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## Call centres battle competitors, high dollar

By CBC News  
CBC News

*Moncton's call centre industry is stabilizing, but a new report says increased foreign competition and the stronger Canadian dollar pose significant challenges to the sector.*

Moncton's dominant call centre industry is stabilizing after a turbulent period in the last three years, but a new report says increased foreign competition and the stronger Canadian dollar pose significant challenges to the sector.

Moncton has been called the call centre capital. The industry employs more than 7,200 people - roughly one in 10 - in the southeastern New Brunswick city.

Enterprise Greater Moncton's study released on Thursday showed the industry has faced contraction in the last three years. But the call centre industry, which has formed an economic backbone in the greater Moncton area, is stable, according to the report.

"Although there has been some consolidation in the industry over the last three years, the contact centre industry continues to be one of the key contributors to the regional economy," John Thompson, the chief executive officer of Enterprise Greater Moncton said in a statement.

"The investment and focus that our community has put on developing this industry and making it a priority demonstrates that it was a wise investment."

About 600 jobs were lost at call centres in the greater Moncton area between 2006 and 2009 but overall the industry remains steady. The average wage is now \$17.82 an hour.

Despite the challenges faced by the industry in the last three years, the study pegged the direct and indirect economic impact of the local call centre industry at \$644 million, down from \$735 million in 2006.

### Future threats

The Economic Greater Moncton report cited a series of challenges that could pose future problems for the sector.

The strength of the Canadian dollar in comparison to the U.S. greenback is considered the main threat to the industry.

The report also warned about Moncton operations being priced out of the market because of lower wages being offered in other call centres.

Eric Pelletier, the manager of investment attraction and community relations for Enterprise Greater Moncton, said the global economy is putting other pressures on the region's call centre industry.

"There's eight million people in the U.S. looking for work and across Canada many communities are hurting as well," Pelletier said.

"So we believe there's going to be an increased pressure from operations that can change places to cheaper locations so that's going to be the main pressure in the short to medium term probably."

### Retention rates

Employee retention rates were also a focus of the report. Inbound call centres have improved their retention rates but the problem continues for outbound call centres. The turnover rates are estimated to be between two to five per cent for inbound centres.

Mike Bacon, the executive director of the industry group Contact NB, said companies also find it difficult to find workers to fill their jobs.

"Most of the centres would talk about labour market challenges in terms of finding labour where there's room for expansion, availability of bilingual labour, bilingual workers are difficult to come by and they're in great demand," Bacon said.

The study lists recommendations for change including improving the image of the job so that more people will consider it as a career.

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