



October 14, 2016

Ministry of Labour  
The Changing Workplaces Review, Special Advisors  
ELCPB 400 University Avenue, 12<sup>th</sup> floor  
Toronto, ON M7A 1T7

Re: The Changing Workplaces Review Special Advisors' Interim Report

On behalf of Desjardins General Insurance Group (DGIG), I am writing to comment on The Changing Workplaces Review Special Advisors' Interim Report.

DGIG is a subsidiary of Desjardins Group, the leading cooperative group in Canada with over \$229 billion in total assets. With over 4 million policies in force, DGIG is one of the top three property and casualty insurers in Ontario. In January of 2015, Desjardins acquired the State Farm Canadian Operations, including over 410 exclusive independent agents in Ontario.

DGIG supports the efforts of the Special Advisors to ensure fair treatment of workers across the Province of Ontario. However, we believe that there could be unintended consequences for our exclusive independent agent business model should the definition of "employee" that is contained in the Employment Standards Act, 2000 (ESA) be expanded to include 'dependent contractors' (Section 5.2.1, "Options", Point 6).

DGIG has multiple sales channel options for our clients, including sales representatives who are employees of our organization and a network of exclusive independent agents who own their businesses. If the Government decides to extend some or all of the protections of employees under the ESA to dependent contractors, our concern is that our exclusive independent agents could be misclassified as dependent contractors because they exclusively sell Desjardins products.

Unlike dependent contractors who have many of the same characteristics of employees (e.g. they bear little financial risk in performing their duties and, consequently, have little or no opportunity to reap the financial benefits of their successes), our exclusive independent agents are truly independent business owners who invest their own time and funds into their businesses. Our exclusive independent agents employ over 1300 staff in their offices across the province, are licensed insurance agents and sell multiple property and casualty insurance and financial services products. Our exclusive independent agents have chosen this opportunity to sell our products over others-precisely because-this entrepreneurial model offers significant potential for financial growth and success. This proposed

change to the ESA would greatly diminish the value proposition provided by this entrepreneurial model for our agents and for our organization.

We believe that it is not the Government's intent to include business owners, such as those in our exclusive independent agent network, in any proposed extension of the ESA's protections to dependent contractors. In the event that the Government determines that the proposal merits serious consideration, we would ask that appropriate exemptions for our exclusive independent agents be created through regulation.

Thank you for the opportunity to provide our commentary. DGIG would be pleased to consult further with the Special Advisors to discuss the issues raised in this submission.

Sincerely,

A handwritten signature in black ink that reads "Barbara Bellissimo". The script is cursive and fluid.

Barbara Bellissimo  
Senior Vice-President, State Farm  
Desjardins General Insurance Group