

Podcast: Securities north of the border – Comparing U.S. and Canadian regulations and enforcement

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inSecurities is a biweekly podcast produced in the United States by the Practising Law Institute and hosted by Chris Ekimoff, a forensic accountant, and Kurt Wolfe, a securities regulatory attorney. Every episode showcases practitioner perspectives on changes within the securities field. In a recent episode, the hosts addressed the differences between the regulatory frameworks in Canada and the United States through an in-depth discussion with Larry Ritchie, Chair of Osler's Risk Management and Crisis Response national practice, and Stephanie Greenwald, a partner in litigation and valuation services group at RSM Canada.

Over the course of the podcast, the hosts broach a number of different subjects – including regulatory hot topics such as anti-money laundering, bribery, insider trading and whistleblowing – with an emphasis on the distinctions between how such matters are treated in Canada and in the United States. The discussion begins with an explanation of the framework for securities regulation in Canada, and in particular, how securities are primarily under provincial jurisdiction – despite recent attempts to develop a pan-Canadian national regime.

Referring to his work with the Canadian Securities Transition Office, Larry explains, "We were pretty far advanced in terms of transition planning, and working with the federal government and the provincial parties who wanted to join us in that initiative of developing a federal securities act. [Then] that act was challenged by Québec and Alberta in the courts and ultimately went to the Supreme Court of Canada. At the end of the day, the Court found that our work was unconstitutional."

Despite that decision, he continues, the Court left the door open for the provincial and federal governments to share their jurisdictions and develop a cooperative securities regulatory model – and he provides some detail of how those efforts are proceeding.

Larry also relies on the division of powers in his explanation of Canada's approach to foreign bribery and the application of the *Corruption of Foreign Public Officials Act* – a federal piece of legislation. "Provincial regulators do not get involved in investigating corrupt practices that are prohibited under the federal legislation," he says. "Again, the theme is a lack of economies of scale, a lack of coordination, a lack of collaboration [between federal and provincial parties]." This means that, in Canada, there is less scrutiny, investigation and enforcement of suspicious activities than in the U.S.

To learn more about the differences between securities regulation in Canada and the United States, listen to the entire inSecurities podcast "[Securities north of the border – Comparing U.S. and Canadian regulations and enforcement](#)".