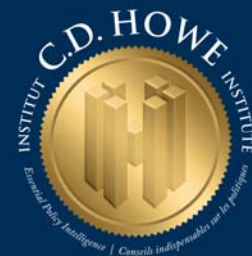


# MANDATE LETTERS



*As Canada forms its next government, the Prime Minister's Office will be preparing ministerial mandate letters. In this special Intelligence Memo series, policy experts highlight key challenges and priorities in each minister's portfolio.*

From: Jeremy M. Kronick  
To: The Incoming Minister of Finance  
Date: October 29, 2019

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As you embark on the start of your term as Minister of Finance, your top priorities around financial services should be to:

- As recommended by Denis Meunier, former deputy director, Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), work with Minister of Innovation, Science and Economic Development and the Minister of Public Safety and Emergency Preparedness, to strengthen Canada's anti-money laundering and terrorist financing regime by implementing, with the provinces and territories, a central publicly accessible [beneficial ownership registry](#) of corporations to better prevent, detect and investigate money laundering and terrorist financing.
- Take [action](#) to publicly demonstrate progress in combating money laundering and criminal organizations, in collaboration with federal partners, the provinces and territories by, for example, making to a criminal offence to make a false statement of ownership of trusts, companies and real estate.
- Develop a [plan](#), after consultation with the financial services sector, for implementing open banking. This will require coordination with regulators at both the federal and provincial level to assure responsibilities are appropriately divided.
- Ensure a balance in the housing market between affordability and stability through, among other things, incentivizing the development of more [longer-term mortgages](#).
- Work with provincial colleagues to create a universal, [digital ID](#) system that improves safety and privacy of data.
- Ensure an appropriate level of competition in the financial services sector through a more flexible regulatory approach that is both function based and proportional to functional risk. Additionally, provide clarity with respect to the new rules around the flexibility of banks to participate and invest in fintechs and other innovative technology-led institutions.
- Allow CMHC to charge lenders different mortgage insurance premiums based on the different risk profiles of their borrowers to ensure more efficient allocation of capital in the financial services sector through more appropriate risk-based pricing.
- As recommended by Craig Stewart, vice president, Insurance Bureau of Canada, address the systemic financial and economic risk posed by a significant [earthquake](#) to consumers, businesses and the Canadian mortgage and insurance sectors.
- Work with the Minister of Public Safety and Emergency Preparedness, in addition to your federal, provincial and territorial colleagues, to implement a National Action Plan on Flooding within the context of the national Emergency Management Strategy for Canada. This plan will incorporate financial measures to insure high-risk populations while reducing taxpayer-funded subsidies now offered through Disaster Financial Assistance Arrangements.

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*To send a comment or leave feedback, email us at [blog@cdhowe.org](mailto:blog@cdhowe.org).*

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