

6 August 2015

## Statement from CPA Australia Chief Executive Alex Malley

CPA Australia acknowledges the High Court of New Zealand's judgement today in relation to our proceedings against the New Zealand Institute of Chartered Accountants (NZICA\*) under the Defamation Act 1992 and the Fair Trading Act 1986 (NZ).

We alleged that on a number of occasions between 2011 and 2013, NZICA overstepped the appropriate boundaries of rivalry between the designations, with actions covering statements in flyers, advertisements, news articles and at industry events which were defamatory and in breach of the Fair Trading Act 1986.

The High Court found that we proved that NZICA breached Sections 9 and 11 of the Fair Trading Act.

In his judgement Justice Dobson found that "some aspects of the May 2011 flyer were misleading" because NZICA misrepresented information in purporting to compare the earnings of CPA members with the earnings of chartered accountants in New Zealand, and that it had published "a pattern of adverse comparisons that portrayed CPAA in a misleadingly inferior light".

Justice Dobson also found that CPA Australia "made out elements of actionable defamation" in relation to comments made at the industry events. He found that our "complaints were understandable".

In relation to the actions of NZICA's then acting chief executive, Ms Kirsten Patterson, Justice Dobson noted that she "accepted in cross-examination that she was mistaken about CPAA not being a member of GAA because of different educational standards".

He found that "Ms Patterson was inappropriately aggressive in criticising CPAA, where elements of those criticisms were false", "took substantially less care in ascertaining the state of the facts than should have occurred" and "was cavalier in confidently asserting matters on which she was wrong".

Further with respect to Ms Patterson, Justice Dobson found that "the level of carelessness verges on recklessness" and that "the defamatory elements of her criticisms did take improper advantage of the occasion."

Justice Dobson did not make a declaration on the basis that we were not able to establish pecuniary loss. However, he did find that "there were disparaging remarks by Ms Patterson that, if pecuniary loss had been made out, would have been defamatory".

Justice Dobson also finds that "the scope for criticism of the standard of NZICA's conduct is likely to reduce the justifiable quantum of costs", should costs be awarded to NZICA.

We commenced these proceedings as a last resort, and only after all attempts to resolve the matter outside these proceedings had been exhausted.

---

# MEDIA RELEASE

---



First and foremost we were acting as a matter of principle to defend the integrity of the CPA designation, and of the profession more generally.

CPA Australia has an ethos of integrity built into its charter, and there are similar standards of professional and ethical behaviour expected of the accounting profession.

We believe Justice Dobson's findings that NZICA defamed CPA Australia and breached provisions of the Fair Trading Act are a vindication of the action we have taken on behalf of our members.

-ENDS

\* In 2015, the New Zealand Institute of Chartered Accountants (NZICA) and the Institute of Chartered Accountants Australia amalgamated to become Chartered Accountants Australia and New Zealand (CAANZ).

**Contact:** Stuart Dignam on +61 3 9606 5176 or [stuart.dignam@cpaaustralia.com.au](mailto:stuart.dignam@cpaaustralia.com.au)

---

BE HEARD.  
BE RECOGNISED.

