



April 30, 2020

Beneficial Ownership Transparency Consultation  
Innovation, Science and Economic Development Canada  
C.D. Howe Building  
235 Queen Street, Room 1043A  
Ottawa, Ontario K1A 0H5

Dear Consultation Committee Members,

The Professional Institute of the Public Service of Canada (PIPSC) represents approximately 55,000 public service professionals across Canada, including nearly 12,000 auditors, managers, forensic accountants and other tax professionals at the Canada Revenue Agency.

Beneficial ownership transparency is a critical topic. Criminals and big-time tax evaders rely on secrecy to flow revenue where they want it to go without detection or scrutiny. Enhancing transparency helps prevent fraud, corruption, money laundering and other related criminal activities.

In 2015, the Department of Finance Canada conducted a risk assessment that identified Canada as being vulnerable to illegal and unethical activities that use shell companies to obscure the traceability of financial flows. The Financial Action Task Force (FATF) identified Canada as partially compliant and non-compliant with respect to the beneficial ownership transparency of legal persons and legal arrangements. The RCMP has identified collecting and publicly disclosing beneficial ownership information as a useful tool in the fight against money laundering.

In 2018, PIPSC surveyed auditors at the Canada Revenue Agency to gauge their opinion on a variety of contemporary policy debates. Almost two thirds (61%) of those surveyed believed Canada is too secretive about beneficial ownership information and over 7 out of 10 (75%) felt that federal and provincial governments should require corporations to publicly identify beneficial ownership relationships.

Where secrecy is the problem, transparency is the solution. The federal government should create a publicly accessible registry of company beneficial ownership information. A one-stop, searchable, easy-to-use tool that enhances, standardizes and aggregates information from all federal, territorial and provincial jurisdictions.

Thank you for your consideration of these recommendations.

Sincerely,

Debi Daviau  
President, PIPSC