

CHARTERED ACCOUNTANTS.

Origin and Growth of the Profession in Ontario— Question of Disallowance of Act.

Editor, Monetary Times:

Sir,—Having summarized as briefly as possible in your last week's issue, the nature or the difficulties in Canadian Accountancy circles, a short account of the origin and growth of the profession in Ontario would seem to be a matter of public interest.

In November 1879 some of the accountants and financial men of Toronto organized what was known as The Institute of Accountants and Adjusters of Ontario. A constitution and by-laws were adopted and its membership—the only qualification for which was good character and an implied knowledge of accounts as evidenced by the occupation of the applicant—rapidly increased. In 1883, incorporation was sought and obtained by special Act under the title of The Institute of Chartered Accountants of Ontario. Authority was given to "prescribe such tests of competency, fitness and moral character as may be thought fit to qualify for admission to membership, and to grant diplomas of fellowship to competent members enabling them to use the distinguishing letters F.C.A."

Had To Explain Designation.

Tests of competency by examination were instituted, but not enforced in all cases as a condition precedent to membership. These examinations were for Associate Membership and for Fellowship respectively. During the eight years that followed three-fourths of the original members dropped out, and of those remaining nearly two-thirds had submitted their qualifications to the prescribed tests.

Previous to 1891, when I informed my business acquaintances that I was a Chartered Accountant I was invariably under the necessity of explaining what that designation meant. This condition of affairs seemed to argue that the Institute was not living up to a proper sense of its responsibilities, a view which found immediate acceptance with my associates on the council. During 1891, the subject received serious discussion and by-laws were passed which limited the right to use the designation of "Chartered Accountant" to qualified members, and definitely established the rule of admission by examination only. Within the next few years all who had been admitted without examination either qualified or withdrew from membership.

Object Was To Gain Public Recognition.

Having personally initiated the reorganization of 1891, and having served continuously upon the Council of the Institute since that time, I am able to speak with actual knowledge of the infinite care and labour expended by the successive councils, boards of examiners and officers of the Institute, all directed towards one object—to gain public recognition for the "Chartered Accountants" of Ontario.

During the ten years that followed (1892 to 1901) great progress was made. Classes and lecture courses were conducted by the prominent members—without compensation, a Students' Society was formed, tests of practical experience were adopted as a condition of eligibility to take the Institute examinations. At the end of that period the members of the Institute had the satisfaction of knowing that the commercial public of this province had learned what a Chartered Accountant was, and had acquired the habit of employing him in preference to a man who did not carry the stamp of the Institute. There was no attempt to run a close corporation. Any person of good character might become a member by proving his capacity and experience. The public requirements were always kept in view.

In 1901, when the first attempt was made to secure incorporation at Ottawa for an Institute of Chartered Accountants the public interest was being well served by the Ontario body whose standards of professional capacity were admittedly higher than those of any other in Canada or the United States. Your readers may form their own conclusions there-

fore, as to the motives which inspired this attempt, which had its origin in Toronto. Was it the public interest, or was it personal ambition? If the former, why were four Toronto business men, none of them accountants, put forward as the applicants for incorporation? Or why was no effort made by the men behind the gun to seek the co-operation of the Institute of Ontario, which if not altogether admirable in their eyes, had at least a name and reputation in the province which was worth the trouble and expense (no small matter) of an Act of Parliament to obtain? Let it be borne in mind that at that time, every Chartered Accountant residing or practising in Ontario, was a member of the Ontario Institute, so that the name and reputation sought could be no other than that of the provincial organization.

Position Of The Ontario Institute.

That bill was thrown out, but with a new set of names the application was renewed the following session. It appearing that there was probably sufficient influence behind the application to carry it through in some form, a compromise was arranged, the essential features of which were that the four provincial societies were to have charge and control of the bill, all of the original applicants, who were not Chartered Accountants—save one—being dropped. The first council was to consist of ten Chartered Accountants out of a total of eleven members. The Ontario Institute never withdrew from that agreement. The responsibility lies elsewhere for the failure of the compromise plan, which seemed likely to assure conditions of harmony to Canadian accountancy interests for all time to come. The application went to parliament in its original form, but as finally passed was even more favourable to the contentions of the provincial societies than the compromise bill. My previous letter deals with what followed.

In conclusion, I wish to refer to the great work which the Ontario Institute is doing in this province at the present time. No better evidence of the character of our standards can be offered than that over two hundred persons are seeking to qualify for membership. The primary, intermediate and final examinations this month will be attended by about one hundred of these. The candidates for the intermediate have had each two years experience in the office of a public accountant or the equivalent. For the final, three years or the equivalent is required.

What The Candidate Must Know.

The range of knowledge in which the candidate must prove himself proficient is Correspondence, Arithmetic, Book-keeping, Auditing, Mercantile Law, Accounting Systems, Business Investigations and the Laws of Companies, Partnerships, Assignments, Municipalities, Executors, Banking and Insurance. These examinations are as thorough and as searching as any similar examinations in the English speaking world. The Act that has been disallowed was a guarantee that in a Chartered Accountant in this province, this standard would be maintained. Will anything less now fill the bill?

George Edwards.

Toronto, Ont., May 10, 1909.

COBALT ORE SHIPMENTS.

The following are the Cobalt ore shipments, in pounds, for the week ended May 8th: La Rose, 327,300; Nipissing, 337,090; Kerr Lake, 122,201; Temiskaming, 150,060; Crown Reserve, 102,816; Coniagas, 65,400; Temiskaming and H.B., 60,000; total, 1,164,867 pounds, or 582 tons. The total shipments since January 1st are now 20,309,098 pounds or 10,154 tons.

In 1904 the camp produced 158 tons, valued at \$316,217; in 1905, 2,144 tons, valued at \$1,473,196; in 1906, 5,129 tons, valued at \$3,900,000; in 1907, 14,040 tons; in 1908, 25,700 tons.