



QUEBEC CITY NAMED **FIRST CITY** IN NORTH AMERICA FOR ITS OPERATING COSTS IN ITS CATEGORY

In Quebec City, business operating costs are generally 5.8% lower than the average costs in American cities. The cost-benefit ratio is even higher in the international financial services sector (21.4%) and in shared services centers (10%).

Source: Competitive Alternatives, KPGM 2012



THE INSURANCE AND FINANCIAL SERVICES INDUSTRY PLAYS AN IMPORTANT ROLE IN THE ECONOMY OF THE AREA. WITH 10 HEAD OFFICES AND MORE THAN 360 ACTIVE COMPANIES IN THE INSURANCE SECTOR, THE AREA IS THE 2ND MOST IMPORTANT INSURANCE HUB IN CANADA.

The area, known as the “insurance capital”, is a leader in Canada. The insurance industry generates as much as 20% of the region’s gross domestic product (GDP) and more than 10% of its jobs.

The Quebec City Area can rely on this industry to remain steady despite the uncertainties of the global economic conditions.

The industry acts as an economic lever to stimulate the expansion of other sectors such as construction, information technology and business services. Its contribution to employment is significant, as it provides 21950 direct jobs and generates 23350 indirect jobs. The annual total of goods and services imports in the insurance sector amounts to \$745 million.

THE INSURANCE AND FINANCIAL SERVICES INDUSTRY IN THE QUEBEC CITY AREA

10 insurance company head offices

370 companies

\$5.5 billion in contribution to the GDP

45 300 direct and indirect jobs

\$2.4 billion in aggregate employment earnings

66 000 graduates in the sector

SUCCESS AT HOME AND ABROAD

The above data was compiled by Québec International in the Quebec census metropolitan area (CMA) and is expressed in Canadian dollars.

INSURANCE AND FINANCIAL SERVICES

PERSONAL INSURANCE • PROPERTY AND CASUALTY INSURANCE • LIFE INSURANCE
BROKERAGE ACTIVITIES • VENTURE CAPITAL • CREDIT AND FINANCING • INVESTMENT FUNDS
REAL-ESTATE FUNDS • PORTFOLIO MANAGEMENT • WEALTH MANAGEMENT • BANKING SERVICES



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INFLUENTIAL PLAYERS

THANKS TO THE ESTABLISHMENT OF MAJOR INSURANCE HEAD OFFICES IN THE AREA, QUEBEC CITY HAS BECOME A LEADER IN THE INSURANCE SECTOR IN CANADA.

Desjardins Group, the first savings and credit union in North America, was founded in 1900 in Lévis. Today, with its 45000 employees, Desjardins is the largest private employer in Quebec. The cooperative financial group has 5.6 million members and assets worth more than \$200 billion. In 2013, it was ranked 4th among North America's safest financial institutions and 13th among the world's strongest banks. Desjardins owns two insurance companies (life insurance, and property and casualty insurance) also based in Lévis.

Industrial Alliance, Insurance and Financial Services was founded in 1892 and is now the 4th largest personal insurance company in Canada. The company has branches throughout Canada and in the United States. It has more than 3 million clients and more than 4400 employees. Industrial Alliance has a car and home insurance subsidiary in Quebec City.

With a business volume of over \$3 billion and assets worth almost \$11 billion, **SSQ Financial Group** is one of the largest financial institutions with mutual associations in Canada. The Group employs 2000 people and has more than 1 million clients in its numerous associations.

With 2900 employees and partners, **La Capitale Financial Group** is well-established in Quebec and throughout Canada. This mutual company's assets are worth \$4.7 billion, making it a forerunner in the sector.

Founded 160 years ago, **Promutuel Group** has been building its expertise ever since and is now one of the largest damage insurance providers in Quebec. The company's 26 mutual associations employ 1700 employees and serve more than 575000 clients.

Since 1901, **Groupe LEDOR** relies on the expertise and know-how of its 160 employees to serve more than 100000 mutual company members. It provides insurance products for individuals, businesses and the agricultural sector.

The head offices of these major companies in the area spur the growth of important players in the general insurance sector such as **AssurExperts, Essor Insurance, Généralys, Intact Insurance, Intergroupe Assurances, L'Unique, PMT Roy, l'Union canadienne, etc.**

EDUCATION AND RESEARCH WORKING FOR THE INDUSTRY

The great chemistry existing between educational institutions and companies makes it possible to develop adapted and innovative programs in a variety of fields.

The Finance, Insurance and Real Estate Department of **Laval University** offers more than 10 undergraduate, graduate and postgraduate programs. It also offers microprograms in insurance and group annuities, financial services, insurable risk management, and financial management. In 1975, Laval was the first university in Canada to set up what would become the Industrial-Alliance Chair in Insurance and Financial Services. It is also host to the Investors Group Chair in Financial Planning, the Royal Bank of Canada Chair in Financial Innovation and a financial engineering lab.

Cégep de Sainte-Foy and **Cégep de Lévis-Lauzon** both offer adapted training in Insurance and Financial Services Consultancy. These two institutions also provide D3A online training in English. D3A was created by insurers to simulate complex everyday situations in the insurance sector. At **Cégep Champlain-St. Lawrence**, students can enroll in the Life Office Management Association (LOMA) program. This program is offered online and gives business students the opportunity to complement their regular training with internationally-recognized personal insurance training in English.



Photos: FSA, UlaVal

MAJOR REAL ESTATE PROJECTS

The housing stock owned by the insurers in the area is worth close to \$1 billion. In the last few years, some insurers launched important projects to keep up with their expanding growth. **Desjardins Group** built a 15-storey building with a 1600-employee capacity worth \$125 million in Lévis. **SSQ Financial Group** is investing \$300 million in Cité Verte, an extensive green real-estate project of 800 housing units and 70000 sq. ft. of office and commercial space. **La Capitale** inaugurated its new head office at the heart of Parliament Hill in 2013. The 80-million-dollar building won several architecture awards and aims at obtaining a LEED® NC-Gold certification.

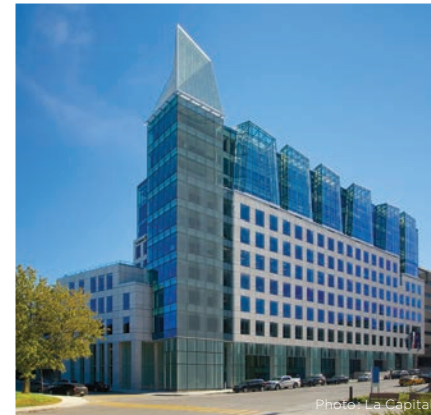


Photo: La Capitale



Photo: Desjardins

A GROWING PRESENCE IN NORTH AMERICA

There used to be a time when the great local players broadened their activities through the purchase of their regional competitors. However, the game has changed: the target is now on international and Canadian companies at large. In the last 15 years, **Industrial Alliance** purchased many companies in Canada and the United States, including American-Amicable, Clarington and Jovian Capital Corporation. As for **SSQ Financial Group**, it acquired AXA Canada's life insurance branch in 2012. Last but not least, **Desjardins Group** became the insurance leader in Canada, thanks to its Canada-wide expansion.

MAJOR INSTITUTIONS OF THE FINANCIAL SECTOR

The financial services sector relies on the presence of a critical mass of major companies in the area, such as major financial institutions. Companies that specialize in portfolio management also operate in the area.

Quebec City is also home to the **Caisse de dépôt et placement du Québec (CDPQ)** and the **Autorité des marchés financiers** head offices. The CDPQ was founded in 1965 and is the largest institutional funds manager in North America. Not only is it the first private placements investor in Canada, it is also one of the top 10 real-estate assets managers in the world.

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INSURANCE AND FINANCIAL SERVICES - AXA INSURANCE, INDUSTRIAL ALLIANCE, INTACT INSURANCE, LA CAPITALE FINANCIAL GROUP, DESJARDINS GROUP, PMT ROY, PROMUTUEL GROUP, SSQ FINANCIAL GROUP, L'UNION CANADIENNE **WEALTH AND PORTFOLIO MANAGEMENT** - DESJARDINS GROUP, INVESTORS GROUP, FREEDOM 55 FINANCIAL, UNIVERSITAS TRUST FUNDS, SUN LIFE FINANCIAL **BANKING SERVICES** - DESJARDINS CAISSES, RBC, BMO, CIBC, TD BANK, LAURENTIAN BANK, SCOTIA BANK, CITIFINANCIAL, HSBC **CROWN AGENCIES AND CORPORATIONS** - AUTORITÉ DES MARCHÉS FINANCIERS, BDC, CARRA, FINANCIÈRE AGRICOLE, INVESTISSEMENT QUÉBEC, RAMQ, SAAQ

UNEQUALLED SYNERGY

The **Centre de développement en assurances et services financiers** was created in 2007 by 11 personal and general insurance companies. It is the largest insurance company grouping in Canada. Known as Puissance 11, the grouping is proof that regional players can work in synergy to contribute to the growth of their industry. Puissance 11's mission includes promoting the quality career paths possible in this fast-growing sector.

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QUÉBEC-LÉVIS



Photo: Cégep Sainte-Foy

SIGNIFICANT PUBLIC INSURANCE PLANS

As the Quebec capital and government headquarters, Quebec City is major hub for decision-making. Among other institutions, the **Régie de l'assurance maladie du Québec (RAMQ)** is established in the city. The Régie was founded in 1968. It manages the public health insurance plan, which covers 7.6 million individuals, and the public drug insurance plan, which covers 3.3 million users. The **Société d'assurance automobile du Québec (SAAQ)** head office is also in Quebec City. The SAAQ offers a public insurance plan to compensate road accident victims. The **Commission administrative des régimes de retraite et d'assurances (CARRA)** manages the insurance plans of the public and para-public employees of Quebec. It is one of the largest retirement plan managers in Canada.