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## Contact centre industry is stable

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### Enterprise: Greater Moncton releases report showing sector is still strong in the region

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Telegraph-Journal

MONCTON - The customer contact centre industry in the greater Moncton region is stable but not growing, according to a report released Thursday.

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Rebecca Penty/Telegraph-Journal

Joe D'Ettore, centre manager of the Royal Bank of Canada's customer contact centre in Moncton, said the facility - which celebrated its 15-year anniversary in May - has grown from employing a couple hundred workers to 750, today. The centre played host Thursday to Enterprise Greater Moncton, which released a report on the health of the industry. The call centre industry employs one in 10 people in Greater Moncton.

An Enterprise Greater Moncton study shows the area's contact centres employ 10 per cent of the region's workforce despite the immediate threats of economic recession and offshoring.

The average hourly salary across the industry was \$17.82 in 2009 - about 25 cents an hour above the provincial average for business, finance and administrative occupations.

The total amount of economic activity was nearly \$680 million for the sector and the gross domestic product of the industry was about \$384 million.

Eric Pelletier, manager of investment attraction and community relations for the economic development agency, said the results were "extremely positive," especially considering challenges facing the industry.

"The economic impact was high, the commitment from the companies to stay in the region was extremely important and the profitability of centres was still

extremely good," Pelletier said.

"Back in 2006, there was a lot of talk about outsourcing offshore to India as a possible solution, and we all know the importance of the contact centre industry in the greater Moncton region," he said.

Joe D'Ettore, the centre manager for the Royal Bank of Canada inbound, inhouse contact centre that played host to Enterprise Greater Moncton Thursday, said the 15-year-old facility has grown from employing a couple hundred workers to 750, today.

"We've been in a growth mode," D'Ettore said, adding that he expects to do more hiring by next year.

The operation supports clients from around the world in different lines of business and even has an investment team, he said.

"15 years ago, it was very rudimentary, reactive to inquiries coming from clients," D'Ettore said. "It was pretty basic transactions and problem-solving."

Business New Brunswick puts the contact centre industry's contribution to New Brunswick's economy at \$1.5 billion - about five per cent - with firms employing about 19,000 people.

But according to the Moncton report, the industry faces a high rate of medical leaves among employees, lower retention rates, especially among outsource and outbound centres, and difficulty recruiting for those outsource and outbound centres that need to ramp up for new contracts.

Outsource centres reported a fear of being priced out of the market due to uncompetitive wages in greater Moncton versus those industry-wide in North America.

The results of the report confirm the sector's heyday is over, with the industry just "mildly optimistic" that by next year, it will have regained two-thirds of the 618 jobs lost since 2006 - about eight per cent of the 7,841 employed four years ago.

That's far less upbeat than what was reported in Enterprise Greater Moncton's first report in 2006, when the industry - coming out of two years of expansion that saw it grow by 20 per cent - projected further growth of 22 per cent over the following two years.

Consolidation instead of expansion became the norm over the following years and some firms cut jobs, with the biggest loss of employment, 275 jobs, due to the closure of the AOL Inc. (NYSE:AOL) centre in March 2008.

Mike Bacon, executive director of ContactNB, a provincial contact centre industry organization, said the results of the Moncton study show "stability," while the outsourcing part of the sector has seen some struggles.

"I wouldn't expect anyone to do any major expansions," Bacon said. "You're certainly not going to see any of the big announcements like we used to see back in the '90s."

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