



Follow the money—Bolstering Canada’s fight against profit-driven crime: David Tyree and Jeffrey Simser for Inside Policy

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By David Tyree and Jeffrey Simser, October 17, 2025

This fall, Canada faces an audit at the hands of an international financial crimes watchdog. It’s a test the country ought to be cramming for.

The [Financial Action Task Force](#)—an intergovernmental body made up of 40 members, including Canada—will engage in an on-site peer review later this year, assessing how well Canada is handling issues like money laundering and terrorist financing.

As it stands, Canada is not well positioned for this evaluation. The country is exceptionally vulnerable to profit-driven crimes like auto theft, insurance fraud, offshore tax evasion, and human and drug trafficking. If Canada is to meet the approval of its peers, it needs a national “follow-the-money” strategy.

Specifically, Ottawa and the provinces must improve their legal deterrence toolkits. This requires expanding capacity to pursue asset forfeiture—both criminal and civil—of the two broad types of dirty assets: direct proceeds of crime (i.e. dirty money), and instruments of crime (i.e. a car that moves drugs to make crime possible).



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Following a criminal conviction, prosecutors can seek forfeiture of money and instruments. In contrast, civil authorities can seek forfeiture without conviction if they prove a connection between the property and unlawful activity.

As British Columbia's [Cullen Commission](#) on money laundering observed, Canada's capacity to achieve asset forfeiture has been challenged by inadequate law enforcement resources and a complex legal system. In the United States, criminal and civil forfeiture laws exist at the federal, state, and even local level. Canadian criminal forfeiture is primarily federal, while only nine provinces/territories have civil forfeiture laws. The remaining provinces and territories must move swiftly to enact such laws. All jurisdictions must consistently apply them.

Profitable criminal organizations build capital to invest in newer and larger unlawful enterprises. That's why any serious attempt to combat organized crime in Canada must tackle illicit capital, not merely expendable 'foot-soldiers' or low-level criminals.

In April 2025, Canada's financial intelligence unit, FINTRAC, received statutory authority to [disclose intelligence](#) to civil forfeiture authorities. This is a positive step. Now we need further mechanisms allowing civil forfeiture jurisdictions to share information with each other.

Canada must also learn from American successes. In the US, federal law enforcement maintains funds forfeited by criminal organizations. These funds—which are carefully overseen and monitored—provide large sums of money for important purposes. The Department of Justice [collects](#) \$2.5 billion a year, and the Treasury collects another \$1.25 billion. Some money is used for victim restitution, while the remainder funds law enforcement programs.

America has a robust framework for carrying out these forfeiture activities. There are ninety-three US Attorney's offices, each of which is to have an asset forfeiture expert (though roughly half of all forfeitures occur in one office, the Southern District of New York). American forfeiture authorities can elect between civil and conviction-based options.

But Canada's constitutional framework separates these functions. This means law enforcement agencies must prevent duplication of efforts, ensuring civil authorities aren't pursuing the same assets as criminal prosecutors. Canadian policymakers must be mindful of this difference between the Canadian and American systems, and develop more effective coordination.

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One area where American authorities have been significantly more effective is crypto-currency forfeitures. Generally, these require civil forfeiture tools. That's because blockchain is readable, and transactions can be followed through analytics, but attribution is challenging, meaning civil forfeiture is often most appropriate.

To compliment civil asset forfeiture, Canada should also pursue unexplained wealth order (UWO) provisions—which compel individuals to prove the legal source of unexplained assets, or risk confiscation.

Two jurisdictions, Manitoba and BC, already have these measures. BC recently obtained [Canada's first successful UWO](#). The case involved an illegal cannabis operation, \$1.5 million cash, and various properties. There are several other cases currently before the courts in Vancouver and Winnipeg. This is an important tool that should be expanded nationally for all civil forfeiture jurisdictions.

Canada has seen some success with civil forfeiture to date. But it's time for greater national attention on the country's capacity to investigate and prosecute profit-motivated crimes. This fall's coming FATF review is a stark reminder that our peers are watching, and Canada must do its part to tackle these global issues.

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