

Ontario moves to strengthen financial services education and training

\$4 million set aside for research and education centre

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By Regan Ray

The effort to attract top talent to Canada's financial services sector got a bit of a boost today from the Ontario government.

Provincial finance minister Dwight Duncan announced a \$4 million investment in a research and education centre devoted to the industry, during a post-budget speech this morning in Toronto.

Duncan tabled the province's 2008 budget yesterday at Queen's Park, but kept this budgetary morsel to himself until today, when he told an audience at the Royal York Hotel.

"It's always struck me that we don't celebrate our banks, our insurance companies," Duncan told the Toronto crowd. "They are among the best in the world. In Switzerland, they celebrate it."

The Ontario government has set aside about \$1.3 million a year for the next three years to "promote the advancement of financial services in Ontario" and "further strengthen Toronto's global hub for financial services education and training."

The initiative, called the Centre of Excellence for Education in Financial Services, is a joint venture of the Ontario Ministry of Training, Colleges and Universities and the Toronto Financial Services Alliance.

Essentially, it is a virtual school and research centre that will bring together educators, researchers, financial services professionals and government with the goal of attracting talent to the industry. As well, it will fund research chairs and support postsecondary research in the area.

According to the government, seven Toronto-area universities and colleges are currently on board.

At just over \$1 million a year, Duncan called it a "relatively modest investment, by government standards" but it does put some emphasis on the importance of the sector to the province's changing economy.

"As finance minister of Ontario, one of the reasons our revenues have been robust is because of the successful performance of our financial services sector," Duncan told reporters at a press conference. "Banks, financial services and insurance companies are important parts of the new service economy and I feel strongly that as the home to Canada's financial services, we have a greater role to play in encouraging that sector."

Janet Ecker, president of the Toronto Financial Services Alliance (TFSA) and Duncan's predecessor in the provincial finance ministry, was the main catalyst for the newly created Centre.

"Toronto is home to many innovative financial institutions that are world leaders in their markets," she said. "The Centre of Excellence is an ideal way for us to capitalize on Toronto's competitive advantage and attract even more talented people to work in Canada's most important industry."

Duncan noted that jobs are even created in the province when banks expand into other countries through acquisition, as talent is needed domestically to run operations.

According to TFSA, about 350,000 people in Ontario are employed in the financial services and 213,000 of those are in the Toronto area. Toronto's financial sector is third largest, behind only New York and Chicago, in terms of employment numbers and the eight largest based on equity, representing \$2.2 trillion. As well, TFSA says Toronto is home to 61 mutual funds companies, 58 pension fund managers, five of Canada's largest pension plans and the headquarters for six of Canada's top insurers who manage more than 90% of the industry's assets.

"Here we have this enormous sector that has an enormous competitive advantage," Duncan told reporters.

"There certainly is a need for this."

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