

# ... While accountants get into a CA(t) fight

BY JANET McFARLAND

**W**hen Mahes Wickramasinghe moved to Canada in 1989 to work for an accounting firm, he never considered concealing the credentials he had earned from Britain's Chartered Institute of Management Accountants.

But Mr. Wickramasinghe and other foreign-accredited accountants are now facing a crackdown on using the designations they earned abroad, in a raging battle that could only happen in the notoriously fractious world of accounting regulation in Ontario.

The bizarre dispute hinges on the use of a few letters. New legislation tabled in the province would prohibit accountants who have earned designations in foreign countries from displaying those letters after their names on business cards or letterhead if they include any portion of the initials CA (chartered accountant), CMA (certified management accountant) or CGA (certified general accountant).

The proposed Bill 158 has dismayed two British-based accounting organizations – the Association of Chartered Certified Accountants (ACCA) and the Chartered Institute of Management Accountants (CIMA) – whose combined 3,500 members have long displayed their credentials when working in Canada.

Mr. Wickramasinghe now works for a Barbados subsidiary of Canadian Imperial Bank of Commerce.

He also represents North America and the Caribbean on CIMA's council in Britain, says many of his group's members see the legislation as yet another hurdle that is making it more difficult for immigrants to get a toehold in Canada.

He said people feel a sense of betrayal when they have been chosen to come to Canada as skilled immigrants based on their qualifications, but then are told they can't use those credentials when they arrive.

"Once you come here, you hear, 'That qualification is not recognized, and, by

legislation, you're even barred from using that,'" he said.

Ontario does not require accountants to be approved or licensed provincially unless they are providing auditing services. That status will not change under Bill 158, and foreign-trained accountants will still be able to work in the same sorts of finance and accounting roles as they currently hold.

But accountants say it is nonetheless a blow to be told they cannot even display designations they have earned elsewhere.

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Mahes Wickramasinghe,  
Chartered Institute of  
Management Accountants (CIMA)

Paul Costello, spokesman for the ACCA in Canada, said his members are especially concerned because the Institute of Chartered Accountants of Ontario launched legal action in 2006 against an ACCA member, arguing he should not be able to use the ACCA designation "FCCA" after his name because it includes the letters "CA." (FCCA denotes a "fellow" of the ACCA.)

Although the accountant won his case at a second trial after a first decision was overturned on appeal, Mr. Costello said there is a clear risk that others could face the same sort of legal challenge for simply displaying their credentials.

The proposed bill would have tighter wording about the use of initials behind names, as well as a new \$10,000 penalty for breaches of the rule.

"There has never been an issue where any of our members have been identified

as breaching that section of the Act, or even confusing the public," he added.

The Ontario government says the new rules are intended to prevent misunderstandings by the public when people are dealing with accountants whose designations are similar to known Canadian designations.

"The legislation is intended to protect potential consumers of accounting services from confusion about the qualifications of accountants," said Brendan Crawley, spokesman for the Ministry of the Attorney-General, which is responsible for setting accounting standards.

The province is, however, considering whether confusion could be avoided by indicating the country from which the credentials were earned when they are displayed, he said. That could mean, for example, that a British-certified accountant could put (UK) after his or her designation.

However, the proposed compromise is not winning over the Institute of Chartered Accountants of Ontario, which is strongly opposed to the display of foreign designations using the "CA" letters, and has long fought to protect CA standards in the province.

"It's important to protect the designation in the marketplace from confusion with any other designation," said ICAO co-president Brian Leader.

He said there are "very different standards" for other designations in other countries, and they are not equivalent to a CA standard.

And he argues that people with foreign designations are not subject to any oversight or discipline in Ontario if they breach professional standards.

"If they want to use an accounting designation in Ontario, they should get one of the three designations that are regulated in Ontario and overseen by the government and given the right to exist by the government through their Acts," Mr. Leader said.

"So there are those paths."