

Organizations call for COVID-19 transparency, accountability, and anti-corruption measures

Canada's federal and provincial governments are spending unprecedented amounts in response to the COVID-19 pandemic. To date [this has largely involved](#) increased funding for health care, medical and emergency equipment and direct support to individuals and employers. It will increasingly involve tens of billions for economic recovery, and of course additional funding for medical procurement, including for testing, drugs and vaccines.

Unemployment, bankruptcies and government deficits will reach record levels. It is essential that we put absolute priority on the health of Canadians--preventing further transmission and death, and finding a cure and treatments--and on helping those who have been affected by providing income and other support. This will not just help contain the pandemic, but also prevent an economic depression, and greater human suffering. We need to ensure that public dollars are spent wisely to maintain credibility of governments and public programs. Indeed, the COVID-19 crisis has shown that the federal, provincial, and territorial governments should not weaken, but rather strengthen accountability and transparency.

While the emphasis has been on getting funds out as quickly as possible to areas where it is needed, this does not mean that accountability conditions on these funds should be cast aside. Unfortunately, while so many are making enormous sacrifices for the common good, [experience has demonstrated](#) that emergencies and crises provide fertile ground for corruption, fraud and misuse of public funds. There has already been a significant increase in [COVID-related scams](#) and fraud schemes targeting individuals, and there is no doubt that they are also targeting governments, which have much deeper pockets. Given the massive spending and large funds involved, Canada must take steps to ensure that emergency subsidies will not be misused. Some have highlighted possible cases of fraud by individuals but the opportunities for fraud and misuse through procurement and business programs are far greater.

While this emergency has required more stringent regulations on personal behaviour to protect our public health, there has been pressure on governments to loosen or eliminate a wide range of regulations and [compliance rules for business](#) during both the emergency and recovery periods. This pressure should be strongly resisted. COVID-19 has done its most damage in areas such as retirement and long-term care homes where standards have been weak. Now is the time to strengthen transparency and accountability expectations, including on labour, employment, health and safety, and the environmental issues. We need higher standards to protect workers, families and our communities—and to lay the foundation for a more secure, equitable and sustainable future.

Canada must not only maintain, but strengthen conditions on public funding and improve transparency and accountability. We recommend that the federal, provincial, and territorial governments should undertake the following:

- Publish details on what specific businesses and organizations receive in different forms of

federal support and for what purposes during both the emergency and recovery phases. Making this information public will help to prevent abuse and ensure it is used for the intended purposes. For example, the government should establish a spending tracker with whistleblower tip lines for the public to report mismanagement and abuse.

- Publish details on COVID-19 procurement and other contracts during the emergency and recovery periods, building on the good practices learned from the [Open Contracting Data Standard](#), as other countries have done.
- Follow all [existing procurement and conflict of interest rules](#), and not bypass these rules. The federal government already has [special procurement rules that apply during specified emergencies](#), including to allow for greater use of sole-sourced and non-competitive contracts, and is using this to purchase medical and related supplies [during this COVID-19 crisis](#).
- Deny funding and procurement contracts to anonymous companies where the real or beneficial owners are not known, as these can be much more easily used for fraud, money laundering, terrorist financing, and tax evasion.
- Include anti-corruption and anti-fraud clauses in all contracts and funding agreements, along with clawback provisions to recover funds that have been misused.
- Require all large multinational enterprises that receive funding to make public their finances and taxes paid on a country-by-country basis, consistent with the [GRI Global Standards for tax transparency](#), or in line with project-level reporting on taxes that are included in the [Extractive Sector Transparency Measures Act](#).
- Deny funding to companies that engage in aggressive tax avoidance practices, tax evasion, or use tax havens for secrecy purposes.
- Promptly publish full clinical information about the safety and effectiveness of drugs and medical devices developed and procured for COVID-19, [as is now done for other drugs and medical devices](#), so this information is available as soon as possible to outside experts and the public, and the risk of putting private over public interests is mitigated.
- Be fully transparent about incidences of COVID-19 cases, projections, and availability of COVID-19 medical resources.
- Strengthen whistle-blowing protections for workers in the public, para-public and private sectors, following [recently issued recommendations by the House of Commons Standing Committee on Government Operations](#). We need to ensure employees in the public and private sectors have the freedom and protection to publicly warn about public health, misuse of public funds and other concerns.
- Increase resources for monitoring, auditing, evaluation, enforcement and prosecution including additional funding for oversight agencies like the Auditor General, Parliamentary Budget Officer, Treasury Board and for auditors and financial controllers in the affected departments.

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