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**\* CHECK AGAINST DELIVERY \***

Thank you.

And thank you to the Canadian Club for inviting me to join you today! For more than a century, the Canadian Club has provided a forum for public discourse. It's a long - and rich - history.

When this Club was formed in Hamilton, in 1892, John Thompson was Prime Minister and Grover Cleveland was in the White House. Charles A. Wheeler patented the first escalator and a fellow by the name of Washington Sheffield earned an enduring place in many a marital spat by inventing the toothpaste tube.

But, the most important event of 1892 - besides the formation of the Canadian Club of course - was the decision by Lord Stanley of Preston to donate a trophy for Canada's top-ranking amateur hockey club. The Stanley Cup was born. And a national passion found form in a sculpted silver bowl.

As a relative newcomer to Canada, if there's one thing I've learned in my 18 months here, it's just how passionate Canadians feel about hockey!

Through all of the intervening years, this organization has provided a place where the currents of history could meet. Whatever the issue, whatever the cause, if it mattered, it was aired at the Canadian Club.

So it is perhaps appropriate that I should speak today, to the *Canadian* Club about making this Canada's hour. About the opportunities before us. And why each of us has a role to play.

Let me begin by telling you a little bit about the journey TMX Group has been on over the past few years.

As you know, Canada's stock exchanges used to be mutually owned by the dealers and brokerage houses. Then, in 2000, it was decided to put the exchange under the direction of a neutral, standalone company - a process we call "demutualization". Since then, we've evolved into TMX Group, operating a full portfolio of assets to provide trading, data and, in many cases, clearing capabilities for stocks, fixed income, derivatives and energy.

Now, TMX Group is something of a unique enterprise, at the heart of Canadian capital markets. On one level, we are a traditional company whose responsibility is to enhance shareholder value. But we're also a company with a public interest mandate that provides the infrastructure for a host of capital market activities.

And the two roles are complementary. To serve our *shareholders* well, we need to serve our *customers* well - customers which include our intermediaries and end users as well as our nearly 4,000 listed issuers. And our *customers, as well as their investors*, are better served by the

neutrality we provide by being an independent company. Indeed, that independence is what allows us - and Canada's public markets - to thrive.

We take this public interest responsibility very seriously. We know, as you do, that a vibrant capital marketplace provides the fuel to drive our prosperity as a country.

Indeed, for hundreds of years, stock exchanges have provided the conduit for capital. Encouraging investment. Enabling even the smallest investor to participate in the profits of major companies. And allowing companies to raise funds - to build or grow their businesses - has fortified balance sheets and financed innovation.

Without a central, transparent place to raise funds, Canadian businesses would be forced to take on more debt, pay more for the capital they need and, perhaps even have a smaller pool of capital from which to draw.

At the same time, individual Canadians would have fewer options for investing their savings, participating in economic growth and building their futures.

Now, I know that for many people, stock exchanges can seem confusing - filled with technical jargon and complicated instruments. But at their heart is a simple function - to act as a central marketplace, connecting ideas with resources, and investors with opportunities. And as such, exchanges are critical components of a national economy.

That's why we adhere to the highest standards of integrity and transparency - and expect the same from those who list with us.

As a key contributor to the national economy, we're proud of the role we play and the success that we've had. A few quick stats:

Today, TMX's equity markets are number one in the world in listing mining and energy companies. We're number two in terms of the *overall* number of companies listed. We're second in the world in the number of technology companies listed and a leader in the emerging clean technology sector.

We're particularly proud of our performance during the recent economic crisis. At a time when credit markets became dysfunctional, private equity dried up and a number of global financial institutions went "hat in hand" to governments, our exchanges and clearing houses stayed open, conducted business and brought a measure of stability in a time of turmoil.

In fact, not only did we stay open, we realized record volumes! And so far this year, the Toronto Stock Exchange has seen record levels of financings, with over \$56 billion raised to the end of November - exceeding the previous record set for financings in all of 2007.

That's \$56 billion of new capital - money that companies are using to launch new products, hire new workers and drive economic recovery. That's good news for Canadians. And it's a strong vote of confidence for the markets we operate.

Now, I mention all of this not to boast, but to point out what many Canadians don't realize - that Canada's markets are major players in the world of international finance. That they are trusted. And respected.

And what is true of Canadian markets is also true of Canada as a whole.

As I said, I've been living in Canada full-time now for about 18 months and I am very impressed with what this country has to offer. The assets it has. The story it has to tell. And even though I've worked in the U.S. and in Singapore, I have never seen the kind of potential that we have here in this country. Just consider:

When the global financial system was imploding, Canada's financial system came through relatively unscathed. Not surprisingly, for the second straight year, the World Economic Forum declared that Canada has the safest and soundest financial system on the globe. Not Switzerland. Canada.

But even more importantly, when you look ahead to what will be required for success - whether it's outstanding infrastructure, or a well-educated work force or a solid financial sector or natural resources and the expertise to develop them - Canada has it all. Everything the world is looking for.

Right here in Toronto, we have one of the world's leading financial centres. The most recent Global Financial Centre Index puts us at number 12 in the world. I agree with the Toronto Financial Services Alliance that we should aim to be one of the two most important financial hubs in North America - and among the top ten worldwide - within five years.

In a recent study, the Boston Consulting Group makes it clear that the current timing is particularly compelling. The Report says, and I quote, "The global financial crisis has put Canada and Toronto under a temporary spotlight of attention which is sure to wane unless purposefully seized." end quote.

They're right. I believe that Canada *does* enjoy a truly unique opportunity - not only to establish ourselves as a leading financial centre, but to expand a world class, competitive economy. To turn the recent crisis into an enduring advantage. How to get there?

Let me suggest three areas to focus on.

First, we need to do a better job of promoting all that makes Canada remarkable. Notice I said "we" have to do a better job. Not the guy beside us. Not Ottawa. Not Queen's Park. *We* do.

I think too many of us have seen ourselves as builders of businesses rather than as ambassadors for this country. But at a time when other nations are aggressively marketing themselves, when globalization has made it possible to set up a business almost anywhere, the two have to go hand in hand. Because even the best story, and the most compelling business case, is of limited value if no one hears it.

So I have come here today not only to cheer but to challenge. To call on all of us to do our part, shoulder our share, spend our money and promote Canada and our markets like we never have before.

At TMX Group, we've been doing this for a number of years now. We've shared our story - and Canada's strengths around the globe - in Australia, Chile, Peru, China, Africa, the U.K., Russia, Israel and the United States.

We estimate that up to half of our trading volume now comes from outside Canada. We're home to 260 international issuers - and we're optimistic about the pipeline of potential issuers we're developing through our efforts abroad.

For all of us, the coming months afford an incredible opportunity to sell Canada as we host the G-8, the G-20 and the Olympics. Given our strengths, given our credibility in the world today, we've never had a more receptive audience.

So that's the first point for developing Canada's potential - getting out there and promoting it.

Second, and related, we need to see the whole world as our marketplace. Gone are the days when we compete with the guy next door for the customer across the street. In today's world, both our competitors and our customers are across the globe.

As Thomas Friedman has said, the world is flat, leveled by information and communications technologies which have eliminated distances, lowered transaction costs and transformed how companies manage their supply chains. Creating exciting new opportunities for companies, large and small, to serve their customers, near and far.

In such a world, the critical requirement for success is having a truly global perspective. That means measuring ourselves against the best. Competing against the best. Becoming the best. For all of us, this means a new opportunity.

At TMX Group, for example, we compete for listings not only with the New York Stock Exchange and NASDAQ, but exchanges around the world - from London to Sydney to Singapore. We see select companies around the world as potential listed issuers - and every international investor as a potential investor in Canada. The goal, therefore, should not be to fragment our own market but to win a bigger share of the global market.

Part of that means removing impediments to trans-border trading. First, between Canada and the United States – ultimately, across other jurisdictions.

At a time when technology enables virtually instantaneous transfer of financial information, it simply doesn't make sense that an American cannot directly purchase shares on Canadian exchanges. It's time that we had free trade in securities just as we have free trade in goods – and that begins with a mutual recognition of one another's regulatory systems. We stand prepared to offer our assistance to government and other bodies in this effort.

Third and final point, we need to make sure that once we have the world's attention, we have a world class environment in which they can invest.

That means developing the right business environment - from tax policies to the regulatory system to insisting on appropriate standards of corporate responsibility.

Now, I'm sure we all have our own ideas, based on our own experiences and the sector in which we work. Let me just suggest a few ideas from our perspective, at TMX Group.

As you know, small and medium sized enterprises are the lifeblood of Canada's economy. The greatest creators of jobs. The incubators of innovation. It's critical, therefore, that we create the right financial incentives to support them.

At the moment, small private Canadian companies have access to a number of important incentives including an enhanced, refundable credit under the Scientific Research and Experimental Development Tax Credit. Once these companies go public, however, they no longer qualify for the enhanced part of the credit, nor is it refundable.

These rules may have made sense when they were introduced years ago – when being a public company meant being a bank or a large insurance company. But today, thousands of early stage growth companies are seeking access to capital on public markets.

We shouldn't be discouraging them from tapping into capital markets when they need them most, leaving them to look to more expensive debt financing at a time they can least afford it. That's not the way to develop the next RIM or Bombardier. Or propel a clean energy sector that is fast becoming the envy of the world - a sector that's already raised \$1B in financing in our markets.

Closer to home, in the past couple of years we've seen the emergence of Alternative Trading Systems which compete directly with traditional stock exchanges. We welcome competition. Especially if it drives innovation, lowers costs and prompts market development.

Unfortunately, in this case, we have seen competition develop on the back of poor rule making. One result? Despite lowering our fees virtually every year since we went public, costs for our participating organizations have recently actually increased.

Why? One of the main reasons is that once an Alternative Trading System is operational, regulatory policy forces brokerage firms to incur significant new costs in order to plug into these trading systems – regardless of whether they have any material level of trading. This establishes a cost burden, without public benefit.

Beyond some of the more technical objections, however, is an even more fundamental issue. The premise behind the demutualization journey I mentioned earlier was straightforward: to provide the capital markets with an independent exchange, free from the potential conflicts of interest that arose from dealers and brokerages owning the exchange.

If we learned nothing else from the recent financial crisis, it is that public exchanges, with transparent rules, an investor protection role and absolute neutrality, provide a superior model.

Today, however, we risk stepping away from this model. Back to the days when trading venues and exchanges were owned by select participants with conflicted interests and an ability to work in concert.

Left unchecked, the current trend may restrict the needed development of our markets, and reinforce a perception by global investors that our markets are effectively closed to new participants. Exactly what we can't have if our capital markets are to compete for critical international investment; if they are going to continue to be the engines of economic prosperity.

It is time for Canada's various regulatory entities to act quickly and amend the rules governing Alternative Trading Systems - ensuring that our markets are open for business, governed fairly and free from inherent conflicts of interest.

Well, these are just a few of the issues facing Canada's capital markets. Issues that we believe merit more thought and debate. To foster that dialogue, we have formed a partnership with the Capital Markets Institute centered at the Rotman School of Management. An Institute with an outstanding reputation for bringing together academia and business to find solutions that enhance Canada's competitiveness.

Working with the Capital Markets Institute, we'll dig a little deeper – into regulatory policy, incentives for small business, ownership guidelines and the free flow of capital across borders. And, starting in the first quarter of 2010, provide the opportunity for stakeholders such as yourselves to weigh in before we present our ideas.

So a few ideas about how we could turn this unique moment of opportunity into Canada's hour. By promoting Canada aggressively. Conducting our businesses globally. And creating an environment which will make a compelling case for Canada.

I am confident that Canada can seize this moment. But we must act. All of us.

Because while the opportunity is impressive, it's also perishable.

And as you know, in business there *is* such a thing as being too late. Of missing moments of opportunity that pass to others who are better prepared - or more willing - to make the efforts necessary for success.

Let's not let that happen here. Not with this opportunity.

We have so much to gain and no time to lose.

Let's get down to business.