

May 13th 2021

The Honourable Chrystia Freeland, P.C., M.P.  
Deputy Prime Minister and Minister of Finance  
Department of Finance Canada  
90 Elgin Street  
Ottawa, Ontario K1A 0G5

Dear Minister Freeland,

On behalf of Publish What You Pay Canada, Transparency International Canada, and Canadians For Tax Fairness, we want to formally applaud your announcement for a publicly accessible beneficial ownership registry in Budget 2021. We invite Canada to showcase this announcement in global forums, and to exchange ideas for registry design with countries who are implementing publicly accessible registries.

As civil society organizations, we have been working with the federal government, provinces and territories to improve beneficial ownership transparency and advocating for a publicly accessible beneficial ownership registry since 2016. In our view, the announcement in Budget 2021 marks a historic step for Canada to combat the proceeds of crime and paves the way for provinces and territories to harmonize beneficial ownership information in a pan-Canadian registry.

The economic and social impacts for this announcement are significant for Canada. And the benefits for a publicly accessible registry are as follows:

- Strengthens Canada's tax fairness efforts by thwarting those who are abusing Canadian companies to evade foreign taxes;
- Improves public safety for Canadians by deterring drugs, weapons trafficking and organized crime;
- Relieves some pressure from Canada's real estate markets making housing more affordable to the middle-class;
- Protects Canadian businesses and consumers against fraudulent suppliers and counterfeit goods;
- Complements Canada's international assistance objectives to combat climate change and human trafficking which disproportionately harm women and girls.

Publicly accessible registries demonstrate unique value in comparison to private, centralized registries, or other methods of beneficial ownership information collection. Evidence from the world's most advanced public registry in the UK demonstrates that a public registry deters the proceeds of crime, and that independent observers regularly assist the UK government to

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improve information quality in the register itself. Finally, reporting burden on UK small, medium, and large enterprises to disclose such information has been deemed as negligible.<sup>1</sup>

There are a number of opportunities for Canada to showcase the announcement for a publicly accessible registry. Firstly, at the upcoming G7 Finance Ministers Meeting, as we understand that beneficial ownership transparency will be an agenda item. Secondly, we would invite Canada to learn best practices and exchange knowledge with peer countries who are implementing public registries through the Beneficial Ownership Leaders Group hosted by the Open Government Partnership International Secretariat. We believe this group can help provide Canada with technical guidance in designing an effective registry.<sup>2</sup>

We welcome this announcement and believe Canada's registry can be the best in class with accurate, searchable information, and sound enforcement. We look forward to continued engagement with your office as work on this file progresses.

Congratulations on Budget 2021 and thank you for your leadership.

Yours sincerely,

Sasha Caldera, Campaign Manager, Beneficial Ownership Transparency  
Publish What You Pay Canada  
Emily Nickerson, Director, Publish What You Pay Canada

Susan Côté-Freeman, Chair and President, Transparency International Canada  
James Cohen, Executive Director, Transparency International Canada

Scott Chamberlain, Chair, Canadians For Tax Fairness  
Toby Sanger, Director, Canadians For Tax Fairness

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P.S. For detailed privacy considerations regarding a pan-Canadian, publicly accessible registry, please refer to our analysis which outlines what fields of information are suitable for public disclosure when weighed against Canada's privacy statutes.<sup>3</sup>

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<sup>1</sup> See:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/822823/review-implementation-psc-register.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/822823/review-implementation-psc-register.pdf)

<sup>2</sup> See:

<https://www.opengovpartnership.org/documents/beneficial-ownership-leadership-group-terms-of-reference-declaration-glossary/>

<sup>3</sup> See: [A Public Beneficial Ownership Registry and the Canadian Privacy Regime: A Legal Analysis](#)