

Canada

2015 Country Summary

Recommendations

Canada's GI ranking is in Band B, indicating low level of defence corruption risk. Canada's highest scores, and lowest risk area, is Personnel (Band A - very low risk). The highest risk areas identified are Operations and Procurement (Band C - medium risk). Canada's recognition of corruption as a strategic issue for military operations is a good practice, which could be followed up with comprehensive training and guidelines, thus better preparing the armed forces for expeditionary operations. Domestically, the Canadian defence budget has remained constant even as the country participates in NATO operations and completes some major procurement processes. Enabling the involvement of parliament and civil society organisations in decision-making would help ensure that spending priorities are chosen rigorously and have a broad support base.

Transparency and accountability

Parliament and civil society could build on existing debate on defence issues to become more involved in policy-making and scrutiny. Comprehensive information on large procurement processes such as the F-35 fighter jets is lacking, as are opportunities for comprehensive budgetary scrutiny. It is also difficult to locate information on the procurement decision-making process and the use of tender boards, or the regulations governing them. It would be beneficial to make clear the detailed process for procurement decision-making and to publish applicable procedures and codes of conduct for tender boards. The Government could also proactively make available comprehensive budgetary and procurement information, including the percentage of the budget devoted to secret items and include the parliament and the public in the defence and security decision-making process.

Canada and the World

Canada voted for the ATT in the UN General Assembly, but has not yet signed or ratified it. Its ranking among the most transparent arms-exporting countries has fallen from 10th in 2004 to 24th in 2011, according to the Small Arms Survey's Transparency Barometer, and the details of a recent arms sale to Saudi Arabia have been kept secret from the public and parliament. We recommend that ratification of the ATT become a priority; equally, export procedures should be reviewed and proofed to safeguard against the risk of arms diversion and corruption. The government should complete the removal of the facilitation payments exemption from the Corruption of Foreign Public Officials Act (CFPOA) to avoid perpetuating corrupt practices internationally.

The Department of National Defence's Ethics Programme is based on a comprehensive Code of Values and Ethics and supported by training, and some military documents address corruption as a strategic issue for military operations. This is welcome and a good practice. However, the Code only contains a placeholder for a chapter dealing with ethics and corruption on military operations – not the chapter itself. The government could build on the recognition of corruption as a strategic issue for operations by ensuring the provisions of the Code apply to operations and are backed up with detailed guidance and training. The Code could also include guidelines on operational contracting.

Scorecard

Political	Defence & Security Policy	Legislative Scrutiny	3
		Defence Committee	3
		Defence Policy Debated	2
		CSO Engagement	2
		International AC Instruments	4
		Public Debate	3
		AC Policy	3
		AC Institutions	3
		Public Trust	3
		Risk Assessments	3
	Defence budgets	Acquisition Planning	4
		Budget Transparency & Detail	3
		Budget Scrutiny	2
		Budget Publicly Available	3
		Defence Income	2
		Internal Audit	4
		External Audit	4
	Other Political Areas	Natural Resources	4
		Organised Crime Links	4
		Organised Crime Policing	4
		Intelligence Services Oversight	2
Intelligence Services Recruitment		3	
Export Controls		1	
Finance	Asset Disposals	Asset Disposal Controls	4
		Asset Disposal Scrutiny	4
	Secret Budgets	Percentage Secret Spending	0
		Legislative Access to Information	1
		Secret Program Auditing	1
		Off-budget Spending in Law	4
		Off-budget Spending in Practice	
		Information Classification	4
	Links to Business	Mil. Owned Businesses Exist	4
		Mil. Owned Business Scrutiny	
Unauthorised Private Enterprise		4	
Personnel	Leadership	Public Commitment	2
		Measures for Corrupt Personnel	3

		Whistleblowing	3
		Special Attention to Sensitive Personnel	3
	Payroll and Recruitment	Numbers of Personnel Known	4
		Pay Rates Openly Published	3
		Well-established Payment System	4
		Objective Appointments	4
		Objective Promotions	4
	Conscription	Bribery to Avoid Compulsory Conscription	
		Bribery for Preferred Postings	
	Salary Chain	Ghost Soldiers	4
		Chains of Command and Payment	4
	Values, Standards, Other	Code of Conduct Coverage	4
		Code of Conduct Breaches Addressed	4
		AC Training	2
		Prosecution Outcomes Transparent	4
		Facilitation Payments	2
Operations	Controls in the Field	Military Doctrine	2
		Operational Training	3
		AC Monitoring	1
		Controls on Contracting	2
		Private Military Contractors	2
Procurement	Government Policy	Legislation	4
		Transparent Procurement Cycle	4
		Oversight Mechanisms	3
		Purchases Disclosed	3
		Standards Expected of Companies	2
	Capability Gap	Strategy Drives Requirements	3
		Requirements Quantified	3
	Tendering	Open Competition v. Single-Sourcing	3
		Tender Board Controls	2
		Anti-Collusion Controls	4
	Contract Delivery / Support	Procurement Staff Training	3
		Complaint Mechanisms for Firms	4
		Sanctions for Corruption	3
	Offsets	Due Diligence	3
		Transparency	2
		Competition Regulation	3
	Other	Controls of Agents	3
Transparency of Financing Packages		1	
Subsidiaries / Sub-Contractors		3	
Political Influence		3	