

ADVOCACY

The National Voice of CPAs, Acting in the Public Interest

CPA Canada is elevating the voice of the profession on a number of federal policy issues that are important to the public interest. In doing so, we are making a difference by **advocating** for the public and working to improve the lives of everyday Canadians.

Public policy and the Canadian ideal of good business

CPA Canada's public policy agenda

Good public policy enhances our society and economy by addressing issues that are relevant to all Canadians. This year, CPA Canada continued to contribute to the public policy process through consultations with the federal government and our own research on current and emerging issues.

We strive to positively influence public policy and contribute to economic and social development in ways that align with the Canadian ideal of good business, including the cultivation of a healthy economy.

High-impact visibility for CPAs on Parliament Hill

The expertise and value of CPAs was showcased on a range of business and public policy subjects. CPA Canada achieved this by:

- Meeting with parliamentarians and key government officials
- Securing extensive news coverage of our federal budget analysis, which received 3.3 million impressions – the highest level in four years
- Sharing economic policy research at roundtable events and panel discussions
- Engaging our top public sector stakeholders, as well as working with other national associations and think-tanks at major events such as those hosted by Canada 2020, the C.D. Howe Institute, the Public Policy Forum and the Institute for Research on Public Policy
- Sponsoring high-profile activities in Ottawa such as the Parliamentary Internship Program, the Politics and the Pen Gala and the Hill Times All Politics event



(Top): CPA Canada's chief economist Francis Fong participates in a panel discussion on precarious employment at a Policy Options event.

(Bottom): Alain Côté, former chair of the CPA Canada Board of Directors, participates on a panel at Canada 2020's 4th Annual Conference.

- Arranging for two senior federal cabinet ministers to address attendees at The ONE National Conference in Ottawa
- Reaching out through the media to address tax-related issues, such as CPA Canada's call for a comprehensive tax review

Providing expertise on tax matters to the Canadian government

As an expert on tax matters that affect our economy and the public, and as the country's leading provider of tax education, CPA Canada is a respected voice on taxation. Our initiatives, guidance and positions are supported by the expertise of more than 100 volunteers who contribute to various tax-focused committees.

A primary focus in fiscal 2018 was the federal government's proposed tax changes for private corporations. Throughout the consultation process, we considered the public's best interest, kept members informed and liaised with the government. In addition to raising our views and concerns with the Finance Minister's office as well as the Prime Minister's office, we made a formal submission as part of the consultation process. Additionally, three separate submissions were made by the joint tax committee of the Canadian Bar Association and CPA Canada, addressing the technical complexity of the proposals.

Budget 2018 included a new approach related to passive income for private corporations. In our view, that particular plan is much simpler than what was originally proposed, and the government deserves credit for listening to Canadians.



CPA Canada's Bruce Ball, Vice-President, Taxation, and Federal Finance Minister Bill Morneau, on budget day in Ottawa.

CPA Canada is pleased that one of its recommendations was referenced in the Senate Finance Committee's report on those tax proposals, echoing our call for a review of the entire tax system. We firmly believe that incremental, ad hoc fixes are not a long-term solution. Rather, they create further complexities, inefficiencies and unintended consequences.

Budget Day 2018

CPA Canada received extensive media coverage around the federal budget delivered in February 2018. The priority was to focus on tax measures and to reiterate our call for a comprehensive tax review. Our commentary included insights on:

- The government's new approach related to passive income for private corporations
- The need for a comprehensive review of Canada's tax system
- A Finance Canada-led analysis of the impacts of the U.S. federal tax reforms on our country
- Issues regarding the timeline of return to a balanced budget
- Further investments by the Canadian government to combat tax evasion

More than 70 individual media articles appeared with CPA Canada commentary in prominent outlets such as the *Globe and Mail*, *National Post*, *Toronto Star*, *Canadian Press* and CTV News. The social media approach this year was refined and focused on creating timely, sharable content. The use of different formats such as animation, photos, infographics and video proved extremely effective.



Members of CPA Canada's team in Ottawa preparing for budget day.

Tackling the challenges of precarious employment and income inequality in Canada

CPA Canada released two noteworthy public policy reports this year, each authored by our Chief Economist, Francis Fong. The first report focused on income inequality, which found that increasing inequality is the worst in Canada's four largest cities. A goal of the research was to spark further discussion on the issue, providing greater precision about where the problem is being felt most. This research generated interest from other national business organizations and the media.

The second report delved into the complexity of defining precarious work. The report discusses why the issue of precarious work is as complex as it is in Canada, and highlighted where and among which population groups it may be growing the fastest. In addition to garnering interest from the federal government and the media, the research was presented by our chief economist to several policy organizations.



Source: *Navigating Precarious Employment in Canada: Who is Really at Risk?* By Francis Fong, Chief Economist, CPA Canada.

Contributing to the fight against money laundering and terrorist financing

We actively participate in Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime (AML/ATF), and have recently provided input to the Department of Finance regarding how to combat money laundering and terrorist financing.

We are committed to taking a leadership role in the fight against these activities and have recommended that Canada should consider initiating a cooperative and consultative process with key stakeholders, including regulators in the public and private sectors, to develop a risk-focused strategic blueprint.

This strategic blueprint will protect Canada's brand and the integrity of our financial system for the future. It will also revisit the roles and responsibilities of key stakeholders and outline efforts that address the most pressing challenges and opportunities for improvements and effectiveness, including:

- Enhancing transparency of ownership of Canadian assets to improve due diligence
- Encouraging individuals and organizations to report misconduct by providing adequate protection against retaliation
- Benchmarking Canada's work against those countries that are most active in the prosecution of money laundering and terrorist financing-related offences

CPA Canada is committed to engaging in these important issues that affect all Canadians. We recognize that threats such as money laundering, terrorist financing and other forms of illegal and unethical conduct can hurt our country's reputation, economy and society.

Thought leadership, professional development and best practices: governance and ethics

CPAs are recognized as trustworthy professionals and strategic business advisers who serve with integrity. We support our members in maintaining that reputation by offering events, courses and publications on governance and ethics.

The Road to Directorship: Getting Board Ready

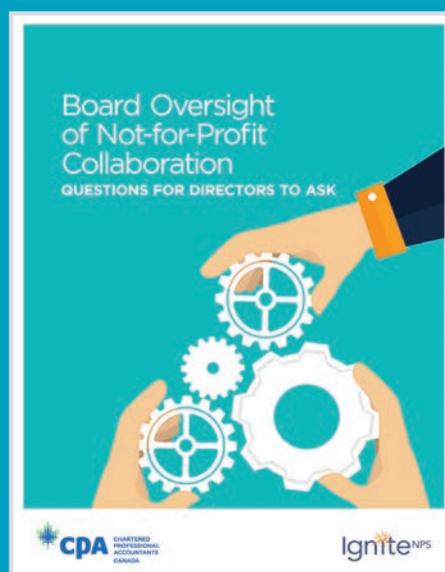
This event series was jointly presented by CPA Canada, CPA provincial bodies and Women Get on Board. Roundtable events were held in seven cities across the country, catering to mid-career CPAs who are keen to take the next step in their professional life and prepare for a role on a board. Organizers and attendees shared insights, tips and recommendations.

Board Oversight of Not-for-Profit Collaboration: Questions for Directors to Ask

A practical guide to help directors oversee their organization's collaborative pursuits and ensure they advance their organization's mission with efficiency, effectiveness and values-based decision-making.

Ethics Online Course Series

In our growing age of transparency, ethics matter. Ethics also present an opportunity for CPAs to uphold the Canadian ideal of good business, where integrity and the bottom line are not mutually exclusive. That is why CPA Canada introduced a new series of flexible professional development offerings in ethics this year, tailoring the options to ethics for the CFO, auditor and consultant.



Building a strong foundation for Canada's future with accessible financial literacy education

Financial literacy is a fundamental driver of economic health for individuals, communities, businesses and the broader Canadian economy. Our international award-winning financial literacy program continues to empower Canadians through helpful resources, publications and free in-person sessions for a wide range of audiences, including:

- Adults
- Seniors
- New Canadians
- Elementary and high school students
- Post-secondary students
- Small and medium businesses
- Entrepreneurs
- Remote communities in the Arctic (NEW!)
- Not-for-profit organizations

Through this program, we are helping people gain the knowledge needed to make more informed financial decisions. Doing so helps individuals become better money managers and touches on our values associated with the Canadian ideal of good business: sustainable growth, compassion and social development.



Author Lisa van de Geyn holds up a copy of CPA Canada's *Babie\$: The Real Story of How Much They Cost* (above).

CPA Canada's Vivian Leung, Lead Principal, Taxation, at the book launch in Vancouver (below).

Financial literacy highlights

Published a new book called *Babie\$: The Real Story of How Much They Cost*

Won an Excellence in Financial Literacy Education (EIFLE) Award



Established partnerships in communities, business and government



Five new sessions, with options for students and new Canadians



Won Thought Leadership Initiative of the Year Award from two U.K. publications



1,900 sessions took place, reaching 50,000 Canadians



Expanded programs in the Arctic, Barbados and British Columbia



Building capacity in partnership with Indigenous communities

Access to meaningful mentorships for youth

Engaging Canada's Indigenous communities is very important to us. CPA Canada proudly collaborates with the Martin Family Initiative to offer a specially focused mentorship program in which professional accountants mentor Indigenous high school students.

The program aims to increase high school graduation rates, encourage students to enroll in post-secondary programs and support them as they consider careers in business or accounting. It is now active in 27 schools in seven provinces across the country, with an inclusive approach that respects Indigenous cultures. This year brought new mentorship teams from the Office of the Auditor General of Canada and the Office of the Comptroller General, as well as a pilot project with CPA British Columbia.

Opening new career pathways

CPA Canada established a memorandum of understanding (MOU) with the Aboriginal Finance Officers Association of Canada (AFOA Canada) to increase the number of Indigenous people entering the fields of business and accounting, while supporting capacity building and financial self-determination in Indigenous communities.

This MOU continues to create alignments between AFOA Canada's Certified Aboriginal Financial Manager (CAFM) program and CPA Canada's Advanced Certificate in Accounting and Finance (ACAF) program. We understand that further alignments will also lead to greater opportunities for collaboration, career growth and academic credits that apply to both programs. To complement the existing MOU, CPA Canada is working on a joint project with AFOA funded by Employment and Social Development Canada (ESDC) that will include pilot mentorship initiatives to enhance overlap between ACAF and CAFM.

CPA Martin Mentorship Program for Indigenous High School Students

