

Skills: The way forward in IFC'S

Good morning Ladies and Gentlemen.

Permit me to adopt the established protocol. Thank you. It is indeed an honour to speak to this gathering on the occasion of the Financial Services Industry Day. I am appearing here in my capacity as President of the Anguilla Chamber of Commerce and Industry to speak on the importance of skills and their relevance in a jurisdiction that is seeking to establish itself as a preeminent financial services center.

My talk today is a result of a series of articles authorized by me at the urging of Anguilla Finance which appeared recently in the Anguillan newspaper. Mr. Keith Bell, Director of the Financial Service Commission, who after reading those articles thought it would be good to share my thoughts with you today. How can anyone say no to such a gentle soul?

Seriously, skills and the availability of a skilled workforce are of critical importance to financial services providers. It is key in determining where such service providers will establish their operations. They often evaluate the quality of services that are available in any jurisdiction under consideration.

Too often, persons misjudge the value of skills to international financial centers. This is largely due to ignorance or lack of knowledge. Others feel that this industry exists primarily for the benefit of lawyers or accountants. Nothing could be further from the reality.

The workforce requirements in the financial services business can be described as pyramid, with the base representing the entry level positions and many opportunities and diminishing as one gets to the apex where positions requiring higher competency. Please do not for one moment equate lower end to mean subsistence wages. To the contrary wages at any level in this industry are above the norm. Moreover, most of the skills which can be acquired at the secondary level. Let's focus for a moment on these opportunities.

The secondary education curriculum in Anguilla affords students the opportunity to become proficient in subjects that comprise the core skill competences normally required in an international financial center. Generally, they are English, Spanish and French, Business Studies which include Office Administration, Accounts, Principles of Business and Information Technology. The CSEC statistics from 2010 to 2012 show that with the exception of French and Information Technology, a fairly significant number of students **do take and pass** these subjects. The statistics are gratifying to the extent that we are graduating students in sufficient numbers to meet the employment needs of the financial services industry in Anguilla. However, a close look at the data vividly demonstrates there are curriculum gaps that need to be addressed.

For one, the language needs of emerging economies are not being addressed sufficiently. The emerging economics that afford the financial services industry the greatest opportunities are generally classed as the BRIC countries, Asia and Latin America. Consequently, most experts recommend language competency in at least Portuguese, Spanish, and Mandarin to deal with the needs and concurrently the opportunities in these economies. The present secondary curriculum now makes no provision for either Portuguese or Mandarin. Moreover, the existing language requirement makes Spanish and French optional after Third Form.

This shortcoming, in the curriculum must be addressed as a matter of priority and languages should be made mandatory through Fifth Form. Imagine the possibilities if Anguilla can demonstrate its competences in these languages. I imagine jobs, jobs, and more jobs.

The Financial Services Industry by its very nature demands persons with accounting and financial skills. This is largely on account of the prevalence of financial dealings, and the regulatory requirements that are set up to ensure proper business operations. The CSEC statistics show that while we have a respectable passing rate in this area, the actual number of persons taking the exam is on the average below 30% and only 50% of the number actually getting a passing grade. **This is an area that needs to be addressed.** I urge our education specialists to revisit area and determine what can be done to ensure greater interest in this subject area.

Similarly, computer skills are no any longer desirable, but essential. The ability to master workplace programs such as Microsoft suite including Word, Access, Excel, Publisher, and PowerPoint as well as Spreadsheets and Presentations are required skills. Thus, these skills are not only relevant but also extends to other disciplines like Accounting. Competency in this area is therefore critical to employment opportunities and career advancement.

You will agree with me that our society and in particular the Financial Services have become highly mobile and information technology has move to address this reality. For example, mobile devices such as telephones, I-pads and tablets are actually computing devices, and within the last five years have largely supplanted the desktop. They are not only convenient but they signify increase workforce productivity. Here again like Accounting, we see diminishing number of students graduating with this core competency. The statistics show that out of an average graduating class of 100 students less than 30 students sit Information Technology at CSEC. The positive is the pass rate is close to 100%. If we can somehow shift interest in these devices from social to a job oriented focus this may have a telling effect on this statistic. Action is required.

It is not my intent today to malign or criticize our secondary education system. I am merely seeking to point out some relatively simple policy changes that would move us into a competitive position within the Financial Services arena. To be sure, much more needs to be done by government and Industry. Successful International Financial Centers such as Hong Kong and Singapore have demonstrated the effectiveness of long range planning in education and labour policies with the aim to make their jurisdictions attractive in this regard.

Governments need to have a consistent and proactive policy in terms of education and labour. These policies need to take into consideration what competencies are needed, the need to attract outside talent in areas where they are deficiencies, so that potential employers can plan with their workforce needs confidence knowing that their needs will be addressed on a long term basis. Unfortunately, this approach has been sadly lacking and several administrations have failed miserably in this regard. Instead, government seems to react on an ad hoc basis, often in a knee jerk largely reflecting a xenophobic bias.

Equally, Industry has to make its contribution. Perhaps, one reason many of our high school students do not appreciate the importance of attaining proficiency in the core skills needed in this industry is that they are not exposed to the industry. Imagine for a moment if an industry wide internship program organized in collaboration with the high school existed. This would expose students to the work place in an effective way. Students would become acclimated to the realities of the industry in the course of their education thereby allowing them to focus on acquiring the relevant skills. Also, proper mentorship programs are needed.

In addition, and perhaps more critical is an unwavering commitment by the Industry to provide opportunities for their existing workforce to improve and enhance their skills. In particular, they should encourage employees to seek and obtain certification in their respective competency. This can provide significant boost in wages and benefits especially those obtaining the requisite certification. This should not be optional. The mantra should and must be improve, improve, improve.

In conclusion, I sought to demonstrate here today that skills and the availability of a skilled workforce are essential to establishing a world class financial services center. Fortunately, many of those skills are and can be readily attainable through the secondary school, the Anguilla Community College and within the industry itself. In fact, the recently established Anguilla Community College is aggressively moving to provide support courses that are critical to the industry. This will put additional opportunities with the grasp of persons who formerly would have had to migrate in order to avail themselves of those resources.

While the statistics on the core competencies are encouraging, much more can and needs to be done. There can be no dispute as to the impact of a preeminent financial services center can have on our economy and thereby the lives of the workforce. It must become the focus of our government, educators and the Industry, who together can make this objective attainable. Thank you for your attention.