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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF ONTARIO

Brian A. Hunt, FCA, President and Chief Executive Officer

Submission to the Competition Policy Review Panel Sharpening Canada's Competitive Edge

To Whom It May Concern,

On behalf of our profession's 32,000-strong membership in this province, the Institute of Chartered Accountants of Ontario is pleased to respond to the Competition Policy Review Panel's request for submissions on sharpening Canada's competitive edge from an Ontario business and regulatory perspective.

Since 1879, the Institute has protected the public interest through the CA profession's high standards of qualification and the enforcement of its rules of professional conduct. During that time, we have also developed a solid record of advising various levels of government on business and economic issues. In fact, and consistent with this record, we recently consulted extensively with the Competition Bureau of Canada on its report *Self-regulated professions: Balancing competition with regulation*, and plan to continue to assist them in developing positions that balance the need for a competitive regulatory environment respecting professional services that continues to protect the public and meets its stated public policy goals.

You will be aware that among the Bureau's key recommendations respecting accounting services in Canada is the need for regulators "in each province and territory" to "consider establishing the minimum necessary competencies that public accountants should have". We agree with this recommendation whole-heartedly. Indeed, the CA profession in Ontario and Canada has advocated for nationally consistent standards of qualification and conduct for public accounting for many years. Owing to the findings of the Competition Bureau, and related developments of late, we have reason to believe that our position is gaining recognition and support among a variety of stakeholders. This policy recommendation is detailed in the following submission to you, in the context of ensuring a business and regulatory environment for Canada that enables us to keep pace with our competitors in an increasingly globalized economy.

A second area of focus in this submission is the need for legal liability reform respecting finance and accounting professionals. This is to ensure that businesses of every size have continued access to the quality financial expertise that they increasingly require in order to expand, obtain capital and financing, compete and create jobs, while helping foster an environment that enables Ontario and Canada to attract and retain top-level talent in the financial services sector – which increasingly is the engine driving our major urban centres and overall economy.

We welcome the opportunity to assist the Panel in evaluating the opportunities and hurdles that Canada faces as it competes globally. For the purpose of this exercise, however, we will focus our response on the questions 2 and 4 from the *Canada in a Global Context* part of your consultation document, as well as questions 1, 2 and 3 from the *Becoming a Destination for Talent, Capital and Innovation* section. We will leave it to others, including our members acting individually or on behalf of their various organizations, to address the other important questions raised in your document.

We believe this country is blessed with great talent and resources, and that Canada is well placed to become an even more prominent international business leader as we progress further into the 21st Century. To assist with that evolution, however, we believe Canada's governments need to consider two wide-ranging areas for attention – legal liability reform for financial service professionals and nationally consistent qualification and conduct standards for the practice of public accounting – to match best practices found in our international trading partners' jurisdictions.

By answering your questions with these issues as our focus, we believe we will make the case that both changes are vital if Canada is to continue to attract investment and top professional talent, create jobs and compete in an increasingly globalized economy.

Thank you for this valuable opportunity to provide you with our profession's ideas on making our country more competitive. We look forward to following up on this submission by taking part in your stakeholder consultations during 2008.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian Hunt". The signature is fluid and cursive, with the first name "Brian" being larger and more prominent than the last name "Hunt".

Brian Hunt, FCA
President and CEO
The Institute of Chartered Accountants of Ontario