

Economic Newsletter

Spring 2016

The mission of the Economic Planning Board (EPB) is to improve the economic well-being of our Jamat by providing guidance and assistance towards a sound financial base. The Board's mandate includes monitoring current and anticipated future economic climates and providing the Jamat with relevant and timely programmatic support in the areas of employment, entrepreneurship, financial literacy and business professionals.

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MESSAGE FROM THE LEADERSHIP

Ya Ali Madad,

We are pleased to share with our readers and members of the Jamat the Aga Khan Economic Planning Board's (AKEPB) newsletter for the spring of 2016. This publication includes a national economic perspective, highlights of the 2016 Federal Budget, tips on fraud prevention, interviews with the Chairman of the Conciliation and Arbitration Board (CAB) and the Chairman of AKEPB, and other helpful information. We hope you will enjoy reading this publication.

Over the last 18 months, the Canadian economy has slowed down and seen a rebalancing of economic strength across industries and provinces. Driven in part by a steep decline in the price of oil, the slowing economic growth in China and a weakened Canadian dollar against the U.S. dollar, the Organization of Economic Cooperation & Development (OECD) expects Canada to trail the G7 countries with slow economic growth in 2016. The International Monetary Fund (IMF) has also downgraded its forecast for Canada with growth projections of 1.5% in 2016 and 1.9 % in 2017.

Formerly a leading economic hub, Alberta's challenges have adversely impacted its population and economy. With the Ontario, British Columbia and Quebec economies holding their own, opportunities are materializing especially in manufacturing as well as cross-border trade.

The Government of Canada has responded with fiscal measures to stimulate the economy. The government has earmarked accelerated infrastructure spending and economic support to create jobs that could provide both employment and business opportunities for the Jamat.

The AKEPB has been active in responding to Canada's changing economic climate. Special programs, information sessions and engagement with business leaders were held in Alberta from November 2015 to March 2016. The AKEPB has also launched and strengthened several national and local programs to assist Jamati members exposed to economic risk. These include: further developing

and leveraging the strength of Ismaili business and professional alliances; increasing the summer internship program membership in Quebec; launching a power pairings mentorship program in Ontario; extending the vocational training program nationally, as well as conducting financial literacy sessions across Canada.

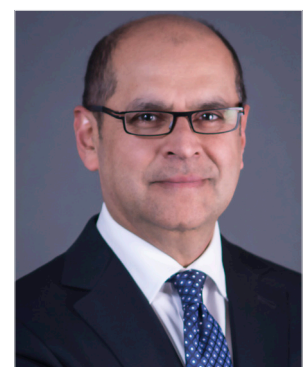
Importantly, the AKEPB continues to focus on the quality of life of the Jamat by assisting Jamati members with skills enhancement, job search strategies, and actively seeking out job placement opportunities. Information and tips on fraud prevention have also been communicated to the Jamat, especially seniors, to respond to growing fraud incidents. We strongly encourage the Jamat to visit the website of the Ismaili Institutions of Canada at <http://www.iicanada.org/>. This site provides information on news, events, resources, etc. for all institutional boards and portfolios, including the online version of our newsletter and other economic updates.

We look forward to the Jamat's feedback and trust that the information presented will be helpful

With warm wishes,



Zahir Kassam
Chairman



Feisal Dedhar
Honorary Secretary

AN INTERVIEW WITH DEREK BURLETON



The following are the answers to questions we asked Derek on the state of the Canadian economy, as at March 3, 2016.

■ **Is the current lack of consumer and business confidence systemic across Canada or is it more localized?**

Canadian consumer and business confidence has been hit considerably harder in regions that have been more directly exposed to the oil price shock. But there has been a systemic element. Few markets in Canada have been immune to the pessimism in the media and the gut-wrenching volatility in financial markets in recent months. Low and stable energy prices and a weak Canadian dollar generate benefits for many local markets in B.C., central Canada and the Maritimes, but rapid moves in one direction or another tend to raise uncertainty and delay investment and spending virtually everywhere. So while economic growth has held up better in the oil-consuming provinces, their growth projections have been downgraded. More recently, some semblance of stability has returned to commodity prices and the exchange rate, which hopefully will continue and feed through to improved confidence.

■ **Is the depressed value of the Canadian dollar a positive or a negative for the economy?**

There has been a lot of debate about the impact of the currency's roughly 40% plunge against the U.S. dollar over the past few years. It is easy to identify

the potential winners of a depressed currency manufacturers and tourist operators chief among them. The drop in the loonie has sharply reduced the cost for Americans investing in Canadian assets, including real estate and venture capital. On the flip side, some of the well-known losers of the low Canadian dollar are households and companies that rely on imported goods/services from the U.S. The challenge for economists is estimating the timing of these impacts and how they will net out. I am of the view that the loonie's plunge has actually hurt growth in Canada over the past three to four quarters, but as oil prices and the loonie stabilize (consistent with recent signs), a net boost to the economy will become increasingly evident. It takes up to six to eight quarters or longer for a lower currency to feed through to the export sector.

■ **Among the measures being taken by the Bank of Canada and the different levels of government, what will provide the most tangible benefits to the economy in terms of growth and stability? Do Canada and the provinces have financial capacity to roll out supportive fiscal and monetary policies?**

Since the financial crisis, advanced economies around the world have faced growth struggles. Even then, any meaningful economic gains have required central banks to deliver either near-zero interest rates, or in some cases, negative rates. Meanwhile, diminishing returns to monetary policy easing appear to have set in. This especially looks to be the case in Canada, where past economic outperformance has largely fallen on the back of interest-sensitive household spending debt accumulation, where upside is now limited. Interest rate cuts can have the added benefit of lowering a currency and providing stimulus to exports. But as I've noted, steady currency declines can become counterproductive by sapping confidence and increasing uncertainty.

■ Looking at the medium and long term, what are the top three to five industries that will lead Canada's growth into the future?

Despite all the current pessimism surrounding resources, I still see a favourable longer-term story surrounding both commodity demand and prices... there is little likelihood of a significant rebound in the resource sector over the next few years and the housing sector looks likely to cycle lower. Thus, Canada will be looking to other growth engines to keep the economy moving forward over the next two to three years. I am confident that better times lie ahead for a number of export-oriented industries, including those within manufacturing and tourism. This momentum will provide support to a number of feeder industries such as wholesale trade, industrial construction and tourism-driven accommodation and food services.

Ultimately, companies best positioned to expand over the next several years are those that embrace emerging trends and successfully innovate. Case in point, there are incredible growth opportunities in digital, the environment and health care.

■ Is Canada a resource-based economy or do we have sufficient diversity to provide adequate buffers to commodity crisis as we're seeing with oil today?

Clearly, there is much more to Canada's economy than just oil. As a testament to this fact, the economy still managed to grow in 2015 despite the massive shock from lower oil prices. However, it was marginal growth and in no small part driven by continued rapid housing market expansions in B.C. and Ontario.

Outside of resources and financial services, the country is short on corporate players of a global scale. At the same time, however, the country enjoys comparative advantage in many of the key drivers of productivity and innovation, including strong immigration rates, a relatively favourable business tax climate, and large public investments in innovation and infrastructure. With the resource sector poised to suck up less investment capital over the next five to ten years, other areas are well positioned to take up the slack. While much of this shift will be market based, effective government policies can provide support.

2016 FEDERAL BUDGET HIGHLIGHTS

On March 22, 2016, the federal government tabled its first Federal Budget, titled Growing the Middle Class. The budget was designed to fulfill some of the election promises and income tax measures introduced in the federal government's election platform.

CANADIAN PRIVATE BUSINESS

Qualifying Canadian-controlled private corporations benefit from a preferential tax rate on the first \$500,000 of active business income:

- Preferential tax rate has been reduced to 10.5% (from 11%);
- Small business tax rate will remain at 10.5 subsequent to 2016.

The benefits of tax planning structures designed to access multiple small business deductions in situations where corporate members of partnerships would otherwise have been required to share the \$500,000 small business limit determined at the partnership level have been eliminated.

Intangible property will be deducted through a new capital cost allowance (CCA) class.

- The new rules allow for up to \$3,000 of incorporation costs to be deducted as a current expense.
- This measure and its transitional rules are expected to take effect on January 1, 2017.

The budget addresses certain corporately-owned life insurance structures and certain situations where life insurance policies are transferred to a corporation, both of which can result in unintended tax-free distributions of amounts from a corporation that would otherwise be taxable.

PERSONAL TAX MEASURES

The marginal tax rate for income between \$45,000 and \$90,000 will decrease from 22.0% to 20.5%

A new top marginal tax rate of 33% will be introduced for incomes above \$200,000.

Annual limits for TFSA were reduced to \$5,500 (from \$10,000) and indexed to inflation

FAMILIES

The Family Tax Cut that previously allowed for income splitting by couples with at least one child and who had a sufficient disparity in income has been eliminated.

The Canada Child Benefit will replace the Universal Child Care Benefit and Canada Child Tax Benefit for payments starting July 1, 2016.

Households with income of less than \$30,000 will receive:

- A maximum of \$6,400 per child under age 6;
- A maximum of \$5,400 per child between the ages of 6 and 17.

Higher-income families (generally with family income in excess of \$150,000) will receive lower benefits than under the current system.

- The benefit payments are tax free and will not affect GST credits, guaranteed income supplement, the Canada education savings grant, Canada learning bond, Canada disability savings bond and the Canada disability savings grant.

OTHER CREDITS

THESE WILL BE ELIMINATED IN 2017

- Fitness credits - reduced to \$500 and will be eliminated in 2017
- Art credits – reduced to \$250

TEACHERS AND EARLY CHILDHOOD EDUCATORS

Credits up to a maximum of \$1,000 will be available for eligible school supplies paid from out-of-pocket and purchased after January 1, 2016.

STUDENTS

- Education and Textbook Tax Credits will be eliminated in 2017
- Unused credits can be carried forward
- No changes to the Tuition Tax Credit

SENIORS

The budget outlines a plan to restore the age eligibility for Old Age Security and the Guaranteed Income Supplement benefits to 65.

The Guaranteed Income Supplement will increase to a maximum of \$947 beginning in July 2016. Seniors with incomes of less than \$4,600 will receive the full increase of \$947.

CALLING ALL PROFESSIONALS

Calling all seasoned professionals with writing expertise!

Are you interested in writing an article for the EPB Newsletter? Do you have a subject area that you're passionate about and want to share your expertise?

If so please email us at nationalepbcpf@gmail.com and we will reach out to you directly!

TOP FORMS OF FINANCIAL FRAUD

FRAUD PREVENTION

With the economic downturn has come a rise in fraud over the last year and particularly in the last few months. It is important to be able to identify and protect yourself and your family from various forms of fraud. In this section we outline certain top forms of financial fraud, provide ways you can protect yourself, and list resources that can be accessed

COMMON FRAUD SCHEMES

Identity Theft

A criminal steals your basic information (name, birth date, etc.) to access your bank accounts and government benefits.

Credit and Debit Card Fraud

When someone gets control of your credit or debit card numbers and makes purchases or withdraws your money.

Criminals send emails and create websites that look like they're from a legitimate company you might deal with (i.e. your bank or cable company).

Criminals use the phone to trick you into revealing personal information. Look out for urgent requests to update or validate your information or requests for personal information.

The Romance Scam

Criminals target individuals through a social networking or online dating site and build a romantic relationship over time.

He or she will begin to ask for money, often for an urgent family or medical emergency.

The criminals may claim to live in a faraway country, needing money to travel to meet the intended victim.

The Grandparent Scam

The criminal calling you will claim to be your grandchild, will ask for money for an emergency such as a car accident.

He or she will ask you to send money through a wire transfer service immediately.

He or she will ask you not to tell his or her parents about this emergency.

Think you or someone you know has experienced fraud? Don't wait - tell someone and take action. Here's where to get help:

- Your bank
- Your local police department
- Provincial securities regulator - The Canadian Securities Administrators website can link you to yours
<https://www.securities-administrators.ca/>
- IIROC Complaints & Inquiries - 1-877-442-4322
<http://www.iiroc.ca/Pages/default.aspx>
- The Canadian Anti-Fraud Centre - Toll Free: 1-888-495-8501
<http://www.antifraudcentre-centreantifraude.ca/index-eng.htm>

10 WAYS TO PREVENT FRAUD

1. Protect your personal and financial information - don't respond to requests for personal or financial information unless you have initiated the contact or know that the organization is legitimate.
2. Destroy all your financial documents - shred, tear or burn credit card and bank statements and all documents with sensitive information.
3. Never give your personal information over the phone unless you initiated the call.
4. Immediately report lost or stolen credit/debit cards, drivers license, social insurance card, passport to prevent their further use.
5. Consult with a trusted and knowledgeable financial advisor.
6. Review your financial statements monthly - check for any charges or withdrawals you don't remember making.
7. Never share your PIN or passwords with anyone.
 - Choose PINs and passwords that are hard to guess — hide it with your hand or body when using an ABM or store keypad.
 - Do not choose passwords or PINs that would be easy to guess, such as part of your address, phone number or birthday or the birth dates of close family members.
8. Keep virus and anti-spyware up to date on your computers, tablets and mobile devices — this is key to making sure that no one can get access to personal information on your computer.
9. Visit websites you know are legitimate and only shop online with reputable businesses.
10. Do not click on unknown links in emails or messages from social media websites such as LinkedIn or Facebook.

IS IT LEGIT? 5 QUESTIONS TO ASK

Not sure whether someone is contacting you for legitimate business reasons? Ask yourself these questions:

1. Is someone asking for personal or financial information over the phone, email or via text? Your bank would never call you on the phone or contact you via email to ask for personal information or details about your bank accounts, passwords, credit cards etc. They already have that information.
2. Has someone requested your PIN number or password? A bank or service provider will never contact you and ask you for your passwords or hints about your passwords... (i.e. your mother's maiden name)
3. Did you order cheques or a new credit card that didn't arrive in your mailbox? Someone may have taken your mail and could have access to what's in there.
4. Is someone asking you for full payment for goods or services up front? Never wire someone money you don't know for a service or item you haven't received yet.
5. Are you being pressured to act now? If someone is pressuring you to act right away, it's a sign this might not be legitimate. Take your time and do not send money or provide information until you're sure someone is not trying to scam you.
6. Are you being threatened with any form of judicial punishment if you do not pay for certain government programming or taxes?

HOUSING TAX CREDITS AND HOUSING BENEFITS

NATIONALLY:

Home Accessibility Tax Credit

This tax credit provides federal tax relief of 15% of up to maximum \$10,000 of eligible expenditures per calendar year, per qualifying individual. To qualify, you must be:

- at least 65 years of age
- or eligible for the disability tax credit.

More information at:

<http://www.cra-arc.gc.ca/gncy/bdgt/2015/qa04-eng.html>

GST/HST New Housing Rebate

For rebates on part of the GST or the federal part of the HST paid on the construction or purchase of most newly constructed or substantially renovated houses used as a primary place of residence.

More information at:

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/gst-tps/hsng/rbts/nwhsng/menu-eng.html>

Home Buyer's Tax Credit

For first-time home buyers, or any time if you qualify for the disability amount on your tax return.

Home Buyer's Plan

Allows you to borrow, interest-free, from your own registered retirement savings plan (RRSP) to buy or build a home for yourself or a disabled relative.

Home-Based Offices

Those who are self-employed can deduct expenses if the home office is their principal place of business, or if there is a space only used for earning income and it is used regularly to meet clients.

Moving Expenses

If you establish a new home to be closer to a new job or to attend a post-secondary institution full time, you may qualify for moving expenses if your new residence is at least 40 kilometres from your previous residence.

BRITISH COLUMBIA

Rental Assistance Program for working families with children:

Eligibility:

- Gross household income of \$35,000 or less
- Have at least one dependent child
- Been employed at some point during the previous year

More information at:

http://bchousing.org/Options/Rental_market/RAP

Shelter Aid for Elderly Renters (SAFER):

Eligibility:

- Pay rent and
- Aged 60 years and older

More information at:

http://www.bchousing.org/Options/Rental_market/SAFER

ALBERTA

Special Needs Assistance for Seniors program (SNA)

- Assists with cost of appliances, minor home repairs, and some health and personal supports.
- Maximum of \$5,000 per year in benefits

More information at:

<http://www.seniors.alberta.ca/seniors/special-needs-assistance.html>

Seniors' Self-Contained Housing Program

- Provides affordable apartment-type accommodation to lower-income seniors who cannot afford private sector accommodation.
- Rent is based on 30% of a household's adjusted income.

More information at:

http://www.seniors.alberta.ca/housing/seniors_self_contained_housing.html

MANITOBA

Rent Assist:

- A financial benefit for those who receive Employment and Income Assistance (EIA) and incur housing costs. It is also available to other low-income private renters.

More information at:

<http://www.gov.mb.ca/jec/eia/rentassist/index.html>

SASKATCHEWAN

Rental Support for Families and People with Disabilities:

For families with low-to-moderate income, and individuals with disabilities. The supplement consists of two benefits:

1. The Family Rental Housing Supplement – benefits for families with low-to-moderate income who have children under the age of 18 to help pay their household rental costs.

2. The Disability Rental Housing Supplement – benefits for low-to-moderate income single individuals, families, and couples without children who have supports in their household to accommodate a physical or cognitive disability-related need.

More information at:

<https://www.saskatchewan.ca/residents/family-and-social-support/people-with-disabilities/rental-support-for-families-and-people-with-disabilities>

ONTARIO

The Ontario Electricity Support Program

- This program helps make electricity more affordable for low-income families.
- To find out if you are eligible for this program, go to <https://ontarioelectricitysupport.ca/SelfAssessment> and answer the self-assessment questions.

Eligible households are encouraged to apply online at <https://ontarioelectricitysupport.ca> or call 1-855-831-8151 for more information.

The Ontario Trillium Benefit

A single payment that combines the 3 tax credits below.

For more information, please visit

<http://www.fin.gov.on.ca/en/credit/otb/index.html>

1. Ontario Sales Tax Credit - up to \$287 back for each member of your family
2. Ontario Energy and Property Tax Credit: If you pay rent or property tax, you can get up to \$993 for non-seniors and up to \$1,131 for seniors to help with the sales tax on energy costs and property taxes.
3. Northern Ontario Energy Credit: If you live in the north, you can get up to \$143 for single people and \$221 for families to help with higher home heating costs.

Ontario Senior Homeowners' Property Tax Grant:

If you are 64 or older and own a home, you could get up to \$500 per year to help with the cost of property taxes.

For more information, call 1-877-627-6645 or visit <http://www.fin.gov.on.ca/en/credit/shptg/index.html>

QUEBEC

Rent Supplement (Société d'habitation du Québec)

If you are a low-income individual, you may obtain financial assistance to enable you to live in a dwelling in the private rental sector or belonging to a housing cooperative or non-profit organization.

More information at:

<http://www4.gouv.qc.ca/EN/Portail/Citoyens/Evenements/aines/Pages/supplement-loyer.aspx>

Shelter Allowance Program

- Provides financial assistance for low-income households that devote a large part of their budget to housing.
- You may receive a monthly allowance of up to \$80.

More information at:

http://www.revenuquebec.ca/en/citoyen/situation/faible_revenu/programmes_Allocation-logement.aspx

- Renovation costs up to a maximum of \$10,000.
- Ensure you receive a bill from your contractor that includes notes from the contractor detailing the work that was done and how it will improve the efficiency of your home.

More information at:

http://www.budget.finances.gouv.qc.ca/index_en.as

SKILLS AND EMPLOYMENT PROGRAM (SEP) – Q&A

■ What is the mission of SEP?

The mission of the SEP is to empower individuals to acquire skills and knowledge required to become gainfully employed. In 2015, the SEP assisted over 600 people with skills upgrading or job placement queries and moved over 100 families out of the low-income segment.

■ Why use SEP services?

SEP facilitates consultations with an experienced counselor, with whom you can have confidential discussions in a safe environment. When you meet, your counselor will conduct a career and skills assessment, discuss job search strategies, provide feedback with resume development and cover letters, aid in interview preparation, provide customized job enhancement tips, as well as discuss skills upgrading opportunities and labour market information. In addition, a counselor can provide referrals to government-funded agencies and public programs/schools where apprenticeship training is provided.

■ Who should contact the SEP office?

You are encouraged to contact the SEP Office if you are:

- Unemployed or underemployed
- In career transition
- Returning to the workforce
- A student
- Considering skills upgrading
- A foreign-trained professional
- New to Canada and need advice regarding skills and employment
- Seeking to learn English as a second language
- Interested in learning more about programs funded by government agencies
- A skilled trades person or an accredited professional

■ Who are the SEP volunteers?

The volunteer teams consist of a Client Support Team (CST) and an Employer Relations Team (ERT).

- The CST confidentially assists with job search strategies, resume writing and interview skills.
- The ERT collaborates with employers, recruitment agencies and government bodies to identify opportunities to connect job-ready Jamati members with appropriate jobs.

■ How can Jamati members support SEP?

The Jamat can help by employing Jamati members in their businesses, sharing job leads, job postings and training and funding opportunities with the SEP offices, as well as providing Jamati members with networking or mentorship opportunities.

The contact information for each region is as follows:

British Columbia SEP Office
604.438.4010 ext. 610
sep.bc@iicanada.org

Edmonton EBP
epb@edmcouncil.ca

Ontario SEP Office
416.751.4001 ext 321
sepontario@iicanada.org

Ottawa EPB
epbottawa786@gmail.com

Prairies SEP Office
403.215.6200 ext. 214
cfp.sep@iicanada.org

Quebec & Maritimes SEP Office
514.738.8866 ext 239
ceiasst@bellnet.ca

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BUSINESS DISPUTE MITIGATION AND RESOLUTION

Karim Sunderji is the Chairman of the Conciliation and Arbitration Board for Canada (CAB). Zahir Kassam is the Chairman of the Aga Khan Economic Planning Board for Canada (AKEPB).

■ What is the role of CAB?

Karim Sunderji (KS): The primary objective of CAB is to assist in the conciliation process between parties with differences or involved in disputes arising from commercial, business and other civil liability matters, as well as domestic and family matters. The CAB system aims to resolve disputes in an equitable, speedy, confidential, cost-effective and constructive manner, helping parties determine their own solutions.

■ What is the role of AKEPB?

Zahir Kassam (ZK): The objective of AKEPB is to improve the economic well-being of the Jamat. Specifically, it helps strengthen the business and professional segments through creating synergistic alliances that create efficiencies, networking, mentorships, and sharing of best practices; it assists and empowers the Jamat to acquire skills and knowledge to eliminate poverty in the Jamat; it ensures that the Jamat lives in safe quality housing; and strives to impart financial understanding of topics such as savings and budgeting..

■ What are the major cause of commercial or business disputes in the Jamat?

KS: Based on our CAB cases, the major cause of commercial dispute is poor documentation, specifically relating to the absence of contracts and a lack of audit trail pertaining to capital invested.

■ How do CAB and AKEPB collaborate?

ZK: CAB regularly shares with AKEPB information regarding the high-level causes of common business and commercial disputes. As CAB cases are confidential, there is no disclosure of names or other information. The purpose of sharing the causes of business disputes is to allow AKEPB to develop programming to prevent such disputes in the future.

■ Why is there a reluctance for Jamati members to have proper contracts and documentation?

KS: There is a general misunderstanding that having contracts and documentation is not in accordance with Islam or is because there is a lack of trust. Just the opposite is true. Contracting and documentation is not a western concept. Contracting and documentation is an important principle in Islam and was a basis of trade. The Qur'an states that all Muslims should honour their contracts and agreements.

■ What kind of programs does AKEPB offer to help Jamati members prevent disputes?

ZK: AKEPB has many programs targeted at various issues. For example, AKEPB offers financial literacy as well as business mentorship programs. In addition, we support the various alliances and entrepreneurship endeavours to help those in business maximize their long-term success and collaborate with other members of the Jamat.

■ Why is having proper contracts and documentation important?

KS: The purpose of contracts and documentation is that they provide a maximum degree of clarity on the obligations and responsibilities of each party. Prince Ayn explained in his speech at the First Meeting of the Ismaili Economic Forum:

“A clear framework must exist with clear goals shared by both or all partners, and quantified expectations must be agreed for each of those partners. The partners must agree, as early as possible, what are their criteria for success, how they will assess and evaluate their business, and how they will agree on and take any corrective actions that may be necessary. ... A partnership or an alliance, however, can only really be successful if it is characterised by good faith among all parties and by a consistent transparency from the creation of the alliance through the everyday operations of the business. Partners should not be afraid of putting in writing these basic, underlying foundations of their partnership so that, from the very beginning, everything is absolutely clear.”

Prince Ayn
Ismaili Economic Forum
Dubai, April 26, 2008

■ What should parties consider when entering a partnership or business venture?

ZK: Parties should ensure that they consider and share their expectations and intent in entering into a business venture. Both good faith and transparency are needed to avoid disputes. Parties should especially consider at the outset exit strategies that are dignified and easy including laying out a process to exit with minimal business and personal disruption. All goals, objectives, constraints and challenges should be put on the table, including discussions about changes in individual circumstances and responsibilities and succession planning. While sensitive, having such transparent discussions ensures that parties reduce the chances of costly disputes.

The Conciliation and Arbitration Board provides free dispute resolution services by trained mediators to the Jamat in the areas of commercial, matrimonial and family matters. For more information, please see www.cabcanada.org.

10 COMMON ISSUES MISSED BY BUSINESS PARTNERS

The following are a few issues that should be discussed and documented along with advice from legal and accounting professionals.

- 1. Are the common goals and individual expectations of the parties set out clearly?**
This includes how much time will be spent by each individual, how much capital will be contributed by each party and in what form
- 2. How will the business be managed and will there be reporting to all partners about the financial status and accounting?**
This includes how often partners will obtain information and access to books and records. How will information be shared and communicated?
- 3. How are decisions made for the business?**
Are there certain major decisions that require all individuals to agree on? What if individuals don't agree on decisions? How are disputes handled? Is there documentation of decisions (including minutes)? What approvals are needed and what are the powers of each partner?
- 4. How are individuals compensated for their work and how will business profits or losses be shared?**
- 5. How does an individual leave the partnership or business arrangement?**
What is the exit strategy? What happens if a party is disabled, retires, dies or becomes bankrupt? Does the death of a partner dissolve the partnership?
- 6. How is the business valued in the event one party needs to buy the other out?**
Is there a provision to appoint a third party valuator?
- 7. Are there any restrictions on the individuals?**
Can a party encumber his or her partnership interest? Is a party required to provide his or her full attention to the business or can he/she earn income outside of the partnership? Are there any restrictions on other businesses in which a party may be involved?
- 8. What are the conditions to dissolve the partnership?**
What are the conditions for expulsion of a partner?
- 9. How are new partners admitted and what are the conditions?**
Who has to agree to admit new partners?
- 10. What insurance will the business or partnership have?**
What liability will the partners have? Who signs contracts for the partnership? What registrations are required?

THE POWER OF ALLIANCES AND NETWORKS

Alliances and networks are valuable ways to expand one's knowledge, learn from the success of others, attract new clients and educate others about your business. The following are some of the benefits of networking and forming alliances:

1. Generation of Referrals/Increased Business

Referrals obtained through networking tend to be of higher quality than other forms of marketing, and most of the time are pre-qualified. One can then follow up on these referrals/leads and turn them into regular business partners.

2. Opportunities

With a motivated group of business owners comes an abundance of opportunities such as joint ventures, client leads, partnerships, speaking and writing opportunities, and business or asset sales. The benefits of networking are endless.

It is also important to ensure that one is capitalizing on the right opportunities and not wasting resources pursuing every opportunity that comes up. The opportunities pursued should be aligned with one's business goals/vision and ethics.

3. Connections

Successful businesses and professionals have a great source of relevant connections in their networks that can be called upon when needed

4. Advice

Talking to like-minded business owners also provides the opportunity to get advice on a variety of matters related to one's business or even one's personal life to obtain that important work-life balance.

5. Raising your Profile

Being visible and getting noticed is a big benefit of networking. Make sure you regularly attend business and social events that will help to get your face known. You can then build your

reputation as a knowledgeable, reliable and supportive person by offering useful information or tips to people who need it. You are also more likely to get more leads and referrals as you will be the one that pops into their head when they need what you are offering.

6. Positive Influence

The people with whom you associate influence who you are and what you do, therefore, it is important to surround yourself with positive, uplifting people who will help you to grow and thrive as a business owner or professional.

7. Increased Confidence

Networking and talking to people you don't know will strengthen your confidence

8. Satisfaction from Helping Others

This comes naturally for most people. Every time you go out of your way to assist an individual or you go above and beyond in terms of delivering a competent service, you have automatically created value in your personal or professional life. Networking is full of business owners who have problems or issues within their business that need to be solved, and there is great satisfaction from helping someone to solve a problem.

9. Friendships

Many friendships form as a result of networking because you are all like-minded business owners who want to grow your businesses, and you meet and help each other regularly, so naturally strong friendships tend to form.

FINANCIAL LITERACY RESOURCES AND LINKS

Information on financial literacy for all ages is available at <http://www.iicanada.org/institutions/finance>

CHILDREN

Explore the world where kids aged 4–7 years practice counting coins with the help of wise Peter Pig.
<http://practicalmoneyskills.ca/games/peterpigs/>

Children's Education: RESP

www.cra-arc.gc.ca/tx/ndvdl/tpcs/resp-reee/menu-eng.html

YOUTH

Junior Achievement:

For over 58 years, as the largest youth business education organization in Canada, Junior Achievement has been inspiring and preparing more than 4 million youth to succeed in an ever-changing global economy. <http://jacan.org/>

GENERAL

Money Management:

Created by Visa, the Practical Money Skills program offers money management resources including calculators, games, and lesson plans tailored for use by Canadian families and educators.
<http://practicalmoneyskills.ca/>

SENIORS

Topics from the Canada Revenue Agency specifically for seniors:

www.cra-arc.gc.ca/tx/ndvdl/sgmnts/snrs/menu-eng.html

FRAUD PREVENTION TIPS

<http://www.cba.ca/en/consumer-information/42-safeguarding-your-money/481-cba-fraud-prevention-tip>

http://yourmoney.cba.ca/seniors/module3/prevent_fraud/

SERVICE CANADA

www.servicecanada.gc.ca/eng/audiences/seniors/index.shtml

LOW INCOME HOUSEHOLDS

Prosper Canada is a charitable organization that works with community groups nationwide to expand economic opportunity for Canadians living in poverty through program and policy innovation.
<http://www.prospercanada.org/>

NEWCOMERS TO CANADA

Prosper Canada has a money management tool for newcomers to Canada that assesses your personal financial knowledge, and provides recommendations.
<http://www.newcomerscanprosper.org/>

The Canadian Bankers Association provides basic information on the Canadian banking system.
<http://www.cba.ca/en/consumer-information/40-banking-basics/479-newcomers-to-canada>

TOOLS AND CALCULATORS

The Financial Consumer Agency of Canada has a number tools and calculators to help you compare and choose financial products and services that suit your situation.

- The financial literacy self-assessment quiz can help you find out how your money management skills measure up.
- The credit card tools help with selection and use of a credit card.
- There are also mortgage calculators, a budgeting tool and a bank account selector tool.

<http://www.fcac-acfc.gc.ca/Eng/resources/toolsCalculators/Pages/home-accueil.aspx>

ECONOMIC PLANNING BOARD SERVICES

The mission of the Economic Planning Board is to improve the economic well-being of our Jamat by providing guidance and assistance towards a sound financial base. Below are the program areas we focus our efforts on in order to meet needs of the Canadian Jamat:

COMMUNICATIONS AND FINANCIAL LITERACY:

The CFL team aims to ensure the Jamat is informed, educated, and engaged in relevant economic and financial matters providing a basis for sustainable and prosperous livelihoods. Service offerings include:

- **Economic Updates and Insights:**
Provide the Jamat periodic economic updates and insights through speeches, economic forums and the newsletter.
- **Communication of EPB Service Offerings:**
Ensure the Jamat is informed of all the services available to individuals, families, and businesses.
- **Advancement in Financial Literacy:**
Provide the Jamat with access to foundational content, training and services related to personal financial well-being.

ENTREPRENEURSHIP:

The Entrepreneurship team supports the Jamat through the following initiatives:

- **Business Counseling Services:**
Applicants are paired with a successful entrepreneur from the same industry to counsel them. This is one of the portfolio's most demanded programs; feedback has shown applicants have experienced an increased rate of profit and growth after enrollment.
- **Business Workshops:**
These are held throughout the year in all regions, covering broad and various topics such as how to develop a business plan, start-up show case, marketing, art of selling, how to apply for government grants and loans, among others.

- **Futurpreneur Canada:**

We work in conjunction with this national non-profit organization to provide financing, mentoring and support tools to aspiring business owners aged 18-39 years. The internationally-recognized mentoring program matches young entrepreneurs with a business expert from a network of more than 2,800 volunteer mentors. More information at <http://www.futurpreneur.ca>

- **Power Pairings:**

This program connects high-profile mentors who have industry-specific expertise with ambitious young professionals in need of guidance in career development. Inquiries can be made to powerpairings@gmail.com.

- **Community Development Venture Fund (CDVF):**

A privately held company, it was founded by independent "impact investors" to support entrepreneurs, particularly Jamati members who have been unable to obtain financing from traditional institutions.

HOUSING:

The mandate of the Housing portfolio is to make sure that the Jamat has safe, affordable, quality housing in desirable neighbourhoods, ideally owned. Services include:

- **Crises Housing:**
Respond to and resolve immediate needs of shelter for displaced Jamati members
- **Transition Housing:**
Work with our partners to identify those Jamati members who are in the low income segment spending more than 30% of their after tax income on shelter and helping move them into affordable housing

- **Government Programs:**
Provide information and process for securing Government housing primarily to seniors
- **Preventative:**
Through various communication mediums, inform and educate the Jamat on important housing matters
- **Strategic Initiatives:**
Identify and execute on transformational initiatives that accelerate the placement of low income families in safe and quality housing

ISMAILI BUSINESS PROFESSIONALS ASSOCIATION (IBPA):

The IBPA aims to bring business owners and professionals together to network and share ideas as well as best practices. IBPA also organizes educational seminars for its constituents, keeping them well informed on issues that effect all aspects of their businesses and professions.

- **Alliances:**
The Alliances movement brings together business owners and professionals to network and share best practices within their fields. Coming together also results in economic advantages due to using similar vendors and service providers for all members involved.
- **Alliance Conference Canada (ACC):**
An annual conference for business owners, professionals, entrepreneurs and all aspiring entrepreneurs. This conference consists of talks from renowned speakers, workshops, break-out sessions and one-on-one mentoring for all who attend. This year's conference was held in Toronto from May 6th to 8th, 2016.
- **IBPA Network:**
An information delivery channel used to send information to all business owners, professionals, entrepreneurs and Jamati members on all Economic Planning Board (EPB) events across the country by region. To sign up please log on to www.ibpacanada.com

SKILLS EMPLOYMENT PLANNING (SEP):

The mandate of SEP is to empower individuals to acquire the skills and knowledge required for gainful employment and long-term economic sustainability. Service offerings include:

- Career counseling: consultations with an experienced counselor in a confidential and safe environment
- Skills enhancement: receive a career skills assessment, learn about opportunities for upgrading, including learning English as a second language
- Help with resume writing and interview preparation
- Exploring job search strategies, including networking and career transition preparation
- Coaching on Canadian workplace behavior
- Referrals: to external recruitment agencies/ programs/schools.

NATIONAL MEMBERS

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Feisal Dedhar – Honorary Secretary
Qiamuddin Ahmadi – Member, Entrepreneurship
Amiruddin Gillani – Member, Business & Professionals Association
Wahid Ibrahimji – Member, Quebec & Special Projects
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Yashina Jiwa – Member, Skills & Employment Program

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Amin Panjwani – Member, Housing
Shelina Shamji – Member, Care for the Elderly
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