niagara Falls, Ontario, High Gas Prices Aren't Keeping Tourists Away But Border Confusion Still A Worry

'We Just Want To Enjoy The Summer... So If We End Up Being Broke, It Is What It Is,' Says One Visitor

By Jessica Maxwell, CBC News, May 23, 2022

<https://www.cbc.ca/news/canada/hamilton/niagara-falls-tourism-gas-prices-1.6462931>

Soaring gas prices may mean some people will stay close to home this summer, but Niagara Falls, Ontario is so far seeing no shortage of visitors as the tourism season picks up.

This week, travellers visiting Niagara Falls said they are finding ways to budget around the high cost of fuel when planning a getaway.

Visiting from Arizona late last week, Leepsa and Jana Mavhavika said they are not letting high gas prices change their plans but decided to use more public transportation to save money during their trip.

"[Gas prices are] very high, but we always wanted to visit this place," Leepsa said. "After the pandemic, we always wanted to visit some places because we have not travelled a lot."

"It's so beautiful here," she added.

Marie Mbuyi, who was on her first out-of-town trip with her daughter, decided to take a tour bus from Toronto to Niagara Falls. Mbuyi's husband would drive to join them the next day, she said.

Though gas prices are high, Mbuyi said it wouldn't affect how they travel and live their lives.

"We've been stuck inside for the past two years, so this summer I'm just going to sacrifice," Mbuyi said. "We just want to enjoy the summer this summer. So if we end up being broke, it is what it is."

While the area is so far seeing many tourists undeterred, the mayor of Niagara Falls says the cost of travel is a worry. Gas prices have climbed upward since December. This week, the average price of gas in Canada topped \$2 a litre, a record high.

"The vast majority of people that come to Niagara Falls are by the rubber tire," Mayor Jim Diodati said in an interview with CBC News just before the start of the long weekend.

"Most people drive because we are within a day's drive of almost half the population of North America — so high gas prices are a concern," he said.

In a national survey conducted by the Canadian Automobile Association in November 2021 that saw responses from 2,009 Canadians, 29 per cent said gas prices wouldn't impact their driving, and 36 per cent said just "a little."

But that was long before record prices were reached.

Finding Silver Linings

Local operators have been resilient in finding solutions that keep bringing visitors back, says CEO of Niagara Falls Tourism Janice Thomson.

"Our operators, they are so tenacious, they're so adaptable and they're so accustomed to riding with the market," Thomson said.

During the pandemic, Thomson said the tourism and travel industry in the area struggled just like any other destination in the world but operators have made the most of it.

"We're making the best of what has been made available to us, in terms of when restrictions were lifted," Thomson said.

"We adapted what was on offer and we were able to host visitors at varying levels. So Niagara Falls, it's always here and it'll always be here for people."

If anything, high gas prices might mean tourists may be inclined to stay longer to make the most of their trip, Thomson said.

Thomson also pointed to new transit options for travellers from the Greater Toronto Area.

"The other great sunbeam that we've seen recently is the GO train is going to be coming directly from Toronto to Niagara Falls," Thomson said.

"A family of five can actually travel for \$62 return. And that includes not only their train trip both ways, but their [local bus shuttle service] WEGO transportation within the destination," she said.

"So there are other options — it's not all about driving your car."

Thomson said that Niagara Falls tourism has yet to be impacted by the gas prices and they're not hearing people backing down from their travel plans just yet.

Tourism From U.S. Still Down

With border closures during the pandemic, Niagara Falls tourism shifted its marketing strategy to focus on the Ontario and Quebec markets, Thomson said.

Travellers coming across the border from the United States are at a lower rate than previous years, she said, as American visitors get used to the travel requirements to enter Canada introduced during the pandemic.

Whirlpool Jet Boat Tours owner John Kinney said that while pandemic restrictions have gone away, the tourism industry is still facing "some real bottlenecks" when it comes to U.S. visitors.

"Historically, 60 per cent of the visitation to Niagara Falls is rubber tire market from the U.S.," Kinney said.

"There's still a lot of apprehension about long backups at the border and do I have the proper documentation? Will I be subjected to quarantine? Those are the things that we're having to work through and make sure that the visiting public recognizes that we're open for business," he said.

"As Americans become more accustomed to what the requirements are at the border, I think people will relax more," Thomson said.

"I think people are finding that once they've experienced it, they've gotten through it, I hope that we see that upswing a little bit," she said, "but at the moment, we're well served by the market that we have targeted."

Kinney said that apprehension at the border is not his only concern when it comes to American visitors, but the cost of gas could make or break someone's choice to make the trip to Niagara Falls from the U.S.

"It's not the 20 minute or hour trip that I'm fearful of. It's our markets from Pittsburgh, Cleveland, Rochester, Syracuse, Boston — those one tank away markets, when now it costs a couple of \$100 to fill up your tank," he said.

Kinney said that it is those people who may say, 'I'm gonna stay a little bit closer to home.'

"That's where our fear is," he said.

Still, the mayor says the area, which relies heavily on tourism, will manage.

"We've been through so many challenges here in Niagara Falls," Diodati said. "From 9/11, SARS, H1N1, mad cow, COVID-19, currency fluctuations, and now gas prices.

"It's like one thing after the next, but I really believe that's not going to stand in the way of people coming to Niagara Falls," he said.

Churchill Tour Operators Call For Clarity Around Border Rules Amid Industry Struggles

"It's Very Confusing To Our Clients Who Want To Book, And Want To Come To Churchill." The Churchill Beluga Whale Tour Operators Association Says Ongoing Border Regulations And Confusion Around Rules Is Hurting Business.

By Sam Thompson, Global News, May 26, 2022

[Churchill tour operators call for clarity around border rules amid industry struggles - Winnipeg | Globalnews.ca](#)

The Churchill Beluga Whale Tour Operators Association says confusion over COVID-19 border restrictions continues to impact international tourism to the area.

CBWTOA president Wally Daudrich told Global News that international visitors to the northern Manitoba town, known as the polar bear capital of the world, make up more than 90 per cent of annual tourists, and without them, the industry continues to struggle.

"Internationally, other countries are opening wide open, so their tourism industries are starting to flourish — and being one of the largest countries, geographically, in the world, our borders are largely still just closed," Daudrich said.

"Other countries, like the United States, places in Europe and such, they announced very clearly that their borders were open and there was no interim fuzzy or grey stage they had to go through.

"Our clients are calling us and asking us a lot of questions."

The Association, in a statement earlier this month, said the situation has resulted in fewer tours and hotel rooms booked, as well as less work for many across the usually busy sector.

Daudrich said he would ideally like to see the federal government make a clear statement about who can and can't visit the country.

"It makes it very difficult for us to operate the way we were pre-pandemic," he said.

"Open the borders and make it clear with an announcement — and not piecemeal, a little bit at a time, because it's very confusing for our clients who want to book and want to come to Churchill, want to come to Canada."

Daudrich said a significant percentage of Churchill tourists are older and don't necessarily have the equipment or the technological know-how to use the ArriveCan app, which the federal government requires travellers to use before entering and leaving Canada.

Soaring Gas Prices Limit Long Weekend Travel Plans For Canadians

By Irelyne Lavery, Global News, May 22, 2022

<https://globalnews.ca/news/8862294/gas-prices-canada-long-weekend/>

The Victoria Day long weekend is usually the unofficial start of summer, a time to get away with friends and family. But this year, despite most COVID-19 mandates being lifted, rising gas prices held many Canadians back from making travel plans. Several decided to stay closer to home to avoid spending much at the pumps.

With the price of fuel throwing a wrench into many long weekend agendas, social media has been brimming with comments from frustrated Canadians.

Provinces such as Ontario, Quebec, and British Columbia had prices hit at least \$2.00 per litre, with the latter sitting at \$2.15 per litre on Sunday. Average gas prices in Newfoundland and Labrador hit \$2.18 per litre. In Manitoba, Saskatchewan, and Alberta prices sit under \$2.00 per litre, according to GasBuddy.

Although the nation's gas prices took a slight dip before the long weekend, the cost has been on an uphill climb since Russia began its invasion into Ukraine – and is still expected to be pricey during the summer.

In late February, oil spiked to around US\$100 a barrel, and there's no sign of those crude prices coming down anytime soon.

As of Sunday, May 22, the average price of gas in Canada was \$1.97 per litre, according to GasBuddy.

With no end in sight for Canada's record high gas prices, many have also decided to cancel their summer travel plans.

Two-thirds of Canadian drivers will be staying closer to home this summer, according to a recent Leger survey for the Tire and Rubber Association of Canada (TRAC). Eight in 10 Canadian drivers also believe high gas prices are here to stay.

A total of 66 per cent of drivers said fuel prices will force them to cancel or limit road trips this summer, the survey found. Some RV owners also say high gasoline prices will keep them closer to home this summer.

Although Rob Minarchi, vice-president of sales at ArrKann Trailer and R.V. Centre, hasn't seen people getting rid of their RVs due to high gas prices, he's definitely heard about those staying close by.

"What we're seeing is that a lot of people are just camping a little closer," he told the Canadian Press from Edmonton. "If they were going to do a five-hour trip, now they are going to do a one-hour trip... I think it actually ties in a little bit with COVID-19 and staying close to home."

Some campgrounds are starting to notice some changes.

"I've had a few people cancel," said Scott Kast, owner of Tomahawk R.V. at Lake of the Woods in Ontario.

But, he said, gas prices are a minor factor in those cancellations.

"We do get a lot of Americans here. One thing holding people back is vaccine mandates," said Kast.

Another campground manager told CKPG radio station in Prince George, B.C. that some people travelling from farther away have cancelled.

"A lot of people are wanting to stay local," said Bobbie Carpino, who runs the Salmon Valley campground.

Soaring Fuel Prices Hamper Canadians' Long-Awaited Travel Plans

This Week, The Average National Price Of Gas Topped \$2 A Litre

By Sophia Harris, CBC News, May 22, 2022

<https://www.cbc.ca/news/business/travel-gas-airfare-1.6461093>

After two years of lockdowns and travel restrictions, many Canadians are eager to pack their bags and finally hit the road.

However, there's a hitch. While travellers no longer have to worry about a COVID-19 test to return home, they face a new hurdle: rising travel costs fuelled by increased demand and sky-high oil prices.

"Even though the travel restrictions have been removed, a new restriction has been added, which is a financial restriction," said would-be traveller Chanakya Ramdev of Waterloo, Ontario.

Ramdev hasn't seen his parents, who live in India, since 2018. In April, after Canada lifted most of its travel restrictions, he started researching flights, departing in July. However, he was put off by the price: around \$2,000 for a round trip to India.

Ramdev hoped prices would drop but when he checked again in May, he said he was dismayed to discover that airfares to India had surged to around \$3,000 — a price he can't afford.

"Three thousand dollars for me is equal to five months of rent," said the 30-year-old entrepreneur, who has put his travel plans on hold.

"It was very disappointing because my parents, who are seniors now, have been alone in India."

It appears those cheap deals airlines offered during the height of the pandemic have disappeared.

According to Statistics Canada, airfares are getting pricier, up more than 20 per cent in April 2022 compared to pre-pandemic April 2019.

Over a three month period, from February to April of this year, airfares jumped by 13 per cent.

Economist Hayley Berg blames the hikes on higher demand and soaring oil prices.

According to the U.S. Energy Information Administration, the price of U.S. Gulf Coast jet fuel in April was six times higher as compared to the same month in 2020.

"We have travellers who are eager to get out there ... but fewer seats [are] available than we would typically see at this time of year. Combine that with airline costs up significantly from the increase in jet fuel prices, we're going to have fewer seats that are more expensive," said Berg with the Montreal-based travel app Hopper.

At this time, flights to India can be particularly costly for airlines to operate, because they must take a longer route from North America due to the closure of Russian airspace.

Not On The Road Again?

Road travel is typically a more budget-friendly option than flying, but not so much these days.

Gas prices have climbed upward since December. This week, the average price of gas in Canada topped \$2 a litre, a record high.

So perhaps it's no surprise that, according to a new poll, two-thirds of Canadian drivers surveyed said skyrocketing gas prices will likely force them to cancel or limit their road trips this summer.

The poll, conducted by Leger for the Tire and Rubber Association of Canada, surveyed 1,538 Canadians in April. The poll had a margin of error of +/-2.5 per cent, 19 times out of 20.

Before the pandemic hit, Ted Hilton, of Ingersoll, Ontario, made the 460-kilometre drive to his cousin's home in Michigan several times a year.

Even though he no longer has to worry about COVID-19 test requirements when crossing the border, Hilton said he can't afford to resume his visits until the price of gas comes down.

He also plans to make fewer trips to visit family in Ontario.

"It's kind of discouraging," said Hilton, 81, who lives on a fixed income. "You depend on keeping in touch with friends and relatives ... and not being able to travel and to meet up with them, it does make you feel rather isolated."

Where Will Prices Go?

Fuel prices are surging due to limited supply at a time when there is increased demand, said Laura Lau, chief investment officer at Brompton Funds, which closely follows the energy market.

"As the economy re-opens, people go back to work, they fly more for travel," she said. "[The] demand side is basically at pre-COVID-19 levels."

Meanwhile, said Lau, supply remains constrained due to embargoes on Russian oil imports and less investment in new drilling projects.

"There's certainly a drive for companies to use less carbon and the trend to use electric vehicles," she said. "So what we've seen is that oil and gas production has almost been a pariah."

Petroleum analyst Dan McTeague predicts that, due to increased demand, fuel prices will climb higher this summer with gas prices surging another 10 per cent.

"In Toronto, there are days this summer where gasoline will hit \$2.20 a litre. Vancouver could see \$2.45," said McTeague, president of Canadians for Affordable Energy.

If his predictions come true, it may be another summer where a number of Canadians choose to stay close to home — not because of fear of COVID-19, but rather, fear of a costly travel bill.

Hoping To Rent A Car This Summer? Good Luck

Vehicle Shortage, Pent-Up Demand Are Forcing Some Travellers To Alter Their Plans

By Nojoud Al Mallees, CBC News, May 21, 2022

<https://www.cbc.ca/news/business/car-rental-summer-2022-1.6456587>

Taylor Raggars and her partner, Will Perry, were looking forward to their honeymoon in Newfoundland this summer before they realized they'd have no way of getting around the province.

The couple, who live in Port Hope, Ontario, tried to book a car back in February for a trip they planned to take in late June but were out of luck.

"I probably called five or six places and then anything online that I could find, and they [all had] nothing available," Raggars said.

The lack of car rentals means Raggars isn't going to be able to explore Perry's home province and meet family members living there. Instead, the couple will be hitting the road in their own vehicle for a closer destination: Nova Scotia.

"Will really wanted to show me where his family was from. And I really wanted to see Newfoundland. It's big on my bucket list," she said.

History is repeating itself as last summer's "carpocalypse" makes a return. With travel picking up and more Canadians planning to get out this summer as the pandemic eases, car rental companies are trying to secure more vehicles, said Craig Hirota, vice-president of government relations and member services for the Associated Canadian Car Rental Operators.

"Our best estimates show we're probably still 15 to 20 per cent down from pre-pandemic numbers," Hirota said.

Where's My Chip?

Earlier this month, Statistics Canada released the first in a series of reports on the rental vehicle industry, with the first focusing on British Columbia.

The report found that the size of rental car fleets in the province dropped by more than 30 per cent in 2020. And while fleets started to recover in 2021, they did not return anywhere close to pre-pandemic levels as companies struggled to find vehicles.

A major contributor to the shortage of available car rentals is the slow pace of new vehicle production. Car manufacturers have been backlogged on production as they continue to face a semiconductor chip shortage, a part necessary for digital technology.

"That was exacerbated by the fact that our industry had to pare down our fleets ... when demand dropped in March 2020," the start of the COVID-19 pandemic, Hirota said.

Montreal-based car rental company AutoPlateau is experiencing this exact challenge. Gabriel Raymond, who works for the company that is owned by his family, said it had to downsize its fleet when the pandemic hit. Now, as it tries to expand, Raymond said it's difficult to find cars.

"The car manufacturers are running out of chips for the cars. So car dealers are running out of cars. So car rental companies are not able to renew their fleet," he said.

But Raymond said the company has been able to weather the shortage because it keeps vehicles around for longer, opting to fix them up instead of replacing them.

Despite having no marketing budget, he said AutoPlateau has attracted customers who have no luck securing car rentals elsewhere.

"It's [stressful] because we have a lot of demand coming in from everywhere that we wouldn't have otherwise because we're a small company," Raymond said, adding that the company relies on word of mouth to attract customers.

The shortage of rentals has significantly jacked up the cost of renting a vehicle. According to Statistics Canada, prices for rental vehicles rose by 30 per cent in 2021, while the overall inflation rate sat at 3.4 per cent.

Hirota said the higher cost of renting a car is partly because demand is outpacing supply, and inflation is pushing up the cost of cars and repairs.

Planning Travel This Summer

With summer in sight and most COVID-19 restrictions lifted across the country, tourism is expected to pick up again. The World Trade and Tourism Council is forecasting that the contribution to GDP from Canada's travel and tourism sector could rebound to \$157 billion (Cdn) in 2023, just 0.8 per cent below pre-pandemic levels.

That means more travellers, such as Taylor Ragers, will be looking to snatch a car rental.

Raymond recommends that travellers who are hoping to rent a car this summer make plans as soon as possible and to beware of companies that overbook.

"Overbooking, especially in [a] high demand period, means that they're going to put more customers in the same car," he said.

Some travellers are also turning to a less conventional transportation option: car-sharing.

Similar to Airbnb, car-sharing services allow people to rent out their vehicles to others. American car-sharing company Turo says its services are helping customers secure vehicles amid the rental shortage.

"What we're seeing is that our Turo hosts are stepping in to fill the void," said Cedric Mathieu, the vice-president and head of Canada at Turo.

Mathieu said the peer-to-peer model of car-sharing is more flexible than a car fleet model, which faces challenges when it needs to increase or decrease the number of vehicles available for rent.

"As the demand started surging back up, we're able to acquire and convince more hosts to join," he said.

Turo currently has more than 50,000 vehicles available in more than 350 cities across the country. Most recently, the company has expanded to Newfoundland and Labrador, New Brunswick, and Prince Edward Island.

As for when a recovery for the car rental industry can be expected, Hirota of the Associated Canadian Car Rental Operators said it's hard to predict, given how quickly things can change. But while car manufacturers continue to ramp up production, he said challenges are still likely to persist for the next couple of years.

"I think it's going to remain a challenge to get vehicles through the coming year and possibly the next year after that," he said.

If You're Travelling This Summer, Should You Get Trip Protection, Travel Insurance — Or Both?

By Joshua Chong, Toronto Star, May 23, 2022

Canadian families are gearing up to travel this summer — many for the first time since the start of the pandemic.

More than two-thirds of us intend to travel between May and October, according to the Conference Board of Canada.

But as COVID-19 continues to loom large, many travellers are once again concerned about the possibility of having to unexpectedly cancel their trip at the last minute.

Amid the uncertainty, travel agencies are pushing trip-protection add-ons, while insurance providers are promoting their travel insurance plans.

But what's the difference between the two — and do you need either for your upcoming vacation?

Trip protection typically allows you to waive cancellation or change-of-date fees for your trip if you become sick, and covers reimbursement for lost baggage, says Megan Honan, a Toronto-based travel writer.

Travel insurance, on the other hand, usually covers all that plus additional expenses, such as medical emergencies, natural disasters — even accidental death, she says.

"I typically go with a comprehensive travel insurance plan, but I think it depends on different factors, like your family size, age, and the type of trip you're taking," says Honan.

Trip protection plans often vary widely in what they cover, says Honan, adding travellers should review all the terms and conditions before purchasing such a plan.

And although Honan uses the comprehensive travel insurance provided through her credit card, she says others considering that option should review the fine print, noting that not all policies cover other family members.

Dorian Werda, vice-president of operations at the Travel Industry Council of Ontario (TICO), stresses that if travellers decide to purchase trip protection with a travel provider or agency, they should not forfeit health insurance if they are travelling out of province.

"Some people may be comfortable taking the suppliers' top-up on cancellation protection, but definitely get out-of-province health insurance as well," she says. "With the new normal especially, you want to ensure that you're completely covered."

At the very least, Werda says travellers should ensure they go through a TICO-regulated travel agency or service provider, which is under provincial oversight and has a set standard of consumer protection.

“When consumers book their services through an Ontario-registered agency or website, they’re automatically protected by a compensation fund if the services that they purchase are not provided due to bankruptcy or insolvency,” she says.

Read Story (Subscription Required): https://www.newhamburgindependent.ca/community-story/10631047-in-your-corner-if-you-re-travelling-this-summer-should-you-get-trip-protection-travel-insurance-or-both-/?s=n1?source=newsletter&utm_content=a10&utm_source=ml_nl&utm_medium=email&utm_email=6D73923380F292A40DC042B455F0FDE3&utm_campaign=hihl_125990

Ahead Of Summer Rush, Seasonal Businesses Struggle To Find Workers

By Brett Bundale *The Canadian Press, May 23, 2022*

<https://globalnews.ca/news/8863273/seasonal-businesses-hiring-crunch/>

Seasonal industries are struggling to ramp up ahead of the busy summer rush as Canada’s rock-bottom unemployment rate and swelling job vacancies create an acute hiring crunch.

The shortage of workers comes as operators in the hospitality, retail, and recreation sectors expect a strong rebound in customers.

Warmer weather, receding COVID-19-related health concerns, pent-up demand, and a stockpile of household savings are all driving an increase in tourism and hospitality spending, a recent RBC Economics report said.

The situation is leaving businesses from restaurants and hotels to garden centres and landscaping firms scrambling for workers.

Some companies are beginning to offer higher wages and incentives such as flexible scheduling or even scholarships to stand out and attract applicants.

“A lot of industries are looking for seasonal staff right now. There’s a lot of competition,” said Cyrus Cooper, professor at Centennial College School of Hospitality, Tourism and Culinary Arts.

But some businesses may end up having to make do with fewer employees.

Visitors to restaurant patios or beachside resorts this summer may notice fewer waiters to bring them another pint or housekeepers to service their room.

“The lack of staff is not just frustrating for customers, it can hurt revenues,” Cooper said.

“If you want to purchase that extra beer or appetizer but you can’t find your server, that leads to a lower guest cheque.”

Seasonal service industries were slammed by pandemic shutdowns. Many were shuttered for months, or their capacity was strictly curtailed. Canadians under stay-at-home orders spent their money on goods instead of services.

As a result, many service-sector businesses took longer to recover than other industries, leaving them at a disadvantage for hiring staff.

“Seasonal industries like restaurants are kind of late to the party. They started to recover and rehire later than everybody else,” said TD Bank Group economist Ksenia Bushmeneva.

“They’re ramping up their payrolls when the labour market is already tight. Finding workers now is extremely challenging.”

Canada’s jobless rate fell to a record low of 5.2 per cent in April after months of strong demand for workers and a sustained hiring spree in many industries.

Among core-aged workers aged 25 to 54, the unemployment rate dropped even lower to 4.3 per cent.

Meanwhile, job vacancies are climbing as businesses compete to fill positions ahead of the summer.

“There is a really enormous increase in overall hiring appetite,” said Brendon Bernard, senior economist at Indeed, an employment website for job listings.

As of mid-May, Canadian job postings including the word “summer” in the title -- a proxy for seasonal demand -- more than doubled compared to the same period last year, he said.

Camp counsellors, house painters, and amusement park ride operators are just some of the summer openings currently on the jobs site in large numbers.

Meanwhile, some bigger companies are trying new ways to attract applicants, using TikTok as a recruitment tool or leveraging Instagram influencers.

McDonald’s Canada announced plans to hire 25,000 people and released a computer game to simulate the fast-food restaurant’s “behind-the-counter fun.”

“McDonald’s has certainly been affected by the labour shortages across the country,” said Erin Moore, national director of human resources with McDonald’s Canada.

“We do have some markets where hiring is tougher or getting applicants is tougher based on the current unemployment rates.”

The restaurant is offering hiring perks in some areas, including higher wages for shifts that are more challenging to staff, she said.

“We’re always hiring but with the summer being generally the busiest months in our restaurants, it is a time that we certainly look to recruit more team members,” Moore said.

How This Man Fought For \$5,200 After A Travel Agency Spent His Airline Vouchers — On Other Clients

Ontario Regulator 'Toothless' When It Comes To Compensating Customers, Critic Says

By Erica Johnson, CBC Go Public, May 23, 2022

<https://www.cbc.ca/news/gopublic/airline-vouchers-given-away-all-link-1.6458056>

Surinderpal Gill trusted the travel agency where he bought tickets for a family trip to India two years ago.

But then he found himself out more than \$5,200 and his trust broken.

Last June, Air Canada sent All Link Travel, based in Toronto, three vouchers to compensate Gill for return flights that were cancelled as aviation ground to a halt amid the pandemic.

But instead of telling him, Gill says the travel agency repeatedly said there was no sign of the valuable travel documents. It then used those vouchers to pay for trips for other people.

"I feel like I have been betrayed," he told Go Public, shaking his head in disbelief in his Brampton, Ontario home. "How can somebody use my money without my consent?"

Gill is one of thousands of Canadians who've battled for months over travel vouchers issued amid the pandemic. Many say the very travel agencies they used are compounding their problems getting vouchers or refunds from airlines.

"The bane of our existence ... the infamous travel voucher," said Richard Smart, CEO and registrar of the Travel Industry Council of Ontario (TICO), which regulates travel agencies. "Complaints have gone through the roof over the last two and a half years."

The Canadian Transportation Agency (CTA) says it, too, has received thousands of such complaints — almost 9,000 since the pandemic was officially declared in March 2020.

After Go Public got involved, the agency repaid Gill.

Travel Vouchers Drained

Gill, his wife, two sons, and five other family members were in India that March, and were desperate to find a way back to Toronto after their return flights were cancelled.

He paid almost \$11,000 for four tickets to get his immediate family on a flight organized by the federal government; almost triple the usual cost.

"There were no more options," he said. "We had no choice."

When Air Canada received a government bailout in April 2021 and promised to compensate travellers whose flights had been cancelled, Gill waited a couple of months and then called his travel agency to find out when his vouchers were coming.

"They said they don't have any information," said Gill.

He says he called several more times over the next few months and, each time, was told Air Canada hadn't emailed any vouchers for him.

Last December, Gill asked Air Canada directly. He was told All Link had had the vouchers since June.

The airline sent him the same email it had sent All Link, which included a PIN, to log in and check the balance. That's when Gill learned the vouchers — worth \$5,277 — had been almost completely drained.

"I was angry," he said. "This is misuse of money."

The agency claimed the vouchers had been used by mistake — three times.

"I said ... 'Don't make up that story,'" said Gill. "'It's not one coupon, it's three coupons. If it's a mistake, write me a cheque.'"

Gill says the Air Canada rep confirmed the vouchers had been used to purchase airline tickets for people with an entirely different family name.

Vouchers can be used for other customers, said TICO's Smart, but only "if the original customer gives permission."

No Explanation

All Link Travel declined an interview request. Instead, a representative — who would not provide his name and called Go Public using a blocked phone number — promised several times to send a statement, but never did.

Gill says he's grateful to have his money back, but the experience was exhausting.

"Everything has worked out," he said. "At the same time, I still have the feeling that this should not have happened."

Gill says it's problematic that airlines send vouchers to customers' travel agencies. Since the emails include a booking code and PIN, agencies are able to use the vouchers.

"The travel agency has not paid for my ticket, so why is the money [voucher] going back to them?" he said.

Gill's is not the usual type of voucher complaint TICO has received in the pandemic, says Smart.

He says the regulator has been swamped with complaints about the length of time it's taking for travel agents to provide airline travel vouchers, the hours customers are spending on the phone dealing with agencies and airlines, and a desire for cold hard cash instead of a travel credit.

Another big complaint are the fees travel agencies are charging to release the vouchers, says travel industry expert John Gradek, a faculty lecturer at McGill University's aviation department.

They replace the commission agencies lose when flights get cancelled, he says, and typically range from \$75 to over \$200 per ticket.

"Welcome to the world of unregulated charges," Gradek said. "[The fees are] a commercial agreement that's in place between the airlines and the travel agencies. And the travel agencies are free to charge whatever they want."

Many frustrated travellers who wrote Go Public blame travel agencies for giving more headaches than help.

One said he was "at an absolute loss" when it came to obtaining vouchers. Another wrote that "after four hours, they disconnected my call." Another said his agency was "refusing to pay back" money that is rightfully his. Yet another claimed his travel agency was holding almost \$3,000 "hostage."

Consumers must be persistent, Gradek said.

"Don't procrastinate," he said. "Always follow up with whoever got the last ping-pong — whether it's the travel agency or the airline. The more you make a pest of yourself with either party, the sooner you get this thing settled."

Failing that, says Gradek, they can escalate to the provincial or territorial authority that handles travel complaints.

'Toothless Tiger'

But Ontario's regulator, TICO, can't force an agency to reimburse a client.

It's a "toothless tiger," says Gradek, and needs more powers to make consumers financially whole.

"They have a nice loud roar ... but when it comes to doing something that will put some money behind their actions, they seem very reluctant to want to do that."

Smart says TICO isn't "heavy handed," but accomplishes a lot by facilitating discussion between frustrated customers and travel agencies. When mediation doesn't work, its officers can lay charges and take cases to court.

"We can't impose a settlement," said Smart. "But we've recovered hundreds of thousands, millions of dollars over the years for consumers who have put complaints in."

Gill, who filed a complaint with TICO, agrees it should have more power.

"Why are they getting [government] money if they can't do anything to compensate the consumer?" he asked.

"They should be given power to make them [agencies] pay back the consumer their money so that we don't have to go through lengthy court trials."

Despite everything, Gill says he and his family are still keen to travel — the next destination on the list is Western Canada.

"We have a lot of family in the Vancouver area," said Gill. "That is our dream vacation."

Gill says he'll use his newly minted refund to take that trip, but wonders how many other Canadians are still owed vouchers from their travel agents.

"I want to spread awareness about this issue," he said. "There may be more victims whose [vouchers] have been used by travel agencies without their knowledge."

This Refreshing Airline Amenity Is Making A Comeback

By Sally French, NerdWallet, Special To The Canadian Press, May 25, 2022

[This refreshing airline amenity is making a comeback \(msn.com\)](#)

For those among us who like a tippie after takeoff, consider this a sign that the world is healing: many airlines are resuming in-flight meals and alcohol service.

Early on in the pandemic, many airlines completely cut in-flight refreshment offerings (aside from perhaps a hasty water bottle delivery). Slowly but surely, airlines are re-introducing the amenity.

For example, in 2020, Southwest Airlines cut service completely on short flights and offered only water and a prepackaged snack on longer flights. In 2021, Southwest re-introduced a small selection of non-alcoholic drinks to all flights. It wasn't until February 2022 that its complete pre-pandemic beverage menu returned, which included more soda and juice choices — plus alcoholic beverages for an additional cost.

Other airlines moved a bit more quickly. By July 2020, Delta Air Lines was offering beer cans and single-serve wine bottles. It wasn't until March 2022 that it brought back hot meals for its Delta One and first class customers on some flights.

Why Did In-Flight Alcohol Get The Ax?

It's hard to peg just one reason why alcohol and hot meals disappeared on flights during the COVID-19 era. For some, it eliminated unnecessary lingering in the aisles while flight attendants took everyone's orders.

Others point to unprecedented rates of unruly passenger reports as the reason to remove alcohol in particular. In 2021, the Federal Aviation Administration initiated 1,099 investigations around unruly passengers. That's up from just 183 in 2020, 149 in 2019 and 146 investigations in 2018, according to FAA data. And not all bad behavior yields an investigation. In 2021, the FAA received reports of 4,290 mask-related incidents and 5,981 unruly passenger reports.

While it's unclear how many of those cases involved alcohol (or how many more there might be if alcohol was accessible), flight attendants suggest a correlation.

An online survey of 5,000 flight attendants in summer 2021 by the Association of Flight Attendants-CWA, a union, showed that mask compliance and alcohol were among the most common factors in unruly passenger interactions. Additionally, 17% of respondents reported experiencing at least one physical incident with a passenger.

Some suspect the reason in-flight beverages got the boot comes down to money. Airlines have sought to cut costs by culling refreshments long before the pandemic. For instance, Frontier Airlines discontinued serving warm, gooey cookies on its flights back in 2012, stating that fresh cookie service "does not align with either the perception or financial reality of the ultra low-cost business model," according to a memo obtained by the Milwaukee Journal Sentinel. Today, refreshments are available on Frontier flights for purchase, but there are no freebies.

These days, travelers say that while service has largely returned, it's still been significantly reduced.

"Pre-COVID-19, United Airlines would always offer a drink before takeoff, and flight attendants would continue to offer drinks during the flight," says David Decker, an insurance executive and United Million Miler member.

"Currently, the flight attendants make the rounds after the plane has reached cruising altitude, but you are hard-pressed to find a flight attendant for a refill. I've seen some passengers even resort to ringing the flight attendant bell."

How To Save Money On In-Flight Beverages

If you want to save money on in-flight refreshments, then the typical advice of "pack your own snacks" likely won't apply on airplanes. You can't bring liquids greater than 3.4 ounces through the Transportation Security Administration checkpoint, so unless you're drinking a straight espresso shot, there aren't a lot of beverage options you'll be allowed to get past security.

You can't sneak through your own small stashes of liquor, either; FAA regulations prohibit passengers from drinking alcohol on the aircraft unless it's served by a flight attendant.

These days, unless you're flying a budget airline, you'll likely no longer have to spend \$6 on a soda in the airport terminal just to satisfy your carbonation cravings. If you can wait until after takeoff, you could get it all as part of the cost of your airfare.

And as far as adult beverages go, here are additional ways to save.

Look For Old Airline Coupons

Some airlines offer coupons for in-flight snacks and drinks to loyal customers. And though they tend to have expiration dates, many of those have been extended. For example, Southwest drink coupons that were set to expire in 2020 or 2021 (and can be redeemed for an alcoholic beverage) now don't expire until December 31, 2022.

Fly First Class (For Free)

You're unlikely to be offered a free adult beverage in economy, but you will in the premium seats. On Delta, all Delta Comfort+ and first class customers receive complimentary beer and wine service. United offers complimentary alcoholic beverages in premium cabins, and Alaska Airlines offers complimentary alcohol in first class.

Premium cabins typically aren't cheap if you're paying a cash fare, but you might be able to finagle your way to an upgrade. There are a few tricks to getting a free upgrade on your flight, such as through holding airline elite status.

Early on in the pandemic, chasing elite status might not have been a smart money move given that many were traveling less and that perks were reduced. But while earning airline elite status is not exactly a walk in the park, it might be worth it these days if you travel often and fully use the benefits (like actually consuming in-flight alcohol).

Use Airline Credit Card Incidental Credits

Many premium travel credit cards offer statement credits toward airline incidental fees. These fees are additional qualifying charges from your preferred airline beyond the actual airfare. What's considered a qualifying purchase can vary by credit card issuer, but they typically include checked bags, seat upgrades, and — yes — in-flight refreshments.

Does Flair Airlines Play Fair? Experts Weigh In On Its Route 'Exclusivity' Deals

By Craig Lord, Global News, May 21, 2022

<https://globalnews.ca/news/8848749/flair-airlines-waterloo-airport-exclusivity/>

Flair Airlines says its cheap airfares and deals with regional airports are improving competition in the Canadian air industry, but as the Edmonton-based carrier seeks extra time to meet its licence requirements to keep flying, a rival airline is calling the company's exclusive deals into question.

In looking at Flair's deals at the Waterloo Region International Airport (YKF), where it has exclusivity on some routes, some experts are torn on whether such arrangements are unfair or can actually increase choice for travellers seeking more convenient and affordable flights.

Flair is currently the subject of a licence review from the Canadian Transportation Agency, which found in a preliminary review released in March that it might not meet the Canadian ownership standards to fly in the country. A formal decision will be delivered on June 1, the watchdog says.

The ultra-low-cost carrier has outlined the steps it's taken to address the CTA's concerns since the initial ruling, but has also asked Canada's transportation minister, Omar Alghabra, for an 18-month extension to meet the standards and to refinance its debt tied to an American investor.

Global News has reviewed a redacted version of that submission, in which Flair champions its role in adding competitive, lower-cost fares to the Canadian air industry as a primary reason it should be allowed to keep flying while it addresses the CTA's issues.

But low-cost rival Swoop, owned by WestJet, has cried foul over Flair's agreements at the Waterloo airport, which box Swoop out of routes to the southwestern Ontario city.

The airline said in a statement to Global News that it had reached out to the Waterloo Region airport authority last month to add service connecting Waterloo to Edmonton and Halifax starting this summer, but was denied.

"Unfortunately, our proposal was denied as Flair Airlines has a monopoly through an exclusivity agreement with the Region of Kitchener-Waterloo and the airport authority," said Swoop president Bob Cummings in a statement.

"These types of agreements are not common in Canada because they prevent choice and competition for travellers. It is never in the public interest to allow monopolies to develop and we are disappointed that travellers do not have the option to choose Swoop when planning their next trip to or from the Kitchener-Waterloo region."

Flair CEO Stephen Jones confirmed in a statement to Global News that the airline has exclusive rights to certain routes out of Waterloo and defended the arrangement as allowing it the freedom to build up service at the airport without the threat of other airlines crowding Flair out.

"Here's the truth: every airline in Canada was offered a fantastic opportunity to fly from Waterloo on an exclusive basis, through a transparent RFP (request for proposals) process. Not a single one of our competitors bothered to respond," Jones said in his statement.

"That's how much they care about Waterloo. We do. Flair was the only one willing to take the risk and begin flying, and has developed a successful network and a great relationship with YKF."

Exclusivity Was Waterloo's Idea

While Swoop's criticisms about competition are levied largely at Flair, the Waterloo Region airport is the one behind the exclusivity arrangement, a program it launched roughly five years ago.

Airport director Chris Wood confirmed to Global News that Swoop's request to add service to those routes was denied because they are locked up in exclusivity arrangements with Flair.

Wood also confirmed that the airport has exclusivity deals with other airlines, though he did not provide specific names.

Wood says that when Waterloo introduced the program, it opened the gates to all airlines in Canada to make proposals for exclusive routes through the airport. Neither WestJet nor Swoop took Waterloo up on those offers, he says, though Swoop itself only began operations in the summer of 2018.

Cummings told Global News that the airlines “proudly declined to participate” in the program on “principle,” asserting that exclusivity is never right for consumers or the public interest.

“Having multiple carriers serving a market or route is how healthy competition works. It is in the best interest of the consumer to have multiple carriers, more choice, and lower fares. Flair and YKF’s multi-year exclusivity agreement confers an unfair advantage to one carrier to the detriment of consumers in the region,” he said in a statement.

But Wood says the program has “proven quite successful” since it began. Offering exclusivity gives airlines a chance to test out a route without the fear that a competitor will come in and undercut their prices, bullying them off the route, he says.

“This was something that was very attractive to certain carriers. Basically, it allows them to build a route without the threat of predatory behaviour that we have seen in this country before,” Wood says.

Flair, in particular, has been responsible for significant growth at the airport over the past few years.

Before Flair started flying from the airport, Waterloo saw roughly 100,000 passengers pass through in a year. It’s expecting 700,000 travellers in 2022 and hopes to hit one million next year.

“Most” of that traffic is coming through Flair, Wood says. The airport has plans to introduce another burgeoning carrier, Pivot Airlines, to its roster in the near future.

Is Exclusivity Anti-Competitive?

Experts say measures that reduce competition on routes and artificially block other airlines from adding service are not illegal but can be unfair.

“Exclusivity, by its very nature, means keeping the competition out. So while (Flair is) talking about bringing lower fares to Canadians, especially to people of Waterloo ... that’s anti-competitive, in my view,” says John Gradek, professor of aviation leadership at McGill University.

The only other example of exclusivity he knows of in Canada is Porter Airlines at Billy Bishop Airport in Toronto, but Gradek says the difference there is that the airline owns the building itself.

Frederic Dimanche, director of the Ted Rogers School of Hospitality and Tourism Management, says he is torn on the concept.

He notes that it's not unusual for regional airports to offer "special deals" or cheaper landing fees in order to attract low-cost carriers to their markets, but he has never heard of an exclusivity arrangement in Canada.

While he says the idea of exclusivity "goes against" the kind of competitive atmosphere which Canadians and regulators would like to see in the airline industry, he notes that proving out new routes takes a considerable amount of time, research, and risk.

Airports want airlines to succeed in building up their roster of destinations, and therefore it could be a "prudent approach" to allow exclusivity and let a route become established in the market before opening it up to competitors, he says.

"They don't want any other airline to come in and cannibalize the potential success of a route," he says.

In his statement, Jones accused Swoop of similar behaviour, alleging that many of the low-cost airline's routes "mimic" those of Flair and suggested they'd leave those markets if Flair were run out of town.

"This is exactly the kind of behaviour that YKF wanted to prevent by providing a time-limited exclusivity on specific markets. It allows an entrepreneurial carrier time to establish a market without WestJet or its puppet, Swoop, dumping capacity and copying the innovator, and then disappearing again when their dirty work is done," he said.

Citing WestJet's 15-year presence in Waterloo, Cummings shot back at claims that the flagship carrier and Swoop were not committed to the region; and said Swoop had always planned to expand to the airport as part of its efforts to ramp up in the Ontario market post-pandemic.

"We are not the carriers at risk of leaving or being shut down," he said.

Dimanche says that he would be surprised if any airport let that exclusivity reign for long once a route has proven successful. Letting airlines have a long-standing monopoly on a route often leads to higher prices than when they're competing with another carrier for passengers, he notes.

Wood confirmed that the exclusivity deals it has with airlines are "time-limited" but did not say how long agreements tend to last.

From Waterloo's perspective, letting Flair come in and run a route to Vancouver, for example, gives Ontario residents more choice when it comes to flying out west. Before Flair, Waterloo residents could fly to Calgary and transfer to get to the west coast or drive to Toronto's Pearson International Airport for the flight.

Now, they've got a bit more choice in how they make their trip, Wood argues.

"We've increased competition from what we had before because before there was none," he says. "Pearson is everybody's local airport, and we're trying to change that."

Flair Likely To Fly Over The Summer, Experts Say

If the transport minister and CTA are interested in increasing competition in the Canadian airspace, they likely will keep Flair in the air for at least a while longer, experts say.

Gradek says that Alghabra likely won't grant Flair the full 18 months it requested to find Canadian financing and meet the ownership requirements, but he could see the airline getting another three or four months.

"I don't think there's an imminent shutdown of Flair. They're going to give them some time and probably allow Flair to go through the summer," he says.

Dimanche agrees, and says the airline is likely to get a bit of "leeway" in the months ahead as it works towards fixing the ownership concerns.

"I think overall, it's going to be good for the competitive environment in Canada, and that's something that the federal agencies should be looking forward to," he says.

Wood says Waterloo has been hurrying through a \$35-million facelift for the airport, including a new departures building to accommodate the anticipated volume from Flair.

Construction will fully wrap up just a day before Flair launches its expanded summer travel schedule out of the airport on June 7 — assuming its licence is still in place.

Wood says he's "very confident" that Flair has "addressed the concerns" raised by the CTA and that it will still be flying this summer.

But if Flair is grounded, he's also convinced that the market to fly into and out of Waterloo "has now been proven."

"We now have the facilities. We now have the room. So potentially, there are other carriers out there that could step in and provide some service" if Flair bows out, Wood says.

Low-Cost Airline Swoop Wants To Fly You To Edmonton, Halifax From Waterloo Region, But Can't Due To 'Monopolistic' Agreements

Exclusivity Agreements Allow Carriers Like Flair Airlines To Have Control Over Certain Routes For A Certain Time Frame

By Brent Davis, Waterloo Region Record, May 26, 2022

Discount airline Swoop says exclusivity agreements between the Region of Waterloo International Airport (YKF) and carriers including Flair Airlines are "monopolistic" and stifle fair competition.

Bob Cummings, president of WestJet-owned Swoop, says he recently approached the airport looking to introduce flights to Halifax and Edmonton this summer; he was told those routes are under an exclusive agreement with rival Flair Airlines, which has steadily built a foothold at the Breslau airport since launching there just over a year ago.

“We are disappointed that we don’t have the option to fly routes out of YKF that would give people in the region choice,” Cummings said in an interview on Thursday, May 26.

Such “monopolistic” agreements aren’t common in the Canadian aviation industry, he said, adding WestJet and Swoop have never sought or required them.

“I’ve been in the industry 15 years. I haven’t seen it in the aviation industry, certainly not in Canada, and we view it as preventing competition and limiting choice for consumers.”

The destinations suggested by airport officials that aren’t covered by the exclusivity agreements — places like Regina, San Diego, and Mazatlán, Mexico — do not represent “like-for-like market opportunities” compared to Edmonton or Halifax, which may appeal more to local travellers wanting to visit family or friends, the company said.

Airport director Chris Wood said YKF has exclusivity agreements with more than one airline, and said not all of Flair’s routes are exclusive. The agreements may provide exclusivity for up to three years.

WestJet has flown direct to Calgary from Waterloo Region since 2007. Sunwing offers winter departures to sun destinations; Pivot Airlines’ launch, with flights initially planned to Ottawa and Montreal, has been delayed.

“The purpose of time-limited exclusivity on new routes is to allow airlines willing to take a risk in establishing new routes out of YKF, to truly test the viability of those services,” Wood said in an email.

“The Region of Waterloo would welcome the opportunity to discuss establishing new routes out of YKF with any Canadian airline.”

Wood said all Canadian airlines were offered the chance to establish new routes on an exclusive basis through an open request for proposals a few years ago, but neither Swoop nor WestJet responded.

Cummings said Swoop, which WestJet announced in 2017, was in its infancy at the time. However, Swoop and WestJet did not participate primarily “on principle,” he said.

“With respect to what we view as fair competition, we’re opposed to the exclusivity agreement in general.”

In an email, Flair chief executive officer Stephen Jones said all airlines were given the same “fantastic” opportunity. “Not a single one of our competitors bothered to respond. That’s how much they care about Waterloo.”

The Region has pinned much of the airport's future hopes on Flair, which has dramatically increased passenger volumes with a growing roster of flights to more than a dozen destinations.

The Region has provided Flair with more than \$300,000 in subsidies, and has attributed the need for an ongoing expansion, in part, to Flair.

Jones accused Swoop of copying much of Flair's schedule nationally, saying that's the type of behaviour the exclusivity agreements aim to prevent.

"It allows an entrepreneurial carrier time to establish a market without WestJet or its puppet, Swoop, dumping capacity and copying the innovator, and then disappearing again when their dirty work is done."

Flair is just days away from learning if its licences will be suspended, as a federal regulator determines whether it is meeting rules on Canadian ownership.

A ruling is expected on June 1; Flair has previously said it planned to ask the Canadian Transportation Agency for an 18-month extension so it could pay off debt to U.S. investors.

If the agency rules in Flair's favour, Cummings said Swoop has asked the federal government to void the exclusivity arrangement with the Regional airport; Swoop questions whether the Region has the authority to enter into such agreements in a federally regulated industry.

While he stressed that he's not a lawyer, aviation expert and McGill University lecturer John Gradek said he believes the agreements are above board.

"My take on it, understanding Canadian aviation practices and regulations in the Canadian environment, is that this is not illegal," he said. "These landing agreements and these operating agreements are contractual, and you as an airport operator can decide who you want to contract with."

Although exclusivity agreements aren't common in Canada, they're prevalent in the United States, especially among airports serving smaller communities, Gradek said.

Flair can benefit from keeping Swoop and other low-cost competitors, such as Lynx Air (formerly Enerjet), away from Waterloo Region while setting prices at a level they think is appropriate, he said.

But he said the Region is missing out on possible new investment.

"That was a short-sighted business decision in the aviation world, because the aviation world changes dynamically," Gradek said.

"In the interim, while you have this monopolistic agreement in place with Flair, you are turning away potential opportunities for Kitchener-Waterloo residents to take advantage of a new carrier's pricing strategy and service level."

Read Story (Subscription Required): <https://www.therecord.com/business/2022/05/26/low-cost-airline-swoop-wants-to-fly-you-to-edmonton-halifax-from-waterloo-region-but-cant-due-to-monopolistic-agreements.html>

Ottawa To Conduct Public Interest Assessment Of Westjet-Sunwing Deal

By The Canadian Press, May 20, 2022

<https://globalnews.ca/news/8852685/ottawa-assess-westjet-sunwing-deal/>

The federal government will conduct a public interest assessment of WestJet Airlines Ltd.'s deal to buy Sunwing Airlines and Sunwing Vacations.

In a statement, Ottawa says the review will be done with input from the Commissioner of Competition, who will assess impacts on competition.

The assessment will include consultations with industry and other stakeholders, other government departments, other levels of government, as well as the public.

Transport Canada has been given until December 5 to complete the review and provide it to the transport minister, who would then provide a recommendation to cabinet concerning the deal, which requires regulatory approval.

WestJet announced in March its plan to buy Sunwing, a move that would bolster its holiday tour business. Financial terms of the agreement, which would see Sunwing's shareholders become equity holders in the WestJet Group, were not disclosed.

Under the deal, WestJet has said it plans to create a new tour operator unit based in Toronto that would include Sunwing Vacations and WestJet Vacations as separate brands. The airline has said it would also expand to include Sunwing Airlines, adding capacity as it turns seasonally operated aircraft into year-round jets.

OTHER CAFII MEMBER-RELEVANT INDUSTRY/BUSINESS/SOCIETAL NEWS

Ottawa Wants To Search Your Phone At The Border, But Its Proposed Rules Are Unreasonably Suspicious

Opinion By The Globe and Mail Editorial Board, May 27, 2022

<https://www.theglobeandmail.com/opinion/editorials/article-ottawa-wants-to-search-your-phone-at-the-border-but-its-proposed-rules/>

Are you a person who sometimes experiences "general concerns"? Do those general concerns feel "reasonable" to you? If so, you might have a future in the Canadian Border Services Agency.

“Reasonable general concern” is the Trudeau government’s proposed threshold for allowing a border guard to access the contents of your cellphone, laptop, or other digital device, any time you enter the country.

It’s in a Bill, S-7, that the government has weirdly introduced in the Senate rather than the House of Commons, provoking the first of many questions about this legislation. The proposal has also raised eyebrows for the fact that the legal standard it applies appears to have been created out of thin air.

Unlike “reasonable suspicion” or “reasonable grounds to believe,” which are well-established legal standards that police must meet in order to arrest someone or conduct a search, “reasonable general concern” is making its international debut. And it’s already not earning rave reviews.

The Canadian Civil Liberties Association says “reasonable general concern” is more of a “sniff test” than a standard, and as such won’t protect the digital privacy of the millions of people who cross a Canadian border each year.

A lawyer quoted in the Canadian Bar Association’s magazine said that “reasonable general concern” reads like “some sort of gut feeling.”

We think the proposed legal standard sounds a lot like asking CBSA officer Peter Parker if his Spidey senses are tingling.

Even more troubling, “reasonable general concern” ignores a 2017 recommendation from the House of Commons’ standing committee on access to information, privacy and ethics that the threshold be “reasonable grounds to suspect.”

The Trudeau government contends that Bill S-7 will “safeguard traveller privacy and rights in the examination of personal digital devices” – a duty that was imposed on it by a landmark 2020 Alberta Court of Appeal ruling.

The court said border agents can’t search a person’s cellphone or laptop in the same routine fashion they do a suitcase or a purse, as was the practice up until then.

Digital devices can hold every e-mail a person has ever sent or received, as well as text messages, medical and financial information, intimate photographs, and sensitive browser histories. The court ruled that inspecting this “biographical core of personal information” in a “suspicion-less and unlimited” way was a violation of the constitutional right to be secure against unreasonable search or seizure.

It said Ottawa needed to establish a higher threshold for digital-device searches, but suspended its judgment to give Parliament time to update the Customs Act.

The proposed reform is finally here. It says a border officer “can examine documents, including emails, text messages, receipts, photographs or videos, that are stored on a personal digital device,” if the officer has a “reasonable general concern” that the device’s owner is importing prohibited goods on it, including child pornography, or isn’t being honest about the value of the goods they are declaring.

(It's worth noting that officers have always only been able to examine things stored directly on a device, and are supposed to disable its wireless and cellular connections before searching it.)

When crossing an international border, one's expectation of privacy should be lower. Bags will be searched and questions will be asked. At the same time, however, a smartphone isn't a suitcase. The former can contain far more than the latter, and the expectation of privacy surrounding it should be higher. That means the threshold to search it must be higher.

So it is important that the government find a balance between letting border officials do their job effectively, and protecting the constitutional rights of travellers.

The judges of the Alberta Court of Appeal were themselves uncertain as to exactly where the line should be drawn. "Whether the appropriate threshold is reasonable suspicion, or something less than that having regard to the unique nature of the border, will have to be decided by Parliament and fleshed out in other cases," it wrote.

Fair enough. The government has put a proposal on the table, as required. But "reasonable general concern" seems worded in a way to allow border guards to continue doing "suspicion-less" searches on digital devices. Ottawa appears to be trying to meet the requirement to name a threshold, without actually applying one.

Long Wait Times, Lack Of Access To Mental Health Care A Priority For Local Residents In Provincial Election

The Ontario Medical Association Has A Solution

By CityNews Everywhere Kitchener, May 26, 2022

https://kitchener.citynews.ca/local-news/long-wait-times-lack-of-access-to-mental-health-care-a-priority-for-local-residents-in-provincial-election-5404057?utm_source=Email&utm_medium=Email&utm_campaign=Email

According to the Ontario Medical Association (OMA), fixing wait times, and mental health services access and doctor shortages in Kitchener and surrounding areas are priorities for residents amid the upcoming provincial election.

Statistics from the OMA suggest that Kitchener and area residents are waiting longer than recommended for MRIs and some surgeries. In fact, in Kitchener, 86 per cent of residents waited longer than provincial targets for cataract surgery, and 69 per cent waited longer for an MRI.

They say this is only being made worse by the backlog of 22 million medical services built up during the pandemic.

The area also desperately needs more doctors, according to Health Force Ontario, which currently has around 115 job openings for doctors.

Residents are also concerned about mental health and addiction.

But Ontario doctors have solutions. The OMA has suggestions for clearing the backlog, fixing wait times, and easing the doctor shortage, as well as addressing mental health and addiction, through their 5-point plan for Better Health Care.

The OMA is calling on political parties to adopt its recommendations as part of their platforms ahead of the June 2 provincial election.

Waterloo Joins Other Governments In Calling For Decriminalization Of Simple Drug Possession

Regional Council Voted To Endorse Calls For Higher Levels Of Government To Shift Drug Policy From Criminalization To Public Health

By Germain Maabout, CityNews Everywhere Kitchener, May 26, 2022

https://kitchener.citynews.ca/local-news/region-joins-calls-to-decriminalize-simple-drug-possession-5408074?utm_source=Email&utm_medium=Email&utm_campaign=Email

The Region of Waterloo is adding its name to a growing list of Canadian municipalities calling for the decriminalization of simple drug possession.

In a meeting on Wednesday, May 25, Regional councillors voted to endorse the calls and ask higher levels of government for a different approach to addressing the ongoing overdose crisis.

This is similar to moves made by governments and groups across the country, including the City of Vancouver, the Toronto Board of Health, the Province of British Columbia, and the Canadian Association of Chiefs of Police.

The Region wants to see drug policy shift from criminalization to a public health approach.

"The evidence is beyond clear that the war on drugs is ineffective. It's resulted in massive health, social, and economic harms, both to communities and individuals. We're sort of creating a revolving door and criminalization is costing us billions of dollars and it's creating barriers, not connection to support," Jesse Burt, an outreach worker told Regional councillors.

He's a member of the drug action team, which was originally created as part of the Waterloo Region Crime Prevention Council.

Burt detailed three personal losses during the past week.

"The last six years, our Region has lost over 500 people and this will continue, if we don't have action at all levels of government. We have a flawed system and we really need some structural change."

North Dumfries Mayor Sue Foxton noted that decriminalization helps in "not targeting the individuals that already have a lot to deal with."

Regional councillors also recognized that additional steps are needed.

The Region will ask governments for expanded access to health interventions.

It's calling for more investment in prevention, treatment, and harm reduction programs.

That includes safer supply programs overseen by health professionals to help prevent overdoses.

RESEARCH/THOUGHT LEADERSHIP/TECHNOLOGY/DIGITIZATION NEWS

Here's Why Cryptocurrency Will Be As Common As Visa Or Mastercard Within The Decade

Despite Its Recent Volatility, Cryptocurrencies Like Bitcoin Will Be Part Of Our Growing Cashless Society

Opinion by David Olive, Toronto Star, May 19, 2022

Bitcoin is here to stay.

Not in its current form, to be sure.

But cybercurrencies, or cryptos, have shown remarkable staying power despite epic plunges in value. The latest one, in recent weeks, has wiped out more than \$1 trillion (U.S.) in crypto value as part of the investor flight from all risk assets, including tech stocks.

Most of that loss has been taken by holders of bitcoin, by far the largest of the several thousand cybercurrencies.

Crypto needs regulation of what is now a lawless jurisdiction in which users of these digital currencies have practically no protection from fraud and other losses. The crypto industry also requires a classic shakeout that yields a handful of cybercurrencies that are trustworthy, efficient, and backed by real assets.

That separation of winners from losers recalls a dot.com craze that produced a lot of ill-fated companies epitomized by Pets.com.

But that boom also gave birth to Amazon.com Inc., the Western world's biggest retailer. And it launched an adoption of e-commerce that was already widespread before the pandemic supercharged that phenomenon.

Bitcoin's ardent users and investors know from experience that plunges in value have been followed by rebounds so powerful that record prices have been set, or about \$68,000 per ounce at last November's peak.

After its latest plunge, bitcoin trades in the \$30,000 range. Even at that humbled price, it is valued at more than nine times its 2018 low of about \$3,200.

The faith of crypto adherents is all-important in understanding crypto, which instead is routinely dismissed as a serious part of the financial system because of its volatility and its favoured status among criminals.

That faith accounts for the steady increase in total crypto value, number of crypto users, and increasing variety of crypto-related investments, including derivatives, exchange traded funds (ETFs), and crypto-backed mortgages.

At its most recent peak, last year, the combined value of cryptos was estimated at about \$3 trillion, or some 5 per cent of the world's financial assets.

With its growing importance, crypto has been gradually co-opted by traditional financial markets.

That process has been underway since the previous decade, when commercial banks and other large financial institutions started to adopt blockchain. Blockchain is the system that evolved alongside crypto to process crypto transactions and store investors' crypto holdings.

Among other virtues, blockchain technology speeds financial transactions, and is an effective tool for verifying and conferring the ownership of assets.

Now, there is a rush by traditional financiers to buy into crypto itself.

During crypto's latest swoon, Fidelity Investments, the U.S. mutual funds giant, said last month it will enable 23,000 of its employer clients to include bitcoin holdings in employees' 401 (k) retirement plans, a U.S. counterpart to Canadian RSPs.

This month, Goldman Sachs Group Inc., the large U.S. investment bank, and Barclays PLC, a leading U.K. commercial bank, were among the blue-chip investors in a four-year-old crypto investing platform, or exchange, called Elwood Technologies LLP.

Back in 2018, during crypto's deepest-ever plunge, Warren Buffett said crypto is "probably rat poison squared."

But in February, Buffett's conglomerate, Berkshire Hathaway Inc., disclosed that it had bought \$1 billion worth of stock in Nu Holdings Ltd., a Brazilian online bank that enables its 50 million customers to trade in crypto.

As noted, there are practically no rules of the road for crypto activity.

At this point, those rules seem most likely to come from central banks, more than 100 of which, including the Bank of Canada, are developing their own cybercurrencies.

So far, however, all but a few central banks have held off on launching cybercurrencies, still uncertain that crypto serves a market need.

Yet crypto's rapid asset growth in just 13 years of existence — total crypto value is now pegged at about \$1 trillion after the recent downturn — proves that crypto does cater to a sizeable market.

That is notably the case in “underbanked” regions like that served by Nu Holdings. It also includes underserved districts of Canadian cities.

If history is any guide, the total value of cybercurrencies will once again eclipse its previous record high. That calls for urgency in bringing crypto in from the cold.

“The more crypto grows — the more it insinuates itself into the financial system and attracts leverage investors,” a recent Bloomberg editorial warns, “the greater the chances that the next (crypto) rout will trigger broader contagion.”

In other words, crypto could grow large enough to endanger the entire financial system.

Which means that the central banks will soon face a tough decision.

Do they try to overpower the existing cryptos with new cybercurrencies of their own? That would risk pushing the non-state cryptos back into the shadows beyond regulatory reach.

Or do the central banks design their new cryptos to co-exist with a handful of reputable independent cryptos with international reach and agree to regulatory compliance and compatibility with central bank cryptos?

In either case, crypto is part of our cashless-society future. By the end of the decade, it will be as familiar as Visa and Mastercard are today.

Read Story (Subscription Required): https://www.thestar.com/business/opinion/2022/05/19/heres-why-cryptocurrency-will-be-as-common-as-visa-or-mastercard-within-the-decade.html?source=newsletter&utm_content=a07&utm_source=ts_nl&utm_medium=email&utm_email=6D73923380F292A40DC042B455F0FDE3&utm_campaign=sbj_124468

UPCOMING WEBINARS AND EVENTS

Web Seminar: Digital Insurance On “How To Level Up Your Processes To Increase Customer Satisfaction”

Dates: Wednesday, June 1, 2022

Time: 2:00 p.m. – 3:00 p.m. EDT

The insurance industry is undergoing fundamental change, and a seamless customer experience is critical for carriers to succeed in the market. To help achieve the insurer’s goal to simplify and gather relevant insights to steer better business outcomes, companies are looking more closely at their core processes.

Join us to further explore:

- Strategies that can guide process excellence throughout the insurance value chain - Claims Management, Customer Value, Administration and Compliance, Products and Sales
- Real- world example of how process execution gaps impact claims from first notice of loss to adjudication
- The increased customer satisfaction and efficiencies realized with real-time process mining and the benefits of deploying an Execution Management system.

[Register Here](#)

Web Seminar: McMillan LLP On Open Banking – What Is It And What It Means For You

Dates: Thursday, June 2, 2022

Time: 1:00 p.m. – 2:15 p.m. EDT

As we have received a number of questions from clients regarding our open banking bulletins: [Open for Business? An overview of Open Banking in Canada](#), [Privacy Implications of an Open Banking System in Canada](#), and [Federal Government Appoints Open Banking Lead](#), we are putting together an interdisciplinary panel of experts to take a deep dive into the implications of an open banking system in Canada, exciting developments & expectations for further progression.

Join us on Thursday, June 2nd as we discuss:

- What is “open banking”
- Practical use cases
- Privacy implications on data security and protection of personal information in the open banking environment
- Intellectual property considerations regarding brand identity, brand recognition, and ownership of aggregated data
- Current legislative status and timeline of further developments

[Register Here](#)

Web Seminar: Canadian Club Toronto: They. Them. Us.

Dates: Wednesday, June 22, 2022

Time: 5:30 p.m. – 8:00 p.m. EDT

Changes to marriage, the military, and grass-roots victories around employment rights signal meaningful progress for Canada's 2SLGBTQ community. But, many of these victories leave, indigenous, non-binary, and racialized members of the queer community behind. Despite growing public awareness of the struggles the most marginalized members of the 2SLGBTQ community often face, many remain ill-equipped to create policies and workplaces that support the full spectrum of 2SLGBTQ friends and colleagues.

This Pride, join Canadian Club Toronto on June 22 for an important conversation with Katie Dudtschak (RBC), Andrew Kriegler (IIROC) and David Simmonds (Canada Life) on how business, politics, and civil society can prioritize 2SLGBTQ acceptance for the mainstream queer rights movement, and why it matters, now.

[Register Here](#)