

April 29, 2020

Attn: Policy and Legislation Division  
BCA Beneficial Ownership  
Ministry of Finance  
PO Box 9418 Stn Prov Govt  
Victoria, BC V8W 9V1  
Submitted by email: [BCABO@gov.bc.ca](mailto:BCABO@gov.bc.ca)

## **RE: BC Consultation on a Public Beneficial Ownership Registry**

The British Columbia Real Estate Association (BCREA) recognizes the need for transparency to ensure confidence in BC's economy. We welcome the opportunity to provide input into this consultation on a potential public corporate beneficial ownership registry.

At a high level, BCREA is looking for senior governments to create and implement smart policies, laws and regulations. Coordination is required to effectively identify and address money laundering. We expect the provincial and federal governments to use common language, thresholds and data standards so that registries and other systems can be linked.

BCREA also expects that privacy will continue to be a significant concern, and that governments build assessment and accountability into their approaches.

Our specific feedback on the consultation paper is organized into the five categories articulated in the Background section: business impacts, efficient collection of data, public access, scope and role of government.

### **Business Impacts**

To simplify implementation, we recommend using the existing Corporate Registry, which is already available through BC OnLine. This will help reduce the administrative burden for companies and should be financially and operationally efficient for the government.

Additional reporting requirements, such as transparency registers, represent higher costs for corporations through legal and consulting fees. Therefore, we ask that the registration and access fees for the Corporate Registry not be increased.

Transparency registers are a new process for REALTORS®, and so BCREA recommends flexibility for those whose registers are found lacking. A heavy-handed approach to enforcement would negatively impact the business and also their customers/ clients, so please consider all possible consequences of a heavy-handed approach. To help ensure compliance, please provide support to corporations in the form of best practices and information to help them understand why these systems are needed.

### **Efficient Collection of Data**

To ensure efficiency, we urge the government to create a system that does not duplicate efforts. Specifically, if information is gathered for the Land Owner Transparency Registry, then do not require the same information to be gathered for the corporate beneficial ownership registry. Aside from being time efficient for the public and private sectors, a single point of data entry reduces the chance for errors and also makes it more likely that the information remains current.

As noted above, we expect the provincial registry will be linked to the national registry, assuming both are created.

Please explain why a provincial registry was not contemplated in Bill 24 (2019). By introducing transparency registers and then consulting on a provincial registry, the government's approach to corporate beneficial ownership seems inefficient from the start.

### **Public Access**

We firmly believe that transparency needs to be balanced with privacy. BCREA urges the government to consider a broad approach to privacy and anti-money laundering measures. That is, please clearly articulate anti-money laundering goals, and then determine the minimum information that needs to be made public to accomplish those goals. Then that approach can be used as a starting point for all government anti-money laundering initiatives.

To prevent a misuse of data, we recommend safeguards against the misuse of registry information. Please see section 77 of the *Land Owner Transparency Act*, which prohibits people from using publicly accessible data for solicitation or harassment.

### **Scope**

BCREA strongly recommends using a 25 per cent threshold to determine beneficial ownership, because it is consistent with the federal government's approach. For further consistency, we also recommend the definition of "significant number of shares" in the *Land Owner Transparency Act* be changed from 10 per cent to 25 per cent. Differences from one initiative to another are likely to cause confusion and result in mistakes.

Aside from potential privacy issues for family trusts, we have no concerns about requiring trusts and limited partnerships to participate in this initiative. The challenge comes from the fact that there is no existing registry for trusts, and the current partnership registry would need to be enhanced. If they are included, then all three registries should be linked together.

### **Role of Government**

We prefer government take a reactive approach to verifying the accuracy of information in the registry. By that we mean that the government only takes steps to verify information when alerted by another party that information might be incorrect.

Please contact me directly ([dhyde@bcrea.bc.ca](mailto:dhyde@bcrea.bc.ca); 604.790.4855) if you have any questions or want to discuss further.

BCREA is the professional association for about 23,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that encourage economic vitality, provide housing opportunities, respect the environment and build communities with good schools and safe neighbourhoods.

Sincerely,



Darlene K. Hyde  
Chief Executive Officer

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