



Office and Related Services

Introduction

The majority of office and related businesses are not required to register with the WSIB and may opt for self-insurance or private insurance. The business activities of office and related services are highly diverse, all fall under the rate code 956. It includes: investment dealers, life insurers, law firms, accounting firms, stock exchanges, employment agencies that provide clerical labour and real estate agents.

Economic Trends

The banking industry includes 21 domestic banks, 23 foreign bank subsidiaries and 22 foreign bank branches operating in Canada. In total, these institutions manage almost \$1.8 trillion in assets.ⁱ

With the Toronto Stock Exchange hitting record highs this year, the online discount brokerage industry is set to grow even more significantly in 2007. Another reason is the growth in the pre-retired and newly retired consumers who want more hands-on control over their financial investments. According to Toronto based researcher Investor Economics, assets under administration in the online brokerage world rose from \$123 billion last March to about \$155 billion this March, a 26 per cent gain.ⁱⁱ

There is also increased confidence in the insurance industries future, according to the latest results of Eastbridge Consulting Group's Voluntary Industry Confidence Index survey. The survey measures how members of the industry, carriers, brokers and vendors view the industries sales expectations for the next 12 months. Results of the survey indicate that the index is at 102.3, which is an increase over the mid-year 2006 results. According to Gil Lowerre, president of Eastbridge, survey respondents were very positive about the outlook for voluntary product sales with over 98 percent expecting sales to increase over the next 12 months with twenty-eight percent predicting a significant increase.ⁱⁱⁱ

Social & Demographic Trends

Although there have not been many changes in demographics within the office and related sector but we need to take a closer look at those running the organizations, as well as the issue of work-life balance.

At first glance, the latest word on the so called "Glass ceiling" issue looks positive. A report from executive recruiter Rosenzweig & Co. found that the number of female

CEO's at this country's biggest 100 publicly traded companies tripled in 2006 from the previous year. Furthermore, the number of female executives occupying top positions at the same corporations jumped 50 percent on a year over year basis. At a time when women make up more than half of the population and 42.5 percent of the work force, 70 percent of companies rely exclusively on male corporate officers to run the show. While some progress is being made, women are still having limited success breaking in to the most senior ranks. However, the fact remains, 97 of Canada's largest companies are run by male CEO's. Of the 521 most senior and highest paid positions at these companies, 6.9 percent were held by women, a rise from 4.6 percent in 2005 but a dominant 93.1 percent are still held by men.

Work-life balance continues to be important for employers who are competing for Canada's small pool of talent. Companies like HSBC Canada are taking steps to enhance and improve this portion of their benefit programs. They have improved their policies around work-life and have changed its culture to be more supportive and flexible by providing staff with such programs including Flex-time, Job-sharing, Emergency Child-Care. They also have set up a Valuing Diversity Committee which advises senior management on the issues that particular groups within the bank may face. Also during recruitment efforts, hiring managers noticed a rise in inquiries about HSBC's work-life policies. Paying attention to specific requests has had an impact on new policy and program development in order to satisfy the needs and demands of current and future employees.^{iv}

Technology & Industry Trends

The office and related sector experienced blurring of responsibilities in the financial sector, an increase in the number of corporate head office and a misconception of privacy at work.

For the last several years, the insurance distribution market has been experiencing significant and fundamental change. Through this period of insurance distribution evolution, both Managing General Agencies (MGAs) and Brokers have lacked the technology needed to provide competitive advantage and help grow their businesses. According to Carmine Tullio, President and CEO of Univeris, the leader in enterprise wealth management systems, over half of the financial advisors using the Univeris wealth platform are dual-licensed to sell both insurance and mutual funds. Through this new system insurance companies have greater flexibility with the products they offer consumers and can now compete with the banks.^v

Fears about foreign takeovers and the "hollowing out" of corporate Canada are vastly overstated, says a new report released by the Conference Board of Canada. It found that the number of head offices in Canada has been growing in recent years, despite a string of high-profile acquisitions of Canadian companies such as Hiram Walker, Hudson's Bay Company and more recently Inco and Falconbridge. Over all the number of head offices in Canada jumped by 100 to 4,161 between 1999 and 2005. According to Statistics Canada head office employment in Canada also grew by 11 percent during that same period, despite challenges such as a more valuable currency and the rapid rise of China,

India and other low-cost economies.^{vi} This is important for Canada to remain a player in the Global market and although the Canadian market is small, on a worldwide scale it is still a very important economy, and trading partner.

Many employees are under the impression that their right to personal privacy extends to the workplace. These people may be surprised at just how widespread employee monitoring truly is. And when it comes to employee privacy, the innocent looking machine on your desk is the single greatest threat. A survey from amanet.org indicates that 76% of employers monitor websites visited, 50% review computer files, and 55% store and review emails. The same article claims that about one quarter of companies have fired someone for improperly using the Internet.^{vii}

Legislation & Policy Trends

Major changes have been implemented into the financial sector in Canada allowing a larger competitive arena and major changes are needed to protect contract employees at employment agencies.

More recent changes to federal law and regulation have opened up new opportunities for foreign banks to operate in Canada, encouraged the start up of new banks with new ownership rules, and given certain non-bank financial institutions direct access to the payments system.^{viii} Many of the old barriers prohibiting financial institutions from competing in each other's business have disappeared over the past 15 years. For example, any Canadian life insurance company may now own a bank; a bank may own an investment dealer or a mutual fund company. More recent changes to federal law and regulation have opened up new opportunities for foreign banks to operate in Canada, which encouraged the start up of new banks with new ownership rules, and that has given certain non-bank financial institutions direct access to the payments system. Innovations in technology have enabled financial institutions to offer more products and services in new ways and have triggered the emergence of new types of competitors, such as monoline credit card issuers MBNA Canada and Capital One Bank.^{ix}

Financial companies have a presence nationally but face different legislation across the country. A common interpretation of a single body of securities legislation and a single set of rules is needed, this would take into consideration provincial and territorial concerns, would get rid of the inefficiency of 13 separate regulators which has a negative impact on the financial well-being of all Canadians, said Raymond Protti, President and Chief Executive Officer of the Canadian Bankers Association. According to Protti, Canadian companies are at a competitive disadvantage and are expected to waste millions of dollars every year to meet repetitive and overlapping regulatory requirements.

Of the 100 countries that are part of the International Organization of Securities Commissions, Canada is the only country without a national securities regulator. In a speech to the Halifax Chamber of Commerce, Minister Flaherty said, "What Canada needs is a common securities regulator. Such a regulator would create more investment and jobs, protect investors, save money and give all regions in Canada a real say."^x

Although the majority of contract or temp agencies may run legitimate businesses and treat employees fairly there are those that have taken advantage of recent immigrants and those that are in desperate need of work with limited resources. These vulnerable workers gained support in their bid to achieve protection from “temp” agencies that use unethical or illegal means to exploit Ontario’s transient workforce. Liberal MPP Vic Dhillon (Brampton West, Mississauga) has been pushing for a crack-down on the burgeoning temporary employment industry with a private member’s bill in the Ontario legislature. The bill calls for a licensing scheme that will require an annual renewal from the Ministry of Labour for all employment agencies. Those who engage in unethical or illegal practices would lose their license.^{xi} This licensing scheme could be a possible opportunity or partnership for OSSA for education, requiring temp agencies to maintain a positive health and safety record.

Health & Safety

For office and related services, major hazards include: (ergonomics; repetitive strains, sprains and lifting) which now fall under the category of Musculoskeletal Disorders (MSD’s); indoor air quality (including mould); violence in the workplace; stress; slips and falls; chemicals; machine guarding/lockout; contact with energized equipment; and material handling and storage of goods.

The office environment could be described as “low hazard” compared to some workplaces where a limb or life could be lost but in reality they are not. Employees often work on a computer for an extended period of time, which is generally how people get hurt, as a result of MSD’s. Approximately 70 per cent of injuries occurring in offices are directly related to employees work.^{xii} Simple measures can be taken to avoid this by ensuring that employees have the proper number of breaks to avoid MSD’s.

MSD’s account for over 40 percent of all lost-time injuries. The Ontario government is committed to reducing workplace injuries by 20 percent by 2008. One of the initiatives to hit this goal was creating a new resource for Ontarians to help protect themselves against painful and costly ergonomic related workplace injuries. The MSD Prevention Guidelines for Ontario offers employers and workers in-depth information about MSD hazards in the workplace so that they can be addressed and controlled. The guideline is available through the WSIB website at <http://www.wsib.on.ca/wsib/wsibsite.nsf/public/PreventMSD>.^{xiii}

The Ministry of Labour is currently promoting a Pains and Sprains campaign to educate and enforce regulations. Half of all working days lost due to injury are a result of workplace pains and strains. These injuries create huge financial costs for employers and can be serious and disabling for workers. In many cases, pains and strains can be prevented in your workplace by making simple modifications. The ministry has implemented six specific recommendations made by the Minister of Labour’s Ergonomics Advisory Panel, which deal with area such as awareness, education and prevention as well as improved training, more resource materials, increased expertise and better tracking of ergonomic-related inspections.^{xiv}

In general, employers in office and related services industries are unlikely to see health and safety as a priority. Senior Management does not always see the benefit of investing in health and safety education for its employees and would rather spend their budget elsewhere. Return to work programs pose another challenge for this sub-sector, as there are often no alternative jobs available for an employee returning from illness or injury.

ⁱ Canadian Bankers Association, “Banks in Canada,” <http://www.cba.ca/en/section.asp?fl=2&sl=204&tl=&docid>, January 2007.

ⁱⁱ Tony Wong, “Online brokers expect more growth in 2007,” *Toronto Star*, 7 December 2006.

ⁱⁱⁱ “Industry Confidence in Voluntary Market is Up Again According to a Survey by Eastbridge Consulting Group”, Insurance Canada.ca, < <http://www.insurance-canada.ca/distribution/canada/2007/Eastbridge-Industry-Confidence-Up-701.php>>, 17 January, 2007.

^{iv} Human Resources and Social development Canada, “Corporate Profiles: HSBC Bank,” http://www.hrsdc.gc.ca/asp/gateway.asp?hr=/en/lp/spila/wlb/ell/07hsbc_bank_canada.shtml&hs=.

^v “Univeris Enables MGAs and Brokers with Advanced Technology Platform for Insurance Administration,” Insurance Canada.ca, <http://www.insurance-canada.ca/distribution/announce/2007/Univeris-Platform-Insurance-Administration-701.php>, 24 January 2007.

^{vi} Simon Tuck, “Hollowing Out? No way, report says,” *Globe & Mail*, 28 February, 2007.

^{vii} Theofficelife.com, “Privacy at Work: Your Computer is a Window to Your Soul,” < <http://www.theofficelife.com/employee-monitoring-work-privacy.html>>.

^{viii} Canadian Bankers Association, “Competition in the Canadian Financial Services Sector,” <<http://www.cba.ca/en/viewDocument.asp?fl=6&sl=111&tl=&docid=451&pg=1>>, May 2005.

^{ix} Canadian Bankers Association, “Competition in the Canadian Financial Services Sector,” <<http://www.cba.ca/en/viewDocument.asp?fl=6&sl=111&tl=&docid=451&pg=1>>, May 2005.

^x Canadian Bankers Association, “Banking Industry Commends Federal Government’s Position on Canadian Single Securities Regulator,” <http://www.cba.ca/en/viewDocument.asp?fl=5&sl=13&tl=351&docid=700&pg=1>, 19 June, 2006.

^{xi} Rita Daily, “MPP’s target temp boom,” *Toronto Star*, 8 December, 2006.

^{xii} Lee Craig, “How Healthy and Safe is your Office,” *Occupational Health and Safety Magazine*, v79, n.2, May 2006, pg 11-13.

^{xiii} Ministry of Labour Press Release, “Ontario Government Working to Reduce Workplace Pains and Strains,” < <http://www.labour.gov.on.ca/english/news/2007/07-18.html>>, 28 Feb, 2007.

^{xiv} Ministry of Labour Press Release, “Ontario Government Working to Reduce Workplace Pains and Strains,” < <http://www.labour.gov.on.ca/english/news/2007/07-18.html>>, 28 Feb, 2007.