Canada’s proposed Financial Crimes Agency: A new era of financial crime enforcement

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On April 27, 2026, the federal government introduced Bill C-29, *An Act to establish the Financial Crimes Agency*. If enacted, the legislation will create a new, stand alone federal law enforcement body dedicated to investigate complex financial crimes, contribute to the recovery of the proceeds of crime, and participate in international efforts to counter financial crimes.

The proposal reflects growing concern that existing enforcement frameworks have struggled to keep pace with increasingly sophisticated, transnational, and technology driven financial misconduct.

Overview

The introduction of Bill C-29 is part of the federal government’s broader effort to disrupt money laundering networks, combat organized crime and online fraud, and strengthen the recovery of illicit assets, with a stated focus on “serious and complex financial crimes”.

Scope: The Bill defines “financial crime” broadly to capture any offence involving financial assets – including digital assets – or financial services or markets. This includes, but is not limited to, money laundering, serious fraud, capital markets misconduct, sanctions related offences and crimes involving proceeds of crime. It also includes any conduct that adversely affects or has the potential to adversely affect the security or integrity of Canada’s economy or financial system, or of any financial market in Canada.

Structure: The Financial Crimes Agency (the FCA) would operate under the oversight of the Minister of Finance and be led by a Commissioner, who would be a peace officer throughout Canada. Employees of the FCA may be designated as investigations officers or police officers, depending on their role.

Investigative powers: The FCA would be authorized to initiate investigations on its own initiative or at the request of domestic or foreign law enforcement bodies and public agencies. The Attorney General of Canada would retain authority to prosecute proceedings arising from FCA investigations, preserving the traditional separation

between investigative and prosecutorial functions within the Canadian criminal justice system.

The Bill also contemplates circumstances in which the federal Attorney General may assert jurisdiction over matters investigated by the FCA, particularly where the underlying conduct is national or transnational in scope.

Collaboration: Bill C-29 contemplates that the FCA will have the authority to enter into contracts, agreements or other arrangements to facilitate information-sharing or cooperation in the investigation of financial crimes. The Bill also proposes amendments to several statutes, which will facilitate the sharing of information with the FCA in support of its investigative and enforcement mandate.

The proposed FCA shares some similarities with the Canada Revenue Agency's Criminal Investigations Program (CIP), a specialized enforcement function responsible for investigating serious tax evasion and tax fraud. As with the Canada Revenue Agency's criminal investigations, the FCA is expected to focus on matters with systemic importance and strong deterrent value, rather than routine non compliance.

Practical impact

Although Bill C-29 remains at an early stage of the legislative process, its introduction signals a clear policy shift toward more centralized, better resourced and more assertive enforcement of financial crime in Canada. This will materially change the landscape for the investigation and enforcement of financial crime in Canada. Likely impacts include:

- increased investigative activity in areas such as fraud, money laundering, sanctions compliance, corruption, and financial market misconduct;
- earlier escalation to criminal investigations, including in matters that may previously have proceeded through regulatory, administrative or civil channels; and
- greater coordination among law enforcement and regulatory bodies, including FINTRAC, securities regulators, the RCMP and international partners.

As investigative tools expand and coordination between agencies deepens, organizations operating in regulated, capital markets, financial services, real estate, technology, gaming, cryptocurrency and cross border sectors face materially elevated enforcement risk. Further, as seen in CRA criminal investigations and other regulatory-enforcement contexts, enforcement risk often crystallizes well before charges are contemplated. Initial interactions with investigators, responses to information requests and internal communications can have lasting legal and strategic consequences.

Accordingly, organizations may wish to review their internal controls and reporting mechanisms and ensure that senior management and internal teams understand how to appropriately respond to investigative inquiries and document production requests.

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