

November 1, 2005

ONTARIO'S PUBLIC ACCOUNTING ACT

The Public Accounting Act, 2004, was unanimously passed by the legislature in June 2004, and comes into effect today.

This legislation will create a council to establish standards that will enable qualified Chartered Accountants, Certified General Accountants and Certified Management Accountants to obtain a licence to practise public accounting.

Public accounting includes preparing financial statements for the use of third parties, and the giving of opinions on the reliability of the statements. Only a licensed accountant can conduct public accounting in Ontario. No licence or other credential is required by the government to conduct other aspects of the business of accounting.

The Public Accounting Act modernizes the regulation of public accounting and clarifies its definition, which determines what activities require a licence.

The reconstituted Public Accountants Council will create and implement new regulatory standards that accounting organizations will need to meet in order to grant licences, and ensure that public accounting in Ontario is practised in accordance with internationally respected public accounting norms.

This legislation will allow the three principal accounting bodies — the Institute of Chartered Accountants of Ontario, the Certified General Accountants of Ontario, and the Society of Management Accountants of Ontario — to license and regulate their members as individual public accountants once the bodies meet the standards set by the council.

To promote accountability and transparency, the accounting associations will be required to file annual reports with the government and will be subject to rotating reviews by the council.

The Public Accountants Council will be made up of 17 members — nine public members appointed by the Ontario government, including the chair, William J. Simpson Q.C., four members appointed by the Institute of Chartered Accountants of Ontario, two members appointed by the Certified General Accountants of Ontario and two members appointed by the Society of Management Accountants of Ontario.

The public members are:

William J. Simpson Q.C. (chair): Currently counsel with Tierney Stauffer in Ottawa and a bencher of the Law Society of Upper Canada. He was a member of the Law Society's Paralegal Task Force, and past chair of the Ottawa-Carleton Law Association.

Jalynn Bennett (vice-chair): Owner of Jalynn Bennett and Associates, a consulting firm in strategic planning and organizational development. She is a current member of the board of directors and chair of the audit committee for Sears Canada, chair of the corporate governance committee for the CIBC, and member of all board committees at Cadillac Fairview.

A. Scott Carson: Currently dean of the School of Business and Economics at Wilfred Laurier University. He is also a trustee of the International Finance Participation Trust, director of the Economical Insurance Group, and director of the Canadian Council for Public Private Partnerships.

John Crow: A former governor of the Bank of Canada. He has been an economic and financial consultant and corporate director, and is currently vice-chair of the Toronto Centre for Financial Supervision, and a member of the investment committee of the Workplace Safety and Insurance Board of Ontario.

J. Stefan Dupré: Professor emeritus of political science at the University of Toronto, and an associate editor of the Canadian Public Administration Journal. He is also a member of the Prime Minister's Advisory Council on Science and Technology.

Dennis Fotinos: President and CEO of Enwave Energy Corporation and a former Toronto City/Metro councillor. He has also served as chair of the advisory council for Habitat for Humanity.

Vinay Mehta: Legal counsel in the Legal and Compliance group of the CIBC. He is a former associate with the law firm of Borden Ladner Gervais, and a former director of the Laidlaw Foundation. He was also director of the East Indian Professional Residents of Canada.

Maureen Sabia: President of the consulting firm of Maureen Sabia International. She has held several directorships including Canadian Tire Corporation Ltd., Export Development Corporation, and Gulf Canada Resources Ltd.

Glorianne Stromberg: Consultant on issues related to the financial services industry. She is a former commissioner of the Ontario Securities Commission and a former representative on the International Organization of Securities Commissions.

Representatives from the three principal accounting organizations are:

Institute of Chartered Accountants of Ontario

Colleen Gibb: Founding partner of Gibb Widdis, Chartered Accountants. She has spent over 20 years advising owner-managed businesses on various issues including corporate and personal tax, tax planning and restructuring, estate planning and succession planning.

Ralph T. Neville: Partner in the Toronto office of BDO Dunwoody, with over 25 years of experience in income tax practice for corporate clients. He has also served as an expert witness on taxation matters in the Tax Court of Canada, in criminal court, family law and civil litigation matters.

Erik Peters: Provincial auditor until he retired in 2003. He served in audit and corporate controller positions in the provincial, national and international public and private sectors for over 35 years.

Michael Walke: Audit and assurance partner in the Pricewaterhouse Coopers Greater Toronto Area practice. He has extensive experience in delivery of audit and business advisory services to both public and private clients in many different industries.

Certified General Accountants of Ontario

Ron Colucci: Immediate past president and chair of the board of CGA Ontario. He is a certified general accountant who has been in practice as a sole practitioner since 1988.

Vern Krishna: Professor of law at the University of Ottawa and tax counsel in the Ottawa office of Borden Ladner Gervais. From 2001 to 2003, he served as treasurer of the Law Society of Upper Canada.

Society of Management Accountants of Ontario

Mervin G. Hillier: Principal of a consulting, teaching and coaching firm. He has more than 25 years of corporate management experience, and as former president of the Smith Group of Companies, he was recognized for building one of Canada's "50 Best Managed Companies."

David J. Hipgrave: President and CEO of the Certified Management Accountants of Ontario. Prior to his appointment in 1998, he was Chief Administrative Officer for the town of Milton, and Director of Corporate Planning and Development with the Municipality of Metropolitan Toronto.

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Contacts:

Brendan Crawley
Ministry of the Attorney General
(416) 326-2210

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