

# FISCAL, FINANCIAL AND CORPORATE TRANSPARENCY<sup>i</sup>

DRAFT COMMITMENT FOR CANADA'S 5<sup>TH</sup> NATIONAL ACTION PLAN ON OPEN GOVERNMENT (2022-2024)

## PROBLEM TO BE ADDRESSED

**Problem statement:**<sup>ii</sup> People in Canada raised the need for increased transparency and accountability around the management of public funds during the COVID-19 pandemic and the need to incentivize the private sector to be more transparent about their ultimate owners.

**Background:** This is one of the most important but also one of the most challenging open government policy areas in that it requires time and persistence. While progress has been made through various past commitments, open contracting data, beneficial ownership transparency, and fiscal transparency remain key to an open government, especially when it comes to the management of COVID-19 response and recovery programs, the management of public funds and how the government counters the risks of corruption. Civil society also raised the issue of the privatization of democratic accountability through procurement of technology and software where non-state actors are increasingly dictating how certain technologies will affect citizens.

For additional information on what we heard from Canadians and civil society, as well as on international best practices, please read this thematic background. <sup>iii</sup>

## COMMITMENT TITLE

Fiscal, Financial and Corporate Transparency

## LEAD DEPARTMENT(S)

1. Innovation, Science and Economic Development
2. Finance Canada
3. Treasury Board of Canada Secretariat

## MILESTONES AND INDICATORS

1. **Milestone: Pursuant to the Budget 2021 commitment, the Government of Canada will engage technical resources to lay the groundwork for the implementation of a publicly accessible corporate registry by 2025.**<sup>iv</sup>

### Indicator

- 1.1. The Government receives technical and operational feasibility studies and is equipped with the necessary information to prepare legislation for a made-in-Canada approach to beneficial ownership disclosure that balances the need for accurate and up-to-date data on the individuals who own and control corporations with appropriate safeguards for the privacy and competitiveness of Canadian entrepreneurs (by December 2022)

**2. Milestone: Engage federal, provincial and territorial partners to support coordinated implementation and a harmonized approach to ultimate beneficial ownership.**

**Indicator**

2.1 Alignment<sup>v</sup> with provinces and territories is crucial for the success and benefits of a publicly accessible registry of beneficial ownership. ISED and Finance Canada will continue to engage in discussions on beneficial ownership transparency with provincial and territorial counterparts including with regards to the technical and operational feasibility studies, and to share up-to-date considerations and international developments (by December 2022)

**3. Milestone: Monitor the strategic management of procurement of technology and software within the Government of Canada.<sup>vi</sup>**

**Indicators**

3.1 Subject to data availability, release the aggregate details of applications<sup>vii</sup> used by the Government of Canada (by June 2024)<sup>viii</sup>

3.2 Work towards developing<sup>ix</sup> policy instruments around the ethical use of information technology in the Government of Canada (by June 2024)

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<sup>i</sup> Posted by testytest on 02/04/2022 at 3:58pm  
Test

<sup>ii</sup> Posted by Nicole Priddle on 02/18/2022 at 3:29pm  
Alongside the milestones identified, there is a need to show Canadians via regular reporting and easily understood visualizations and reporting, when misinformation or disinformation is shared. It is difficult for many people in Canada to understand what sources of information can be trusted. Providing insight of bias, sources, and helping demonstrate what is and is not reliable and credible will enhance trust,

<sup>iii</sup> Posted by jury.konga on 02/18/2022 at 9:40am  
Backgrounder link results in error message - is there another link?

<sup>iv</sup> Posted by jury.konga on 02/18/2022 at 9:45am  
I may be naive but I'm having difficulty with the timeline being 2025. When I see projects that use an agile approach, there are deliverables every 3-6 months often based on prototyping and learning from mistakes and correcting quickly as opposed to waiting 3 years to deliver a "completed project". It's also important to continually confirm with users that their needs have not changed thereby making the design irrelevant. I know there are agile approaches used within gov - suggesting this be undertaken in the same way.

<sup>v</sup> Posted by jury.konga on 02/18/2022 at 9:48am  
Is alignment strictly between the two senior levels of government? Are municipalities not a requirement for a harmonized approach?

<sup>vi</sup> Posted by jury.konga on 02/18/2022 at 9:54am  
Suggest what's needed is Enhancement for the strategic management, not just monitoring. The importance of a holistic approach to tech procurement for ALL gov's is long overdue and accountability for process and acquisition decisions need to be totally transparent ... Open Gov!

<sup>vii</sup> Posted by jury.konga on 02/18/2022 at 9:56am  
Unclear on what aggregate data refers to. Concerns about lack of transparency if data is not granular enough.

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<sup>viii</sup> Posted by jury.konga on 02/18/2022 at 10:00am

2024 is a long time to complete an inventory. Request that activity be undertaken on an ongoing basis so some results are known throughout the project. There is nothing wrong with providing incremental results especially at the outset so users can provide feedback.

<sup>ix</sup> Posted by jury.konga on 02/18/2022 at 10:04am

Suggest this project change to Develop policy , not "Work towards" as that has too much looseness to a deliverable. Again, this is a multi-jurisdictional challenge and could benefit from consultation with the providers and industry leaders such as the CIO Strategy Council.