

## **Ontario focus on financial services in Toronto will increase jobs and investment in region: TFSA**

**TORONTO, March 26, 2009** – The Toronto Financial Services Alliance, which represents a broad cross-section of financial services firms, post-secondary educational institutions and related organizations, today welcomed the government’s recognition of the importance of financial services to the Ontario economy, and its commitment to work with the City of Toronto and the sector to advance Ontario as a world-class financial jurisdiction.

TFSA President Janet Ecker also commended the government for its changes to the province’s tax system.

“We are particularly pleased with the reduction in corporate income tax rates,” said Ms. Ecker, “and its commitment to a value-added tax. While there are still issues to be resolved regarding the application of a harmonized sales tax to services provided by our members in the financial services sector,” she added, “the move toward tax harmonization will undoubtedly contribute to the province’s longer-term competitiveness, as will lower rates.”

Ms. Ecker noted, however, that the tax changes do not come into effect until 2010, which means they will not have any immediate stimulative effect on the economy.

A major part of today’s budget was focused on infrastructure spending that will help the province emerge from the current recession. “Investment in infrastructure – including those projects that will improve the quality of post-secondary education – will also serve to improve our competitiveness,” said Ms. Ecker, “and the financial services sector will play an instrumental role in the financing of the many public-private partnerships that are proposed.”

The government also proposes to continue to reduce the “red tape” that businesses have to deal with. “This will be welcomed by businesses, small and large.” said Ms. Ecker.

In today’s budget, the government recognized again the importance of the financial services sector to the province’s economy, and announced its plan to continue to work with the TFSA in “advancing Ontario as a world-class financial jurisdiction.”

In the Budget Papers released today, the government said its measures would help to “position Toronto, and Ontario as a whole, among world-leading destinations for businesses in the financial services sector, providing economic growth and high-paying jobs for Ontarians now and in the future.”

The government said it would partner with the City of Toronto to provide the TFSA with the necessary resources to promote Toronto as a financial centre.

“From the outset, the TFSA has had sustaining support from the City of Toronto and its member firms and organizations,” said Ms. Ecker. “The additional financial support from the province, announced today, will help us to fulfil our mandate.”

The TFSA pledged its continued support for the government's efforts to put in place a single national securities regulator for Canada, and expressed support for the suggestion that the regulator should be located in Toronto. TFSA, and its members from the pension industry, will also work with the government as it moves forward on pension reform.

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