

Finance minister putting his money on banks

Duncan cites financial sector for `robust' revenues, pledges \$4 million for Toronto centre of excellence

March 27, 2008

ROBERT BENZIE

QUEEN'S PARK BUREAU CHIEF

Finance Minister Dwight Duncan is banking on growth in the financial services industry to help Ontario weather any looming economic storm.

The morning after unveiling the province's \$96.2 billion budget Duncan took his message to Bay Street, telling a predominantly business audience that he wants Ontarians to "celebrate" banks.

"Where I come from, we celebrate the auto industry – even today with its challenges," the Windsor-Tecumseh MPP said yesterday.

"Here we have this enormous (financial services) sector with an enormous competitive advantage – more than 50,000 new jobs since 2003 – centred right here in Toronto," he said.

"It's growing (and) ... one of the reasons our revenues have been robust is because of the successful performance of the financial services sector. We have to do everything we can to promote those sectors that will benefit the province, create jobs and investments."

To that end, he announced the government would spend \$4 million over three years to create a Centre of Excellence for Education in Financial Services in co-operation with seven Toronto universities and colleges.

"The idea is to create a virtual, region-wide network of educators, researchers, financial service professionals, government partners, and exports in innovation and technology," Duncan told about 400 people at a joint Canadian and Empire Club breakfast at the Fairmont Royal York Hotel.

"They will work collaboratively to ensure the sector attracts and develops the best and brightest talent to financial services in Ontario," he said, to applause from the audience. "We know it will further strengthen Toronto's global hub for financial services education and training."

Duncan praised former Progressive Conservative finance minister Janet Ecker, now president of the Toronto Financial Services Alliance, for driving the initiative.

Ecker, who was treasurer under former premier Ernie Eves in 2002-03, said the financial services sector, which employs about 213,000 people in Toronto, has been important in helping the city to thrive.

"There hasn't been until very recently the recognition of the financial sector not just as a sector to tax and regulate but as a sector you can use for economic development purposes," she said.

"When you look at what is happening in the economy, this is one of the sectors that is holding up the economy. It produces jobs that are good-quality jobs, high-paying jobs, with people who have very high skills and that's the kind of economy that we want to build here."

Toronto is North America's third largest financial centre after New York and Chicago and 15th in the world.

The Greater Toronto Area is home to 28 per cent of Canada's financial services sector.

Yesterday's announcement came after Duncan unveiled a balanced budget on Tuesday, the centrepiece of which was a new \$1.5 billion plan to help retrain workers hurt by the slowdown in manufacturing and other industries.

Progressive Conservative Leader John Tory said there should have been more tax relief for business, while New Democratic Party Leader Howard Hampton said not enough was done for Ontario's most vulnerable.