

April 23, 2019

Dear CPAPEI Members:

After operating within our current governance structure for 5 years, several shortcomings in the existing governance structure or changes within the profession have come to light which require updating to the governance currently in place. Making the proposed changes to the Chartered Professional Accountants and Public Accounting Regulations and by-laws will allow CPA Prince Edward Island to operate/provide services to members in line with other provinces in Canada. Proposed changes include:

- To be able to recognize foreign trained applicants who qualify for credential recognition under an agreement made with a recognized organization
- To be able to provide differentiated categories of licenses to members who qualify for the license (this was presented at a member meeting July 2017)
- To provide more specific details for insurance requirements (this was presented at a member meeting July 2017)
- To be able to provide a waiver of Continuing Professional Development requirements for members who are temporarily or permanently inactive
- To include an ethics requirement in Continuing Professional Development required by members

Feedback on the proposed changes will be received until May 20, 2019. See detailed background information, attached.

If you have any questions or require more information, please contact the undersigned.

Yours Very Truly,



Tanya O'Brien, CPA, CA
Chief Executive Officer

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GOAL: To be able to recognize foreign trained applicants who qualify for credential recognition under an agreement made with a recognized organization.

The International Qualifications Appraisal Board ("IQAB") is an interprovincial committee of the CPA profession established to conduct studies and reviews of professional accounting bodies outside Canada and to recommend to the provincial and territorial Chartered Professional Accountant bodies in Canada, and to the Chartered Professional Accountants of Bermuda, whether and under what conditions, if any, members of any such professional accounting body outside Canada may be admitted to membership based on the qualification they hold. In this way, one committee is evaluating programs in other jurisdictions and establishing how that program compares to Canada's program and what an applicant who holds a designation from another jurisdiction outside Canada would be required to do for admission in Canada.

Negotiated agreements take on one of three forms based on the evaluations performed and the assessment as to what an applicant would be required to do to obtain a designation in Canada:

Mutual Recognition Agreements (MRAs) – are agreements, which provide for membership and include a route for audit rights.

Reciprocal Membership Agreements (RMAs) – are agreements that only provide for reciprocal membership (no audit rights).

Memorandums of Understanding (MOUs) – are membership agreements that are not reciprocal in nature. For example, the Pakistan agreement is an MOU, as members of ICA Pakistan are required to complete the Common Final Exam in the Canadian CPA program.

Most recent agreements include:

- US/Canada/Mexico Mutual Recognition Agreement
- Reciprocal Membership Agreement between the institute of Chartered Accountants in England and Wales and CPA Canada

Currently, CPAPEI's governance structure does not provide a path to membership for foreign trained applicants who are recognized by Mutual Recognition Agreements (MRA's) or Reciprocal Membership Agreements (RMA's) as negotiated from time to time by CPA Canada and approved by CPA Prince Edward Island. Existing regulations prescribe practical experience and examinations required by applicants. The "prescribed" experience requirements and examination are set out in regulation 2 and 3. In all other provinces, an applicant's qualifications are assessed against the appropriate MRA or RMA and their eligibility for membership is determined.

Generally, applicants who apply under a Memorandum of Understanding are directed to the CPA Atlantic School of Business as their education and practical experience are not equivalent to the Canadian CPA

and thus they have education and experience to make up and would end up qualifying under the existing applicant process through program completion which is completing the CFE and 30 months of practical experience.

Practical Experience

Existing practical experience for membership, as detailed in regulation 2, is thirty months of which 18 months must be obtained in Canada. In order to be able to recognize applicants under an MRA or RMA, this regulation will need to be expanded to allow qualifying practical experience to be recognized from outside Canada for those applying under the MRA or RMA.

Examinations

As our regulations exist today, only applicants for membership who have passed the CFE (or a legacy exam) may qualify for membership as per regulation 3. This limits CPAPEI's ability to admit to membership applicants who apply under an MRA or RMA where they have completed what is considered an equivalent education program\qualifying exam in another jurisdiction.

Applicants for Licensing

Only MRA's include a route for licensing a member for public accounting. Our existing regulation 6 and 7 set out the education and practical experience requirements applicants must meet to qualify for a license – including elective modules and\or a bridging exam (currently the PDPA exam) and public accounting hours at a pre-approved public accounting firm. Under an MRA, applicants are expected to meet the equivalent of these regulations as they were evaluated when the MRA was negotiated.

The MRA does provide for additional requirements be put on the applicant by the province, typically this would included courses in Canadian law and taxation.

British Columbia

CPA British Columbia Act

Admission as member

- 35 (1) The board must admit a person to membership in the CPABC if the person
- (a) passes examinations required by the board,
 - (b) satisfies the board that the person is of good character,
 - (c) pays any applicable fees established by the board, and
 - (d) meets any other requirements for admission to membership specified in the bylaws.
- (2) The board must admit a person to membership in the CPABC if the person is entitled under the Labour Mobility Act to be admitted to membership in the CPABC.
- (3) The board may delegate its powers and duties under subsections (1) and (2) to the registrar.

CPA British Columbia Bylaws

CPA Membership

- 501 (1) In addition to the requirements in section 35(1)(a) to (c) of the Act, an applicant under section 35(1) of the Act must meet the following further requirements for admission as a CPA member under section 35(1)(d) of the Act:
- (a) enrollment as a student of CPABC;
 - (b) successful completion of the CPA PEP, including all applicable program, examination and evaluation requirements;
 - (c) satisfaction of the practical experience requirements required by the board;
 - (d) any other applicable requirements specified in the regulations.
- (2) Despite subsection (1), an applicant who has successfully completed an international CPA education program, including all applicable program, examination and evaluation requirements, may be admitted as a CPA member if the applicant
- (a) satisfies the requirements under subsection (1)(c) and (d), and
 - (b) applies for admission as a CPA member within 12 months of successfully completing all applicable program, examination and requirements of the international CPA education program, as well as the practical experience requirement.

CPA British Columbia Bylaw Regulations

CPA Membership

- 501/1 In addition to the requirements in section 35(1)(a) to (c) of the Act and section 501(1)(a) to (c) of the bylaws, an applicant under section 35(1) of the Act must successfully complete professional development coursework required by the board before being admitted as a CPA member.

Alberta

CPA Alberta Regulations

Application for registration as a member by an applicant with a recognized accounting designation outside of Canada

- 10 For the purposes of section 38(2)(c) of the Act, if an applicant for registration as a member of the CPAA holds an accounting designation from an organization outside Canada that regulates accounting and is recognized by the board as having substantially equivalent competence, experience and practice requirements,
- (a) through a mutual recognition agreement, reciprocal membership agreement, memorandum of understanding or similar agreement, or
 - (b) following a review by the board or a body approved by the board, the applicant must provide satisfactory evidence to the registrar that the applicant has met the competence requirements referred to in section 38(1)(a) of the Act by providing evidence that the applicant
 - (c) is registered in good standing with the organization that granted the designation,
 - (d) has completed any other course or examination requirements that the board determines are necessary to ensure the applicant's competence,
 - (e) has met experience requirements substantially equivalent to those required under section 8, as determined by the registration committee,
 - (f) was engaged in the accounting profession in the jurisdiction in which that organization is located for a 2-year period, or a lesser period that the registration committee may approve, immediately preceding the applicant's receipt of the recognized accounting designation,
 - (g) has met the language proficiency requirements established by the board, and
 - (h) has fulfilled any additional requirements specified by the board.

Application for registration as a member by an applicant without a recognized accounting designation outside of Canada

- 11 For the purposes of section 38(2)(d) of the Act, if an applicant for registration as a member of the CPAA is registered with an organization outside of Canada that regulates accounting, and that is not recognized by the board under section 10, the applicant must provide satisfactory evidence to the registrar that the applicant has met the competence requirements referred to in section 38(1)(a) of the Act by providing evidence that the applicant
- (a) is registered in good standing with the organization that granted the designation,
 - (b) has met academic requirements substantially equivalent to those required under section 7, as determined by the registration committee,
 - (c) has completed any other course or examination requirements that the board determines are necessary to ensure the applicant's competence,
 - (d) has met experience requirements substantially equivalent to those required under section 8, as determined by the registration committee,
 - (e) was engaged in the accounting profession in the jurisdiction in which that organization is located for a 2-year period, or a lesser period that the registration committee may approve, immediately preceding the applicant's receipt of the accounting designation,
 - (f) has met the language proficiency requirements established by the board, and
 - (g) has fulfilled any additional requirements specified by the board.

GOAL: To be able to provide differentiated categories of licenses to members who qualify for the license.

Market conditions have changed for many firms practicing public accounting, and thus Public Accounting Firms have chosen to specialize their work into specific areas or certain types of work (ie audit clients), thereby limiting a members' ability to train a CPA, since our current regulations provide for all public practice candidates to acquire 625 hours of audit work.

The governance of CPA Prince Edward Island currently contemplates a member being licensed or not licensed and only one type of license is available to members, with one level of qualification. This license allows members to perform all public accounting within the definition provided under the Act. It is not our intent to change the definition of public accounting as provided in the Act but rather to restrict licensed members to levels of service based on their education and practical experience.

Due to a changing business environment, it is anticipated that members and those qualifying to be members, may only want to offer certain of the public accounting services available under the Act. As such, our training and qualification structure should reflect this. Many other provinces in Canada have already initiated this including British Columbia, Alberta, and New Brunswick.

All existing licensees would be transitioned based on what the member has already qualified for but new licenses would be issued under this proposed new structure.

A working group of the profession, Public Accounting Regulatory (PAR) Working Group, has studied this issue and a fundamental principle guiding the PAR Working Group during its deliberations has been ensuring that the standards recommended for the regulation of CPAs be appropriate and necessary to protect and serve the public interest. The PAR has borne in mind that ensuring access to services is also in the public interest. Regulatory standards, requirements and processes must not only be sufficiently rigorous to provide assurance that they protect the public (reflected or embodied most demonstrably by the persons and entities that use or rely upon the member's or practitioner's work product), they must also encourage accessibility to a wide spectrum of highly competent and appropriately regulated members and practitioners, CPAs who serve the public. Indeed, ensuring that members of the public have access to professional services is essential to serving and protecting the public interest. To do so requires that there be a sufficient supply of appropriately qualified and regulated professionals who serve the large and diverse market for public accounting engagements, in communities and regions of all sizes, for individuals as well as for entities of all sizes and complexities.

The PAR Working Group has recommended where it is possible or permitted by legislation, the registration process of CPA bodies should provide for differentiated categories of registration (commonly referred to as "tiered registration" or "tiered licensing") which reflect the scope of services being offered to the public and for which authorization to practice is limited to specified services (three categories within the "practice of public accounting"). See Appendix 1 for proposed categories of licenses with related practical experience and education requirements.

British Columbia

CPA British Columbia Bylaws

Public Practice by CPA Members

- 700 (1) A CPA member may only engage in public practice in accordance with this section.
- (2) A CPA member must not provide a service to the public in British Columbia that is included in public practice unless the member
- (a) holds current licensure under this Part authorizing the member to provide that service, or
 - (b) is exempt from the requirement for licensure according to criteria specified in the regulations.
- (3) A CPA member must not engage in public practice in British Columbia on behalf of any
- (a) partnership,
 - (b) corporation,
 - (c) sole proprietorship, or
 - (d) other organization
- in which any CPA member, or the spouse, parent, child or sibling of any CPA member, holds a proprietary interest, except as provided in subsection (4) or otherwise authorized by the board.
- (4) Subject to subsection (2), a CPA member may engage in public practice at or in association with
- (a) an authorized practising office of a registered firm, or
 - (b) a practising office in another province or territory of Canada or Bermuda, of a registered firm.
- (5) A CPA member must comply with the standards referred to in Bylaw 1003 in the provision of any public accounting services or other regulated services, including the performance of an audit or other assurance engagement.

CPA British Columbia Bylaw Regulations

Subcategories of Licensure

- 703/1 (1) The following subcategories of Audit Licence are established:
- (a) Audit Licence – Public Companies;
 - (b) Audit Licence – Non-Public Company;
 - (c) Audit Licence – Extra-provincial.
- (2) The following subcategories of Review Licence are established:
- (a) Review Licence – Regular;
 - (b) Review Licence – Extra-provincial.
- (3) The following subcategories of Compilation Licence are established:
- (a) Compilation Licence – Regular;
 - (b) Compilation Licence – Extra-provincial.
- (4) The following subcategories of Other Regulated Services Licence are established:
- (a) Other Regulated Services Licence – Reviewable;
 - (b) Other Regulated Services Licence – Non-Reviewable;
 - (c) Other Regulated Services – Extra-provincial.

Authorized Services

- 706/1 (1) Subject to Bylaw 700, a member holding an Audit Licence is authorized to provide any public accounting services and any other regulated services, subject to any applicable standards, limits or conditions established by the board for providing such services.
- (2) Subject to Bylaw 700, a member holding a Review Licence is authorized to provide
- (a) any public accounting services, except the performance of an audit engagement or issuance of an auditor's report, and
 - (b) any other regulated services subject to any applicable standards, limits or conditions established by the board for providing such services.
- (3) Subject to Bylaw 700, a member holding a Compilation Licence is authorized to provide
- (a) any public accounting services, except
 - (i) the performance of an audit, review or other assurance engagement, or issuance of an auditor's report, a review engagement report or another assurance report, or
 - (ii) the performance of a specified procedures engagement or issuance of a specified procedures engagement report, and
 - (b) any other regulated services subject to any applicable standards, limits or conditions established by the board for providing such services.
- (4) Subject to Bylaw 700, a member holding an Other Regulated Service Licence is authorized to provide other regulated services, subject to any applicable standards, limits or conditions established by the board for providing such services.

Alberta

Chartered Professional Accountants Act of Alberta

Professional accounting firm registration requirements

- 50 An application for registration as a professional accounting firm is complete for the purpose of consideration under Division 1 if it is in the form provided for by resolution and provided to the CPAA by the applicant together with
- (a) evidence to the satisfaction of the registrar or the registration committee about the nature and scope of the firm's professional accounting practice or public accounting practice, or both,
 - (b) the fees provided for by resolution,
 - (c) evidence of having professional liability insurance as required by the bylaws,
 - (d) evidence of meeting any education or experience requirements set out in the regulations,
 - (e) the name of the member of the CPAA at the professional accounting firm who is designated by the firm
 - (i) to receive correspondence and answer questions from the CPAA on any matter, including registration, practice reviews and disciplinary proceedings, and
 - (ii) to be the firm's representative for the purposes of Parts 4, 5 and 7, and
 - (f) any other information required by the directives.

CPA Alberta Regulations

Education and experience requirements for professional accounting firms

- 13 For the purposes of section 50 of the Act, an applicant for registration as a professional accounting firm must provide to the registrar, for each area of services of professional accounting practice and public accounting practice in which the firm plans to engage, satisfactory evidence that each chartered professional accountant or person within the firm who has the authority to issue any of those services on behalf of the firm meets the education and experience requirements prescribed by the board, including requirements respecting the currency of education and experience.

CPA Alberta Bylaws

1700 Professional Accounting Firms

- 1701 For the purpose of considering an application to register as a professional accounting firm, the Registration Committee must evaluate education and experience requirements prescribed by the Board for the purpose of section 13 of the Regulations.

The specifics we would like to see added to the requirements for professional liability insurance are requiring members to add an endorsement that CPAPEI be advised of any cancellation, non-renewal or change in coverage. In this way, CPA Prince Edward Island would be advised by the insurer if a member was to cancel insurance or change their policy during the time period after which it has been confirmed as in place. This would be in addition to the member being required to report, as per Section 30 (4) of the Act; the policy holder would have to advise as well. Also, we would like a requirement for insurance coverage requirements exclude defense costs. This allows the full coverage to be available for the claims and not consumed by defense costs.

CPAPEI Existing Requirements

Professional Liability Insurance

11. (1) The prescribed amount of professional liability insurance coverage required for licensee is as follows:
 - (a) where the licensee is an accounting firm or a professional accounting corporation with one public accountant practising public accounting through or on behalf of the licensee, not less than one million dollars covering the licensee and its public accountant;
 - (b) where the licensee is an accounting firm or a professional accounting corporation with two or three public accountants practising public accounting through or on behalf of the licensee, not less than 1.5 million dollars covering the licensee and its public accountants;
 - (c) where the licensee is an accounting firm or a professional accounting corporation with four or more public accountants practising public accounting through or on behalf of the licensee, not less than two million dollars covering the licensee and its public accountants.

British Columbia

CPA British Columbia Bylaw Regulations

Professional Liability Insurance Requirements

All firms that are engaged in public practice are required to have professional liability insurance.

Bylaw Regulation 1301/1 stipulates that all registered firms must carry the following minimum levels of professional liability insurance:

- \$1,000,000 per claim if there is one member with a proprietary interest in the firm;
- \$1,500,000 per claim if there are two or three members with a proprietary interest in the firm;
- \$2,000,000 per claim if there are four or more members with a proprietary interest in the firm.

Bylaw Regulation 1301/1(4) stipulates that each professional liability insurance contract shall be endorsed with the requirements that the insurance company shall notify CPABC in writing forthwith of:

- any cancellation or non-renewal of such policy; or
- any insurance coverage which is below the minimum coverage required above.

Bylaw Regulation 1301/1 (5) stipulates that Members holding a public practice licence must ensure that prior acts and omissions are covered by adequate professional liability insurance either through riders to an ongoing insurance policy or a separate discovery policy, for a minimum of six years after ceasing to be in public practice.

Alberta

CPA Alberta Bylaws

PART 8: PROFESSIONAL LIABILITY INSURANCE

- 801 For the purpose of registration as a professional accounting firm or professional service provider, with the exception of limited liability partnerships, an applicant must provide satisfactory evidence to the Registrar that the practice carries professional liability insurance for all services offered to the public by that professional accounting firm or professional service provider in an amount not less than:
- (a) \$1,000,000 per incident excluding defense costs where one registrant is engaged in the practice;
 - (b) \$1,500,000 per incident excluding defense costs where two or three registrants are engaged in the practice; and
 - (c) \$2,000,000 per incident excluding defense costs where four or more registrants are engaged in the practice.
- 802 Where a professional accounting firm ceases a professional accounting practice or a public accounting practice, the designated member of that professional accounting firm under section 50(e) of the Act must ensure that that professional accounting firm or its successor carries for six (6) years following such cessation, professional liability insurance in an amount not less than \$1,000,000 per incident, covering professional services rendered prior to cessation of practice by that professional accounting firm and its employees.
- 803 A professional service provider that ceases providing a public accounting practice or ceases providing professional services as specified in these Bylaws must carry, for not less than six (6) years following such cessation, professional liability insurance in an amount not less than \$1,000,000 per incident, covering the services rendered prior to cessation of the public accounting practice or professional services by that professional service provider and its employees.
- 804 The designated member of a professional accounting firm under section 50(e) of the Act and each professional service provider must immediately advise the CPAA in writing of any changes to the professional liability insurance policy, including any changes to the type of coverage or named insureds.

GOAL: To be able to provide a waiver of Continuing Professional Development requirements for members who are temporarily or permanently inactive

The existing regulations of CPA Prince Edward Island specifies the following:

4. (1) For the purpose of meeting the terms and conditions of registration in clause 13(4)(a) of the Act, a member *shall* complete
 - (a) at least 20 hours of continuing professional development per year, including at least 10 hours of continuing professional development that is objectively verifiable through an independent third party; and
 - (b) at least 120 hours of continuing professional development in each three-year period specified by the Board, including at least 60 hours of continuing professional development that is objectively verifiable through an independent third party.

The key word being "*shall*" which indicates all members must complete the required PD hours regardless of their circumstances, including retired members. However, there are times when a member is inactive such as parental leave, medical leave or family leave. In these instances, the member has temporarily stepped away from the profession with the intent of returning. When a member has stepped away for a period of time it is typical within the profession to grant a waiver from professional development requirements for that period of time. Temporarily inactive members should be able to request and be granted a waiver for an exemption to defer PD requirements for the time they are inactive. This request would go to a committee for approval based on a written request (completed request form).

The parameters for a waiver would be approved by the Board of CPAPEI and administered by a committee. Such parameters would include the circumstances under which a waiver would be granted, the length of time for the waiver and the conditions under which a member may return to active status (if a plan to make up hours is required). The committee of their peers would evaluate an applicant's waiver based on meeting the criteria for a professional development waiver and grant a waiver based on meeting the criteria and with imposition of any conditions as approved by the Board.

Retired members who are no longer active in the profession (inactive for CPD purposes) should not have any professional development requirements.

British Columbia

CPABC Bylaw Regulations

Continuing Professional Development Program: Basic Requirements

- 600/2 (1) Every member must comply with the basic requirements of CPABC's Continuing Professional Development Program, as prescribed in this section, unless exempted from some or all of those requirements under Bylaw 600(3).
- (2) Subject to subsections (3) to (5), every member must complete
- (a) a minimum of 20 qualifying hours of continuing professional development in each calendar year, including at least 10 verifiable qualifying hours, and
 - (b) a minimum of 120 qualifying hours of continuing professional development during each rolling three-calendar year period, including at least 60 verifiable qualifying hours, of which at least 4 are ethics hours.

CPABC Bylaws

Continuing Professional Development Program

- 600 (1) The board, by regulation, must establish a Continuing Professional Development Program, prescribing compulsory continuing education requirements for members.
- (2) Every member must deliver an annual compliance report to CPABC by the deadline specified in the regulations, certifying the member's compliance with the applicable requirements of the Continuing Professional Development Program.
- (3) The Membership Committee or, if authorized by the Membership Committee, the Registrar may exempt a category of members or, on application by a member, an individual member, from any or all of the requirements of the Continuing Professional Development Program.

Alberta

CPA Alberta Regulations

Continuing education requirements

- 16 (2) Each chartered professional accountant must complete continuing professional development that provides for the development of new or existing competencies that are relevant and appropriate to the chartered professional accountant's overall professional responsibilities and growth, and the board must prescribe
- (a) the total number of continuing professional development hours on both an annual basis and in a 3-year cycle, and
 - (b) the number of the total continuing professional development hours that must consist of verifiable learning activities.
- (3) The registration committee may grant an exemption from some or all of the requirements prescribed under subsection (2).

Nova Scotia

CPA Nova Scotia Bylaws

389. In the execution of its duties the Professional Development Committee shall have the power:
- (a) to determine from time to time what activities qualify as continuing professional development;
 - (b) to determine the manner in which members shall report their continuing professional development;
 - (c) to determine members or classes of members who may be excepted or have reduced professional development hours and the terms upon which the exemption or reduction in hours is granted;
 - (d) to determine members or classes of members who have increased professional development hour requirements;
 - (e) to determine that members or classes of members are required to undertake a certain type or types of professional development hours; and
 - (f) to review member compliance with the requirements of these By laws.
390. Unless otherwise determined by Professional Development Committee each member shall complete the following continuing professional development hours:
- (a) a minimum of twenty (20) professional development hours in each calendar year of which ten (10) hours must be verifiable; and
 - (b) one hundred twenty (120) professional development hours in any three (3) year rolling cycle, including at least sixty (60) hours of verifiable study in each three (3) year rolling cycle.

GOAL: To include an ethics requirement in Continuing Professional Development required by members

Today's business/practice environment is in a state of continual change and it is important that Chartered Professional Accountants remain conscious of the professional ethics expected and required of them.

In the more immediate term, with the introduction of the new CPA Code of Professional Conduct and the broad application of the new Code, it is important for the profession to ensure members are current and knowledgeable on matters contained therein.

Based on research conducted by the CPA profession, there is clearly some presence of an ethics requirement in the United States; less so in Canada and the other international accounting bodies:

- 12 of the 13 professional accounting U.S. State Boards surveyed have an ethics requirement; generally, 4 hours every 2 or 3 years.
- CPA British Columbia recently introduced a 4 hour ethics requirement every 3 year cycle (one of the BC legacy bodies already had this requirement in place for a number of years).
- 1 of 7 CAGE* countries has an ethics requirement - 4 hours every 5 years.
- Several Canadian Law Societies have an ethics requirement - generally 2 to 3 hours every year.

A Committee of the CPA profession has studied this issue and made a recommendation of 4 hours of ethics content be required by members as professional development in every 3 year rolling cycle. This has some precedence (as outlined above) and is considered a reasonable and practical amount (1/2 day course; 4 x 1 hour segments, etc.). Therefore, All Canadian provinces and territories have committed to including a 4 hours ethics requirement in a 3 year rolling cycle beginning in 2019.

The term "professional ethics" is recommended as this term is present in International Education Standard 7 of the International Federation of Accountants as well as the CPA Canada Handbook - Assurance CSQC 1. The Committee of the profession feels that the term "professional ethics" best captures the spirit of the recommendation and is preferable to simply "ethics" or "business ethics."

Professional ethics CPD is learning that specifically addresses professional ethics matters that are relevant and appropriate to the member. Professional ethics CPD can cover a wide range of topics related to ethics and ethical decision making.

*CAGE: Chartered Accountant Group of Executives comprising the following chartered accounting bodies: Canada; England & Wales; Scotland; South Africa; Australia; Ireland and New Zealand, plus Hong Kong CPAs

British Columbia

CPA British Columbia Bylaw Regulations

Bylaw Regulation 600/2(2) states that " ... every member must complete ... a minimum of 120 qualifying hours of continuing professional development during each rolling three-calendar year period, including at least 60 verifiable qualifying hours, of which at least 4 are ethics hours."

Bylaw Regulation 600/1 defines ethics hours as "verifiable qualifying hours in professional ethics satisfying criteria approved by the Membership Committee."

License Categories	Proposed Summary of Permitted Services	Proposed Education
Audit license	<p>(i) the performance or offer to perform any of the following services for the public:</p> <p>(A) an assurance engagement as defined in the CPA Canada Handbook,</p> <p>(B) a specified auditing procedures engagement as defined in the CPA Canada Handbook,</p> <p>(C) a compilation engagement as defined in the CPA Canada Handbook,</p> <p>(D) an accounting service involving summarization, analysis, advice, counsel or interpretation, unless it is part of, but incidental to, the performer's primary occupation, if other than accounting,</p> <p>(E) a forensic accounting, financial investigation or financial litigation support service,</p> <p>(ii) the provision or offer of opinion, advice, counsel or interpretation with respect to a taxation matter in conjunction with a service described in subclause (i),</p> <p>(iii) the preparation of, or offer to prepare, a tax return or other statutory information filing in conjunction with a service described in subclause (i);</p>	<p>Candidates must choose Assurance and Tax Electives.</p> <p>Candidates must demonstrate depth in financial reporting and assurance.</p>
Review license	<ul style="list-style-type: none"> All services permitted by an audit license except an audit engagement as defined in the CPA Canada Handbook or specified auditing procedures as defined in the CPA Canada Handbook. 	<p>Candidates must choose Assurance and Tax Electives.</p> <p>Candidates must demonstrate depth in financial reporting and assurance.</p>
Compilation license	<ul style="list-style-type: none"> All services permitted by a review license, except an assurance engagement, a forensic accounting, financial investigation or financial litigation support service. 	<p>Candidates must choose Tax as one of two electives; the second elective is at the choice of candidates.</p> <p>Candidates must demonstrate depth in financial reporting plus one other depth area at the choice of candidates, ideally tax.</p>

License Categories	Proposed Practical Experience Requirements (incl within the 30 month work term) *	Proposed license Renewal	Proposed Lapsed license
Audit license	At least 1,250 chargeable hours in assurance, of which a minimum of 625 hours must be obtained in the audit of historical financial statements and at least 100 chargeable hours in taxation.	Completed at least 1,250 chargeable hours of practice as a public accountant within the preceding 5 years.	<p>< 12 months: if applicant meets requirements under Section 33(2)(a) of the Act and license renewal requirements with a minimum of 625 hours obtained in audit of historical financial statements.</p> <p>> 12 months: meets the requirements for <12 months and satisfies the Board they have obtained the required practical experience requirements.</p>
Review license	At least 1,250 chargeable hours in assurance, of which a minimum of 625 hours must be obtained in audit or review of historical financial statements and at least 100 chargeable hours in taxation.	Completed at least 1,250 chargeable hours of practice as a public accountant within the preceding 5 years.	<p>< 12 months: if applicant meets requirements under Section 33(2)(a) of the Act and license renewal requirements with a minimum of 625 hours obtained in assurance.</p> <p>> 12 months: meets the requirements for <12 months and satisfies the Board they have obtained the required practical experience requirements.</p>
Compilation license	At least 625 chargeable hours in compilation. Hours spent in the audit or review of historical financial statements are accepted as compilation hours, and at least 100 chargeable hours in taxation.	Completed at least 1,250 chargeable hours of practice as a public accountant within the preceding 5 years.	<p>< 12 months: if applicant meets requirements under Section 33(2)(a) of the Act and license renewal requirements.</p> <p>> 12 months: meets the requirements for <12 months and satisfies the Board they have obtained the required practical experience requirements.</p>

* all applicants must obtain at least 2,500 chargeable hours of experience assisting a public accountant which includes specified hours below