



**Certified General  
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accrédités**

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October 18, 2007

The Right Honourable Stephen Harper, P.C., M.P.  
Prime Minister of Canada  
Office of the Prime Minister  
80 Wellington Street  
Ottawa, ON K1A 0A2

Dear Prime Minister:

As President and Chief Executive Officer of the Certified General Accountants Association of Canada (CGA-Canada), and on behalf of our 68,000 members and students, I wish to congratulate you on the Speech from the Throne opening this Second Session of the 39<sup>th</sup> Parliament. I would like to take the opportunity to comment on two matters of importance to our association, as outlined in Tuesday evening's address.

### **1. Interprovincial Trade**

The matter of improving internal trade has long been a concern of CGA-Canada. We wholeheartedly agree that "Canada still has a long way to go to establish free trade among our provinces." We also concur with the government's observations that it is harder to move goods and services across provincial boundaries than across our international borders; that this hurts our competitive position; and that it is not the way a country should work. The government could not have summed up the situation any better.

That is why we are pleased to see the federal government's commitment to play a leadership role in strengthening the economic union. That is exactly what CGA-Canada has been advocating: we need and expect leadership on this critical issue. We have urged all governments to work together to create a fully functioning and effective open domestic market.

We believe that, under its constitutional responsibility to establish an economic union without barriers to trade and to regulate interprovincial trade and commerce, the federal government should legislatively establish a set of open domestic trade principles and encourage the provinces to do the same. Furthermore, we propose that necessary steps be taken to ensure that governments fully comply with panel findings – past, present and future – through an enhanced dispute resolution enforcement mechanism of the Agreement on Internal Trade. CGA-Canada has joined forces with seven other national organizations to seek improved interprovincial trade. We will continue working with your Ministers towards this goal.

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## 2. Tax Reform

In the Speech from the Throne, the government pledges to “bring forward a long-term plan of broad-based tax relief for individuals, businesses and families...” Recognizing that the Throne Speech is a blueprint which neither affords the time nor the space for much detail, CGA-Canada is one of many organizations looking forward to hearing more specifics in the Finance Minister’s Fall Economic and Fiscal Update.

Given that CGA-Canada has a wealth of experience and expertise on the subject of taxation, we would suggest the government undertake to do the following in the process of bringing forward its long-term plan of broad-based tax relief:

- Appoint an independent panel of experts to undertake a comprehensive review of Canada’s taxation policy and taxation system;
- Bring personal and corporate income taxes down to an internationally competitive rate;
- Make federal tax policy fairer, simpler and more responsive to attract investment, foster employment growth and raise incomes.

We endorse the government’s signal to move beyond targeted tax cuts. Such relief has just not been enough. Our tax rates are not competitive and the tax burden on individuals and businesses is excessive. We can do better. And, with a \$14 billion surplus, we can afford to do better.

Please rest assured of our commitment to assist you in achieving your objectives insofar as your long-term broad-based tax relief plan and strengthened interprovincial trade agenda are concerned. CGA-Canada welcomes the opportunity to work with you and your Ministers on matters of mutual interest and concern, in whatever way feasible.

Respectfully yours,

*Original Signed by:*

Anthony Ariganello, CPA (Delaware) FCGA  
President and Chief Executive Officer

cc. The Honourable Jim Flaherty, P.C., M.P., Minister of Finance  
The Honourable Jim Prentice, P.C., M.P., Minister of Industry  
The Honourable Stéphane Dion, P.C., M.P., Leader of the Liberal Party of Canada  
Mr. Gilles Duceppe, M.P., Leader of the Bloc Québécois  
The Honourable Jack Layton, P.C., M.P., Leader of the New Democratic Party of Canada