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Canadian Securities Administrators  
c/o Carla- Marie Hait,  
Chief Accountant, Corporate Finance  
British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2

c/o Sylvie Anctil-Bavas,  
Chief comptable,  
Autorité des marchés financiers  
800, Square Victoria, 22e étage  
C.P. 246, Tour de la Bourse  
Montréal (Québec) H4Z 1G3

Dear Sirs/Madams:

**RE: Canadian Securities Administrators (CSA) Concept Paper 52-402**

**General comments**

The following is TELUS' response to the Concept Paper 52-402 (dated February 13, 2008) on possible changes to security rules related to International Financial Reporting Standards (IFRS). Our comments are provided for your consideration and, if required, we would be pleased to provide clarification.

TELUS is looking forward to the conversion to IFRS and we are pleased that Canada will be applying IFRS in full as provided by the International Accounting Standards Board (IFRS-IASB). The Canadian Securities Administrators (CSA) communication efforts to date have been well executed, and we encourage the CSA to continue on the path of excellence it has adopted. IFRS is now well known in the financial statement preparer and auditor communities, but the reach of those impacted is broader – hence the need to continue to communicate regarding the changes we will see in 2011 so all financial statement users may evaluate the impact and ask the questions that are important to them.

**Specific Requests for Comments**

**Question 1. Do you agree we should allow a domestic issuer to adopt IFRS-IASB for a financial year beginning on or after January 1, 2009? If no, why?**

The mandatory changeover on January 1, 2011 has been well communicated and given the recent acceptance of IFRS financial statements for Foreign Private Issuers in the United States, momentum is increasing. Companies are beginning or have already completed the diagnostic exercise, education programs are widespread and project execution has begun.

TELUS understands there are logical reasons for and against early adoption.

It may be reasonable for an issuer to voluntarily adopt IFRS earlier than 2011. For example, it would make sense for multinational companies that compile IFRS statements (e.g. reporting to a foreign parent of IFRS or IFRS reporting subsidiaries), to convert early for efficiency considerations.

Conversely, there is an argument that early adoption could create confusion by compounding reporting non-uniformity in Canada for the interim period. During the transition IFRS, Canadian GAAP and US GAAP primary reporting options are affecting comparability between companies.

There are also potential issues associated with early adoption and consistency of first-time adoption given the ongoing changes to both Canadian GAAP and IFRS between now and the end of 2011.

We believe, for certain issuers, early adoption is a practical choice and should be permitted. Individual issuers are best placed to evaluate the benefits of early adoption and should be free to make the optimal decision for their particular situation.

Issuers must not lose sight of the importance of early consideration of disclosures and education. We would recommend starting these elements early. If these elements are well executed, issuers may find themselves in a position to embed IFRS reporting and adopt it early, with reconciliations to Canadian GAAP where necessary during the transition period.

**Question 2: Are there additional factors, not discussed in this paper, to consider in deciding whether to allow domestic issuers to adopt IFRS-IASB before 2011?**

We have not identified additional factors to be considered in allowing early adoption for domestic issuers.

**Question 3: Do you agree we should not allow a SEC issuer to use US GAAP for financial years beginning on or after January 1, 2009, with the exception that a SEC issuer filing US GAAP financial statements in Canada for its most recent financial year ended on or before December 31, 2008, could continue doing so until 2013? If not, why do you disagree, and how, if at all, would you modify existing rules?**

TELUS agrees the CSA should not allow companies (other than the exception noted in the question) to adopt US GAAP as a primary basis for financial reporting.

If Canadian companies were allowed to use US GAAP, it would increase market confusion with multiple standards and reduce the comparability of financial statements. We find the CSA's tentative conclusion is consistent with our views.

**Question 4: Are there any additional factors, not discussed in this paper, to consider in deciding whether to allow a SEC issuer to use US GAAP?**

No.

**Question 5: Is the proposed transitional period of five years from 2009 to 2013 appropriate?**

Yes.

**Question 6: Do you agree we should require a domestic issuer to prepare its financial statements in accordance with IFRS-IASB and require an audit report on such annual financial statements to refer to IFRS-IASB? If not, why?**

It is important we make the basis of presentation very clear. Financial statement issuers in Canada should not want to be viewed as applying some regional interpretation of IFRS, or “IFRS lite.” Accordingly, it is most appropriate to refer to the GAAP used as IFRS-IASB for clarity.

**Question 7: Are there additional factors, not discussed in this paper, to consider in deciding whether securities rules should refer to IFRS-IASB rather than Canadian GAAP?**

No.

### **Final Comments**

Compliance with IFRS is a major undertaking for Canadian companies, but clearly one that is being strongly supported, highlighting the desire in Canada for a global set of accounting standards. We further recognize the bold steps being taken by the SEC in allowing foreign registrants preparing IFRS financial statements to drop their US GAAP reconciliation. Most importantly, we applaud the CSA for embracing the change to IFRS.

Our TELUS Financial reporting team or I will be happy to discuss any questions or clarification you require.

Sincerely,



Robert G. McFarlane  
Executive Vice President &  
Chief Financial Officer

cc:     -Brian MacNeil, Chairman, TELUS Corporation Audit Committee  
       -Darren Entwistle, President and CEO, TELUS Corporation  
       -Nelson Kwan, SVP-Corporate Controller  
       -Kasey Reese, VP- Risk Management and Chief Auditor  
       -Kerry Merriman, VP Corporate Accounting & Financial Reporting, TELUS Corporation  
       -Audrey Ho, VP Legal Services, General Counsel & Corporate Secretary  
       -Karen Keilty, Deloitte & Touche