NOW IS THE TIME

to secure our future
VISION FOR THE PROFESSION
To be the pre-eminent, internationally recognized Canadian accounting designation and business credential that best protects and serves the public interest.

GUIDING PRINCIPLES FOR UNIFICATION
The guiding principles provide the framework to unify the profession and achieve the vision.

1 Evolution to a single designation
- The new profession would adopt the Canadian designation Chartered Professional Accountant (CPA).
- All current members in good standing would be granted this designation from their new CPA provincial body as CPA legislation is approved.
- For a period of 10 years, all members using the new CPA designation would be required to use it in conjunction with their existing designations. No current member could use the CPA without identifying his or her legacy designation as follows:
  - First and Last Name, CPA, CA
  - First and Last Name, CPA, CMA
  - First and Last Name, CPA, CGA
- After 10 years, a member could choose to use the CPA designation on its own.

2 Continued use of existing designations
- Existing members would retain their current professional designations.
- No member would be automatically granted an existing professional designation of another body.
- The national and provincial CPA bodies would be promoting the new CPA designation. Use of legacy designations on their own post-unification would be subject to provincial merger agreements and legislation.
3 Retention but no expansion of rights

- Unification would protect all existing rights of members, such as public accounting rights and rights under any existing Mutual Recognition Agreement, without granting new rights.
- The new CPA organization would negotiate on behalf of all members when entering into new Mutual Recognition Agreements.
- Any member not authorized to practice in a restricted area, such as audit, prior to the merger would be required to complete any necessary provincial programs to qualify post-merger.

4 Certification

The new CPA organization would establish a certification program that draws on the strengths of the existing programs and would be recognized by members, regulators, global accounting organizations and the business community as being at least as rigorous as all existing programs. Detailed information on the developing certification program is available at www.CPACanada.ca and on the websites of the national bodies.

HIGHLIGHTS OF THE CANADIAN CPA CERTIFICATION PROCESS

- A CPA Competency Map would be designed to meet the needs of industry, government and public practice.
- An undergraduate degree and specific prerequisite courses in business and accountancy would be required for admission to the professional education program.
- A post-graduate professional education program would be developed nationally and delivered provincially/regionally. Key components would include:
  - Individual examinations and team-based evaluations throughout the program.
  - A comprehensive, multi-day final examination.
  - Rigorous practical experience that builds the relevant CPA competencies and is subject to quality control by the profession.
- Meet or exceed all standards for education, assessment and practical experience set by the International Federation of Accountants.
- Meet or exceed requirements for existing and future Mutual Recognition Agreements.
- Bridging programs to meet required degree or course prerequisites for the professional education program so that entry into the program would be accessible to entrants coming from the work force and abroad and those with non-business degrees.

To meet the diverse needs of both employers and clients, a separate program would be developed for those who aspire to a career in accountancy, but not as a qualified CPA. This program would have distinct entrance, education and assessment requirements. A bridging program to the appropriate stage of the CPA certification program would be developed.
Post-designation specialty programs would be developed to offer Chartered Professional Accountants the opportunity to enhance their expertise and advance their careers.

**5 A single designation with specialties**

- As in other professions like medicine and law, post-designation specialty programs would be developed to offer CPAs the opportunity to enhance their expertise and advance their careers.
- A number of post-designation specialties would be considered, such as tax, forensic accounting, strategic management, and public sector accounting.

**6 Branding the CPA designation**

- Early in the transition process, all branding efforts would focus on the CPA designation and there would no longer be any branding of the legacy designations.

The new profession would adopt the Canadian designation, Chartered Professional Accountant (CPA).

**7 Common code of conduct, regulations, and the practice of public accountancy**

- A new, common regulatory framework reflecting the best practices of the existing organizations, including codes of conduct, practice inspection, disciplinary processes and an effective, nationally consistent public accounting regime would be developed.
- The new national CPA organization would be responsible for supporting standard setting in the profession.

**8 Merged operations and governance**

- The operations of the participating bodies would be combined at the provincial and national levels.
- The new combined provincial and national bodies would be overseen by new Boards of Directors that would include representation from each of the participating bodies.
- Mechanisms to protect existing members’ rights (such as those under Mutual Recognition Agreements) would be included.
- The organizations in each jurisdiction would be responsible for securing any legislation required to combine the operations and move to a new CPA designation. These bodies would work collaboratively to obtain any required change.
Unifying the profession is a strategic response to the rapidly evolving environment and the resulting opportunities and risks facing the Canadian accounting profession.

The Canadian Environment

- Increasingly, accountants are working in the same practice areas but remain subject to different qualification processes, codes of conduct, inspection and disciplinary regimes operated under 40 different governing bodies.
- The three bodies in Quebec, at the invitation of their government, have agreed to merge under the Chartered Professional Accountant designation.
- The Association of Chartered Certified Accountants (ACCA) in the U.K., which is aggressively advancing a global expansion strategy that targets Canada, is legally challenging the CA profession’s legislated rights to the exclusive use of the name “Chartered Accountant” in Canada.
Global Alliances and Other International Developments

- The global financial crisis has brought the regulation of the accounting profession under close scrutiny.
- The U.K. House of Lords is publicly calling for the amalgamation of the six U.K. accounting bodies, saying the fragmentation of the accounting profession there is inefficient.
- The CPA designation is emerging as the largest accounting designation around the world. The CPA designation is used by more accountants than any other designation, with the current ratio of CPAs to CAs globally being 2:1.
- The Institute of Chartered Accountants in England and Wales and the ACCA have both filed European trademark applications to control the Chartered Professional Accountant (CPA) designation.
- The American Institute of Certified Public Accountants (AICPA) is aggressively seeking to expand its global footprint and is opening examination centres for the U.S. CPA exam outside of the U.S. In addition, the AICPA and the U.K.-based Chartered Institute of Management Accountants (CIMA) have announced a new jointly developed global management accountant designation.
- Increasingly, other national and regional accounting bodies also are entering into alliance agreements to increase their individual and collective strength, relevance and influence. Examples include the Global Accounting Alliance and the Edinburgh Group.

The CPA designation is emerging as the largest accounting designation around the world.

The Risks of Continuing as a Fragmented Profession

- Government mandating that we reform, and possibly dictating the terms of that reform.
- Inability to respond efficiently and effectively to challenges from foreign accounting bodies or alliances operating in Canada.
- If the profession does not unify it is possible that two of the existing bodies may merge, thereby potentially strengthening their position in the marketplace at the expense of the third body.
- The CPA designation becoming controlled by one or more of the existing Canadian bodies — to the exclusion of the others.
- Losing influence domestically and internationally if we do not speak with a single, strong voice.
A New Designation with Broad Expertise

- Members would retain their current designation and add the Canadian Chartered Professional Accountant (CPA) designation, which would become the pre-eminent designation and business credential for professional accountants who work in every sector of the economy.
- The Canadian CPA designation would represent a unique combination of expertise in all areas of accounting, including financial and management accounting, assurance and taxation. It would evolve into a globally recognized business credential in the areas of financial and strategic management, business leadership, and auditing and assurance competencies.
- Steps would be taken so that members would have access to post-designation specialty programs.

Securing Rights to the Global Designation of Choice

- Securing alignment with the most recognized global accounting designation would best protect the value of the Canadian profession’s designation in the long run.
- Coming together under the Chartered Professional Accountant banner would align us with both CA and CPA, if either, or both, designations emerge as globally dominant.
- Mutual Recognition Agreements would be maintained and expanded with the world’s most prominent CA, CPA and other significant bodies, facilitating members’ mobility globally.

Achieving our four unification objectives would result in benefits for members.

- Best positions the profession to protect the public through the provision of a common certification program and a single set of high ethical and practice standards.
- Enhances and protects the value of your designation in an increasingly competitive and global environment.
- Contributes to the sustainability and prosperity of the Canadian accounting profession.
- Governs the accounting profession in an effective and efficient manner.

WHAT UNIFICATION MEANS FOR ACCOUNTING PROFESSIONALS
Common Regulatory Processes

- A new common certification program and a single set of high ethical and practice standards, common code of conduct and practice inspection and discipline processes would create a strong foundation on which to build the unified profession, and would be more efficient and effective.
- Greater harmonization would enhance trust and confidence in the profession amongst employers and the public at large.
- A common regulatory framework would enhance inter-jurisdictional mobility for all members.

Efficiencies and Economies of Scale

- A fully unified Canadian profession would reduce the number of governing bodies, from 40 to 14, significantly simplifying operations and governance, and reducing confusion in the marketplace.
- Marketing dollars would be more efficiently used to support the interests of all CPA members.
- Gains from increased efficiencies could be re-invested in:
  - Enhancing member services, such as post-designation specialty programs and professional development.
  - Creating new products that enhance members’ practices and career goals.
  - Developing communities of interest and networking in the members’ many areas of activity.

A Powerful Organization with a Unified Voice

- A single voice representing as many as 170,000 Canadian members would more effectively represent member interests with respect to domestic policy, legislation and regulatory issues affecting the accounting profession.
- A larger, more cohesive voice would ensure the Canadian accounting profession continues to effectively influence international standard setting bodies and other global organizations.
- A united force would be stronger and more effective in dealing with global alliances and other designations that are becoming increasingly international in scope.

NEXT STEPS

As the Canadian accounting profession is provincially regulated, any decisions regarding subsequent merger proposals would be made provincially. Please contact your governing body for information regarding next steps in your province or region.
To learn more visit our website at www.CPACanada.ca