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CAFII ALERTS WEEKLY DIGEST: November 26 to December 3, 2021

December 3, 2021

TABLE OF CONTENTS

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REGULATOR/POLICY-MAKER NEWS

OSFI Joins Central Bank Network On Climate Change

By Kate McCaffery, Insurance Portal, December 2, 2021

https://insurance-portal.ca/economy/the-office-of-the-superintendent-of-financial-institutions-joins-central-bank-network-on-climate-change/?utm_source=sendinblue&utm_campaign=daily_complete_202112-02&utm_medium=email

The Office of the Superintendent of Financial Institutions (OSFI) announced on November 30 that it has joined the Network of Central Banks and Supervisors for Greening the Financial System (NGFS), a group of central bankers and supervisors focused on climate risk management in the financial sector.

OSFI says participation in the NGFS includes commitments to actively contributing work and resources to improving supervisory practices, risk measures, and actions "that will raise the bar for preparedness to the impacts of climate change on the financial system and economy."

NGFS was launched at the Paris One Planet Summit in December 2017. The group is reportedly responsible for the supervision of all global systemically important banks and two-thirds of global systemically important insurers. Members share best practices to contribute to the development of environment and climate risk management in the financial sector. Its membership includes 102 central banks and supervisors and 16 observers across five continents.

"OSFI's membership in the NGFS is a critical, though not final, milestone in our efforts to address climate change risk amongst Canadian financial institutions and pension plans," says OSFI's superintendent, Peter Routledge. "Climate change is the challenge of our generation, and it demands all of us to address its threats with a greater sense of urgency, vigour, and effort commensurate with the risk."

What OSFI's Insurance Head Says About Return-To-Work

By Greg Meckbach, Canadian Underwriter, November 19, 2021

https://www.canadianunderwriter.ca/employment/what-osfis-insurance-head-says-about-return-to-work-1004214659/?utm_medium=email&utm_source=newcom&utm_campaign=CanadianUnderwriterWeek&utm_content=20211126150703

Staff retention, professional development, and the risk of worker isolation are among the factors which the industry needs to think about when deciding on an approach to working remotely or in the office.

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"As the pandemic eases and restrictions are lifted, it will be important for organizations to determine what tasks can be effectively performed off-site and the metrics necessary to ensure continued and consistent productivity," said Neville Henderson, assistant superintendent at the federal Office of the Superintendent of Financial Institutions (OSFI)'s insurance supervision sector.

"Employees may decide they don't like their current companies' back-to-work plan and opt to move elsewhere. So I think post-pandemic policy may be changed to improve staff retention," Henderson said on November 17 during a virtual fireside chat with Chris Cornell, partner and national sector leader for insurance at KPMG Canada.

During KPMG Canada's 30th annual insurance issues conference, Cornell asked Henderson for his views on what the new normal will be for the insurance industry.

"I'm not sure there's going to be a new normal for any of us for some time following the pandemic. But it has certainly influenced our thinking about how we work and there is no doubt that a post-pandemic work environment is going to be very different from a pre-pandemic environment. Some institutions may opt to work from anywhere, some may return to the office, and some may introduce a hybrid combination," said Cornell.

OSFI's Henderson noted that working from home has both advantages and disadvantages.

"From the employees' perspective, working from home has the potential benefit of reduced travel time but may decrease interaction with other employees, which is important for development and potentially for promotion," Henderson said in his fireside chat with Cornell.

"The pandemic has demonstrated that staff can work effectively from locations other than an office," Henderson added.

"It is important to recognize that the work from home environment has been very isolating for staff. And it has reduced the opportunities for contact with peers and other outside activities. So when the pandemic restrictions are lifted, there will be more distractions, so productivity may not be sustained."

Back to Table Of Contents

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CAFII MEMBER AND/OR PARENT COMPANY-SPECIFIC NEWS

Bank Bonuses Expected To Balloon Amid Surge In Deals, Fierce Competition For Talent

The Big Six Banks Accrued A Combined $14.6-Billion For Variable Or Performance-Based Compensation Through The First Three Quarters Of Their Fiscal 2021.

By Jaren Kerr and James Bradshaw, The Globe and Mail, November 29, 2021

Year-end bonuses on Bay Street are expected to balloon by as much as 20 per cent this December – and more in some cases – as financial institutions look to head off fierce competition for talent by boosting payouts after a year of frenzied deal-making. The capital markets have been on a hot streak, even when compared with the robust year driven by chaotic activity in 2020. In particular, bankers who worked on mergers and acquisitions, equity issuances, and initial public offerings this year are expected to be handsomely rewarded. At the same time, employers are trying to stem an industry-wide wave of attrition that has more bankers than usual fleeing the sector or joining other shops for more senior roles. That has made retaining top talent an increasing challenge for senior leaders at banks and other financial institutions, and boosting pay is still seen as a key tool to reduce work-force churn. “If ever there were a year to pay your top people, this is it,” said Adam Dean, founder of Dean Executive Search, a financial services recruitment firm. “We expect that the bonus pools will be up somewhere between 10 to 20 per cent,” he said. “And there’s an expectation amongst the bankers themselves ... that it’ll be even higher than that.” The Big Six banks accrued a combined $14.6-billion for variable or performance-based compensation through the first three quarters of their fiscal 2021, which ended July 31, according to company filings. Those funds, which are earmarked for paying bonuses that are mostly awarded in December after the banks’ fiscal year ends on October 31, were up between 15 per cent and 20 per cent at four major banks, and 32 per cent at National Bank of Canada. By comparison, the Big Six set aside $16.2-billion for performance-based compensation in the entire 2020 fiscal year, a 3.9-per-cent increase from 2019. Increased compensation may not be enough to avoid high attrition rates at big banks. Search firms have been inundated with work and could get even busier in the coming months. as search professionals are anticipating a flurry of job moves after employees at banks and financial services companies collect their cheques.

Read Story (Subscription Required): https://www.theglobeandmail.com/business/article-investment-bankers-to-receive-large-bonuses-amid-busy-flow-of-deals/

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Banking's Shift To The Cloud Gathers Steam As Pandemic And Fintechs Spur Faster Adoption

By Ian Bickis, The Canadian Press, November 28, 2021

https://www.ctvnews.ca/business/banking-s-shift-to-cloud-gathers-steam-as-pandemic-and-fintechs-spur-faster-adoption-1.5684675

Canada's big banks are undergoing a migration.

Faced with rising competition from start-ups, higher expectations from consumers, and the increased digital demands of COVID-19, experts say banks are speeding up a monumental shift of operations to the cloud from legacy computer systems.

The move had started before the pandemic, but the sudden closure of branches and offices in March 2020 forced banks to rely even more on online systems and prompted the acceleration, said Robert Vokes, managing director of financial services for Canada at Accenture.

"What happened was in March of last year, all of a sudden people realized, 'Oh my gosh, I've got to go a lot faster.' That was the big wake-up call."

Cloud-based systems, sometimes run privately by banks and more commonly by third-party tech giants, allow data to move faster and more freely, and gives banks the potential for more customization for each customer, more automation, as well as potential cost savings.

Such promises have been around since the dot-com bubble, said Vokes, but the hardware has only in recent years been up to the task.

"We didn't really have the scalable technologies, and now those technologies have caught up."

Several banks have made major cloud commitments in recent months, including CIBC's deal with Microsoft's Azure, Scotiabank reaching a deal with Google Cloud, and BMO partnering with Amazon Web Services as they all push for "cloud-first" strategies.

BMO recently completed its first major system shift since the Amazon partnership by moving its entire transportation finance operations to the cloud, which involved shifting about a thousand servers' worth of data.

The bank made the move because it was finally convinced the cloud infrastructure was established and reliable enough, said Sid Deloatch, chief information and operations officer for North American commercial banking at BMO.

"We had to reach that threshold of expectation, and we feel it exists and we're very confident that it exists now, and that's why we're moving forward."

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The shift creates the ability for BMO to offer automatic loan decisions in many cases, as well as save upwards of 30 per cent on operating costs, he said.

Along with waiting to be confident in new systems, banks have also been held back by the patchwork of legacy systems built up over decades, said Sanjay Pathak, head of technology strategy and digital transformation at PwC.

“Untangling current operations from some old technology is very, very complex and it can be very risky and disruptive to business.”

He said getting executives to the right mindset alone has been a challenge, since it means letting go of the control of the underlying infrastructure built up over decades.

But banks can no longer delay since they’re feeling both consumer pressures, as well as expectations from employees for more seamless processes, said Pathak.

Smaller banks without extensive legacy systems have been able to move faster, such as EQ Bank shifting its entire system to the cloud in 2019, while new start-up financial companies have the advantage of starting out on the cloud and forcing banks to respond.

“There’s this great pressure being exerted on financial services from fintechs, and fintechs are often born on the cloud. They move quite quickly, they’re doing fully digital capabilities,” said Hillery Hunter, chief technology officer at IBM Cloud.

She said banks are moving more core systems on to the cloud because so many data sources need to be integrated and readily available to be able to make things such as instant loan decisions happen.

“(Consumers have) all become quite impatient and we expect things to be instantly available.”

However, the increasing reliance on third parties to host so much of the bank’s operations, including personal financial data, is raising concerns from regulators.

The Bank of England said in October that additional policy measures are likely needed to “mitigate the financial stability risks stemming from concentration in the provision of some third-party services.”

Canada’s banking regulator released draft guidelines on tech and cyber risks earlier this month that said banks should plan exit strategies from third-party cloud providers, and make sure they can switch data from one cloud provider to another. It plans to release more specific third-party guidelines early next year.

But while the main concerns now are about data security and making sure big tech companies don’t have too much power in dictating terms of service, competition may emerge as a threat as well, said Pathak, because the big tech companies have both the scale and the speed to become a threat.

“There’s an increasing tension, I think, around cloud providers also becoming competitors ... that’s a real threat to the banks.”

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Scotiabank First To Raise Dividends In Eagerly Anticipated Bank Earnings Week

With Q4 Profit Up, CEO Announces Dividend Hike And Share Buyback Plan, As Well As Accelerated Digital Shift

By Ian Bickis, The Canadian Press, November 30, 2021

https://www.wealthprofessional.ca/business-news/big-six-bank-first-to-raise-dividends-in-anticipated-earnings-week/362197?utm_source=GA&utm_medium=20211130&utm_campaign=WPCW-Breaking-2-20211130&utm_content=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8&tu=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8

Scotiabank today became the first of Canada's big banks to raise its dividend since restrictions on doing so were lifted as it kicked off a week of bank earnings on Tuesday, November 30.

The bank said it would boost its quarterly dividend by 10 cents to $1 per share and plans to buy back up to 24 million of its shares, as it reported higher fourth quarter income, while also announcing an accelerated shift to digital for its international banking division.

The increased payment to shareholders and share buyback plan follow a decision by the Office of the Superintendent of Financial Institutions earlier this month to lift COVID-19-related restrictions and allow federally regulated banks and insurers to increase dividends, resume share buybacks, and raise executive compensation.

Scotiabank chief executive Brian Porter said on an analyst call on Tuesday, November 30 that the payout increases come as the bank has more than recovered from the effects of the outbreak.

"Our business lines have returned to, or exceeded, pre-pandemic earnings levels."

He said the pandemic has also increased the pace of digital adoption in its international division, and that the trend hasn't reversed as the pandemic recedes.

"Obviously, the pandemic changed a lot of things in terms of customer preferences. Our digital sales in our international business have doubled since 2019. That's a big number."

In response, Scotiabank said it was taking a $126 million restructuring charge as it cut its international branches by 10 per cent and full-time staff by seven per cent to create savings of a similar amount next year.

The reductions are to go ahead across its operations in Latin America and the Caribbean, where the bank said it's seen digital adoption go from 35 per cent to 50 per cent in most countries, and above 65 per cent in Chile and Colombia.

Porter said, however, that the bank isn't seeing the same trend domestically.

"The acceleration and adoption of digital internationally is at a much faster rate than here in Canada in terms of customer preference, and we have to be aware of that and cognizant of that."

The pandemic has also changed home-buying patterns and helped lead to a steep rise in house prices in Canada, especially compared with earnings, but Dan Rees, group head of Canadian banking at Scotiabank, said he expects softer demand going forward.

"We do believe that supply underpins price appreciation. And while that persists, should rates rise sooner in the year, as I think many of us are expecting, we expect that to soften demand."

He said that money being passed down through families will be an important support for mortgage growth going forward, while also downplaying risks by noting the high credit scores of borrowers and the lack of growth in HELOC loans.

For the fourth quarter, Scotiabank said its net income totalled nearly $2.6 billion or $1.97 per diluted share for the quarter ended October 31, up from $1.9 billion or $1.42 per diluted share in the same quarter last year.

Revenue totalled nearly $7.7 billion, up from $7.5 billion a year ago.

On an adjusted basis, Scotiabank said it earned $2.10 per diluted share, up from an adjusted profit of $1.45 per diluted share in its fourth quarter last year.

Analysts on average had expected Scotiabank to earn an adjusted profit of $1.90 per share, according to data compiled by financial markets data firm Refinitiv.

The increase in profit came as the bank's provisions for credit losses fell to $168 million in its fourth quarter, compared with $1.13 billion in the same quarter last year and $380 million in its third quarter.

"The reversals in the provisions for credit losses drove that performance, and it's essentially due to the improving macro-economic forecast and strong credit quality," said Carl De Souza, senior vice president and banking team lead at DBRS Morningstar.

He said that a key area going forward will be non-mortgage growth, including credit card loan balances that aren't yet seeing much increase as clients still have extra cash on hand.

"Mortgage loan balances have driven the loan volumes, but going forward we would want to see what happens with the non-mortgage loan volumes."

Scotiabank said its Canadian banking operations earned $1.2 billion, up from $778 million in the same quarter last year.

International banking operations earned $528 million, up from $263 million a year ago, while global wealth management earned $385 million, up from $323 million. Global banking and markets earned $502 million, up from $460 million.

Back to Table Of Contents

For its full financial year, Scotiabank said it earned nearly $10 billion or $7.70 per diluted share on $31.3 billion in revenue, up from a profit of nearly $6.9 billion or $5.30 per diluted share on $31.3 billion in revenue a year earlier.

Scotiabank's adjusted profit for the full year totalled $7.87 per diluted share, up from $5.36 per diluted share.

RBC Reports $3.9B Q4 Profit, Raises Dividend 11%

The Wealth Management Business Earned $558 Million, Up From $546 Million A Year Earlier

By Investment Executive staff, with files from Canadian Press, December 1, 2021

https://www.investmentexecutive.com/news/industry-news/rbc-reports-3-9b-q4-profit-raises-dividend-11/?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=INT-EN-morning

Royal Bank of Canada raised its dividend as it reported a fourth-quarter profit of $3.9 billion, up from $3.2 billion in the same quarter last year.

The bank said on Wednesday, December 1 that it will now pay a quarterly dividend of $1.20 per share, up from $1.08 per share. It also says it plans to buy back up to 45 million of its shares.

The move follows a decision by the Office of the Superintendent of Financial Institutions last month to lift restrictions put in place at the start of the pandemic that prevented federally regulated banks and insurers from raising dividends, buying back shares, and raising executive compensation.

RBC says its profit amounted to $2.68 per diluted share for the quarter ended October 31, up from $2.23 per diluted share a year ago. Revenue totalled $12.4 billion, up from $11.1 billion in the same quarter last year.

“Across our businesses, we saw elevated growth in client activity and our teams responded with differentiated ideas and offerings to meet our clients’ needs and create long-term value,” RBC chief executive Dave McKay said in a statement.

“As a result, our overall performance in 2021 reflected strong earnings, premium shareholder performance, and highlighted our ability to successfully navigate a complex operating environment while continuing to invest in talent and innovations to support future growth.”

On an adjusted basis, RBC said its adjusted profit amounted to $2.71 per diluted share, up from $2.27 per diluted share in the same quarter a year earlier.

Analysts on average had expected an adjusted profit of $2.81 per share, according to estimates compiled by financial markets data firm Refinitiv.

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The result came as RBC reversed $277 million in its provisions for credit losses in the quarter compared with the $427 million it set aside for bad loans in the same quarter last year.

For its fourth quarter, RBC said its personal and commercial banking business earned $2 billion, up from $1.5 billion in the same quarter a year ago, while its wealth management business earned $558 million, up from $546 million in the same quarter last year.

The bank attributed the 2% net income growth in wealth management to higher average assets among fee-based clients as equity markets appreciated, and to net sales. RBC had 5,548 client-facing advisors across its wealth businesses, up from 5,428 a year ago. Assets under management grew from $843.6 billion a year ago to almost $1.1 trillion on October 31.

RBC's insurance business earned $267 million in its fourth quarter, up from $254 million a year ago, while its capital markets business earned $920 million, up from $840 million. Investor and treasury services earned $109 million, up from a profit of $91 million a year ago.

For its full year, RBC said it earned $16.1 billion or $11.06 per diluted share on $49.7 billion in revenue, up from a profit of $11.4 billion or $7.82 per diluted share on $47.2 billion in revenue in the same period a year earlier.

National Bank Raises Dividend On Back Of Q4 Profit

The Bank Reported A Profit Of $776 Million, Plus Growth In AUA And AUM

By Investment Executive staff, with files from Canadian Press, December 1, 2021

https://www.investmentexecutive.com/news/industry-news/national-bank-raises-dividend-on-back-of-q4-profit/?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=INT-EN-morning

National Bank of Canada raised its quarterly dividend 23% as it reported a fourth-quarter profit of $776 million, up from $492 million a year earlier.

The Montreal-based bank said on Wednesday, December 1 that it will now pay a dividend of 87 cents per share, up from 71 cents per share. National Bank also said it plans to buy back up to seven million of its shares.

The announcement follows a decision last month by the federal banking regulator to lift restrictions put in place at the start of the pandemic that prevented federally regulated banks and insurers from raising dividends, buying back shares, and raising executive compensation.

National Bank said its profit amounted to $2.19 per diluted share, up from $1.36 per diluted share in the same quarter last year. Revenue totalled $2.2 billion, up from $2 billion a year ago.

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"The bank's sustained performance reinforces our commitment to continue pursuing fitting strategies in terms of business mix, capital allocation, and risk management," National Bank chief executive Laurent Ferreira said in a statement.

"We enter the new year on strong footing, well-positioned to generate solid growth across our business segments and deliver superior returns to our shareholders."

Excluding specified items, National Bank said it earned $2.21 per diluted share, up from $1.69 per diluted share in the same quarter last year.

Analysts on average had expected an adjusted profit of $2.24 per diluted share, according to financial markets data firm Refinitiv.

During the quarter, National Bank reversed $41 million in its provisions for credit losses, compared with the $110 million it set aside in the same quarter last year.

National Bank said its personal and commercial banking business earned $353 million its latest quarter, up from $249 million a year ago, while its wealth management business earned $165 million, up from $134 million in the same quarter last year.

In a Wednesday, December 1 release, the bank said fourth-quarter total revenues grew mainly due to "an increase in fee-based revenues given growth in average assets under administration (AUA) and average assets under management (AUM), and given an increase in transaction volume."

Fee-based revenues were $357 million, up from $281 million a year earlier, while AUA and AUM increased 28% and 34% over the same period, respectively.

The bank's financial markets arm saw its profit hold steady compared with a year ago at $208 million, while its U.S. specialty finance and international business earned $129 million, up from $106 million.

For its full financial year, National Bank earned $3.2 billion or $8.96 per diluted share on $8.9 billion in revenue, compared with a profit of $2.1 billion or $5.70 per diluted share on $7.9 billion in revenue in the same period a year earlier.

In their 2021 election platform, Canada's Trudeau Liberal government pledged to raise the corporate income tax rate for banks and insurers to 18% from 15% on all earnings above $1 billion. Those institutions also would have to contribute to a Canada Recovery Dividend.

 Back to Table Of Contents

CIBC And TD Continue Big Bank Trend Of Dividend Hikes With 10% Increase

By CBC News, December 2, 2021

[CIBC and TD continue big bank trend of dividend hikes with 10% increase (msn.com)]

TD announced that it will raise its dividend to 89 cents per share, up from 79 cents per share previously. CIBC, meanwhile, raised its dividend to $1.61 per common share, up from $1.46.

Both hikes are of just over 10 per cent and they came after Scotiabank and Royal Bank announced plans to increase their own payouts earlier this week. Bank of Montreal will report its earnings tomorrow and it, too, is expected to raise its dividend.

Scotia hiked by 11 per cent, from 90 cents to $1 per share. Royal, meanwhile, raised its payout from $1.08 to $1.21 — a 12 per cent increase.

The dividend hikes were expected, but the exact amount was unknown. The banks have been sitting on excess amounts of cash for close to two years now, as regulators forbade them from raising their payouts to shareholders in March 2020 in an attempt to conserve capital for the uncertainty to come.

But the banks have weathered the pandemic largely unscathed, as borrowers have managed to stay on top of the debts for the most part. That is why, last month, the regulator removed those restrictions on dividend hikes for shareholders.

More Details Of The New CIBC Costco Mastercard Just Announced. Here's What Shoppers Need To Know

Launching In March 2022, The Card Will "Offer Strong New Features And Benefits For Members, Including More Cash Back, New Insurance Coverage, And Flexible Payment Plans," CIBC Said In A Statement

By Louie Rosella, InsideHalton.com, November 25, 2021

https://www.newhamburgindependent.ca/news-story/10526757-more-details-of-the-new-cibc-costco-mastercard-just-announced-here-s-what-shoppers-need-to-know/?s=n1?source=newsletter&utm_content=a03&utm_source=ml_nl&utm_medium=email&utm_email=6D73923380F292A40DC042B455F0FDE3&utm_campaign=hihl_112487

On Thursday, November 25, CIBC announced new details and timing updates for the new CIBC Costco Mastercard.

The news comes just a few months after it was revealed that the big bank will become the exclusive credit card issuer for Costco in Canada.

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Launching in March 2022, the card will "offer strong new features and benefits for members, including more cash back, new insurance coverage and flexible payment plans," CIBC said in a statement.

"Our top priority is to provide an innovative credit card offering that expands the value that Costco members receive, many of whom are new to our bank. We are looking forward to welcoming these members to CIBC with a card that offers richer rewards, such as enhanced cash back features, novel insurance coverage, and the flexibility of paying for large purchases at Costco at special lower rates," said Diane Ferri, senior vice-president, card products at CIBC.

Here are some new features of the CIBC Costco Mastercard:

- no annual fee;
- three per cent cash back at restaurants;
- three per cent cash back at Costco Gas and two per cent at non-Costco gas stations on the first $5,000 spent on gas (one per cent thereafter);
- new two per cent cash back earned on Costco.ca on purchases up to $8,000 (one per cent thereafter);
- one per cent cash back on every purchase everywhere Mastercard is accepted, including at Costco warehouses; and
- "flexible payment plans through CIBC Pace It everywhere. Eligible Costco purchases at Canadian warehouses and at Costco.ca can be paid off in installments with special member interest rates and no installment fees."

Card Changeover Details

In early March, 2022, existing eligible Costco Mastercard co-brand credit card accounts will automatically be moved to CIBC, and cardholders will start earning the new cash back benefits and receiving the other features from CIBC at this time, CIBC said.

Cardholders can continue to use their existing Costco co-brand credit cards until their new card from CIBC arrives (before August 31, 2022). Existing credit limits and merchant pre-authorized payments will also remain the same.

Cardholders will also be able to register for CIBC Mobile Banking in March to manage payments, view statements, check their cash back balance and other information about accounts, CIBC said.

Members will continue to receive their cash back every January in the form of a gift certificate.

"Existing eligible cardholders will be sent direct communication in the coming weeks with more information, including details about interest rates, benefits and how to register for CIBC Mobile Banking," CIBC said.

Costco said it is excited about the new card.

"The new CIBC Costco Mastercard gives our members more of what they are looking for. We've focused on increasing cash back and benefits to continually provide more value to our members," said Pierre Riel, SVP Country Manager, Costco Canada.

Costco members interested in applying for the new CIBC Costco Mastercard will be able to do so directly through Costco warehouses, Costco.ca, or CIBC.com starting in March 2022. Additional information for existing Costco co-brand credit cardholders about the new CIBC Costco Mastercard can be found online at cibc.com/costco.

Sun Life Clients Get Access To Independent Life Agents

New Flexibility Around Advisor Of Record Sparks Discussion About Captive Model And Compensation, Including Comments From CCIR

By Michelle Schriver, Investment Executive, November 22, 2021

https://www.investmentexecutive.com/newspaper_/news-newspaper/sun-life-clients-get-access-to-independent-life-agents/?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=INT-EN-saturday

A recent update by one of Canada's oldest and largest insurers comes as a welcome development among advisors who are increasingly "professionalizing" and going independent: Sun Life Financial Inc. policyholders can officially switch to an independent life agent.

"Clients will now be able to request AOR [advisor of record] changes and conversions between Sun Life Financial Distribution advisors and advisors in the independent channel contracted with Sun Life," said Stéphane Vigneault, the company's vice-president of insurance distribution, in an email to Investment Executive (IE).

The change was effective October 1 and applies to all life insurance policies, including ones in force but no longer offered. The move is meant "to make it even easier for clients to choose the advisor they want to work with," Vigneault wrote.

When a Sun Life policyholder switches to an independent AOR, will the new advisor get ongoing commissions?

"We are following normal industry guidelines and procedures," Vigneault wrote.

What's normal in the industry is that ongoing commissions from a policy sale remain with the original advisor, and the new AOR gets nothing; on a conversion (i.e., when a term policy is changed to a permanent one because a client's health has deteriorated), the new AOR typically gets full compensation.

With Sun Life's change, commissions on conversions will be split between the independent advisor (90%) and the Sun Life advisor (10%) if the annual premium is $50,000 or more and the conversion application is made within six months of the AOR change, a document from the insurer stated. (The document also noted that a new commission schedule was effective on October 1.)

When a client submits a request for a new AOR, the Sun Life advisor will be notified and has five business days to contact the client before the request is processed, the document says. Sun Life agents contacted for this story declined to comment or did not respond.

The Financial Advisors Association of Canada (a.k.a. Advocis) stated that, in general, it hasn't heard concerns from members about AOR change requests related to movement from the dedicated channel to the independent one, but lauded Sun Life's move.

The change "seems like a positive development that recognizes the growing prevalence of the independent channel," an email from Advocis said. "It will be easier for clients from the dedicated sales channel to find a new AOR if they are able to access both the dedicated and independent pools of agents."

Scott Findlay, president of Valley-Wide Financial Corp. in Abbotsford, B.C., and president and chairman of the Independent Financial Brokers of Canada, said the change was overdue.

"For Sun Life to do it, it's about time," Findlay said. Other insurers have already implemented such a change, he added.

Harold Geller, an associate with Ottawa-based MBC Law Professional Corp., said Sun Life had been "unique" in its efforts to "frustrate the movement of clients by the old bar of AOR changes."

Other insurers with captive agents contacted by IE declined to comment on how they handle requests for AOR changes.

Previously, if a Sun Life policyholder switched to an independent advisor, the Sun Life agent "would still be the primary servicing person, and the new advisor would have an immense amount of difficulty securing any information on the policy," said Brian Shumak of Brian Shumak Financial Services in Toronto.

"It was very frustrating" to explain to a client that you couldn't access policy information, Findlay said, adding that a Sun Life agent who became independent would face the same difficulty.

With policyholders also challenged to obtain full policy information in such cases, "there's no way a competent advisor could assess whether what's in place is what was sold, meets the intended need or [if] the needs have changed," Geller said.

Previously, any advisor could access their client's policy information by making a request, Vigneault wrote. "We recognize that this process was not as easy as it could have been" for advisors and clients, his email stated. "A big reason we made the change to our AOR process is to address this […]."

With the ability to be the AOR now, "I'm able to accommodate the policy into [the client's] overall planning," Shumak said, and benefit from ongoing opportunities with the client. The change also "allows me to better take care of any client I have who has an older policy through Sun Life."

Regarding conversions, Shumak described Sun Life's change as "relevant and very beneficial" to the client and new advisor.

Previously, converting a Sun Life policy sold by a captive agent "force[d] the client's hand to go back to the original advisor," Shumak said, because getting coverage from a new insurer would be cost-prohibitive for a client with health issues. Now, "the client can convert [the Sun Life policy] with the advisor they want to work with," he said.

Shumak said he had yet to observe Sun Life's change in practice, "so there may still be issues."

One industry-wide issue is those aforementioned lifetime commissions. While ongoing commissions are relatively small and gradually diminish, when an insurer blocks a new agent from receiving them, the insurer fails to act in the client's interest, Geller said: "The agent taking over the policy has minimal incentive to service the policy and is motivated to replace the policy."

In many cases, the original agent may be retired or otherwise out of the business, and the insurer is responsible for servicing the client. Yet, the client often receives no advice or suitability assessment — which would be a breach of the insurer's obligation, Geller said.

When IE contacted the Canadian Council of Insurance Regulators (CCIR) about AOR restrictions, the regulator cited client service and highlighted related issues for insurers to assess, including compensation. "Insurers are expected to service policies appropriately throughout the life cycle of the product," per the CCIR's guidance on business conduct and fair treatment of policyholders, the regulator stated in an email.

When a policyholder wants to change their AOR, "the insurer would be expected to ensure the customer has access to an agent that is able to provide them with appropriate level of service," the CCIR stated. "This may include considerations such as managing potential conflicts of interest, determining compensation arrangements for any advice or service the new agent of record may provide, and ensuring the new agent of record has a contractual relationship with the insurer. It is up to each insurer to determine how to best handle such changes in a manner that puts their customer's interests first."

Vigneault said the volume of requests for AOR changes at Sun Life so far has been "within our expectation."

Conflicts Called Out

Overall, the compensation structure in insurance is conflicted, said lawyer Harold Geller.

"With the exception of segregated funds, the industry has moved from level commissions, which provided a more stable income and an incentive to service policies post-sale, to mostly upfront commissions, which motivate sales and demotivate servicing," Geller said.

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"All of this," he said, referring to conflicted compensation as well as AOR restrictions, captive sales forces and lifetime commissions, "is relevant to [those in the] industry refusing to do what is in the best interest of their policyholders. This is a breach of [insurers'] duty of 'utmost good faith.'"

For captive advisors, level commissions can be problematic too if they prevent the advisor from leaving their firm.

Both level and upfront commissions provide clients with "different advantages," stated an email from Stéphane Vigneault of Sun Life Financial Inc. "Sun Life is one of the few insurers that offers both a 'levelized' compensation system for our dedicated sales force and a more upfront system for independent advisors. We are continuing to monitor the impact for our clients to ensure they are receiving the support and holistic advice from their advisor of choice […]."

Sun Life To Extend Mental Health Coaching To All Group Benefits Clients

By Kate McCaffery, Insurance Portal, December 1, 2021

https://insurance-portal.ca/health/sun-life-to-extend-mental-health-coaching-to-all-group-benefits-clients/?utm_source=sendinblue&utm_campaign=daily_complete_202112-02&utm_medium=email

Calling the initiative an industry first, Sun Life says a new partnership allows it to offer a personalized mental health coaching service, focused on prevention, using data analytics. To provide the service, the firm is expanding its partnership with CloudMD, creators of the Mental Health Coach. Without getting into specifics, the company also says data analytics are used to identify clients who are at risk of developing a mental health issue, before proactively reaching out to guide clients to the right resources and support.

Clients engaged in the program meet with a coach team member virtually or on the phone to complete a mental health assessment and get a personalized plan based on the benefits available to them. The service also monitors the plan member's progress and provides regular check-ins.

During the pilot program, the firm found that 89 per cent of those experiencing depression and 91 per cent of those with anxiety noticed major improvements, 73 per cent said they had a better understanding of their benefits, and 81 per cent said they would recommend the service based on their own experience. The company also saw a 46 per cent increase in the number of plan members in the pilot program utilizing their mental health benefits for the first time.

The company says the service will be rolled out and offered to all plan members throughout 2022.

Back to Table Of Contents

How Desjardins Is Positioning To Be Canada's Climate Change Financial Leader

Firm Is Aligning Its Products, Internal Operations, And Education To Reach Net Zero By 2040

By Noelle Boughton, Wealth Professional, December 2, 2021

https://www.wealthprofessional.ca/investments/socially-responsible-investing/how-desjardins-is-positioning-to-be-canadas-climate-change-financial-leader/362272?utm_source=GA&utm_medium=20211202&utm_campaign=WPCW-Newsletter-20211202&utm_content=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8&tu=9B8F63D4-69B1-4D0C-AE64-59C8BBAFABC8

Desjardins Investments in Quebec is positioning itself to be a leader in combatting climate change as it aligns its products, internal operations, and client and advisor education to reach net zero by 2040.

"Sustainability values have always been part of the Desjardins ethos, and with climate change becoming so clearly the most defining issue of our time, it was really important for Desjardins to position itself strongly," Marie-Justine Labelle, Head of Responsible Investment at Desjardins, told Wealth Professional.

This year, Desjardins published its climate commitment to reach net-zero carbon emissions by 2040. Desjardins Group also set a new goal to reduce greenhouse gas (GHG) emissions in its operations to 41% below its 2019 levels by the end of 2025. That surpasses what's required to meet the 1.5 degree Celsius goal in the Paris agreement.

Desjardins is taking an active role in the broader financial and social discussion and initiatives. It signed the Net Zero Asset Managers Initiative, the Business Ambition for 1.5%, the Canadian Investor Statement on Climate Change, the Quebec Financial Centre Statement for a Sustainable Finance, and the Principles of Responsible Investment. It's also participating in Climate Engagement Canada to promote dialogue on climate change risks and opportunities between the financial community and corporate issuers, and it's part of the Montreal Climate Partnership, a 30-member working to speed up their transition to a low-carbon future.

"We want to see strong leadership from all parts of society, and we will also play our role in influencing companies to do that transition," said Labelle.

While Desjardins has been doing responsible investment for 30 years and including climate change in its environmental, social, and governance (ESG) work, it has really turned the lens on itself and how it can impact the economy on climate change in the past two years. Even though the industry is still struggling to get appropriate GHG emission data from issuers, there's been a rise of methodologies to assess climate risk to align portfolios to a net zero world, so asset managers can make sound decisions based on more accurate data.

Desjardins, meanwhile, has been divesting, investing, and engaging to improve its impact. It has divested from fossil fuels and asked its team of climate change experts to analyze the emerging methodologies and understand the implications, so they can make robust recommendations to proceed with the best in-class thinking.

"We're seeing that, with the international finance community, whether it's the asset owners, asset managers, or banks, the community is coming together to develop methodologies and frameworks. That's really helpful in terms of moving forward as an industry," said Labelle. "Climate change is definitely one of these issues that we have a continuous conversation with our asset managers on, so we ensure we have the most appropriate approaches in our product."

Desjardins is also taking a number of internal steps to impact its employees and operations. It's encouraged employees to use public transit rather than cars and it's providing hybrid or electric company vehicles. It has installed 268 charging stations – 225 for the public. It's planning to reduce its paper consumption by 32% from 2018 levels by 2024 and has been giving insurance clients paper-free options for their online accounts. It has environmentally certified many of its buildings and recycled more than one million used masks since May 2021.

Finally, Labelle said, "education is really at the core of what we see as fundamental to addressing these issues and making responsible investment available and understood by everyone. So, we have given ourselves a mission to be the Canadian financial institution that's the most involved in education."

Desjardins is educating its members, clients, and investors about the environmental and social issues and why they're important. It has included that in its annual report and web resources, but also revamped its financial advisors' training. Labelle said 75% of Canadians say they're interested in responsible investment, but only 16% of investors report that their financial advisors raised the topic. So, Desjardins is ensuring that its advisors have the necessary tools to provide them with education, opportunities, and practical guidance.

"We just revamped our internal, responsible investment training that's available to all our financial advisors in-house because we want to make sure they really have the tools to talk about it with members, clients, and investors," said Labelle. Five hundred of its 2,500 advisors immediately signed up for the program, though all will be required to take it. "We're pleased to see that there's also this strong grassroots interest in the topic."

As to where Desjardins goes from here, Labelle said it's ensuring that everything in its "transmission belt" is working. It plans to continue engaging in industry discussions and ensuring that it has the best asset managers delivering on the vision to be aligned with what's needed to address climate change. It is also staying up-to-speed on the latest methodologies to ensure that its approaches to climate change in its investment portfolios remain robust, and it's planning to continue rolling out education to help its financial advisors and clients meet their goals.

COVID-19 PANDEMIC RESPONSE, RESILIENCE AND RECOVERY NEWS

Majority Of Canadians Unwilling To Let Unvaccinated Friend Or Family Member Into Their Home: Poll

As The Holidays Approach, There Will Be A 'Lot Of Tension Out There When It Comes To Social Interaction Between People Who Are Unvaccinated And People Who Are Vaccinated'

By Tyler Dawson, National Post, December 1, 2021

https://nationalpost.com/news/majority-of-canadians-unwilling-to-let-unvaccinated-friend-or-family-member-into-their-home-poll

With Christmas fast approaching, and family dinners and workplace parties, a majority of Canadians are unwilling to let an unvaccinated friend or family member into their home, according to new polling from Leger-ACS.

While the overwhelming majority of Canadians are vaccinated, with 75 per cent of the total population fully vaccinated, the poll says three-quarters of Canadians do know someone who's unvaccinated.

Fifty-seven per cent say they wouldn't invite an unvaccinated person into their home, a rate that's highest in British Columbia at 70 per cent, and lowest in Atlantic Canada at 50 per cent. Fifty-five per cent of Ontarians and Quebecers wouldn't do so, nor would 59 per cent of those in Saskatchewan and Manitoba and 58 per cent of Albertans.

English speakers (58 per cent) are more likely to say no to the unvaccinated than French speakers (54 per cent).

"The takeaway is that it's going to be challenging for a lot of people when they're interacting over the holidays," said Jack Jedwab, president of the Association for Canadian Studies.

The polling, Jedwab says, reflects some of the tension within society about what vaccinated versus unvaccinated people are allowed to do or should be doing, and how individuals are negotiating these issues.

"There's certainly — at least from what I'm observing right now, which the poll reflects in some ways — a lot of tension out there when it comes to social interaction between people who are unvaccinated and people who are vaccinated, which will play itself out, I think, moreso as we approach the holidays."

The poll finds that 47 per cent of people were willing to ask for proof of vaccination; Quebecers, at 38 per cent, were the least likely to say they would do so, slightly less than Alberta, at 43 per cent. This is compared to 49 per cent in Atlantic Canada, 51 per cent in Ontario, 52 per cent in Manitoba and Saskatchewan and 51 per cent in B.C. Thirty-five per cent of French speakers were willing, compared to 50 per cent of English speakers.

Canadians over the age of 55 are the most likely to be willing to do so, at 56 per cent, compared to 43 per cent in the 18 to 34 category and 40 per cent in the 35 to 54 category.

Older Canadians are also the least likely to go to an event where they know there could be unvaccinated people; just 18 per cent of those over the age of 55 would attend such a party, compared to 42 per cent of those 35 to 54 and 40 per cent of those 18 to 34.

"What's the message to your family, or a friend? You want to exclude your family member because they made this decision? Those are difficult decisions. Around holiday time, they become even more difficult decisions," Jedwab said.

British Columbians would be the least likely to attend if invited — just 24 per cent would go, compared to 30 per cent in Ontario, 35 per cent in Quebec, 37 per cent in Atlantic Canada, 34 per cent in Manitoba and Saskatchewan and 38 per cent in Alberta. Thirty-eight per cent of French speakers would attend, compared to 31 per cent of English speakers.

Interestingly, Canadians with children are far less cautious.

Fifty per cent of those with kids would invite unvaccinated friends or family over, compared to 30 per cent of the childless. Forty-seven per cent would attend a party with unvaccinated people, compared to 27 per cent of those without kids, and only 40 per cent would ask those they're inviting over for proof of vaccination, compared to 50 per cent of those without kids.

The polling was done by Leger, in partnership with the Association for Canadian Studies, between November 19 -21, 2021 via a web panel. The polling surveyed 1,547 Canadians with a probabilistic margin of error of plus or minus 2.9 per cent, 19 times out of 20.

Ready. Fire. Aim. How The Feds Are Targeting Omicron

By Don Martin, CTV News, December 1, 2021

https://www.ctvnews.ca/politics/don-martin-ready-fire-aim-how-the-feds-are-targeting-omicron-1.5689092

FORT MYERS, FL. -- Bobbing in the pool with a noodle for extra floatation, the Floridian gasped in disbelief as I listed Canada's mobility limits on the unvaccinated.

No planes, no trains, no buses. No restaurants, no bars, no theatres. No wedding receptions, no company Christmas parties, no federally regulated jobs.

All off-limits because of what this seemingly-intelligent retail research manager argued was an unacceptable imposition on personal choice for her body, a view worthy of major pushback if we weren't sitting by a pool in the heart of Donald Trump-lovin' Lee County.

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In Canada, I rather meekly pointed out as she drifted away in search of friendlier conversation, she would be choosing a severely limited lifestyle.

Masks are extremely optional down here - and the option to go without one is exercised by 90 per cent of shoppers, 99 per cent of diners and 100 per cent of beachgoers.

To enter a hardware store wearing a mask means you will be immediately identified as a staffer and asked for directions to the plumbing department. To wear one indoors in a restaurant means you're a Biden-loving Democrat or a Canadian. Only in drug stores are masks a common sight.

Yet, strangely, the state has only double the COVID-19 case count of Ontario on November 30, which has three-quarters of Florida's population, and the number is inexplicably dropping.

Perhaps that's why Omicron has not raised any alarms here beyond public health officials warning it's probably already circulating in the sunshine state.

And, predictably, Governor Ron DeSantis has vowed no change in Florida's hands-off, masks-off policies in confronting the "media-driven hysteria" of the new variant.

"You can't cripple your society for fear of a variant where we don't even have any really meaningful data on," DeSantis argued this week. "The South African doctor that identified it, she said this has been very mild, and so why would you be doing knee jerk reactions?"

Which brings us to polar-opposite Canada's reaction or over-reaction to Omicron on this, the six-day mark since it became headline news as an ominous viral question mark.

In many ways the federal cabinet was backed into a "damned if you do or don't" corner on fending off this latest invisible predator, despite lingering questions about the severity of its symptoms and vaccine-vulnerability.

To wait for all the answers while it spread exponentially would open the door to all sorts of retroactive criticism if the variant goes rampant and is worse than it initially appears.

But if the federal response is just to impose on-arrival airport testing on the double-vaccinated who had been PCR departure-tested just two days earlier (which is a major inconvenience if my friends' experience this week is any indication), it's a flailing-about response divorced from the actual risk of transmission.

After all, if a fully vaccinated and negative-tested traveller caught Omicron in a foreign departure lounge or on the flight home, it probably wouldn't show up at the Canadian arrival gate. It would take a few days to set into the carrier's nasal cavity only to start spreading once they unmasked in a local pub.

So what's the point?

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Optics are the point. To be seen as doing something even when nothing can be done is to appear assertive in the face of helplessness. Thus has been deployed the traditional government response: Ready. Fire. Aim.

Travel bans and border control testing didn't stop the original COVID-19 variant from arriving, it didn't stop Delta from becoming the dominant virus and it won't stop Omicron from taking over, if it is indeed a more virulent strain.

Given that our society and economy will not accept another prolonged lockdown against a variant that may have all the nastiness of a common cold, one which will eventually find its way into the unvaccinated in any event, the best answers are obvious.

We must push harder for everyone's vaccination, move faster on boosters, become more aggressive in rapid testing in places where the variant could actually be spreading, waive vaccine patent protection to accelerate supplies for the developing world, and make sure people like my pool friend can't enter Canada until they get double shots.

While it might befuddle Floridians, that's why Canada is doing the right thing on severely limiting access to indoor public spaces for the unvaccinated, even though our case count is not dramatically different from theirs.

But it may be we're on a flight path that's drifting too far in the wrong direction.

If the government response is to ban flights from every country suffering an Omicron outbreak, it won't be long before our airspace is closed again to all foreign travel (and vice versa).

To excuse U.S. arrivals from testing doesn't catch travellers arriving from other countries through a U.S. airport.

And to double-test double-vaccinated travellers twice in 72 hours sends a message to the hesitant that vaccination offers insufficient protection for your health and those around you.

So let's stop with the political over-reactions and let common-sense public health policy prevail.

If this week's moves are locked in and tightened as our first response to Omicron, we're just repeating what didn't work before while expecting different results. Which is the classic definition of insanity.

That's the bottom line.

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Unvaccinated Travellers Barred From Planes And Trains As Of Tuesday, November 30

Unvaccinated Travellers Over The Age Of 12 Won't Be Able To Board A Plane Or Train In Canada Beginning Today, And A Negative COVID-19 Test Will No Longer Serve As A Substitute For Most People

By The Canadian Press, November 30, 2021

https://kitchener.citynews.ca/coronavirus-COVID-19-local-news/unvaccinated-travellers-barred-from-planes-and-trains-as-of-today-4812158?utm_source=Email&utm_medium=Email&utm_campaign=Email

Unvaccinated travellers over the age of 12 won't be able to board a plane or train in Canada beginning today, and a negative COVID-19 test will no longer serve as a substitute for most people.

The policy came into effect on October 30, but the federal government allowed a short transition period for unvaccinated travellers who could board as long as they provided a negative molecular COVID-19 test taken within 72 hours before their trip.

The stringent new requirement comes into effect as Canada reacts to the emergence of the new, highly mutated Omicron variant of COVID-19.

The discovery of the new variant has prompted border closures and heavier screening in Canada and abroad over fears it could prove more transmissible.

The risk related to the Omicron variant is very high, according to the World Health Organization, but there is still a lot that public health officials and scientists do not know about it.

While anyone coming into Canada or boarding a plane or train inside the country must be vaccinated, there are currently no quarantine measures in place except for people who have recently transited through southern Africa.

While many airlines have so far been doing random spot checks to ensure travellers are vaccinated, Air Canada and West Jet have confirmed they will ask for proof from everyone boarding in Canada as of today.

Other measures, such as masks and health screenings, will still be mandatory.

"If you indicate to your airline or railway company that you're eligible to board, but fail to provide proof of vaccination or valid COVID-19 test result, you won’t be allowed to travel and could face penalties or fines," the government's website states.

The government has issued warnings on social media that even Canadians and permanent residents abroad will not be able to return home without a full slate of approved vaccines.

There are some exceptions, including valid medical exemptions, travel to remote communities only accessible by plane, and those transiting through Canada en route to another destination.

Most people who qualify for an exemption will need a recent COVID-19 test.

The vaccine mandate was met with a positive reaction from Canada's airline industry when it was first announced in October, though some companies are worried about making the necessary preparations in time.

Since then the federal government announced a standardized proof-of-vaccination document, which has been distributed by provinces and territories for domestic and international travel.

Omicron And Travel: What New Restrictions Mean For Refunds And Insurance

By Erica Alini, Global News, November 30, 2021

[Omicron and travel: What new restrictions mean for refunds and insurance (msn.com)]

If you were planning to travel to another country or province this holiday season, news about the Omicron COVID-19 variant is probably driving your anxiety levels higher. Will the virus spoil your trip once again? And are you going to get your money back if you have to cancel flights and hotels?

The World Health Organization (WHO) said on Tuesday, November 30 that there could soon be a steep rise in infections in parts of southern Africa, where the new variant was first identified. But the WHO has urged against travel bans, noting their limited effect.

Still, wary nations are rushing to impose travel curbs. In Canada, Federal Health Minister Jean-Yves Duclos said on Tuesday, November 30 that foreign nationals from Nigeria, Malawi, and Egypt who have been to those countries over the past two weeks will not be able to enter Canada. This adds to the seven other African countries barred by Canada on Friday, November 26: South Africa, Mozambique, Namibia, Zimbabwe, Botswana, Lesotho, and Eswatini.

Canadians and permanent residents, as well as all those who have the right to return to Canada, who have transited through these countries over the past two weeks, will have to quarantine, be tested at the airport, and await their test results before exiting quarantine, Duclos said.

So far, a handful of Omicron COVID-19 variant cases have been confirmed in Canada.

If you have travel booked over the next few weeks and months, here's what to know.

Under Canada's Air Passenger Protection Regulations (APPR), passengers aren't entitled to much if an airline issues a flight cancellation prompted by a government travel ban. The bare minimum airlines must do in such a scenario is provide a rebooking, according to the APPR.

But Gabor Lukacs, president of consumer advocacy group, Air Passenger Rights, says if you didn't get the service you paid for — be it a flight or vacation package — then you're entitled to a full refund under common law and provincial and federal legislation. In other words: if you didn't get what you paid for, you should get your money back. Specifically, the airline should provide a full refund in the original payment method, Lukacs says.

"If you paid $217 for airfare and $53 in taxes, then you have to get back everything together," he says.

There should be no cancellation fees either, he adds.

If the airline denies you the refund and you paid with a credit card, you can ask your credit card issuer for a chargeback. If that fails, Lukacs suggests frustrated passengers resort to what's known as a statutory chargeback, which is governed by provincial law. Lukacs has laid out detailed guidelines on his website showing how Canadians can pursue a statutory chargeback.

Luckily, you won't have to put up quite such a fight if your booking is for a flight to or from the U.S., from the European Union (EU), or with a U.S. or European carrier, Lukacs says.

Under U.S. law, passengers are entitled to a refund for flights cancelled by the airline for any reason.

In June, the U.S. Department of Transportation said it was seeking a $25.5 million fine from Air Canada over the carrier’s failure to provide timely refunds. Earlier this month, it said the airline had agreed to a $4.5 million settlement to resolve the investigation.

The EU also established passengers' right to a refund for cancelled flights. The law applies to all flights within the EU, those operated by an EU airline, and those departing from the EU, whether on not operated by an EU airline.

Keep in mind, though, that if you decide to pre-emptively cancel your flight, there is no obligation under the law to provide a refund, Lukacs says. You may still be entitled to at least part of your money back, depending on the stipulations of the airline's own tariff or the provisions of your travel insurance policy, he says.

Since the onset of the pandemic, some carriers have adopted flexible booking options that entitle you to at least a partial refund if you decide to cancel your trip.

So-called trip cancellation and interruption insurance is designed to cover you for any non-refundable costs such as airfare and hotel bookings, says John Shmuel, managing editor at financial products comparison site RATESDOTCA.

However, if you decide to travel to a destination to which a "do not travel" government advisory applies, your policy may be void, Shmuel cautions.

And travel insurance will rarely refund you for the cost of a trip you decide to cancel, Shmuel adds.

Back to Table Of Contents

Cancel for any reason (CFAR) coverage comes as the only kind of policy that will let you backtrack on your travel plans simply because you're worried.

CFAR policies are coming back onto the market in Canada after virtually disappearing earlier in the pandemic, Will McAleer, executive director of the Travel Health Insurance Association of Canada (THIA) previously told Global News.

However, CFAR policies typically come at a price premium.

Also, travel insurance for medical expenses won't cover things such as cancelled flights and hotel bookings, Shmuel notes.

Uncertainty Over Border Rules Clouds Travel Plans

Insurance To Cancel A Trip That Is Already Booked Could Be Difficult Or Impossible

By Scott Laurie, Toronto Sun, December 1, 2021

https://torontosun.com/news/uncertainty-over-border-rules-clouds-travel-plans/wcm/61c1baa0-5dea-468e-8770-a9129e1905b6/amp/

With the new Omicron variant, countries around the world are considering a rethink of their openness to foreign travel.

The Canada-U.S. border still has some requirements for testing in certain circumstances.

But the emergence of the new COVID-19 mutation could make those requirements even more strict.

"Travel right now, it is not for the faint of heart," said Will McAleer, executive director of the Travel Health Insurance Association.

"You have to be prepared for changes in schedule, taking time out to make sure you're adhering to your return requirements like testing."

What should Canadians do if they have already booked future travel to the U.S. and now want to buy cancellation insurance in the event borders once again slam shut.

"Can you get coverage for cancelling a trip now because border requirements and restrictions have changed?" McAleer said. "The answer is: it is going to be very difficult to get that, and shopping around is very important to do that.

"If there have been border restrictions or things like that change, chances are they won't cover you," McAleer said. "Cancellation, in general, is very difficult to get for anything related to COVID-19, especially, government-related border closures."

His best advice is to "get the insurance at the time you are booking the trip, and then make sure you are asking the questions about what the coverage is."

The situation for Canada's estimated 1 million snowbirds is not considered as fraught with travel risk.

Most of them — according to the Canadian Snowbirds Association — are already in the U.S., with many staying for six months. Perhaps, enough time to ride out this latest variant wave.

Still, spokesperson Evan Rachkovsky said, all travellers need to do their homework before embarking on any trip.

"Particularly in light of COVID-19 variants, so much is unknown about the Omicron variant, and governments may implement restrictions in an effort to curb the spread. So people need to be ready for that," Rachkovsky said.

One potential risk for all travellers, beyond having a trip disrupted by border flux: falling sick while away.

"What we are noticing is that some providers are putting caps on COVID-19 related claims," Rachkovsky said. "Anything COVID-19 related may be capped at say $100,000 or $200,000 which just isn't sufficient at this time."

With Omicron now firmly on the map, the risk of falling ill during travel is further heightened.

Travel Insurance Provider TuGo Makes Major Changes To Its COVID-19 Coverage

By Kate McCaffery, Insurance Portal, November 30, 2021

TuGo has announced that, effective November 30, 2021, it will cover both vaccinated and unvaccinated Canadian travellers who wish to travel, even on cruise ships, and even if there is a level 4 advisory issued by the government to avoid all travel. The company says, also beginning November 30, it will provide coverage to Canadians, allowing them to cancel or interrupt their trip as a result of a medical condition related to COVID-19. "TuGo's cancel for any reason feature has also been updated to ensure increased flexibility, allowing customers who purchase this add-on feature to cancel up to five days, previously 10 days, before departure for any reason, and receive 50 per cent of their pre-paid, unused, non-refundable travel costs," the company said in a statement announcing the changes. "TuGo provides COVID-19 coverage under our emergency medical insurance plans for vaccinated Canadians, up to the policy limit," the company adds in its frequently asked questions. "We now provide coverage to travellers regardless of travel advisory levels issued by the Canadian government. Our COVID-19 - Unvaccinated plan for unvaccinated Canadians and those wanting extra quarantine benefits also remains unchanged." The company adds that it still provides COVID-19 coverage for travel within Canada, regardless of vaccination status.

Read Story (Subscription Required): https://insurance-portal.ca/life/travel-insurance-provider-tugo-makes-major-changes-to-its-COVID-19-coverage/?utm_source=sendinblue&utm_campaign=daily_complete_202112-02&utm_medium=email

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Omicron COVID-19 Variant Sparks Concerns For Canada's Travel Industry

By Tara Deschamps, The Canadian Press, November 29, 2021

https://globalnews.ca/news/8410820/omicron-COVID-19-variant-travel-industry-concerns/

The emergence of a new COVID-19 variant has Canada's travel industry bracing for an influx of customer concerns and worried about whether the sector's recent rebound will be put on hold again.

With little known about the new variant and how vaccines will fare against it, the hospitality industry worries some will cancel travel plans, even if public health advice around vacations doesn't change.

Travel agents and associations said on Monday, November 29 that they have received a trickle of calls from clients curious about cancellation policies after the World Health Organization designated Omicron, first detected in South Africa, as a "variant of concern" last week and two cases were found in Ottawa on Sunday, November 28.

On Monday, November 29, Ontario's chief medical officer Dr. Kieran Moore said two potential cases were also under investigation in Hamilton as well as two more in Ottawa. Quebec's Health Minister also confirmed a case in the province.

Ontario travel agent Kristin Hoogendoorn says while her company, KMH Travels, hasn't seen a wave of cancellations yet, a few clients have already asked about refund policies.

"People will hear the word variant and they will see it all over the news and they will freak out," Hoogendoorn predicted.

Richard Smart, the Travel Industry Council of Ontario's chief executive, also hasn't seen a scramble to change vacation plans yet, but acknowledged that restrictions Canada placed on those arriving from southern African countries over the weekend could stir up troubles.

"It all comes down to consumer confidence and anything that impacts consumers' confidence to travel is going to have an effect on the travel industry," he said.

"An announcement like the one that we saw over the weekend has already got the waters rippling."

Smart and Hoogendoorn say the uncertainty around Omicron comes at an unfortunate time.

As COVID-19 cases dropped and vaccination levels rose, they noticed people became comfortable globe-trotting again in recent months.

Air Canada told analysts in early November that domestic leisure bookings were recovering and people were visiting family and friends and even heading to “sun destinations” again.

“It was like the stigma had gone and we were starting to slowly come back,” Hoogendoorn said.

If the new variant winds up to be more virulent or deadly, Hoogendoorn believes that the recovery the industry was seeing prior to Omicron will be further delayed.

“This variant feels like a sucker punch for our little tiny sector that keeps getting battered and if people cancel, I don’t know how much longer that we would be able to survive,” she said.

Smart, however, was holding onto hope that Omicron might not scuttle the travel industry’s recovery just yet because vaccination rates are high.

“We remain concerned but … cautiously optimistic that we are seeing light at the end of the tunnel,” he said.

“We expect 2022 to be a very good year.”

Omicron Unravels Travel Industry's Plans For A Comeback

By David Koenig And Yuri Kageyama, The Associated Press, December 1, 2021

[Omicron unravels travel industry's plans for a comeback (msn.com)]

Tourism businesses that were just finding their footing after nearly two years of devastation wrought by the COVID-19 pandemic are being rattled again as countries throw up new barriers to travel in an effort to contain the omicron variant.

From shopping districts in Japan and tour guides in the Holy Land to ski resorts in the Alps and airlines the world over, a familiar dread is rising about the renewed restrictions.

Meanwhile, travelers eager to get out there have been thrown back into the old routine of reading up on new requirements and postponing trips.

Abby Moore, a librarian and associate professor at the University of North Carolina, Charlotte, was scheduled to leave for Prague on Wednesday, December 1. But the day before her flight, she started having doubts when she saw that Prague had closed its Christmas markets and imposed a city-wide curfew.

“I wasn’t really concerned about my trip until the Czech Republic started what looked like a mini-lockdown process,” said Moore, who decided to reschedule her travel to March.

Back to Table Of Contents

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Less than a month after significantly easing restrictions for inbound international travel, the U.S. government has banned most foreign nationals who have recently been in any of eight southern African countries. A similar boomerang was seen in Japan and Israel, both of which tightened restrictions shortly after relaxing them.

While it is not clear where the variant emerged, South African scientists identified it last week, and many places, including the European Union and Canada, have restricted travel from the wider region.

For all the alarm, little is known about omicron, including whether it is more contagious, causes more serious illness, or can evade vaccines.

Still, governments that were slow to react to the first wave of COVID-19 are eager to avoid past mistakes. The World Health Organization says, however, that travel bans are of limited value and will "place a heavy burden on lives and livelihoods." Other experts say travel restrictions won't keep variants out but might give countries more time to get people vaccinated.

London-based airline easyJet said on Tuesday, November 30 that renewed travel restrictions already appear to be hurting winter bookings, although CEO Johan Lundgren said the damage is not yet as severe as during previous waves. The CEO of SAS Scandinavian Airlines said winter demand was looking up, but now we "need to figure out what the new variants may mean."

"In the past year, each new variant has brought a decline in bookings, but then an increase once the surge dissipates," said Helane Becker, an analyst with financial services firm Cowen.

Hotels, which were recovering more quickly than expected, have experienced a similar phenomenon.

"Every time there has been a variant, as soon as it clears up a little bit (leisure travel) snaps back very quickly. Business travel is a little more uncertain," said Ari Klein, a hotels analyst for BMO Capital Markets.

Israel's decision to close the country to foreign visitors is hitting the nation's tourism industry as it geared up for the Hanukkah and Christmas holidays. The country only opened to tourists in November, after barring most foreign visitors since early last year.

Just over 30,000 tourists entered Israel in the first half of November, compared to 421,000 in November 2019, according to government figures.

Joel Haber, a Jerusalem-based guide, said during a typical Hanukkah holiday, his calendar would be chock full of food tours through Jerusalem's colorful Mahane Yehuda market. Instead, he has just one tour a day.

"Tour guides like me are the first to get hit and the last to emerge and are directly prevented from working by a government decision," Haber said.

In the West Bank city of Bethlehem, revered by Christians as Jesus' birthplace, local businesses expected a boost from Christmas tourism. The Bethlehem Hotel, one of the largest in the city, has operated at a fraction of capacity for the past 18 months.

"Everyone who had bookings over the next two weeks has canceled, while others are waiting to see what happens next," said the hotel's manager, Michael Mufdi. "I don't know how much longer we can last, but we are doing our best."

The pandemic already caused foreign tourism in Japan to shrink from 32 million visitors in 2019 to 4 million last year, a trend that has continued through this year.

As worries surfaced about omicron, Japan on Wednesday, December 1 tightened its ban on foreign travelers, asking airlines to stop taking new reservations for all flights arriving in the country until the end of December. The country earlier reversed a relaxation of travel restrictions that had been in effect just three weeks.

The crowds of Chinese shoppers who used to arrive in Tokyo's glitzy Ginza district in a stream of buses to snap up luxury items have long disappeared. Restaurants and bars have been forced to restrict hours.

In Asakusa, a quaint part of town filled with souvenir shops, rickshaw drivers, and stalls selling traditional sweets, news of the omicron variant made little difference this week. Vendors say there hasn't been any business for months except for a few local customers.

In South Africa, Frederic Plachesi, owner of Tamboti lodge in Dinokeng Game Reserve, is facing a similar fall-off in the international guests his business relies on.

"The odds are for the next few months, only locals will visit the lodge," said Plachesi. "We estimate a 60% loss of business because of the omicron restrictions."

In Europe, Alpine ski resorts worry about how to keep up with requirements such as ensuring all skiers are vaccinated or recovered from infection and have tested negative for the virus.

Matthias Stauch, head of the German ski lift operators association VDS, said many are small family businesses that lack the staff to perform such checks. Meanwhile, the Association is warning about "massive" economic damage to the tourism sector if there is another lockdown.

Travel executives argue that government decisions about restrictions should wait until more is known about omicron, but they admit it's a difficult call.

"If you wait, by the time you have all the data it's probably too late to stop community spread because (the virus) is already here," said Robert Jordan, the incoming CEO at Southwest Airlines. "If you jump ahead, you run the risk of the measures being more impactful than the actual cases."

About a month ago, Javier Barragan and his husband booked a visit to Paris for later this month. When news of omicron hit, they were concerned but decided to go ahead with the trip.

Back to Table Of Contents

"The way that it was in the news, there's a sense of 'Oh, is this worse? Is this different?'" said Barragan, who lives in New York. France's health protocols — the couple will have to submit vaccine cards to enter the country — made them feel more comfortable. Also, both got booster shots.

They did, however, buy travel insurance that will cover cancellation for most any reason.

'Like A Sucker Punch': Canadian Travellers Rethink Holiday Plans As Omicron Variant Spreads

By Jacob Lorinc, Toronto Star, December 1, 2021

https://granthshala.com/like-a-sucker-punch-canadian-travellers-rethink-holiday-plans-as-omicron-variant-spreads/

Canadian travel agents are navigating the emergence of a new COVID-19 variant as clients cancel bookings and reconsider holiday trips.

While it is too soon to know how the Omicron variant, which public health officials in southern Africa identified last week, will affect the travel industry, some travellers have already cancelled plans to visit Europe, Africa, and the Middle East in the coming months.

Judith Coates, a travel agent and founder of the Association of Canadian Independent Travel Advisors, said she recently received cancellations for tours to Egypt and Israel after Canada tightened travel restrictions this week.

"I'm advising people to stay calm, and wait and see what happens, but sometimes it's hard for people not to panic," said Coates.

On Tuesday, November 30, Ottawa ramped up its defences against the Omicron variant with new test and quarantine requirements for incoming air travellers from all countries except the United States.

With seven cases of the variant detected in Canada as of Tuesday afternoon, November 30, Ottawa announced new requirements for most air travellers, regardless of vaccination status, to take government-provided molecular tests upon arrival at Canadian airports from abroad.

That is in addition to the existing requirement to be tested and receive a negative result within the 72 hours prior to their flight to Canada.

The government has also banned foreign nationals who have been to an additional three African countries — Egypt, Malawi, and Nigeria — from travelling to Canada, just days after banning travel from seven other countries, including South Africa.

Kristin Hoogendoorn, a travel agent with Toronto-based KMH Travels, said customers are more likely to cancel bookings if they are headed to the Middle East, Europe, or Africa. The bulk of her bookings are headed to the Caribbean this time of year, so few have cancelled but plenty have expressed concern.

"People will hear the word variant and they will see it all over the news and they will freak out," Hoogendoorn told The Canadian Press.

"This variant feels like a sucker punch for our little tiny sector, that keeps getting battered, and if people cancel, I don't know how much longer we would be able to survive."

Canada's travel industry was resurging following months of restricted border mobility when news of the Omicron variant surfaced. Early in November, Air Canada reported that domestic leisure bookings were recovering and travellers were once again heading to sun destinations.

The National Airlines Council of Canada said the sector has implemented the federal government's mandatory vaccination policy for aviation employees and passengers over the past several weeks.

While the Council said the impact of the variant will be "manageable," it cautioned that "the economic uncertainty facing aviation cannot be overstated."

Karlee Marshall, a travel consultant with Toronto-based Glenny Travel, said many of her clients are "very nervous" about travelling, though she is encouraging them to wait for more information to emerge about the variant.

"People don't like unknowns. But we're telling them to wait and see — we need to know more about the variant first," Marshall said.

As of Tuesday, November 30, Canada had identified seven cases of Omicron — four in Ottawa, one in Quebec, and two in Hamilton.

Very little is known about the new variant first discovered in South Africa in November. Omicron has a large number of mutations and the World Health Organization believes it is more transmissible and has already spread widely.

The variant's discovery sparked global travel bans, with several countries moving to bar travel to and from countries in southern Africa. But Omicron has already been discovered in places such as Australia, Belgium, Canada, Denmark, Hong Kong, Israel, Portugal, and the United Kingdom.

In some cases, travellers who tested positive for Omicron reported no connection to South Africa at all.

Still, travel agents say they anticipate a continued recovery for travel in 2022.

"We're starting to learn to live with COVID-19, I think. It might not go away entirely, but I think we're getting to a place where travel can continue even in the pandemic-era," said Richard Smart, CEO of the Travel Industry Council of Ontario.

Back to Table Of Contents

Omicron Variant Forces Travel Industry To Brace For More Turbulence

By Hugo Martin, Los Angeles Times, December 1, 2021

https://www.latimes.com/business/story/2021-12-01/omicron-variant-COVID-19-affects-travel-airlines-industry

Another Greek letter is in the headlines, and the travel industry is bracing for a new COVID-19 jolt.

Several business conferences and international gatherings have been postponed due to the uncertainty generated by the latest coronavirus variant — Omicron — and airlines are preparing for a pause to the rebound of travel that the industry started to see over the last few months.

United Airlines Chief Executive Scott Kirby called the spread of the variant a “short-term setback” and predicted Omicron will have a temporary impact on bookings, similar to the downturn airlines reported after the spread of the Delta variant several weeks ago.

“It’s like we are taking two steps forward and one step back,” he said on Tuesday, November 30 at an airline expo in Long Beach, California that drew 1,300 in-person attendees.

Jeffrey Goh, chief executive of Star Alliance, the world’s largest airline alliance, said it was too early to predict how Omicron will affect air travel and urged industry leaders not to panic.

In response to the latest variant, the U.S. temporarily halted travel from eight African countries, including South Africa, where positive test results for the new variant recently spiked. Britain, the European Union, South Korea, Japan, and Israel have also instituted new travel restrictions in response to the spread of the variant.

The U.S. Centers for Disease Control and Prevention is working on a revised testing order that would require international air travellers coming into the U.S. to test for COVID-19 one day before departure. The U.S. currently requires a negative COVID-19 test result within three days of departure.

Several international gatherings have already been postponed.

The 12th Ministerial Conference of the World Trade Organization in Geneva, scheduled for November 30 through December 3, was postponed indefinitely due to travel restrictions imposed in response to the latest variant.

“Given these unfortunate developments and the uncertainty that they cause, we see no alternative but to propose to postpone the Ministerial Conference and reconvene it as soon as possible when conditions allow,” General Council Chair Ambassador Dacio Castillo told the General Council during an emergency meeting. “I trust that you will fully appreciate the seriousness of the situation.”

The World Muslim Communities Council also postponed its international conference, scheduled for December 12 to 14, in the United Arab Emirates due to the spread of Omicron.

The African Development Bank, a multinational financial institution, has postponed its planned December 1 to 3 investment forum in Abidjan, Ivory Coast, due to travel restrictions, the bank's president said on Monday, November 29.

"In life, man plans and proposes and God disposes," bank President Akinwumi Adesina said in a press briefing, noting that the variant has made travel "very, very difficult."

The new restrictions come less than a month after the U.S. eased limits on travel into the country by foreigners, a move that leaders of the badly pummeled travel industries praised. Long-haul, international travel generated a lion's share of revenue for air carriers.

Tori Emerson Barnes, executive vice president of the U.S. Travel Association, a trade group for the nation's travel industries, criticized the Biden administration's decision to impose new bans on travel from eight African countries so soon after opening the U.S. borders.

"COVID-19 variants are of concern, but closed borders have not prevented their presence in the United States while vaccinations have proven incredibly durable," she said in a statement issued on Sunday, November 28.

Fitch Ratings, the credit rating company, on Tuesday, November 30 revised its global forecast downward, saying the arrival of new COVID-19 variants is likely to make the recovery of global air travel less certain.

"While it is too early to assess the effects of the Omicron, additional waves of infections and policy responses could lead to travel restrictions and stalled or temporary declines in traffic," Fitch said in a statement.

Still, concern over the variant has yet to have an impact on domestic travel, according to the Adobe Digital Economy Index, which measures booking transactions at six airlines and activity on millions of online web visits.

Over the Thanksgiving weekend, online bookings for domestic flights increased 1% compared to the seven previous days, with a majority of the flights scheduled for trips in the next two months, according to Adobe.

At the Airlines Passengers Experience Association expo in Long Beach, several airline executives spoke out against new travel restrictions in response to the variant, saying they do little to stop the spread of the virus.

"Closing borders doesn't help," said Tammy McKnight, chief medical officer for WestJet, the second largest airline in Canada. She urged governments to instead rely more heavily on testing travellers to keep the variant in check.

Back to Table Of Contents

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New COVID-19-Testing Rules Just 'One More Hit' For Pandemic-Weary Travel Industry

By Pete Evans, CBC News, December 2, 2021

[New COVID-19-testing rules just 'one more hit' for pandemic-weary travel industry (msn.com)]

After more than a year of cancelled plans and delayed trips, COVID-19-weary travellers and those in the tourism industry have been thrown for yet another loop after the federal government implemented new travel rules this week designed to keep a lid on the spread of the omicron coronavirus variant.

On Monday, November 29, Ottawa announced new rules requiring incoming air travellers from all countries except the United States to be tested for COVID-19 upon arrival, regardless of whether they're vaccinated or not. And they'll also have to quarantine until their test results come back negative.

It's bad news for an industry that can scarcely afford it.

"It's one more hit to an industry that has been … significantly hit by the pandemic," said Statia Elliot, director of the School of Hospitality, Food and Tourism Management at Guelph University.

She says that after policy-makers were accused of being too slow to implement stricter travel and testing protocols in the early days of the pandemic, they are over-compensating by doing the opposite now and moving swiftly.

A look at the numbers shows how stark the impact of COVID-19 has been on travel. In October of 2019, before the pandemic, more than a quarter of a million people landed in Vancouver's airport from countries that were not the U.S.

A year later, in the depths of COVID-19, that figure shrank by more than 90 per cent to less than 17,000. This year, that figure had rebounded somewhat, to just shy of 70,000 people. And as of now, every single one of them will be subject to the new testing and quarantine regime.

Travel Agencies Critical Of New Rules

The Association of Canadian Travel Agencies (ACTA), which represents the industry in Canada, says the new rules are wrong-headed and based on politics, not epidemiology.

"The federal government's recent announcement of molecular testing for all inbound travellers except those arriving from the United States is a concerning policy that impacts travel demand just before the holiday season," ACTA president Wendy Paradis said.

"As the federal government prepares its formal order, we are meeting with politicians and government decision-makers and imploring them to act on the best available science rather than political pressure."

It's too early to tell exactly what impact the new rules will have, but headed into the key holiday travel season, it won't be a positive one.

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"Every time there's an additional step, like a test at the airport, [people] will think twice before they travel because of the hassle and because of the cost," Elliot said.

Canadian traveller Robyn Boar will certainly think twice before leaving home any time soon. The 18-year-old just returned home from a European trip.

"I was worried they were going to cut off all flights," Boar said. "I'm just happy to be back home in case things go south."

U.S. Exempt For Now

So far, the new rules don't apply to those travelling between Canada and the U.S., but there are signs that could change.

According to reports in Washington, the Biden administration could move as early as Thursday, December 2 to bring in COVID-19 testing and quarantine requirements for air travellers, two moves the U.S. has been reluctant to implement so far at almost any stage of the pandemic

That would affect Canadians headed south, and Canada's transportation minister hinted on Wednesday, December 1 that those arriving here from the U.S. may soon be subject to more stringent rules, too.

"We are having discussions," Omar Alghabra said. "We need to be prepared and ready if we need to adjust that decision to include travellers from the U.S. [but] we haven't made that decision yet."

If that happens, all bets are off for the industry, as travel between the U.S. and Canada had only just started to return to normalcy, Elliot said.

"Just last week, sentiments of … feeling safe to travel were actually on a little bit of an upswing [and] we were at really a better point than we'd been in a long time," she said.

"Now with this latest variant, it's just a hit sliding us backwards."

Restrictions Better Than Closure, Expert Says

While yet another round of restrictions and hassle are another bitter pill to swallow for anyone who's delayed travel for more than a year already, business professor Frederic Dimanche said things could always be worse.

"It's a measure that I think is better for sure than losing the border," the director of the Ted Rogers School of Hospitality and Tourism Management at Ryerson University told CBC News in an interview.

"The whole point of all this is about making sure that people feel safer when they're travelling again."

Back in Vancouver, Boar says she takes as many precautions as she can, including being fully vaccinated, in the hopes of being able to travel again soon. But those plans, like everything else, are now up in the air.

Back to Table Of Contents

"I want to do a couple of more trips in 2022, but with the new variant I don't know if I'll be able to," she said.

Elliot says that mentality is common — and very concerning for an industry that's already been hit particularly hard by the pandemic.

"What's hardest for the industry right now is just the fatigue," she said. "Every time something like this happens, I think it just shapes the psyche of every traveller."

Vaccines Will Help Protect Canadians From Omicron COVID-19 Variant As New Cases Emerge, Say Infectious Disease Experts

By Carly Weeks, Kristy Kirkup, and Eric Andrew-Gee, The Globe and Mail, November 29, 2021

https://www.theglobeandmail.com/canada/article-vaccines-will-help-protect-canadians-from-omicron-COVID-19-variant-as/

Canadian infectious disease experts say vaccines will continue to provide some protection against the Omicron variant – that this new threat does not put the country back to square one of the pandemic.

So far, there are at least five confirmed cases of the variant in Canada – four in Ontario and one in Quebec – and officials are investigating two more.

Omicron is causing alarm among scientists because it has a large number of mutations, including many on the spike protein, which some fear could make it more transmissible or better able to evade vaccines. Researchers are racing to determine what risks it may pose and should know more in the coming days and weeks.

Lisa Barrett, an infectious disease physician and assistant professor at Dalhousie University in Halifax, said she’s watching the situation with caution, but not panic. Even if the variant is more transmissible, we have ways to control the spread, she said, and while it may affect the efficacy of current vaccines, it won’t render them useless.

“I don’t think it means we’ve got to shut the world back down and I don’t think it means that none of our vaccines will work at all,” Dr. Barrett said. “That’s just not how vaccines work.”

Responding to news of the variant, the federal government last week banned entry to foreign nationals from seven southern African countries where Omicron has been detected. Canadian citizens, permanent residents, and people with status under the Indian Act who are returning from those countries will have to undergo testing, screening, and quarantine.

But many experts say the travel restrictions are discriminatory, as the variant has been identified in numerous other countries, including Britain and Belgium, and that officials should instead focus on rolling out booster shots and reducing capacity for indoor gatherings.

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At least two of the four cases in Ontario were confirmed in travellers from Nigeria, which is not on Ottawa's travel ban list. They were picked up through random testing at Montreal's airport, where the passengers landed before continuing to Ottawa. The province is investigating two more suspected cases and awaiting whole genome sequencing to determine if they involve the variant. The province and the federal government are working to contact a total of 375 people who arrived in Ontario in the past two weeks from the seven African countries subject to the travel ban.

Ontario Chief Medical Officer of Health Kieran Moore said the province has asked Ottawa to start testing all arrivals, not just people travelling from southern Africa.

Quebec Health Minister Christian Dubé said his government has contacted 115 people who recently travelled to southern African and instructed them to undergo another PCR test and isolate themselves.

Quebec will not tighten its public health rules and will continue to study whether the variant is resistant to vaccines or more contagious, Mr. Dubé said. But he praised the federal government for acting quickly to tighten travel restrictions.

"The federal government, and I want to thank them for this, have been very, very rigorous."

Mr. Dubé also urged Quebeckers to continue observing public health rules about the wearing of masks indoors and limiting private social gatherings, as well as being careful while travelling.

"What we're asking Quebeckers who travel abroad is to remain extremely vigilant."

Federal Health Minister Jean-Yves Duclos attended a virtual meeting with his Group of Seven counterparts on Monday, November 29 that focused on the emergence of the new variant. In a joint statement issued after the meeting, the ministers praised the "exemplary work" of South Africa both in detecting Omicron and alerting others to it. The ministers also said the global community is faced, at its first evaluation, with a new and "highly transmissible variant of COVID-19 which requires urgent action."

"There was strong support to set up an international pathogen surveillance network within the framework of the World Health Organization," the statement said.

It also noted the need to ensure access to vaccines, tackle vaccine misinformation, and provide operational assistance and support for research and development. The ministers committed to work closely with the WHO and international partners to share information and monitor the new variant. They plan to meet again in December.

Omicron Response Should Focus On Global Vaccine Equity, Not Travel Bans: Scientists

By Sarah Smellie, The Canadian Press, November 28, 2021

Omicron response should focus on global vaccine equity, not travel bans: scientists (msn.com)

Public health officials in Ontario confirmed the country's first two cases of the variant in the Ottawa area on Sunday afternoon, November 28, noting that they were found in people who had recently been in Nigeria. The news comes just days after the federal government announced it was banning travellers from seven southern African nations — Nigeria not among them — in an effort to keep Omicron out of the country.

Caroline Colijn, a mathematician and epidemiologist at Simon Fraser University, said it was "wishful thinking" to believe the variant, which was first detected in South Africa, would somehow be contained to the region. She noted that cases had begun cropping up in several other countries that weren't targeted by the heightened restrictions even before the Ontario diagnoses came to light, adding it was only a matter of time before a case was found in Canada.

"I think we need broader measures at the border, and it should apply to all international travel," Colijn said in an interview on Sunday, November 28. "We can't pick these seven countries and say, 'Okay, for the next three weeks, this is where it's going to be.'"

What's more, Colijn said singling out these countries with travel bans could dissuade them from sharing critical research about Omicron or future variants with the rest of the world.

"The South African public health labs are hugely to be commended for sequencing this, finding it, sharing the data ... The scientific world will be able to do so much good with that information," she said. "I really hope we're not disincentivizing other countries from doing that if they have huge economic consequences because of travel bans."

Ottawa announced on Friday, November 26 that it was tightening border measures for anyone who'd been to South Africa, Eswatini, Lesotho, Botswana, Zimbabwe, Mozambique, and Namibia. Foreign nationals who visited any of the seven countries within 14 days of their planned arrival in Canada would no longer be allowed entry, said a release from the federal public health agency.

Canadians returning from these countries will have to quarantine for 14 days and be subject to enhanced screening and testing measures, the release said.

Canada is not alone: the U.S. plans to ban travel from South Africa and several other neighbouring countries beginning Monday, November 29, while other jurisdictions such as New Zealand, Israel, and the European Union have also restricted or banned travel from the region.

This despite opposition from the World Health Organization, which has warned against over-reaction before more is known about the variant.

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WHO's regional director for Africa, Matshidiso Moeti, called on countries to follow science and international health regulations in order to avoid using travel restrictions.

"Travel restrictions may play a role in slightly reducing the spread of COVID-19 but place a heavy burden on lives and livelihoods,'' Moeti said in a statement. "If restrictions are implemented, they should not be unnecessarily invasive or intrusive, and should be scientifically based."

Moeti praised South Africa for following international health regulations and informing WHO as soon as its national laboratory identified the Omicron variant.

South African President Cyril Ramaphosa called the restrictions "completely unjustified.'"

"The prohibition of travel is not informed by science, nor will it be effective in preventing the spread of this variant,'' he said in a speech on Sunday evening, November 28.

Meanwhile, Omicron cases have been confirmed in The Netherlands, Israel, Australia, Germany, Belgium, the United Kingdom, and Hong Kong, in addition to the infections announced on Sunday, November 28 in Ottawa.

Dr. Zain Chagla, an associate professor of medicine at McMaster University, agrees the "blind closures" don't make scientific sense. The variant may have been detected in South Africa because they have good genomic surveillance infrastructure, he said.

"This has likely been circulating for some time," Chagla said in an interview on Sunday, November 28. "It doesn't really make sense that we use rigid travel bans as a way of preventing cases, as compared to mitigating spread."

Chagla said the situation signals an urgent need for a united, global effort to increase vaccine access across the globe.

"This is the global recognition of vaccine equity," he said.

For example, Canada needs to ask itself whether it will import more COVID-19 vaccines to offer boosters to low-risk populations like those under 50, or whether it will instead work on getting those doses of high-efficacy vaccines to countries in greater need, he added.

"Those countries can then work on their own vaccine hesitancy campaigns, with local solutions, rather than having to worry about supply," he said.

"If we're going to repeat the same mistakes this time, and keep re-vaccinating our lowest risk populations and forget about our global duties, I'm pretty sure we're going to see this scenario playing itself out over and over and over again."

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Canada's Foreign Travel Restrictions In Response To The Omicron Variant Are Discriminatory And Self-Defeating

Opinion By Ambarish Chandra, Contributed To The Globe And Mail, November 28, 2021. Ambarish Chandra is an economics professor at the University of Toronto. His recent research examines travel across the U.S.-Canada border.

https://www.theglobeandmail.com/opinion/article-canadas-foreign-travel-restrictions-in-response-to-the-omicron-variant/

Travel restrictions and border closures can evolve quickly in the pandemic era. In just the past few days, the new Omicron variant has been identified in multiple locations in southern Africa and caused numerous countries to restrict travel from the region. Canada has banned all foreign citizens who have recently travelled to one of seven African countries, echoing similar steps by the United States and the European Union. Meanwhile the WHO has cautioned against these actions, prompting debate about whether such measures have any effect.

The WHO's response has merit. Canada's experience with travel restrictions over the course of the pandemic suggests that it is futile to prevent variants from entering Canada, given our extensive interconnections with other countries, especially the United States. Indeed, there is only a tenuous link between the timing of border closures and case spikes in targeted countries.

Moreover, past border closures and travel restrictions have been applied unevenly and grossly unfairly. When the U.K. reported the new Alpha variant, Canada imposed a flight ban on that country on December 20, 2020. This was lifted after 17 days, even though the Alpha wave continued to cause a massive rise in case numbers in Britain for many more weeks. By contrast, when India reported the Delta variant, Canada banned all travellers from that country for 158 days, from April 22 to September 26. This was despite cases peaking in India in early May and remaining low throughout the summer. The double standard was obvious and, regardless, both the Alpha and Delta variants eventually made their way to Canada.

The speed with which the latest travel bans have been imposed on southern African countries suggests yet again that Canada is quick to impose harsh measures on the developing world but reluctant to do so with wealthy, Western countries. Multiple reports suggest that the Omicron variant was already present in Belgium and the Netherlands at the time these bans were imposed, but there is no discussion of extending measures to those countries.

Canada's travel restrictions with respect to the United States have not been logical. We restricted travel even during last spring, when the U.S. had a far faster vaccine rollout and a lower number of cases per capita than we did. Conversely, we finally re-opened to non-essential travel in August, just when the U.S. was experiencing the peak of its Delta wave of cases. The U.S., in turn, banned travellers from Europe for most of the pandemic, when that region's number of per-capita cases were usually lower, only to lift them this month when the number of European cases was higher.

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In the early days of the pandemic, the WHO warned against travel restrictions, arguing that these could prevent aid and resources from getting to where they were needed. This was recently apparent in Canada when flood-hit residents of B.C. badly needed access to fuel and supplies across the border, but still needed to show a negative COVID-19 test on their return – until the government hastily dropped the requirement. Earlier, Canadians were clamouring for vaccines that were freely available in the U.S. but were prevented by border closures from accessing them.

The WHO's admonishment was prescient and accurate: it is entirely possible that these travel restrictions have caused more harm than they have prevented. Now, with Canada's already strained supply chains and rising inflation, we cannot afford further uncertainty with regard to the U.S. border, given that we rely on 15,000 trucks that enter on a daily basis.

While new variants cannot realistically be kept out of any country that maintains links with the rest of the world, travel restrictions can conceivably delay the initial spread, which can be useful to buy time. But this only matters if we expect an imminent change in conditions, such as the deployment of new vaccines or medicines, or a material expansion of medical facilities. This was arguably true in April 2020, as we scrambled to secure personal protective equipment for health care workers, and in February 2021, when new vaccines were on the horizon. But no new treatments are imminent.

Travel restrictions are easy to impose but very difficult to undo, because of both bureaucratic inertia and the reluctance of governments to take the blame for later developments. Opposition parties and provincial leaders are already demanding restrictions because they are popular. However, they are discriminatory and, ultimately, self-defeating.

The Omicron variant is already in Canada. The federal and provincial governments should act as they see fit with respect to domestic containment, but they should not pretend that foreign travel restrictions will make any difference.

Why Just Africa? Health Experts Question Canada Singling Out Continent With COVID-19 Travel Rules

By Rachel Gilmore, Global News, December 1, 2021

[Why just Africa? Health experts question Canada singling out continent with COVID-19 travel rules (msn.com)]

As the newly discovered Omicron COVID-19 variant starts to invade cities around the world, Canada's expanded travel restrictions have focused on countries in one continent: Africa.

But according to health experts, the choice to single out African countries doesn't make sense -- and could actually endanger the global fight against COVID-19.

"For travel restrictions to work, they have to be proportional, they have to be fair, and there's got to be a good reason for it ... this really doesn't fit well at all," said Kerry Bowman, a bioethicist at the University of Toronto, speaking to Global News from Al Ghaydah, Yemen.

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"This does not build trust and it really pits low income countries against high income countries."

Canada brought about its latest round of travel restrictions on November 26 in response to worries about the newly discovered Omicron variant. The government banned travellers from seven African countries: South Africa, Mozambique, Namibia, Zimbabwe, Botswana, Lesotho, and Eswatini.

Days later, as cases were discovered in Canada, Spain, Portugal, Belgium, and Hong Kong, among others, Canada broadened its travel restrictions to include three more countries: Nigeria, Malawi, and Egypt.

Foreign nationals who have been to those countries over the past two weeks will not be able to enter Canada. Canadians and permanent residents who have transited through these countries over the past two weeks will have to quarantine, be tested at the airport, and await their test results before exiting quarantine, according to Health Minister Jean-Yves Duclos.

The federal government stood by its decision on Tuesday, November 30. Dr. Theresa Tam, Canada's top doctor, said the decision to limit the travel restrictions to the 10 African nations was based on several "criteria."

"There may be some uncertainty in the countries' overall epidemiologic situation and their ability to detect and respond (to the variant)," Tam said.

"These countries also have very low vaccine coverage."

She added that the COVID-19 positivity rate for passengers arriving from Egypt and Nigeria has risen, and all the Canadian cases reported so far "have been from Nigeria."

Duclos echoed Tam's comments, stating that the community transmission in the 10 countries "is of concern, not only to Canada but to our international partners."

But experts aren't buying it.

"It doesn't make sense scientifically to have restrictions just to Africa ... because of Omicron," said Dr. Gerald Evans, an infectious disease specialist at Queen's University in Kingston, Ontario.

"But then, on the other hand ... governments want to be seen to be doing something when this happens."

The WHO has warned that the global risk from Omicron is "very high," with early evidence suggesting it might be more contagious than other variants of concern. The variant has a number of mutations in two key areas of the virus' spike protein, according to Tam, including in areas that could increase transmissibility, and in areas that could impact the immunity offered by vaccines.

Still, Bowman warned it was "very, very destructive" to "shut down" South Africa with restrictions -- rather than commending them -- after they undertook the "complex" sequencing work that led to the variant being identified.

"This could really be a major disincentive," Bowman said.

"I think a lot of it is political, for the public. Also, lower income countries are less of a concern than higher income countries, from an economic point of view. So I hypothesize that as well."

Bowman wasn't alone in his hypothesis.

"It's important to remember that governments make decisions because they have to appeal to the voters," Evans said.

"Although some voters might be very much motivated by a global view of things, sometimes people are just worrying about themselves."

Experts fear the decision to hit these 10 African countries with travel restrictions could also hurt the much-needed vaccine rollout in the regions. The WHO expressed the same fears at a briefing on Wednesday, December 1, reiterating that it does not support travel bans at this time.

"All the economies of these countries are dependent ... on a fair degree of international trade. A lot of fruits and vegetables come from South Africa up here to Canada," Evans said.

"If we are impairing travel from those jurisdictions to Canada nominally to keep people who might be infected out, we could have an impact on those particular things. And then the problem you have is those economies suffer."

This economic hit, Evans warned, could impact the vaccine rollout.

"That ability to get vaccine rolled out ... is going to be affected by all kinds of unintended consequences as a result of travel bans."

Ensuring a smooth global vaccine rollout is the only way for the world to truly be able to move beyond the COVID-19 pandemic -- and it's a far more important issue than implementing travel restrictions and doling out booster doses, both Evans and Bowman said.

"When we have areas of the world with low vaccination rates, that's where the virus is going to continue to have ongoing transmission, ongoing infections," Evans said.

"The real way out of this ... is we need to have vaccine roll out globally, and we need to have vaccinations globally rise to levels that we're seeing in parts of the developed world."

That's because the virus "takes advantage of widespread infections, which causes viral replication, which allows it to mutate," according to Evans.

Those mutations can sometimes be advantageous for the virus, for example, by making it more transmissible, or teaching it to evade vaccines, according to multiple public health experts. The more COVID-19 spreads, the more replication occurs -- and the more chances spring up for a serious mutation to take hold.

 Back to Table Of Contents

Until areas of the world that have little access to vaccines are able to get their populations vaccinated, variants will continue to spring up, according to Bowman.

"These environments become absolute variant factories, and we've done so little about this," Bowman said.

Bowman, who has been working in Yemen, said he's seen the impact of vaccine inequity first hand.

"I have seen unvaccinated health-care workers. I've seen people that need oxygen and aren't getting it, in very impoverished countries, and they have not received the vaccine. These people are going to die," he said.

"The death rate from this is going to be phenomenal."

To date, there have been over 263 million cases worldwide. A total of over 5 million people have died, according to the WHO.

The Canadian government has been sending doses to lower income countries around the world through the COVAX vaccine-sharing initiative -- which was reiterated by the health minister on Wednesday, December 1 -- but Bowman said these steps don't go far enough.

"South Africa itself may have a lot of vaccines right now, but sub-Saharan Africa absolutely does not. And Canada has focused relentlessly on boosters and vaccinating children," Bowman said.

"The greatest threat to us all as Canadians has always been the international pandemic situation, and we have done next to nothing about that."

When the dust settles, Bowman added, history will be the final judge.

"When this awful pandemic eventually ends and the books are written and the analysis really begins," he said, "Canada has to live with this legacy that we did very, very, very little from a global point of view at the height of this crisis."

Travel Bans Questioned After European Cases Reveal Community Transmission Of COVID-19 Variant Omicron

By Geoffrey York, The Globe and Mail, November 30, 2021

https://www.theglobeandmail.com/world/article-travel-bans-questioned-after-european-cases-reveal-community/

Growing evidence suggests that the new coronavirus variant Omicron has already begun to spread in the community in some European countries, making border closures ineffective and intensifying the demands for an end to travel bans.

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The latest laboratory tests from Britain and The Netherlands revealed that Omicron was present in those countries before the first bans were imposed on travellers from southern Africa last week, while a test in Germany discovered the variant in a person with no travel history.

The mounting evidence of community transmission in Europe has raised further doubts about the travel restriction strategy that many countries – including Canada – have chosen.

The news from Europe is sparking anger in southern Africa, where the travel bans have had a disastrous effect on already battered economies. The bans are a "grand exhibition of futility and discrimination," said Marc Mendelson, head of the infectious diseases division at a Cape Town hospital, in a tweet on Tuesday, November 30.

Health officials in The Netherlands announced on Tuesday, November 30 that the new COVID-19 variant had been confirmed in samples dating to as early as November 19 – a week before the flight bans.

The country's RIVM health institute said it had found Omicron in samples from November 19 and 23. The presence of the variant in the samples was discovered in tests on Monday, November 29, the institute said. "It is not yet clear whether these people had visited southern Africa," it said.

In Scotland, authorities disclosed that they had detected Omicron in nine people who were linked to a single event that took place on November 20, six days before the travel bans. None of the nine people had recently travelled to southern Africa or had been in contact with anyone who had recently travelled there, the officials said.

In Germany, authorities said they had confirmed an Omicron case in an individual who had neither been abroad nor in contact with any travellers. And in Belgium, according to earlier reports, a case of Omicron was detected in a traveller who had returned from Egypt on November 11 and had no connection to southern Africa.

Many South Africans voiced outrage at the latest reports on Tuesday, November 30. They said the evidence of community transmission in Europe was proof that the travel bans were unfair punishment of southern African countries, where the variant was first detected by scientists in Botswana and South Africa last week.

Many people in these countries have already lost jobs or businesses, or were forced to cancel long-delayed reunions with family members, as a result of the travel bans. The tourism industry, a crucial job-creator in all of the southern African countries, has been severely damaged as a result of the travel restrictions.

Professor Mendelson, who works at Groote Schuur Hospital and the University of Cape Town, said the bans should be reversed. "Not only are they pointless, but they are needlessly decimating economies, exacerbating societal distress and having a profound effect on families that are once again being parted," he said.

The new variant has triggered a rapid rise in COVID-19 cases in Gauteng province, the economic heartland of South Africa, where the cities of Johannesburg and Pretoria are located.

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This surge, in turn, is driving a significant national increase in cases, which seems to be the beginning of a fourth wave of the pandemic. On Tuesday, November 30, officials reported 4,373 new cases of COVID-19 in South Africa. This represented a positivity rate of 10.2 per cent. Barely a week ago, the positivity rate in South Africa was only about 2 per cent.

The World Health Organization, in an advisory issued on Tuesday, November 30, said travel bans will not prevent the international spread of the new variant, and will place "a heavy burden on lives and livelihoods." In addition, the bans could damage global health efforts during a pandemic by discouraging countries from reporting and sharing their data on new variants and cases, the WHO said.

The agency's director-general, Tedros Adhanom Ghebreyesus, thanked South Africa and Botswana for detecting, sequencing, and reporting the new variant as rapidly as they did.

"It is deeply concerning to me that those countries are now being penalized by others for doing the right thing," Dr. Tedros said in a briefing for the agency's member states on Tuesday, November 30 in Geneva.

"I am equally concerned that several member states are introducing blunt, blanket measures that are not evidence-based or effective on their own, and which will only worsen inequities," he said.

What Canada Has To Do At The Border – And Elsewhere – To Beat Omicron

Opinion by The Globe and Mail Editorial Board, November 30, 2021

https://www.theglobeandmail.com/opinion/editorials/article-what-canada-has-to-do-at-the-border-and-elsewhere-to-beat-omicron/

On Monday, November 29, U.S. President Joe Biden called the new Omicron variant of the novel coronavirus a "cause for concern, not a cause for panic." That phrasing, or some, um, variant of it, has become the preferred messaging of many public officials, including in Canada. Unfortunately, it's not quite the right message, and it doesn't suggest quite the right approach.

A better message would go something like this:

"A storm is coming. It may turn out to be small and easily manageable. Or it may deliver a record wave, one big enough to overtop Canada's current levee of vaccine-induced immunity. We honestly don't know. And we won't know for a few weeks. That's how long it will take scientists to study the threat, and get a clearer picture of its nature and its scale.

"Until then, Canadian governments will look to that touchstone of pandemic preparation: The precautionary principle. That means preparing for the worst, so things have the greatest chance of turning out for the best."

And that starts at the border. Last week, Canada closed itself to travellers who have recently been in seven southern African countries. Is that enough?

Omicron was first discovered and analyzed in South Africa, but by the time it was spotted, it had likely been circulating – and travelling – for weeks or even months. On Monday, November 29, Ontario announced two confirmed cases in travellers from Nigeria. Also on Monday, November 29, Scottish First Minister Nicola Sturgeon said that some recent cases there did not appear linked to travel to southern Africa.

In other words, if border measures are needed, there would appear to be strong arguments in favour of extending them beyond seven southern African countries. To slow the arrival of more cases of a variant that may be more contagious and also more dangerous, shouldn't Canada trip the circuit breaker and temporarily reinstate travel restrictions – such as requiring all but essential travellers to quarantine for 14 days, plus COVID-19 testing before and after arrival?

There's also the issue of travellers to and from the United States. They currently must undergo testing before returning to Canada but as of Tuesday, November 30, that requirement is to be lifted for those on trips of less than 72 hours. Shouldn't that be postponed for at least a month?

If the Trudeau government does not want to strengthen the border defences, it owes it to Canadians to explain why. There may be solid scientific arguments against new precautions and, if so, it should make them – ASAP. There's no time to waste. The World Health Organization on Monday, November 29 warned that the global risk from Omicron is "very high" based on the early evidence, and that the variant could produce surges with "severe consequences."

It will take a few weeks for scientists to get a better picture of the new adversary. It may be that all of the concern is overblown. However, what is known so far suggests that Omicron is likely to bring at least mildly bad news, and maybe worse.

The best case scenario is that Omicron is somewhat more contagious than Delta, but no more likely to cause severe illness, particularly in those who are already vaccinated. The worst case scenario is that Omicron is both more contagious and better at defeating current vaccines, making it more likely to infect the immunized, and more likely to make them severely ill.

Most preliminary information suggests that Omicron may be closer to the best case scenario. But that's not a settled fact, and won't be until well into December.

And even the best case scenario could be somewhat worse than the status quo. A variant that is more contagious is most dangerous for the more than three million Canadian adults and teenagers without even one shot. If Omicron is more contagious, then Canada's pandemic of the unvaccinated could be amped up by its arrival.

That's why Canada has to once again put the pedal to the metal on the most basic pandemic-fighting measures: universal masking in indoor public places, pumping lots of fresh air into those spaces, and doing everything possible to get first shots into the unvaccinated and booster shots into most everyone else.

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And if it's an Omicron worst case scenario? Vaccine makers can tweak their chemical formulas – and Canada needs to buy tens of millions of new shots.

We can beat Omicron. There's no reason to panic – if the right precautions are taken. Pronto.

Canada's Omicron Border Choice: Act Now – Or Never

Opinion By The Globe and Mail Editorial Board, December 2, 2021

https://www.theglobeandmail.com/opinion/editorials/article-canadas-omicron-border-choice-act-now-or-never/

On Tuesday, November 30, in response to the discovery of a new supervillain of unknown superpowers known as Omicron, Ottawa tightened things up at the border. The new measures are necessary – but they don't go nearly far enough.

The Omicron variant of the virus that causes COVID-19 is still largely a question mark, but there's reason to suspect that it may – may – be capable of sparking a new wave of the pandemic. It could be more contagious than Delta; it may also be less susceptible to defeat by vaccination.

Scientists should have a clearer picture of how dangerous the new variant is – or isn't – before the end of the month. Until then, Canada should be following the precautionary principle.

You don't dive headfirst into a lake if you can't see how deep it is. You don't floor the gas pedal when whiteout conditions hide the road. And you don't blindly open your border if you lack the tools to confirm that those crossing it aren't carrying the latest version of COVID-19.

The steps the Trudeau government announced this week include ordering that travellers to Canada, except from the United States, be tested on arrival, and isolate for a short time, possibly a day or two, until the return of negative test results.

These moves are necessary, but also insufficient. The new policy has three defects, each more significant than the last.

First, it's not clear when testing on arrival will become mandatory. On Wednesday, November 30, Prime Minister Justin Trudeau said it would happen "as soon as possible," which he described as "in the coming days," and "in the days or weeks to come."

Time is of the essence. Having the system in place yesterday wouldn't be soon enough. And until Ottawa has the testing kits and the personnel to do the job, it should be searching for stop-gap, second-best solutions.

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Travellers crossing the border already must show a negative test taken within 72 hours of travel. Until all can be tested on arrival, why not move the testing requirement up to 48 hours before travel? Or give arrivals tests to self-administer, with an order to remain quarantined until a negative test result? (Late on Wednesday, November 30, Health Minister Jean-Yves Duclos said that was a possibility.)

The second defect with the current plan has to do with the virus' incubation period. Someone who tests negative at the border but who was unknowingly in contact with the virus a few days before might not develop signs of infection until several days later.

Earlier this year, it made sense to lower Canada's border defences, and re-open the country to fully vaccinated travellers who had tested negative prior to travel. Some positive COVID-19 cases surely slipped through, but given that vaccines are effective at preventing infection and highly effective at preventing severe illness, the risk of travel powering a new pandemic wave was extremely low.

But that was then, when the target was Delta. Omicron could be a whole other story. Until we know just how much more infectious and dangerous it is – or, hopefully, isn't – it makes sense to more stringently screen international travellers. That means, on top of the existing obligation to be vaccinated and tested before arrival, and on top of new plans for testing on arrival, Canada should also be looking at resuming quarantine and post-arrival testing for international travellers.

Such steps may only need to be temporary, depending on what is learned about Omicron. But if more is to be done, do it now. Do it now, or don't bother.

You have to close the barn door before the horses bolt; build the firebreak before the fire; strengthen the levee before the flood. Hesitate, and opportunity is lost.

The third problem with the new border measures is that they don't apply to travel from the biggest source of visitors to Canada, and the biggest destination for Canadians, namely the United States. Ottawa this week even lifted the requirement to get tested before returning to Canada for those going to the U.S. on short trips of less than 72 hours.

Over the coming weeks, research into Omicron may reveal it to be less contagious than feared, no more likely to lead to severe illness, or not especially adept at vaulting the vaccine wall. But right now, those are hopes, not certainties. So right now, Canada needs to buy itself some border insurance.

Back to Table Of Contents

Air Travellers Could Wait Up To Three Days In Isolation For On-Arrival COVID-19 Test Result In Canada

By Marieke Walsh and Kristy Kirkup, The Globe and Mail, December 1, 2021

https://www.theglobeandmail.com/politics/article-ottawas-timeline-to-start-on-arrival-COVID-19-testing-for-most/

Travellers arriving in Canada from countries other than the United States can expect to isolate for as many as three days while they wait for their COVID-19 test results, part of Ottawa's evolving strategy to slow the spread of the Omicron variant.

The new on-arrival testing rule for air travellers was first announced on Tuesday, November 30 in a suite of new measures. However, the details of its implementation were still foggy on Wednesday, December 1, with the country's major airports waiting for more information and the government not saying when the rule will be fully in place.

Health Minister Jean-Yves Duclos said it is already in effect but the speed of implementing it will vary across the country. The government declined to say on Wednesday, December 1 where the rule is already in place.

"We're ramping up the capacity. In the coming days, we'll reach full capacity, but testing has started," Transport Minister Omar Alghabra said.

Mr. Duclos said travellers will either be tested at the airport or given one to take at home in isolation. He said the expected "service standard" to receive a test result is three days, but at the moment the majority of tests come back in a day. That could change, he cautioned, as the government increases the number of travellers being tested by more than 50 per cent.

"Depending on local circumstances, that could take longer than what has been seen in the recent weeks and months," he said.

The government said the on-arrival test and isolation rule will apply to all travellers who have been in a country other than the U.S. in the past 14 days – even if they arrive in Canada via the U.S.

On Wednesday, December 1, some of Canada's busiest airports – Toronto, Vancouver and Montreal – said they had scant information about the new rule, with Toronto and Vancouver confirming it is not yet in place.

Vancouver International Airport spokesperson Alyssa Smith said it will be implemented in the "coming days." The same approximate timing was given by a spokesperson for Toronto's Pearson Airport, Tori Gass, who added that all unvaccinated and partially vaccinated international passengers are being tested upon arrival.

Random testing of fully vaccinated international travellers is already under way, Ms. Gass said, but so far they are not being told to quarantine.

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At Montréal-Pierre Elliott Trudeau International Airport, spokesperson Eric Forest said they don't yet have the full details "regarding the applicability of the measures announced." Mr. Forest directed The Globe and Mail to the Public Health Agency of Canada when asked whether passengers undergoing random testing are already being told to isolate while they await their test results.

The agency did not answer The Globe's question on Wednesday, December 1.

The Canadian Airports Council said it is waiting for details, but the "only operationally feasible way" to test all international travellers is to provide off-site testing.

Public Safety Minister Marco Mendicino said the government will "make sure that our airports, our front-line officers, can handle the volume." Data from the Public Health Agency of Canada show that more than 200,000 commercial travellers flew into the country each week since October. That number has increased significantly in the past few weeks, with 262,581 arriving between November 15 and 21.

The rapidly changing rules are creating confusion for travellers. Since Friday, November 26, the government has tightened restrictions on international travel twice, including banning foreign nationals from 10 African countries where Omicron has been detected. NDP Leader Jagmeet Singh said testing and quarantining measures are very important given the "great worry" around the new variant, but he criticized the government for "a lack of consistency and clarity at a time when that's what we need."

"We need a clear plan around what the testing is going to be and how it's going to work," he said.

Mr. Singh also said there has not been any clear explanation of why the U.S. has been exempted from the enhanced testing regime or why foreign nationals from wealthier countries where Omicron has been detected are not also being banned.

On Tuesday, November 30, the federal government said it would consult the provinces and territories on whether the on-arrival test and isolation requirement should be expanded to include travellers from the U.S. Mr. Duclos said it was agreed that stricter rules were not needed for people from the U.S. at this time because the spread there appears "under control and their public health system is working effectively."

He added that the governments agreed that the focus should be on protecting Canadians "from the concerns seen in other continents."

Ontario Premier Doug Ford welcomed the new rules announced by Ottawa, and Health Minister Christine Elliott, who attended the meeting with Mr. Duclos, said "the indications are that there's no immediate danger for people that are coming in from the United States."

She cautioned, though, that the situation is fluid and "there may be more news."

The Canadian Chamber of Commerce said changes to any rules governing the Canada-U.S. border should be co-ordinated. The two countries should have "similar standards crossing the border, irrespective of direction or mode of transportation," senior vice-president Mark Agnew said.

Beth Potter, the president and chief executive officer of the Tourism Industry Association of Canada, said the association is monitoring the changing rules.

"We are looking to get our industry back up and running, but also understand the reality and unpredictability of this virus," she said. "This is another example where we will need to pivot while learning to live and operate in a world where COVID-19 exists."

Canadians Will Need COVID-19 Test Day Before Flying To United States: Officials

By James McCarten, The Canadian Press, December 2, 2021

https://globalnews.ca/news/8419608/canadians-COVID-19-test-travel-united-states/

By early next week, Canadians and all other foreign visitors who travel to the United States by air will need to get a COVID-19 test no earlier than the day before their departure.

U.S. President Joe Biden is slashing the current 72-hour testing window for fully vaccinated travellers as part of a suite of public health measures aimed at slowing the spread of the highly mutated Omicron variant.

A White House background briefing on the plan late on Wednesday, December 1 made no mention of land borders, or whether fully vaccinated Canadians who drive south would be required to show a test result.

The rise of Omicron marks only the latest twist in the long road back to some semblance of normality for people who routinely travel back and forth between the two countries.

It's been less than a month since the U.S. lifted its restrictions on fully vaccinated non-essential travellers seeking to enter the country by land from Canada and Mexico.

Canada, meanwhile, has for now exempted U.S. visitors from its stringent new rules, which require all other foreign air travellers to get tested upon arrival and self-isolate while awaiting the results.

Currently, the U.S. requires fully vaccinated visitors who are arriving by air from Canada to get tested no more than 72 hours before departure, while those crossing by land need no test at all.

Canada, which began allowing fully vaccinated U.S. citizens to enter the country back in September, continues to require everyone who's had a full course of a COVID-19 vaccine, including Canadians, to also provide proof of a recent negative COVID-19 test.

The government has so far remained mum on whether it expects the exemption for air passengers from the U.S. to change before Monday.

Health Minister Jean-Yves Duclos said the government would consult with provinces and territories on whether to impose similar measures on visitors from the U.S., but Transport Minister Omar Alghabra refused to say on Wednesday, December 1 whether a decision on that score was imminent.

Other components of the 10-point U.S. strategy, outlined on Wednesday, December 1 by the White House in advance of Biden's announcement, include:

- A plan to expand access to booster shots, with a comprehensive outreach effort to convince nearly 100 million eligible Americans to get one;
- New family vaccination clinics to provide a one-stop vaccination stop for entire households;
- Accelerating the effort to safely vaccinate children under the age of five;
- Expanding the availability of at-home test kits;
- Rapid response teams to help with widespread Omicron outbreaks;
- Another 200 million COVID-19 vaccine doses donated internationally within the next 100 days.

All Travellers Arriving By Air, Except From U.S., Need COVID-19 Test At Airport

By Laura Osman, The Canadian Press, November 30, 2021

https://nationalpost.com/pmn/news-pmn/canada-news-pmn/newsalert-all-travellers-arriving-by-air-except-from-u-s-must-now-test-at-airport

All air travellers entering Canada, except for those coming from the United States, will now need to be tested for COVID-19 upon arrival at the airport and isolate until they get their results, even if they are fully vaccinated against the virus.

The stricter measures come as public health officials around the world warn of the potentially dangerous new Omicron variant of COVID-19. Canada has now confirmed cases in British Columbia, Ontario, Quebec and Alberta — all involving people who recently returned from Nigeria.

With that in mind, the federal government is also expanding its border closure to foreign nationals who have recently travelled through three more African countries — Nigeria, Egypt, and Malawi — where officials first became aware of the new variant.

That is in addition to the seven southern African countries announced last week: South Africa, Mozambique, Botswana, Zimbabwe, Lesotho, Namibia, and eSwatini.

The Associated Press reported on Tuesday, November 30 that new findings suggested the Omicron variant was already present in Europe nearly a week before authorities in South Africa reported its existence to the World Health Organization, which prompted questions about the choice to focus on Africa.

Dr. Theresa Tam, the chief public health officer, said one of the factors is the positivity rate among travellers arriving in Canada.

"We now have confirmed Omicron cases, all of our cases reported so far have been … from Nigeria," Tam said at a news conference in Ottawa on Tuesday, November 30.

Federal Health Minister Jean-Yves Duclos said the government will consult with provinces and territories on Tuesday evening, November 30, before bringing in similar testing and isolation measures for travellers coming from the U.S.

Most travellers will be allowed to isolate at home while they wait for their results. Canadians and permanent residents arriving from the 10 listed countries, or without a safe place to quarantine, will need to stay in a quarantine hotel until their airport COVID-19 test comes back negative.

There are still many questions about the new variant, including the severity of disease it causes and the transmissibility of the virus.

The World Health Organization has warned the impact could be very serious. On Tuesday, November 30, it advised that anyone who is unvaccinated against COVID-19 or at risk of developing severe COVID-19 disease and dying, including people 60 years of age or older, should put off travel.

The new measures at the airport may take time to implement, Duclos said, and they could also lead to delays at the border, according to Public Safety Minister Marco Mendicino.

"Our border service officers will never compromise the health and safety of Canadians for the sake of border wait times," Mendicino said.

Transport Minister Omar Alghabra said travellers who choose to leave the country should be aware that COVID-19 protection measures could change at any moment.

Omicron Variant: Canada Expands Travel Ban, Seeks Booster Guidance

By Saba Aziz, Global News, November 30, 2021

[Omicron variant: Canada expands travel ban, seeks booster guidance (msn.com)]

Canada is restricting travel from three more African countries and seeking guidance on COVID-19 boosters amid the emergence of the Omicron variant.

In a press conference on Tuesday, November 30, Federal Health Minister Jean-Yves Duclos said foreign nationals from Nigeria, Malawi, and Egypt who have been to those countries over the past two weeks will not be able to enter Canada. This adds to the seven other African countries barred by Canada on Friday, November 26: South Africa, Mozambique, Namibia, Zimbabwe, Botswana, Lesotho, and Eswatini.

Canadians and permanent residents, as well as all those who have the right to return to Canada, who have transited through these countries over the past two weeks, will have to quarantine, be tested at the airport, and await their test results before exiting quarantine, Duclos said.

The testing requirement for Canadians and permanent residents will apply even if they are fully vaccinated, said Transport Minister Omar Alghbara. COVID-19 tests administered in the 10 listed countries will not be accepted, he said.

"Canadians will need to stop and obtain valid results in a third country before entering Canada," Alghbara added.

The testing requirement will also be broadened, ministers said, and will now include anyone coming into Canada from a foreign country aside from the United States.

Those travellers will need to be tested on arrival at the airport, isolate, and wait, until their test result is known before exiting their isolation period, Duclos said.

The on-arrival test, which will be paid for by the federal government, is in addition to the pre-departure test before arriving in Canada, said Duclos.

The rules for unvaccinated travellers remain the same, he added, meaning they will continue to be get tested upon arrival, then on day eight and will quarantine for 14 days.

“We are taking quick action at our borders to mitigate travel-related importations of the Omicron variant," Duclos said.

The border measures will enable Canada more time to better understand the new variant in terms of its transmissibility, severity of illness and impact on vaccine efficiency, said Dr. Howard Njoo, Canada's deputy chief public health officer.

"We don’t have those answers yet, but scientists around the world are working closely to find those answers," he said.

"So right now these measures are just to slow down the propagation of the virus."

The National Airlines Council of Canada said it will move rapidly to implement the new measures announced by the federal government, but expressed concern over the economic uncertainty facing the aviation sector as result of the new variant.

"It is expected the new measures will be adjusted as further study is carried out on the variant, and that the impact on the relaunch of the travel and tourism sector will be manageable," said Mike McNaney, president and CEO of the National Airlines Council of Canada, which represents Canada’s largest air carriers, in a statement on Tuesday, November 30.

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Travel restrictions are not the only thing top of mind for Canadian officials now that Omicron cases are cropping up across the country. The Canadian government is also asking the National Advisory Committee on Immunization (NACI) to quickly provide updated directives on the use of boosters in the context of the new Omicron variant.

"This call that we're making is to ask NACI to provide quick guidance on whether we should revise national standards, national attitudes, and actions on the use of boosters across Canada in the context of the new Omicron variant," Duclos said.

So far, NACI has recommended booster shots for seniors, front-line healthcare workers, long-term care residents, and other high-risk groups.

Health Canada has recently approved both Pfizer and Moderna's COVID-19 vaccine boosters for all adults over 18 years old, but NACI has not yet recommended booster shots to the general population.

A third dose for those 18 years of age and older has been approved in Manitoba, whereas Ontario has approved it for those 70 and older, health-care workers, and essential caregivers in congregate settings, as well as those who received two shots of the AstraZeneca vaccine and Indigenous residents.

Ontario is looking at a broad timeline of after January 2022 (around six months after a second dose) if boosters do become recommended based on vaccine effectiveness and data.

Quebec also recently expanded booster eligibility to those 70 years of age and older; and the Yukon, where cases are surging, is making it available for those 50 and over.

Several vaccine makers have already announced that they were examining ways to further enhance or change their drugs to target the rapidly spreading variant.

AstraZeneca said it would be looking at the variant's impact on its vaccine and antibody cocktail and Pfizer-BioNTech said they expect to be able to produce a new vaccine tailored to match the Omicron.

Moderna, on the other hand, said it was working on a booster candidate suited to counter the new variant, while Novavax said it had already started to work on its version of a vaccine against it.

As of Tuesday, November 30, Canada had confirmed seven cases of the Omicron variant: four in Ontario and one each in Quebec, Alberta, and British Columbia.

Omicron is the fifth and latest variant of concern designated by the World Health Organization (WHO).

This variant is more heavily mutated than the other variants of concern, containing more than 30 mutations, which scientists fear might help it spread easily or even evade antibodies from prior infection or vaccination.

The WHO has warned that the Omicron COVID-19 poses a "very high" risk of infection surges that could have "severe consequences" in some places, though further research was needed to assess its potential impact.

Ottawa Requiring COVID-19 Testing For Some Travellers, Consulting Experts On Booster Shots

By John Paul Tasker and Nick Boisvert, CBC News, November 30, 2021

[Ottawa requiring COVID-19 testing for some travellers, consulting experts on booster shots (msn.com)]

Incoming air travellers from all countries except the United States will be required to take COVID-19 tests when arriving in Canada, the federal government announced today.

The tests will be required of all travellers, regardless of their vaccination status, Health Minister Jean-Yves Duclos said on Tuesday, November 30. The requirement will also apply to Canadian citizens and permanent residents.

Incoming travellers will have to self-isolate until they receive results of the test.

Duclos said the new testing requirement will go into effect "as quickly and as much as possible over the next few days."

The new measure is part of Canada's rapidly evolving strategy to contain the spread of the omicron variant of the novel coronavirus.

The variant's emergence last week has prompted the return of border closures, travel restrictions, and stricter testing requirements across the world.

Canada's attempt to contain the variant now includes bans on travellers from 10 nations, all of them in Africa. The government named seven nations to its restricted list last week, and today added Egypt, Malawi, and Nigeria.

Incoming travellers from those 10 countries will have to quarantine in designated facilities, officials said. Other travellers will be allowed to quarantine at home or at other locations.

Public health officials said the nations were singled out because of a higher than normal number of positive test results among travellers arriving from those countries.

But the introduction of travel bans has been criticized as ineffective and discriminatory toward African nations where vaccines are not widely available. There are also concerns that a global backlash against the region could dissuade other countries from reporting future variants.

The omicron variant has also now been detected across the globe — in countries including Canada, Israel, and Hong Kong, among others.

Provincial governments in Quebec, Ontario, Alberta, and British Columbia have confirmed local cases of the variant. Federal health officials say there are at least six cases of the variant in Canada so far.

"There will be, most likely, community transmission of the new variant at some point in Canada," Duclos said.

Dr. Howard Njoo, Canada's deputy chief public health officer, described the travel restrictions as a temporary measure meant to help the government adapt.

"We can't close down our borders," Njoo said. "This is a measure to gain time, in order to have a better understanding of the virus."

Duclos said Ottawa will consult with provincial governments to determine how testing for U.S. travellers could be implemented in the event public health officials recommend an expansion of the new testing regime.

Large number of mutations

The omicron variant is notable because it has a large number of mutations, which may affect its transmissibility and the effect of COVID-19 vaccines.

In an interview with the U.K.-based Financial Times, Moderna CEO Stéphane Bancel predicted existing vaccines will be much less effective at tackling omicron.

"There is no world, I think, where [the effectiveness] is the same level ... we had with [the] delta [variant]," Bancel said.

"I think it's going to be a material drop. I just don't know how much because we need to wait for the data. But all the scientists I've talked to ... are like, 'This is not going to be good.'"

While Moderna's leader is signalling concern about the effectiveness of vaccines against the omicron variant, the co-founder of BioNTech — the company that co-developed the Comirnaty vaccine with Pfizer — said today that while the new variant could lead to more infections, it's likely that fully vaccinated people will still be protected from severe illness.

"Our message is, 'Don't freak out, the plan remains the same. Speed up the administration of a third booster shot,'" Ugur Sahin told the Wall Street Journal.

Vaccines teach the immune system — which includes both antibodies and T-cells — to recognize part of a virus. Antibodies prevent people from becoming infected in the first place. A T cell is a type of white blood cell that responds to viral infections and boosts the immune function of other cells. While omicron may evade vaccine-induced antibodies, Sahin said that no variant has so far eluded that T-cell immune response.

Dr. Isaac Bogoch, an infectious disease specialist and researcher based at Toronto General Hospital, said Canadians shouldn't hang on every word coming from a vaccine company's CEO.

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"I want to hear from the scientists doing the actual studies, what they think and what they're seeing," Bogoch said, adding there will be much more clarity about vaccine efficacy in the weeks ahead.

While conceding he's just speculating as laboratory studies continue, Bogoch said he thinks available vaccines will still prove useful in the fight against COVID-19.

"It would be extremely unusual for a variant to emerge that completely erases the protective immunity of vaccines," he said. "It might chip away at some of the effectiveness but it would be extremely unusual that our vaccines, and or vaccine programs, are now rendered useless."

NDP Leader Jagmeet Singh called on Prime Minister Trudeau to take a position on waiving intellectual property rights for COVID-19 vaccines so that more countries can produce vaccines like the Pfizer and Moderna locally.

"It's not enough for us to support Canadians and do our part here in Canada. We also have to help countries around the world, and those particularly that have less means to purchase vaccines," Singh said.

The NDP leader said protecting pharmaceutical companies' profits can't take precedence over the goal of getting everyone vaccinated. Canada, he said, should be pushing this idea with urgency.

While some Western countries have signalled they're open to discussing IP waivers, industry experts say these changes alone would not boost vaccine availability in the developing world — where supply chain bottlenecks and a scarcity of raw materials are also affecting the availability of shots.

In South Africa, where vaccine doses are relatively plentiful, vaccine hesitancy has been the main roadblock to the immunization campaign.

Singh also questioned the government's decision to limit travel from seven countries in southern Africa, saying that while he is open to hearing better evidence, "testing and quarantining" seems to be a better approach.

Flight bans and measures to limit travel are not the most helpful tools in the global fight against the pandemic, Singh said.

"It really is going to come down to the number one, most effective tool we have ... getting people vaccinated. And to do that, Canada has to take a role in pushing for a waiver of those vaccine patents," he said.

Doug Ford Applauds New COVID-19 Travel Restrictions, Says More Discussions With Feds To Be Held

By Ryan Rocca, Global News, December 1, 2021

https://globalnews.ca/news/8417279/doug-ford-applauds-new-COVID-19-teavel-restrictions-says-more-discussion-to-be-held/

Ontario Premier Doug Ford thanked the federal government for implementing new travel restrictions in a bid to stop the spread of the Omicron COVID-19 variant and said more discussions will be held about possibly expanding new testing rules to travellers from the United States.

Ford made the remarks at an unrelated press conference in Mississauga on Wednesday morning, December 1.

Several Omicron variant cases have already been confirmed in Ontario, and Ford said while it is a "cause for concern" it is "not cause for panic."

"Every day we hold off more cases entering our country, the more time we have to learn and prepare," Ford said.

"So the best thing we can do right now is fortify our borders. Our best defence is keeping the variant out of our country. We welcome the actions from the federal government and I want to thank the feds for taking action to date.

In a statement last Friday, November 26, Ford called on the federal government to enact travel bans on "countries of concern" and the feds followed through just hours later.

On Tuesday, November 30, they expanded that ban to three additional countries.

Federal Health Minister Jean-Yves Duclos said foreign nationals from Nigeria, Malawi, and Egypt who have been to those countries over the past two weeks will not be able to enter Canada. This added to the seven other African countries barred by Canada on Friday, November 26: South Africa, Mozambique, Namibia, Zimbabwe, Botswana, Lesotho, and Eswatini.

Canadians and permanent residents, as well as all those who have the right to return to Canada, who have transited through these countries over the past two weeks, will have to quarantine, be tested at the airport, and await their test results before exiting quarantine, Duclos said.

It was also announced that all air travellers entering Canada — excluding those coming from the United States — would have to get tested when they arrive and isolate until they receive a negative result. That measure applies to all travellers, regardless of vaccination status.

Duclos said on Wednesday, December 1 that it will take time to implement the new measure.

In his statement last week, Ford also called for point-of-arrival testing to be put in place.

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He also said he advised the province's chief medical officer and Public Health Ontario to "immediately implement expanded surveillance" and update planning to "ensure we are ready for any outcome."

The Omicron variant has now been detected in many countries around the world, including, as of Wednesday, December 1, the United States.

Ford was asked if he would support expanding the new testing rules to those arriving from the States.

"I would always support anything that can be cautious to prevent this variant coming into our country. So, again we'll have a discussion with the federal government. That's their jurisdiction, it's not ours," Ford said.

"They work collaboratively with all the provinces and territories and I'm always for going the cautious route as I think people have seen over the last 20 months."

The premier added that "it doesn't take much to get a test at the airport."

Federal Transport Minister Omar Alghabra said on Wednesday, December 1 that it's too early to say whether Canada's latest requirement to test arriving air travellers will be extended to include those coming from the United States.

"We need to be prepared and ready if we need to adjust that decision to include travellers from the U.S. We haven't made that decision yet," he said.

When asked what provincial measures are being considered in response to the Omicron variant, Ford said they will make sure there is expanded testing capacity and contact tracing.

Health Minister Christine Elliott said there is still much that isn't known about the variant, including how effective vaccines are against it.

She said the province is "continuing with all of our precautions" and said it's important to keep border restrictions in place until more is known about the variant.

Elliott also said more information will be released in the coming days "with respect to age categories" on booster shots.

U.S. Not Currently Contemplating Wider Travel Limits In Face Of Omicron, Biden Says

By James McCarten, The Canadian Press, November 29, 2021

U.S. not currently contemplating wider travel limits in face of Omicron, Biden says (msn.com)

President Joe Biden is urging Americans to confront Omicron with caution instead of panic, insisting on Monday, November 29 that it's too soon to say whether the heavily mutated, highly contagious COVID-19 variant will demand wider limits on travel into the United States.

For now, the Biden administration's strategy will instead be to double down on convincing people to get vaccinated if they aren't already, and to get a booster shot as soon as possible if they are.

"This variant is a cause for concern, not a cause for panic," Biden said from the Roosevelt Room of the White House, where he played down any possibility of a return to the shutdowns, lockdowns, and widespread travel bans of the pandemic's painful first year.

"We have the best vaccine in the world, the best medicines, the best scientists, and we're learning more every single day. We'll fight this variant with scientific and knowledgeable actions and speed, not chaos and confusion."

A U.S. ban on foreign visitors from eight countries in Africa, which took effect on Monday, November 29 was imposed because of how widespread the variant is in that part of the world, not to try to keep it out of the U.S. — a largely futile strategy in any event, the president suggested.

It's "almost inevitable" that the Omicron variant — two cases of which turned up in Ottawa over the weekend, the first publicly acknowledged cases in North America — will be detected in the U.S., Biden said. Limiting travel from Africa gives the White House a chance to get its message out.

"We needed time to give people an opportunity to say, 'Get that vaccination now' … it's going to move around the world. I think it's almost inevitable there will be at some point that strain here in the United States," he said.

"The degree of the spread impacts on whether or not there is a need for any (additional) travel restriction, but I don't anticipate that at this point, and we'll see — we'll see how that works."

The president also called on other countries, although he didn't single any out, to do their part to donate a share of their vaccine supply in order to help snuff out the pandemic around the world. Health officials have long insisted that the best way to tamp down potentially dangerous variants is to deny the virus the hosts it needs to spread widely and mutate.

The U.S. has donated more than 275 million free vaccine doses around the world, he said — more than all other countries combined.

"I will always make sure that our people are protected first. But vaccinating the world is just one more tool, and how we need to meet our moral obligation as Americans, and how to best protect Americans as well," he said.

"Now we need the rest of the world to step up as well … We can't let up until the world is vaccinated."

So far, however, the U.S. in particular and the G7 in general have failed to articulate a coherent strategy for ensuring that happens in a timely way, said Dr. Peter Hotez, dean of the National School of Tropical Medicine at Baylor College of Medicine in Houston.

In the rush to produce an effective vaccine against COVID-19, no one stopped to consider the need for a simpler, scalable treatment that could be more readily manufactured, distributed, and administered in the developing world, Hotez told MSNBC.

"When you rely exclusively on a brand new technology, as any engineer will tell you, there's a learning curve before you can go from zero to nine billion (doses)," he said.

"It was a science policy failure, shared by the G7 leaders, that they never took a step back and had that situational awareness to say, 'Hey, we also need a simple vaccine with an older technology that we can make now.'"

Biden has repeatedly said he supports the idea of a World Trade Organization waiver on intellectual property protections that would give developing countries better access to the technology that would allow them to produce their own vaccines, instead of depending on donations.

As recently as last week, Biden urged the 164 WTO member states gathering in Geneva this week to clear the way for vaccine manufacturers to share their formulas and supplies. The European Union, Germany, and the U.K. are among those opposed to the measure, which requires unanimity to pass.

Canada has so far hedged its bets on the idea of a waiver, insisting it would be taking part in the talks but stopping short of delivering a full-throated endorsement.

Prime Minister Justin Trudeau's Liberal government "opposed developing countries manufacturing vaccines for their citizens," New Democrat health critic Don Davies said on Monday, November 29 during question period in the House of Commons.

In response, International Development Minister Harjit Sajjan would only tout Canada's own record on donating vaccines — at least 200 million doses promised to the international vaccine initiative known as COVAX by the end of next year, and $2.6 billion in international aid.

Industry Minister François-Philippe Champagne added in French that Canada is working within the Ottawa Group — a subset of 13 WTO members that includes the EU — to eliminate global trade barriers that impact essential medical goods, but did not specifically mention the waiver.

White House press secretary Jen Psaki said on Monday, November 29 that South Africa itself already has more vaccine doses than it has the capacity to administer, thanks in part to logistical difficulties, personnel issues, and widespread vaccination hesitancy.

"In a lot of countries, it's not just about having vaccine doses, it is about ensuring there's operational capacity," Psaki said.

"It's about having not just the vaccine doses, but also the apparatus, the capability, and also addressing vaccine hesitancy — which is, as you know, something that we have worked hard to address in this country."

No Immediate Plans To Shut Border With Canada Over Omicron Variant, U.S. Says

By Alexander Panetta, CBC News, November 30, 2021

[No immediate plans to shut border with Canada over omicron variant, U.S. says (msn.com)]

The White House says it has no immediate plan to tighten the border with Canada again after new COVID-19 cases involving the omicron variant.

A presidential spokesperson was asked during Tuesday, November 30's daily briefing whether new cross-border travel restrictions were being considered.

"The president's decisions related to travel restrictions will be based on the recommendations of his health and medical team. They have not advised that to this point," Jen Psaki told reporters during the briefing, delivered on Air Force One.

Cases of the newly discovered variant have been found in Quebec, Ottawa, Alberta and possibly in Hamilton.

A number of countries, including the United States and Canada, have restricted travel from a number of African nations that have reported the variant.

This is just a few weeks after the U.S. relaxed its previous restrictions on non-essential travel, while Canada also recently loosened some of its testing rules for some travellers.

Omicron has forced a new conversation about shutting down movement again.

The U.S. has not reported any omicron cases, but public-health experts expect that to change any day. One of the reasons the U.S. hasn't announced a case yet is the small percentage of COVID-19 tests that undergo genetic sequencing to detect variants.

The U.S. has scaled up that capacity over the last year, going from just one per cent of positive tests subjected to genetic sequencing to five per cent today.

American officials are also urging people not to draw hasty conclusions about the danger represented by omicron. While it's been listed as a variant of concern by the World Health Organization, it will take more time to know not only how contagious it is, but whether it's more or less lethal than earlier variants.

U.S. Finalizing New COVID-19 Travel Rules To Counter Omicron Variant Spread: Officials

By Zeke Miller, The Associated Press, November 30, 2021

https://globalnews.ca/news/8415501/us-COVID-19-travel-rules-omicron-variant/

The Biden administration is expected to take steps in the coming days to toughen testing requirements for international travellers to the U.S., including both vaccinated and unvaccinated people, amid the spread of the new Omicron variant of the coronavirus.

The precise testing protocols were still being finalized ahead of a speech by President Joe Biden planned for Thursday, December 2 on the nation's plans to control the COVID-19 pandemic during the winter season, according to a senior administration official who said some details could still change.

Among the policies being considered is a requirement that all air travelers to the U.S. be tested for COVID-19 within a day of boarding their flight. Currently, those who are fully vaccinated may present a test taken within three days of boarding.

"CDC is evaluating how to make international travel as safe as possible, including pre-departure testing closer to the time of flight and considerations around additional post-arrival testing and self-quarantines," Centers for Disease Control and Prevention Director Dr. Rochelle Walensky said on Tuesday, November 30.

The official, who spoke on the condition of anonymity to discuss the administration's plans before the announcement, said options under consideration also include post-arrival testing requirements or even self-quarantines.

Under the new measures expected to be announced on Thursday, December 2, the U.S. would require anyone entering the country to be tested one day before boarding flights, regardless of their vaccination status or country of departure, the Washington Post reported, citing three anonymous federal health officials.

"Administration officials are also considering a requirement that all travelers get retested within three to five days of arrival," the report said.

The expected move comes just weeks after the U.S. largely re-opened its borders to fully vaccinated foreign travelers on November 8.

Much remains unknown about the new variant, which has been identified in more than 20 countries but not yet in the U.S., including whether it is more contagious, whether it makes people more seriously ill, and whether it can thwart the vaccine.

Dr. Anthony Fauci, the top U.S. infectious disease expert, said more would be known about the omicron strain in two to four weeks as scientists grow and test lab samples of the virus.

As he sought to quell public concern about the new variant, Biden said that in his Thursday, December 2 remarks, "I'll be putting forward a detailed strategy outlining how we're going to fight COVID-19 this winter — not with shutdowns or lockdowns but with more widespread vaccinations, boosters, testing, and more."

Asked by reporters if he would consult with allies about any changes in travel rules, given that former President Donald Trump had caught world leaders by surprise, Biden said: "Unlike Trump, I don't shock our allies."

Germany Backs Restrictions For Unvaccinated As Mandate Looms

By Frank Jordans, The Associated Press, December 2, 2021

[Germany backs restrictions for unvaccinated as mandate looms (msn.com)]

German Chancellor Angela Merkel said on Thursday, December 2 that people who aren't vaccinated will be excluded from non-essential stores, cultural and recreational venues, and parliament will consider a general vaccine mandate as part of efforts to curb coronavirus infections that again topped 70,000 newly confirmed cases in a 24-hour period.

Speaking after a meeting with federal and state leaders, Merkel said the measures were necessary in light of concerns that hospitals in Germany could become overloaded with people suffering COVID-19 infections, which are more likely to be serious in those who haven't been vaccinated.

"The situation in our country is serious," Merkel told reporters in Berlin, calling the measure an "act of national solidarity."

She said officials also agreed to require masks in schools, impose new limits on private meetings, and aim for 30 million vaccinations by the end of the year — an effort that will be boosted by allowing dentists and pharmacists to administer the shots.

Merkel herself backed the most contentious proposal of imposing a general vaccine mandate. She said parliament would debate the proposal with input from the country's national ethics committee.

If passed, it could take effect as early as February, Merkel said, adding that she would have voted in favor of the measure if she were still a member of parliament.

About 68.7% of the population in Germany is fully vaccinated, far below the minimum of 75% the government is aiming for.

There have been large protests against pandemic measures in the past in Germany and the vaccine mandate is likely to be opposed by a minority, though opinion polls show most Germans are in favor.

Finance Minister Olaf Scholz, who is expected to be elected chancellor by a center-left coalition next week, has also backed a general vaccine mandate, but favors letting lawmakers vote on the issue according to their personal conscience rather than party lines.

"If we had a higher vaccination rate, we wouldn't be discussing this now," he said.

The rise in COVID-19 cases over the past several weeks and the arrival of the new omicron variant have prompted warnings from scientists and doctors that medical services in the country could become overstretched in the coming weeks unless drastic action is taken. Some hospitals in the south and east of the country have already transferred patients to other parts of Germany because of a shortage of intensive care beds.

Agreeing on what measures to take has been complicated by Germany's political structure — with the 16 states responsible for many of the regulations — and the ongoing transition at the federal level.

Germany's disease control agency reported 73,209 newly confirmed cases on Thursday, December 1. The Robert Koch Institute also reported 388 new deaths from COVID-19, taking Germany's total since the start of the pandemic to 102,178.

To reduce the pressure on hospitals over the festive period, the sale of fireworks traditionally set off during New Year's in Germany will be banned. Each year, hospitals treat hundreds of people with serious injuries because of mishandled fireworks.

The new measures will take effect once Germany's 16 states incorporate them into existing rules, likely in the coming days.

Omicron: Entry Bans Spread As China Pledges One Billion Jabs For Africa

Hong Kong And Ecuador Join Ranks Of Countries Imposing New Restrictions, Cases Rise In Australia And Canada, But Stock Markets Bounce Back

By Martin Farrer and Samantha Lock, The Guardian Australia, November 30, 2021

https://www.theguardian.com/world/2021/nov/30/omicron-hong-kong-ecuador-impose-entry-bans-as-china-pledges-1-billion-jabs-forafrica?utm_term=61a683a37418cc71a975d3192a3551d8&utm_campaign=MorningMailAUS&utm_source=esp&utm_medium=Email&CMP=morningmailau_email

More countries have imposed travel restrictions on visitors from other parts of the world in order to try to contain the spread of the Omicron variant of COVID-19, as China pledged to send 600 million vaccine doses to Africa.

As cases of Omicron continued to grow around the world from Japan to Reunion Island, Hong Kong widened its ban on non-residents entering the city on Tuesday, November 30 to include visitors who have been to Australia, Canada, Israel, or six European countries in the past 21 days. Non-resident arrivals from four southern African nations have already been barred.

Ecuador joined the move to tighten borders by imposing entry restrictions on travellers flying from or via a number of African countries. It would also request vaccine certificates from those arriving from other countries due to the new Omicron strain of coronavirus, president Guillermo Lasso said late on Monday, November 29.

With the announcement, Ecuador joins other countries across the globe in restricting travel in response to the Omicron strain, which carries a very high risk of increased infection, according to the World Health Organization (WHO).

The head of WHO, Dr Tedros Adhanom Ghebreyesus, said the emergence of the new strain in South Africa last week showed how “hard-won gains could vanish in an instant.” He told a special session of the World Health Assembly in Geneva that “COVID-19 is not done with us.”

Media in Japan reported that the first case of Omicron in that country was recorded on Tuesday, November 30, while a person has tested positive for Omicron on the French Indian Ocean island of Réunion, it was reported, citing an official researcher on the island. The 35-year-old person had recently travelled to Mozambique.

Amid concern about the gulf between vaccine rates in developed countries and less wealthy ones, China has pledged to donate 600 million doses of its COVID-19 vaccines to Africa.

China’s president, Xi Jinping, made the promise in a video speech to the opening ceremony of a China-Africa forum on economic co-operation in Senegal on Monday, November 29. He said China would supply 1 billion doses in all. The other 400 million are to come through other routes such as production by Chinese companies in Africa.

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"We need to put people and their lives first, be guided by science, support waiving intellectual property rights on COVID-19 vaccines, and truly ensure the accessibility and affordability of vaccines in Africa to bridge the immunisation gap," Xi said.

Stock markets in Asia made a good recovery on Tuesday, November 30 after steep falls in value in recent days brought on by concerns about Omicron. The Nikkei in Tokyo led the way by climbing 0.5% while the ASX200 was up more than 1% in Sydney.

"We'll get a new variant, we'll get new waves, but the market – and we all as investors – will see how that might play out," Jason Brady, president at Thornburg Investment Management in Hong Kong, told Bloomberg.

In the United States, president Joe Biden said Omicron was a "cause for concern, not a cause for panic," as the US implemented restrictions on travel from South Africa and several other countries.

Biden urged all Americans to get vaccinated, including booster shots, saying it was the best protection against the new variant. The US Centers for Disease Control and Prevention weighed in by saying on Monday, November 29 that everyone aged 18 years and older should get a booster shot.

Canada saw another two cases on Monday, November 29 taking its total to five, and the prime minister, Justin Trudeau, also appealed to the public to make sure they were vaccinated.

"Let's be clear: getting vaccinated is the best thing you can do right now," Trudeau said in a tweet on Monday night, November 29 local time.

"So, if you don't have your shots yet, get them. And now that we have enough vaccine doses for every child between the ages of 5 and 11 to get their first shot, make sure you get your kids vaccinated, too."

The UK government is planning to reboot its vaccination programme back to levels seen earlier in the pandemic when around 500,000 jabs a day were being administered. In addition, ministers cut the waiting time for boosters to three months in a bid to outpace the Omicron variant that scientists believe is already spreading in the community.

There were 11 confirmed cases of Omicron in England and Scotland on Monday, November 29, with hundreds more expected in the coming days. Beginning Tuesday, November 30, masks will be mandatory on public transport including airports and stations, and in shops.

Two arrivals into Australia have tested positive for Omicron, becoming the first cases in the country. The pair are in quarantine in Sydney after arriving from Johannesburg via Qatar on Saturday, November 27.

Authorities in Singapore said on Tuesday, November 30 that two travellers who tested positive for Omicron in Sydney transited through Changi airport. And a fifth person is self-isolating with the Omicron strain after returning to Australia from southern Africa before the variant emerged last week.

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What The Office Holiday Party Will Look Like This Year With The COVID-19 Pandemic Still Looming Large

By Dave McGinn, The Globe and Mail, November 27, 2021

https://www.theglobeandmail.com/canada/article-what-the-office-holiday-party-will-look-like-this-year-with-the-COVID-19/?utm_medium=email&utm_source=Coronavirus%20Update&utm_content=2021-11-28_20&utm_term=Coronavirus%20Update:%20Ontario%20confirms%20first%20two%20cases%20of%20the%20new%20Omicron%20variant%20in%20Canada&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb

For several days in early December, employees at Ubisoft will don a designated holiday tuque, pick up a cocktail kit and, one at a time, walk through an immersive experience imagined by the company. Like in an escape game, each player will make his or her way through three specially designed rooms and complete a task that will eventually lead them to a gift. A few days later, they will enjoy the culmination of their holiday party, an online event that will see artists and acrobats performing, all of it under this year's theme of "clandestine cabaret."

It's a departure from the big in-person holiday parties of the past for the Montreal-based video game company with 4,000 workers. But that doesn't seem to bother employees, who clearly want to celebrate.

"It's the best response we've had for a holiday celebration in many years," says Karim Sy-Morissette, a project manager at Ubisoft.

Office holiday parties will once again be limited by pandemic restrictions. While last year many companies opted for small-scale events – if any – and almost all of them were virtual, this year people have more interest in celebrating. That has forced companies to get creative. Most events are still online, caterers and event planners say, but after another long and stressful year, offering employees something special is top of mind for many companies.

For large organizations, groups of no more than 25 seem to be the "magic number," says Natalie Ho, national director of event sales for Oliver & Bonacini Hospitality.

"We have groups that are hosting 25 dinners for 25 people all across the span of about a week," she said.

Planning office parties this holiday season has been a "roller coaster," Ms. Ho says. As recently as late September, many clients were planning on grouping together hundreds of people but have since changed their minds, opting for smaller numbers or virtual events instead.

Still, it hasn't stifled the desire to celebrate.

"We actually saw a record number of holiday party inquiries," Ms. Ho said.

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Janet Salopek, president of Salopek and Associates, a business and human resources consultancy with offices across Canada, notes that companies are looking at optics as much as anything when it comes to event planning. They want to be seen to be taking COVID-19 seriously, and for that reason are focusing on small or virtual events. But some are thinking even further outside the box.

One of Ms. Salopek's clients is rewarding its employees with time off – up to an extra week – instead of asking anyone to do another Zoom event, she says.

For companies planning virtual events, some are sending food and other items to employees' homes for them to enjoy during the celebrations.

Judy Reeves, owner of Edge Catering in Vancouver, says most of the in-person gatherings she has been hired to cater are between 10 and 20 people. Many companies have chosen Ms. Reeves' delivery box option, which includes holiday food platters and wine.

Deliveries of food, wine, and holiday treat boxes are especially popular among corporate clients this year, says Michelle Kuenz, co-owner Great Events Group, in Calgary.

"It's a way to be inclusive for everybody because there are still some people who are not vaccinated," she said.

Companies holding virtual celebrations again this year are looking for more entertaining options than last year, says Arthur Kerekes, director of live and virtual experiences at Toronto-based Fusion Events.

"It's all about entertainment this year," he said.

Especially popular is a 10-piece band that performs a "choose your own adventure" concert, where party guests at home get to vote on music from different decades the band should play, and even finer details such as which instrument should get a solo during a particular song.

So too has interest been high in events that feature Cash Cab host, Adam Growe, quizzing executives on trivia as other employees chime in with their answers from home, Mr. Kerekes said.

Not surprisingly, it is the in-person events that require the most creativity from party planners and companies.

Even among people who do want to get together in-person, not all of them have the same comfort levels.

To help address different comfort levels at holiday parties this year, one Toronto event planning company has created a wrist band system, with attendees opting for red, yellow, or green wristbands.

"Red means 'keep your distance.' Yellow is 'you don't have to keep your distance but don't touch me.' Green is 'I'm up for hugs if you ask,'" explains Dawne Eisenberg, co-founder of Pop Events. "It kind of takes the awkwardness out of situations."

For company family parties, drive-through events are particularly popular this year, Ms. Eisenberg says.

Her company recently put together one such event for Chrysler employees and their children in Brampton.

Guests were able to drive to a hot chocolate station, then on to a gift station while being entertained by a magician, Ms. Eisenberg says.

It is an ideal choice for many companies, none of whom want to put children at risk, Ms. Eisenberg says.

"There are no live children's events that are happing indoors," she says.

OTHER CAFII MEMBER-RELEVANT NEWS/ISSUES

What's On The Insurance Bureau Of Canada's Agenda?

By Jason Contant, Canadian Underwriter, November 23, 2021

https://www.canadianunderwriter.ca/insurance/whats-on-insurance-bureau-of-canadas-agenda-1004214698/?utm_medium=email&utm_source=newcom&utm_campaign=CanadianUnderwriterWeek&utm_content=20211126150703

Digitization efforts and consumer choice are at the top of Insurance Bureau of Canada's (IBC) agenda, the Association's chief strategy officer said last week at an industry event.

"We essentially want to look at how does the consumer want to be served and what regulatory impediments are there stopping us from serving them in that way," said Celyeste Power during KPMG's 30th annual insurance issues conference on November 17.

For example, although many provinces allow digital proof of auto insurance, that's not the case in every province across the country due to regulation, Power said. "We need to break down those rules and regulations, [and] be able to get the customer service the way they want it," she said, whether that's through a broker, agency, online, on paper or email. "And so, I think we have a bit more work to do there."

The second major component of IBC's agenda is consumer choice, Power reported.

"We do have a mandatory product on the auto insurance side," she said. "But there's a lot of other choices customers can make to make sure they have the right level of benefits after an accident, or to make sure if they own, on the property side, that they have the right level of flood coverage. We want to be able to offer customers more of that choice and make sure that we're educating them on how to make those choices to make the best-informed decision."

Power made her comments in response to a question from Peter Hughes, partner and national leader, customer practice at KPMG in Canada. “Anybody related to P&C is going to be very interested in what’s on your agenda,” Hughes said to Power during the panel discussion, Reimaging Customer Experience.

Power also noted that the P&C insurance industry in Canada has many human touch points (particularly around catastrophes) — from brokers and agents to adjusters, claims handlers, repair shop workers, and more. “And they go in with a level of empathy I have never experienced in any customer relationship,” she said.

So, while there is a lot of focus on innovation and digitization, it’s important that the human touch is not lost, particularly as companies move towards digitization.

“We can’t forget that human touch point. I don’t think it’s a negative,” she said. “I think it’s actually a huge strength of the industry. We don’t tell enough of the good stories about when it goes really well, we often just hear about the times when it may not have been what we wanted.”

Brokers Must Close Perceived Value Gap

By Jeff Buckstein, Canadian Underwriter, November 22, 2021

https://www.canadianunderwriter.ca/insurance/brokers-must-close-perceived-value-gap-1004214552/?utm_medium=email&utm_source=newcom&utm_campaign=CanadianUnderwriterWeek&utm_content=20211126150703

Respondents to Canadian Underwriter’s Trusted Advisor 2021 survey sent a clear message to brokers: many, they believe, should improve their service.

Rating on a scale of zero to 10 under the category Net Promoter Score (NPS), on the question of the likelihood that respondents would recommend their broker to a family member, friend, or business colleague, only 34% of business respondents and 28% of consumer clients awarded ‘promoter’ scores of nine or 10.

Another 39% of business respondents and 45% of consumers gave ‘passive’ support – scores of seven or eight. Detractor scores from zero to six were registered by 28% of business respondents and 27% of consumers.

The NPS section of the survey is a very good measuring tool, said Adam Mitchell, president of Mitchell & Whale Insurance Brokers Ltd. in Whitby, Ontario.

“You really want nine and 10 scores to indicate clients are completely satisfied. Otherwise, there’s a lot of room for improvement,” he added.

Based on those criteria, Mitchell noted, brokers need to significantly improve service to 66% of business clients and to 72% of consumers, “This is relatively bad news for brokers and they should be thankful for the opportunity to improve on this,” he said.

New Strategies Can Help Change Perceptions

To improve on the detractor perceptions held by a significant minority of clients, "my view is that the days of the generalist broker, where they are going to serve every type of customer, are numbered," said Danish Yusuf, founder and CEO of Zensurance Inc. in Toronto.

"Brokers have to pick a segment to specialize in, and really understand their customer base as to what they truly value," he added. "Adding more value is the only way smaller brokers are going to be able to compete in a world where large, highly automated providers can offer great insurance policies for cheaper given that they have the advantage of scale."

A plurality of those who provided detractor scores, including 37% of business clients (up from 22% in 2020) and 29% of personal clients (up from 22% in 2020), gave the amalgamated description "not satisfied with services/broker/lack of communication/unprofessional" as their main reason.

This shows "the people that were previously dissatisfied deepened their dissatisfaction," said Mitchell.

A significant number of detractor scorers also suggested they believe the service they receive is mediocre. The description, "Good but not great/average/same as others/no difference," was noted by 12% of business respondents (the same as in 2020), but by 23% of personal clients (more than double 2020's 11%).

"I think the challenge for the insurance industry, overall, and brokers, in particular, is to differentiate ourselves," said Yusuf. "We have to up our game to not just be the fastest to get clients the best insurance package. We also have to think of ways to add more value to customers beyond the insurance policy."

Adding Value Beyond Price

For example, he noted some U.S. insurance providers are delivering home insurance policies that provide incentives and recommendations to improve home security, such as a backwater valve, a sump pump, or surveillance cameras.

Some will also arrange for an annual or semi-annual inspection of water pipes as a preventative measure.

"That not only reduces the chance of a claim, but if a claim were to happen, perhaps the severity could be less," Yusuf explained.

While certain negative factors such as the current hard market are beyond the broker's control, there are things they can do to improve their scores, especially in terms of how quickly and accurately they communicate with clients, said Mitchell.

Back to Table Of Contents

"We're working on responding to clients' needs, making sure that the wait time and availability of our team are optimized. We're making big investments in technology, both for the clients' as well as for our team's convenience," he added. "The other big investment on our side is on education and training to help us continue to strengthen the experiences we create for our clients."

Yusuf added, "Our target customers are small business owners," and noted his clients' needs include convenience, transparency, speed, choice, communication, and competitive pricing.

As a result, his firm has made a significant investment in its technology platform "to make our brokers super-efficient and able to work from anywhere, and to respond quickly.

"That's how we choose to differentiate ourselves. Our goal is for the machines to do all of the data entry, the paperwork, the document issuance – so that our people focus on advising our customers. Good coverage is table stakes, but trust, speed and tailored advice is a differentiator," he stressed.

Glimmer Of Hope In The Survey

Mitchell noted the NPS for business clients in 2021, calculated by adding the promoter score and subtracting the detractor score, was six, representing a seven-point improvement over 2020, when the promoter score was minus one.

"To move that needle during these times is good. This has been a really hard insurance marketplace for business clients. Not many businesses are saving money or getting better coverage on their commercial insurance right now," he said.

The Insurance Broker's Shifting Role In The Future

By Kate McCaffery, Insurance Portal, November 29, 2021

https://insurance-portal.ca/society/the-insurance-brokers-shifting-role-in-the-future/?utm_source=sendinblue&utm_campaign=daily_complete_202112-02&utm_medium=email

In the present and into the future, there are significant forces challenging brokers. Those interested in adapting should focus on their own education, on claims advocacy, and keep focused on the digital elements of their business to keep pace with that change, say experts gathered for the Future of Insurance conference, hosted by Reuters Events.

The evolving ways of providing advice and education to clients was just one topic touched on by Hub International's chief marketing officer, Sarah Thompson.

"AI (artificial intelligence), machine learning and the internet are all set to make major shifts in the way that we do business, before the end of this decade," Thompson told those gathered for the virtual presentation. "As digitization, AI and machine learning continue to evolve, brokers need to shift from being purely a means of distribution to engage with customers and demonstrate value through advocacy, advice and education as key pillars of their value proposition."

Back to Table Of Contents

Present Conditions And Future Challenges

Demographics are changing, and so are consumer buying habits, she points out. “There’s a greater demand for transparency when making a purchase,” she says. “There’s also a greater desire by consumers to understand what they’re paying for.” Consumers, she adds, want choice and the ability to only pay for those coverages they need and want, at the times the coverage is warranted. “This is really where we start to see the emergence of usage-based buying.”

As the sharing economy grows too, she says new insurance products and means of delivery will also emerge. The move from traditional purchases to subscription-based services akin to those offered by Netflix or Spotify are already being introduced by some carriers. “A consideration for brokers is how we maintain the client relationships through regular touch points.”

The ability to work from anywhere in the world, meanwhile, has positively impacted the industry’s pool of potential workers, but at the same time requires more traditional employers to rewire their thinking about remote work. “It also requires manager training on how to manage a remote workforce, which doesn’t always come naturally.”

Against this backdrop, as previously mentioned, AI stands to greatly change the business dramatically in the coming ten years, allowing companies to better understand and model risk before determining terms and pricing, almost instantaneously. In one example, Thompson points out that clients could even be given an updated cost of their insurance should they choose the most recommended route to work.

“This will change how brokers negotiate terms for their clients,” she says. “We’re already seeing the dramatic impact of having more complex data and algorithms and the impact it’s had on catastrophe modelling.” Specifically, the ability to run multiple scenarios quickly has also emerged as computer processing capacity has increased. “What might have taken weeks to run can now be done in hours,” she says.

This itself poses a challenge for brokers trying to place business: “Today, more than ever, insurers are requiring more information and data prior to accepting a risk.”

Capacity issues also stand a chance of creeping into the picture as insurers consolidate as well. “Consolidation of insurers means that brokers have fewer choices to present to their clients,” she says. More, she adds “we know one plus one rarely equals two when it comes to capacity, as insurers look for cost savings while merging their reinsurance placements.” Eventually, however, she says she expects creative solutions will be brought forward to fill the capacity void if it does come to pass.

Two trends meanwhile, specifically the growing demand from consumers for transparency, coupled with increased direct to consumer sales, claims and account servicing, will also put pressure on commissions in the future. “More direct from the insurer and direct to client communications and documentation can really cut the broker out of that distribution chain, leaving customers wondering why (they’re paying broker commissions).”

“The challenge that exists for many brokers is that policies are going direct to consumers,” she says. “Clients will submit claims directly to the insurer; brokers aren’t notified in most cases.”

Back to Table Of Contents

Business Strategy For Brokers

To survive in this environment, Thompson suggests advisors become vocal educators and advocates. "There's a huge value in brokers providing their own risk services that are focusing more on helping the client control their overall risk profile, not just what's covered by insurance," she says.

"As a broker, it is vitally important that we continue to expand our knowledge and expertise," she adds. "Customers are looking for specialization, unique knowledge and understanding of their businesses or their personal assets for that matter. Brokers expand the value they provide to clients through education. By offloading simple and non-complex transactions to automation, brokers should be able to spend additional time providing insights and guidance."

Be accepting of the fact too, that clients are on social media. "Even GenXers are on TikTok these days. If you haven't invested in your presence on mobile applications and social media, you're already falling behind your customers' preferences."

Buyers, she adds, are looking beyond Google to their social networks, including neighbourhood Facebook pages, for advice. "Are you part of these networks?" she asks. "Are your employees there? Do they feel empowered and comfortable (enough) to provide advice as an individual or representing your organization? Do you have a social media policy and staff training?"

She says addressing this challenge could mean hiring a specialist in cases. Facebook, she adds, is an absolute must for every brand. "Keeping up with the latest trends on social media might not seem like a top priority when you're struggling to get a placement done in a hard market. But, as the demographics of our customers shift, and our role as brokers evolve, it's really important that we are there providing advice and education through these platforms."

RESEARCH/THOUGHT LEADERSHIP/TECHNOLOGY/DIGITIZATION NEWS

Survey Finds 65 Per Cent Of Canadians Seriously Considering Job Switch

By The Canadian Press, December 1, 2021

Roughly two-thirds of Canadians are seriously considering leaving their job because of issues such as compensation, declining job satisfaction, and overall well-being, a new survey has found. The annual survey from recruitment firm Hays revealed that 65 per cent of respondents are looking for a change, a 16-point jump over the 49 per cent who said the same last year. Many have already made a change, with about 40 per cent of employers surveyed reporting that staff have left for higher pay elsewhere. The survey, based on responses from more than 4,200 employers and employees in July and August, found that 83 per cent of employers are confident in the economic recovery and 53 per cent plan to increase their permanent head count. Employers, however, are more reluctant to respond to salary expectations from current employees.

The survey found that only 23 per cent of employers plan to increase pay, and those that do plan to make raises of between one and five per cent. Giving significant pay raises to current employees would create pressure to do the same for other staff with a similar position, said Travis O'Rourke, president of Hays Specialist Recruitment Canada. "Employers are taking calculated risks and they're letting people leave, because it's cheaper than giving everyone a raise." He said employers are finding it hard to fill those roles, especially at the same pay rate, but that it is generally more acceptable to pay a new hire more than current staff compared with giving only some existing staff a raise. The staffing crunch will likely go well into next year and possibly even 2023, but at some point there will have to be a reversal of current pay competition, and some new staff with high pay might be let go, said O'Rourke. "The great resignation will turn into the great termination at some point. Everything is cyclical, and some of the wages that we're seeing, and counter-offers we're seeing thrown around out there, are not sustainable."

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Are Broken Supply Chains Here To Stay? Why We're Running Out Of Everything

Welcome To The Age Of Shortages, Where An Endless List Of Items, From Cars To Appliances To Energy, Are Chronically Hard To Come By. Is This A Temporary Crisis Or Something We're Going To Have To Live With Long Term?

Opinion By Brian Milner, Special To The Globe and Mail, November 27, 2021. Brian Milner is a former senior economics writer and global markets columnist for The Globe and Mail.

https://www.theglobeandmail.com/opinion/article-are-broken-supply-chains-here-to-stay-why-were-running-out-of/?utm_medium=email&utm_source=Coronavirus%20Update&utm_content=2021-11-28_20&utm_term=Coronavirus%20Update:%20Ontario%20confirms%20first%20two%20cases%20of%20the%20new%20Omicron%20variant%20in%20Canada&utm_campaign=newsletter&cu_id=Ts6FwhWx6n2rSHC0x7MiReEeeFJOJkTb

If you want to start a lively and sometimes heated discussion, just ask people whether they have encountered any serious problems lately getting stuff they need.

One of my frustrated neighbours, an electrician, says he has more time to clean up his garden these days because of delays on the job caused by the scarcity and sharply rising prices of everything from cables and wiring to control panels. A lawyer who lives across the street is still waiting for the name-brand fridge he ordered and paid for in June, which was supposed to be delivered by September. Then there's a former neighbour who is looking to renovate and furnish the condo she just bought. Don't get her started. She has had her own trouble with appliances. Not to mention furniture, cabinet shelving, doors, paint – even a kitchen sink.

Most of us have similar tales of months-long waits, missing merchandise, delivery snafus, outright cancellations, and escalating price tags. Welcome to the new age of shortages, when the world seems to be running out of just about everything, including enough workers to make, ship, store, and haul the goods – and, in some parts of the world, the power to keep factories running.

The pandemic is not the only culprit, as British Columbians who have recently dealt with supply disruptions stemming from catastrophic floods can attest. But the coronavirus has exposed serious cracks in once-well-oiled global supply pipelines that played a key role in the huge expansion of world trade over the past two decades. The question is: should we think of this as a temporary crisis that will be resolved as the system returns to something approaching normal? Or are we going to have to learn to live with chronic shortages – and the higher prices that come with them – for a lot longer than any of us would have imagined?

Back in March 2020, before the first widespread lockdowns, household staples such as toilet paper, paper towels, disinfectants, bottled water, flour, pasta, and just about anything in a can flew off store shelves. That panic-buying soon subsided as retailers limited customer purchases and replenished supplies. But the emptied shelves revealed how ill-prepared distribution systems were to deal with emergencies. And we would soon learn, to our dismay, that battered global supply chains lacked the resilience to cope with more serious shocks triggered by the rapid spread of the virus.

Pandemic-proofing those supply lines would have required building up inventories, developing supply and delivery alternatives and beefing up work forces, which would have jacked up costs in a system designed to pare them to the bone. And what corporation would have spent money on those things when doing so didn't seem absolutely necessary?

What began in China as an annoying glitch when factories, processing plants, and ports in stricken regions were forced to close in the early days of the pandemic would soon infect whole supply networks. Then, when manufacturers in China and southeast Asia got back to work, they couldn't cope with the unexpected surge in demand from stir-crazy Western consumers for laptops, tablets, exercise equipment, workout apparel, lawn furniture, and other items.

Now, producers face even more pressure to meet enormous pent-up demand from people emerging from the long, dark winter of COVID-19 with near-record levels of savings. Meanwhile, managers continue to wrestle with labour and power shortages, logistics headaches, and the fallout from further shutdowns and cutbacks. To make matters worse, another round of COVID-19 outbreaks is now affecting important southeast Asian production hubs, including Malaysia and Vietnam.

"Looking back to the progression of the pandemic, it has been very challenging to predict demand fluctuations, and now the realized high demand … is running up against capacity constraints in production in many countries," said Nitya Pandalai-Nayar, an assistant economics professor at the University of Texas at Austin who has examined the impact of global supply chains on national economies during the pandemic.

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Labour shortages across a wide range of industries and services remain a serious impediment to resolving this mismatch between supply and demand. In Canada, a lack of workers has hampered transportation, energy, and agriculture, hurt health care and other essential services, and battered the restaurant industry.

The delivery end of the global supply chain is in a particular mess. Dozens of huge container ships line up for days outside jammed ports in southern China and Hong Kong waiting to pick up their loads. But they face much longer delays when they reach their destinations in the U.S. and Europe. Maersk, the Danish-based container shipping giant, has ordered some of its biggest vessels to steer clear of the main British container port of Felixstowe for the rest of the year because of an enormous backlog.

The cause is a dearth of dock workers to unload the cargo and truckers to deliver it. That's a problem everywhere, but the situation is particularly dire in Britain. The poster child for the shortage economy is down an estimated 100,000 drivers, thanks in part to post-Brexit rule changes that convinced thousands of haulers from eastern Europe that there were easier places to ply their trade.

Maersk also warned earlier this month that the logjam was worsening at U.S. ports that handle the bulk of Asian imports. By mid-November, 71 ships were idling outside the vast terminals of Los Angeles and Long Beach, California, which was down slightly from the peak number but still high considering the number was zero prior to the pandemic.

Canadian ports were in better shape, at least before the disastrous flooding and mudslides in southern British Columbia that cut off road and rail access to the vital port of Vancouver, washed out highways, destroyed bridges, disrupted food and fuel deliveries, and triggered fresh regional and national supply woes that could take months to resolve. The devastation underscores the growing risks posed by extreme weather events to already vulnerable supply chains.

Meanwhile, billions of dollars worth of merchandise sits in growing stacks of steel shipping containers. And the cost of the containers has gone through the roof because there's a shortage of them now too.

Against this backdrop, it's not surprising that a plethora of products – including construction materials, metals, plastics, industrial equipment, fabrics, clothing, bicycles, shoes, and toys – have become harder to find and more expensive to acquire. Retailers have been warning Christmas shoppers that anything not available today probably won't show up before the new year. It's not a marketing ploy. Even Christmas trees and their usual adornments are in short supply.

Among the toughest objects to get are those that include semi-conductor chips. This is the main reason so many people have been waiting months for new kitchen and laundry appliances, and for parts for old ones. The soaring demand for electronic devices triggered a shortage of the integrated circuits that make so much of our stuff work.

Besides appliances, manufacturers have been forced to slash production of vehicles, computers, TVs, smartphones, cameras, robot vacuum cleaners, electric toothbrushes, and anything else that connects to the internet. Until the shortage is resolved, cryptocurrency miners won't be doing as much mining and automakers and parts suppliers will be cancelling more shifts.

Toyota, which pretty much invented the modern supply chain as part of its drive to boost efficiency and do away with costly inventories, recognized early that these tiny chips could prove a weak link in its process. So the Japanese auto giant went against its own celebrated just-in-time manufacturing ethos and stockpiled a six-month supply at a time when rivals were cutting orders out of fear that COVID-19 would shred demand.

Unfortunately, Toyota's cushion is long gone. And without chips, things such as steering, power windows, digital displays, various electronic safety features, and entertainment units can't work.

Toyota declared last month that "since we expect the shortage of semi-conductors to continue in the long term, we will consider the use of substitutes where possible." That could mean redesigning parts or installing some options later when chips become available.

Apple, another company that has famously crafted an extensive global supply network, parcelling out manufacturing to 43 countries, blames chip shortages and other supply problems for US$6-billion in lost sales in its latest quarter. There's little doubt that these and other global heavyweights caught flat-footed by the crisis will make the hefty investments required to shift some production closer to home, develop more diverse sources of supply for crucial pieces, or at least make existing supply chains more flexible, because they can't afford to leave the holes unplugged. So it's entirely possible that much of the current scarcity problem will go away even if the pandemic risk remains. Perhaps all we need is a little more faith in the good old profit motive.

"It's useful to remember that whoever is playing their role in a supply chain is not doing it for philanthropy," said Ananth Iyer, a management professor at Purdue University in Indiana who has written several books on global supply chains, including Toyota's. "As long as it's in the interest of all the players to satisfy the demand, this will get resolved."

JPMorgan Chase boss Jamie Dimon has echoed that sentiment. He told a financial conference last month that "this will not be an issue next year at all."

For all that optimism, other forces are at play that have little to do with capitalist impulses. And they are not as easily fixed as the labour shortages, production and transportation bottlenecks, and other problems triggered by the pandemic and the ensuing severe mismatch of supply and demand. The disruptors include continuing U.S.-China trade friction, heightened national security worries, and intensifying pressure to decarbonize economies.

The push for cleaner power is one of the causes of the current energy crunch afflicting China, India, and several European countries. And it's triggering higher oil and gas prices everywhere. China's energy troubles have been deepening since last spring, when Beijing's efforts to slash dependence on coal sparked consumer electricity shortages and led local governments to shut down some heavy industrial power users. China has since lifted curbs on coal production and is boosting imports again.

In Europe, the problem is an acute shortage of natural gas, which is viewed as a cleaner transition fuel on the road from coal and oil to renewable energy sources. All this comes at a time of soaring global demand for oil. That demand is sure to keep climbing as winter approaches, and it may cause further shortages and even higher prices.

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The impact of the energy crisis on supply lines – and the likelihood of future hiccups – is yet another headache for the global players trying to stabilize their networks.

But not all of the disruptive forces threatening global trade are related to resources or labour. There's also rising protectionism.

Before the pandemic struck, Washington and its allies had already embarked on efforts to rein in China's widening geopolitical ambitions and safeguard their own economic and national security interests by bringing more production home and developing other sources of supply.

The goal is to reduce China's clout stemming from its critical role at the centre of the supply spider webs – even clothing made in Vietnam typically comes from Chinese-owned companies – and its domination of certain essential new-economy resources and materials, such as cobalt, rare-earth minerals, and magnesium.

China is the world's dominant processor of the rare-earth elements used in electric vehicle batteries, wind turbines, fibre optics, advanced ceramics, lasers, and sensitive military hardware, such as jet engines and missile guidance systems.

Beijing has already shown a willingness to use this near-monopoly for political purposes, blocking exports of those materials to Japan for two months in 2010 over a fishing dispute. The threat of imposed shortages briefly sent prices skyrocketing and persuaded Tokyo that it had better develop other sources.

Now, something similar is happening with magnesium – another crucial, though far from rare, manufacturing material. China accounts for more than 85 per cent of the world's processed magnesium, which hardens aluminum alloys used in auto parts, construction materials and packaging. But nearly three dozen of the country's heavily polluting processing plants have been forced to close as a result of electricity shortages, and those still operating have had to reduce output.

European industry, which depends on China for all but about 5 per cent of its magnesium needs, has pushed the panic button. "Without urgent action by the European Union, this issue, if not resolved, threatens thousands of businesses across Europe, their entire supply chains, and the millions of jobs that rely on them," a dozen lobby groups warned in a joint letter. There are no substitutes, and existing supplies will run out by the end of November, they said.

Volkswagen, BMW, and other European car makers have already been forced to cut production because of the chip shortage. Wait until they can't get hold of steering columns, gearboxes, seat frames, and other parts made of lightweight sheet metal.

Europe hasn't had any domestic magnesium production since the last supplier was driven out of business 20 years ago by cheap Chinese competition. U.S. car makers have largely been spared this particular shortage, because they get most of what they need from an American plant and the rest from suppliers in Canada, Israel, and Mexico. They don't have much choice. U.S. tariffs exceeding 140 per cent have kept out Chinese suppliers.

Some observers argue that entire supply chains ought to work this way, with a regional rather than a global footprint – a shift that would be particularly beneficial to Canada. Prime Minister Justin Trudeau has made this case to U.S. President Joe Biden, citing the efficiency of the North American auto industry and reminding him that Canada produces 13 of the 35 minerals the U.S. regards as essential to its security.

Washington has made it clear that it views dependence on any product largely controlled by an undemocratic country as a supply-chain risk. The fallout from COVID-19 and the deepening climate crisis have only added to the urgency of doing something about it.

"From a policy perspective, we are likely to see the U.S. and other countries take measures that meet multiple objectives, such as bringing production facilities back onshore, decoupling from China, and plugging national security vulnerabilities," said Eswar Prasad, a professor of trade policy at Cornell University and a former head of the International Monetary Fund's China division. "The rising tensions with China and the disruption of cross-border supply chains provide a useful opportunity for the [Biden] administration to promote such initiatives that aim at rebuilding U.S. capacity in critical areas."

That's why new semi-conductor plants are coming fast in the U.S., Japan, Europe, and China, as governments vow never to be caught chip-less again. Each new facility costs billions. But if governments are willing to dish out hefty subsidies in the name of national security, suppliers such as Taiwan Semi-conductor Manufacturing Co., the largest contract chip maker in the world, will be happy to take their money in exchange for sharing expertise. The eventual result is sure to be a huge oversupply and collapsing prices.

But while we wait for capitalism to do its thing and for companies to figure out how to re-assemble the pieces of their manufacturing puzzles, us lowly consumers will have to learn to live with at least modest shortages for some time, and higher prices for just about everything.

As geopolitical strategist Marko Papic reminded me, "It's not the end of the world if things take longer to get and they're more expensive. We'll adjust to that, as we have to dealing with the pandemic."

Try telling that to my neighbours.

Strategies For Successful Digital Transformation

By Jason Contant, Canadian Underwriter, December 1, 2021

https://www.canadianunderwriter.ca/insurance/strategies-for-successful-digital-transformation-1004215080/?utm_medium=email&utm_source=newcom&utm_campaign=CanadianUnderwriterDaily&utm_content=20211201154257

Enlisting digital transformation enthusiasts and starting with a keystone change are key to successfully implementing a digital transformation strategy, according to a new blog from Harvard Business Review.

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"The first thing that every transformation must confront is resistance," said the blog, 4 Principles to Guide Your Digital Transformation, published on Tuesday, November 30. "The status quo always has inertia on its side and never yields its power gracefully."

But organizations always have "pockets of enthusiasm that can be identified and leveraged," and companies should start in an area where enthusiasts are in the majority, wrote Greg Satell, Andrea Kates, and Todd McLees.

Satell is a transformation and change expert, international keynote speaker, and bestselling author; Kates is a Silicon Valley-based expert at moving innovation to revenue, a bestselling author, and has spearheaded significant transformations for organizations in the Fortune 500 and beyond; McLees is an international keynote speaker and partner at Innovation Outpost, which focuses on digital transformation and industrial innovation.

The authors used the example of consumer credit reporting company Experian, which has offices in dozens of locations, including Canada, the United States, and the United Kingdom. When the company's chief information officer sought to shift from traditional technology to a cloud-based architecture to offer its customers real-time access to data, he knew that some within the firm wouldn't like it. "However, because he started with product managers already excited about the cloud, he was able to sidestep early resistance."

A Japanese bank had a similar issue with blockchain-related technologies. Senior leaders were enthusiastic about the possibilities but knew that many middle managers would see it as a distraction from more proven lines of business. "So instead of focusing their efforts on existing customers, they shifted toward a new segment of younger, tech-savvy entrepreneurs who would be attracted to the novelty of the offering," the blog said.

In essence, to overcome their innate bias for loss aversion, many people will need to see an idea achieve some success before they are willing to buy in. That's why it's a good idea to start with a keystone change that can pave the way for greater transformation.

For example, Experian didn't shift to the cloud all at once, but instead started with implementing internal application programming interfaces (APIs). "Once the transformation team could demonstrate the business value of improved access to data within the confines of the organization, it was much easier to build a case for full deployment of cloud technologies."

Another thing to remember is that digital transformation is not just about technology. "These initiatives can no longer be left solely at the feet of technology leaders and IT staff, but must involve a diverse set of ecosystem stakeholders," wrote Satell, Kates, and McLees. "We're desperately in need of a shift in focus. We need to do more than just implement technology. Basic objectives such as cost optimization and process improvement can no longer be the ultimate aim. Leaders must inspire and empower their entire organization to boldly reimagine their work environment, customer needs, product offering, and even the purpose of the enterprise."

Back to Table Of Contents

And when it comes to digital transformation, the risk is no longer merely being left behind, it's being eliminated altogether. It's almost not about innovation, it's about achieving better business outcomes, the authors wrote. Satell, Kates, and McLees advise clients to start by asking business-related questions, such as, "How could we better serve our customers through faster, more flexible technology?" or "How might we leverage artificial intelligence to improve employee experiences and retain top talent?" Once business goals are identified, you can work your way back to the technology decisions.

Experian's cloud transformation led to a platform that allows customers to make credit decisions based on near real-time data and is now one of the company's most profitable products, the blog reported.

"In the final analysis, the most powerful use of digital tools is not to cut costs, create efficiencies, or even move faster and with greater agility, but to ask fundamentally different questions," the blog concluded. "It is through exploring these new possibilities that we can solve complex problems and make more meaningful impacts for customers, employees, and the communities we serve."

UPCOMING WEBINARS AND EVENTS

Webinar: Three Strategies to deliver customer-centric digital experiences

Dates: Thursday, December 16, 2021
Time: 2:00 p.m. – 2:45 p.m. EST

When delivering a great digital experience, it's not just about filling your company's technology gaps, but identifying, addressing, and anticipating the needs of your customers. For insurers, where low-touch interaction is the norm, the stakes to provide customers with supportive and personalized experiences are higher than ever. Those that prioritize this are pulling away from the competition.

Today's customers don't just compare you to other insurers, they compare you to every great digital experience. So, if you're being compared to Amazon or Netflix, wouldn't you want to evaluate and elevate your digital experience so that every touchpoint is customer-centric and transformative? Here we will discuss three strategies you can implement to achieve a best-in-class digital experience.

Join Kristina Leach, former Digital Adoption Team Lead at MassMutual and current Director of Industry Marketing, FSI at Quantum Metric as we discuss:

- The challenges insurers are facing today
- What customers expect from a digital experience
- 3 strategies for customer-centricity

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The Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions

Dates: January 27, February 10 & 24, March 10 & 31, 2022
Time: 9:00 a.m. – 5:00 p.m. EST

This event for financial services features live access to interact with and learn from regulators, industry leaders and peers. Get crucial updates, insights and strategic guidance for navigating key legal and operational risks impacting compliance professionals. Key areas of focus include:

- Critical updates for financial institutions and views into regulators' pipelines of priorities, current and anticipated
- Top tips on managing data, privacy and technology
- Practical guidance to navigate the 'fair treatment of customers' and escalating demands for ethics and integrity
- Strategies to manage changes to regulatory frameworks and supervision

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