GOVERNMENT RESPONSE TO THE REPORT OF THE HOUSE OF COMMONS STANDING COMMITTEE ON PUBLIC ACCOUNTS ENTITLED: *REPORT 2, DETECTING AND PREVENTING FRAUD IN THE CITIZENSHIP PROGRAM, OF THE SPRING 2016 REPORTS OF THE AUDITOR GENERAL OF CANADA*

The Government of Canada has carefully considered the Report of the Standing Committee on Public Accounts entitled: *Report 2, Detecting and Preventing Fraud in the Citizenship Program, of the Spring 2016 Reports of the Auditor General of Canada*.

The Government is committed to ongoing enhancements to the integrity of its Citizenship Program. Following the release of the Auditor General's report, Immigration, Refugees and Citizenship Canada (IRCC), the Canada Border Services Agency (CBSA) and the Royal Mounted Canadian Police (RCMP) implemented Management Action Plans to help address the recommendations raised in the report. The Action Plans were shared with the Standing Committee and are available on your website.

IRCC and Public Safety Canada agree to report on the eight recommendations of the Standing Committee following its study of the *Spring 2016 report of the Auditor General of Canada*. Working with Public Safety portfolio partners, IRCC continues to make improvements to enhance fraud prevention and detection in the Citizenship Program.

Recognizing the many benefits that come with Canadian citizenship and the need to uphold the integrity of the Citizenship Program, the Government would like to thank the members of the Committee for their work in preparing their report and interest in fraud detection and prevention in the Citizenship Program. We appreciate the important non-partisan work undertaken by this Committee and the fact that the Committee continues to monitor progress on issues identified by the Auditor General of Canada.

Below is the Government's response to the specific recommendations made by the Committee.

RECOMMENDATION 1: That, by 31 March 2017, the *Department of Immigration, Refugees and Citizenship Canada* provide the House of Commons Standing Committee on Public Accounts with a report outlining its documented process to systematically enter and update problematic addresses and the results of its quality control exercises. This report should also explain how this documented process and quality control exercises will allow the Department to identify problem addresses more reliably and ensure that citizenship officers implement its quality control procedures effectively and consistently.

IRCC is committed to ensuring integrity in the Citizenship Program. To better detect and identify addresses that may be associated with fraud, IRCC has developed a standard operating procedure for citizenship officers to systematically enter and update problematic addresses in IRCC's database, the Global Case Management System, and

has undertaken a quality control exercise to ensure these addresses are being updated properly. The documented process has codified a standard operating procedure on assessing and entering problematic addresses that enables IRCC to more effectively identify applicants who use an address known or suspected to be associated with fraud. The number of files with problem addresses and the number of refusals that stem from this fraud control are being monitored monthly.

The quality control exercise provides IRCC with oversight on possible problematic addresses. A quality control exercise completed in September 2016 has demonstrated that employees are adhering to the documented process. The report cannot be made available publicly to protect investigative techniques and the integrity of the program, as it details how the fraud control is applied.

It is important to note that identifying suspect addresses is one of many controls in place to prevent fraud and complements other fraud controls, such as border passage history checks to view applicants' travel entries to Canada and in-person program integrity interviews with applicants, where citizenship officers review original documents to verify whether applicants meet requirements.

RECOMMENDATION 2: That, by 31 March 2017, the *Department of Immigration, Refugees and Citizenship Canada* provide the House of Commons Standing Committee on Public Accounts with a report explaining its process to track seized documents and its joint training approach with the *Canada Border Services Agency*. This report should also outline the main results of the Department's quality assurance exercises on the process of document seizure.

IRCC recognizes the importance of identifying and seizing fraudulent documents to remove them from circulation. The department has clarified the authorities related to document seizure, and has provided detailed guidance to officers regarding the process to seize suspicious documents. In addition, Bill C-6, *An Act to amend the Citizenship Act and make consequential amendments to another Act*, which was introduced in Parliament on February 25, 2016, contains amendments that would provide new authorities for the seizure of documents provided during the administration of the *Citizenship Act* where there are reasonable grounds to believe that they were fraudulently or improperly obtained or used, or that the measure is necessary to prevent their fraudulent or improper use.

To prevent further use of documents suspected of being fraudulent, IRCC has introduced an interim process to track the seizure of fraudulent documents and is pursuing a more permanent process through a system change in IRCC's database, the Global Case Management System, which will track the incidence of document seizure. The permanent solution will permit reporting and trend analysis as required.

IRCC will provide the Committee with its joint training approach with the CBSA on recognizing fraudulent documents by March 31, 2017.

With regard to the impact of the quality assurance exercises on the process of document seizure, in accordance with IRCC's Management Action Plan in response to the Auditor General's recommendations contained in *Report 2 of the Spring 2016 Report*, the department will conduct quality assurance exercises by the end of March 2017, after which an analysis of the results will be undertaken. As such, a report on the results of the department's quality exercises on the process of document seizure will not be available by March 31, 2017.

RECOMMENDATION 3: That, by 31 March 2017, the *Department of Immigration, Refugees and Citizenship Canada* and the *Royal Canadian Mounted Police* report to the House of Commons Standing Committee on Public Accounts the optimal timing for criminal clearance in the citizenship process, and confirm that it has been implemented in their procedures.

IRCC and the RCMP are working together to review the optimal timing for criminal clearances during the citizenship application process, while bearing in mind the need for IRCC to process citizenship applications in a timely manner. Both organizations will report to the Committee the results of this review by the end of March 2017.

RECOMMENDATION 4: That, by 31 March 2017, the *Department of Immigration, Refugees and Citizenship Canada* and the *Royal Canadian Mounted Police* report to the House of Commons Standing Committee on Public Accounts the failsafe process that they have implemented for sharing all information with one another, about all criminal charges against permanent residents and foreign nationals.

IRCC and the RCMP have been reviewing their processes regarding the sharing of information about criminal charges against permanent residents and foreign nationals. IRCC and the RCMP will provide the Committee with a report on their processes by the end of March 2017. While IRCC and RCMP are working to improve their processes and deter new and emerging forms of fraud, there are challenges in designing a process that is "failsafe."

In cases where citizenship was obtained through fraud, the Government will continue to use revocation of citizenship as an important program integrity tool to remove citizenship from those who obtained it fraudulently.

RECOMMENDATION 5: That, by 31 March 2017, the *Department of Immigration, Refugees and Citizenship Canada* and the *Canada Border Services Agency* confirm to the House of Commons Standing Committee on Public Accounts that the Agency is sharing with the Department all information about immigration fraud investigations into individuals applying for citizenship; and that the Agency do so without jeopardizing those investigations.

Both IRCC and the CBSA recognize the need to share relevant information on immigration fraud in a timely and accurate manner, without creating a negative impact on ongoing investigations.   IRCC and the CBSA confirm that they are working together to ensure that information on individuals who are linked to immigration fraud is shared

with the Citizenship Program in a consistent and timely manner so it can be used in determining eligibility for citizenship. Both organizations have clarified the legislative authorities supporting information sharing needed by IRCC to make citizenship eligibility decisions.

Both IRCC and the CBSA continue to collaborate to establish clear processes and procedures to ensure the department receives timely information about fraud investigations. IRCC and the CBSA will provide the Committee with information on these processes by March 31, 2017.

RECOMMENDATION 6: That, by 31 March 2017, the *Department of Immigration, Refugees and Citizenship Canada* provide the House of Commons Standing Committee on Public Accounts with a report outlining how the Citizenship Program Integrity Framework and its associated baseline were established, and how the Department will monitor the refusal rates of files.

IRCC has already taken significant steps to prevent and deter fraud in the Citizenship Program. Legislative changes that came into force in 2015, including the regulation of citizenship consultants, improved the department's ability to prevent and respond to fraud. Decision-makers in the Citizenship Program are highly attuned to the risks of fraud, and regularly detect and prevent ineligible applicants from obtaining citizenship.

IRCC developed a Citizenship Program Integrity Framework in January 2016 to fully integrate risk management, quality assurance, client service, and business analysis into the Program. The Framework identifies risk and vulnerabilities in the Citizenship Program and enhances the integrity of its program by outlining the program integrity activities that will be undertaken to mitigate potential risks or vulnerabilities. The Framework will strategically position IRCC in a way that will ensure the department's Program Integrity Framework and the IRCC Fraud Management Policy Framework are embedded into the delivery of the Citizenship Program.

As part of the Citizenship Program Integrity Framework, IRCC has established a process by which refusal rates are monitored monthly to ensure instructions and fraud controls are being applied appropriately and achieving the intended results. Adjustments will be made as necessary. The Citizenship Program Integrity Framework is an internal document that contains information about investigative techniques used by the department to detect fraud and therefore cannot be disclosed or shared in the public domain. As such, a detailed report cannot be provided to the Committee.

RECOMMENDATION 7: That, by 31 March 2017, the Department of Immigration, Refugees and Citizenship Canada provide the House of Commons Standing Committee on Public Accounts with a report outlining how it has improved the documentation of its rationale for selecting risk indicators for residency fraud, and the results of its validation exercises.

RECOMMENDATION 8: That, by 31 March 2017, the Department of Immigration, Refugees and Citizenship Canada provide the House of Commons Standing

Committee on Public Accounts with a report outlining its process for monitoring fraud controls and assessing whether they are being applied appropriately and achieving intended results.

IRCC has improved its information management practices by documenting its rationale for any modification to risk indicators. This requirement includes an analysis (qualitative and/or quantitative) that justifies the modification.

The department has also initiated the analysis of its fraud controls (i.e. risk indicators) as outlined in the Citizenship Program Integrity Framework. Program integrity activities will continue to be conducted regularly to ensure continuous improvement. The objective of these exercises is to assess whether fraud controls are consistently applied, and are effective at detecting fraud. The results of the program integrity exercises are used by the Citizenship Program to adjust its procedures in support of its objective of continuous improvement. The results of these exercises cannot be made available publicly to protect investigative techniques and the integrity of the program as it details how fraud controls are applied.