

# Financial Transactions and Reports Analysis Centre of Canada

2019–20

**Departmental Plan**

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The Honourable William Francis Morneau, P.C., M.P.  
Minister of Finance

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as represented by the Minister of Finance, 2019

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## Director and Chief Executive Officer's message

I am pleased to present to Parliament and Canadians the 2019–20 Departmental Plan for the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).

With Canadian businesses across the country, FINTRAC plays a critical role in protecting Canada's financial system. Compliance with the legislation brings transparency to certain financial activities and allows FINTRAC to receive the information it needs to generate financial intelligence for Canada's police, law enforcement and national security agencies. This helps to deter criminals and terrorists from operating within the legitimate channels of our economy.



The year ahead is, in many ways, a pivotal moment for FINTRAC. FINTRAC will continue to build upon the successes of collaborative initiatives that mobilized government and financial institutions across Canada to combat human trafficking in the sex trade, mass-marketing fraud and the production and distribution of Fentanyl, as well as the laundering of criminal proceeds stemming from these illicit activities. With the tremendous technological change that is taking place, including new analytical tools, the legislative review of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, and the expected changes to the Act and regulations, FINTRAC is well positioned to provide even greater tactical and strategic intelligence to combat money laundering and terrorism financing activities.

It is in this context that we have introduced a new vision for FINTRAC – Safe Canadians, Secure Economy: Contributing to the safety of Canadians and the security of the economy as a trusted leader in the global fight against money laundering and terrorist activity financing. Supporting our vision is a strategic plan that provides a clear and focused roadmap to guide our efforts, setting a course for continued leadership and achievement for many years to come.

In fulfilling its core financial intelligence and compliance mandates, FINTRAC is committed to safeguarding the personal information entrusted to the Centre. We understand that the protection of privacy is critical to maintaining Canadians' confidence in FINTRAC and Canada's broader Anti-Money Laundering and Anti-Terrorist Financing Regime.

I am excited to continue to work with FINTRAC's stakeholders and to lead the Centre and its highly skilled and dedicated workforce in helping to protect the safety, security and prosperity of Canadians as we build on our achievements and construct enduring foundations for our future.

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Nada Semaan  
Director and Chief Executive Officer



## Plans at a glance and operating context

The global nature of the banking system and transnational nature of money flows make money laundering and terrorism financing increasingly complex and sophisticated. Technology brings new and evolving challenges such as anonymity, speed and volume of transactions, and changes in the nature of transactions from cash to new payment platforms and digital currencies.

The world's financial systems are rapidly evolving. With the advent of artificial intelligence, machine learning, big data, predictive analytics, and distributed systems, the financial services industry is seeing an unprecedented level of digital disruption, such as the growing use of fintech, blockchain and cryptocurrencies.

With the increasing speed of change and the application of technology challenging traditional concepts of privacy, data security and ownership there is an increasing risk that organized crime groups, cyber criminals, human traffickers and terrorist organizations, may seek to manipulate any vulnerability in the financial system which would allow them to integrate the proceeds of their crimes into the legitimate economy. More so, serious and organised crime has sought to exploit professional facilitators to support the growth of their criminal enterprises, conceal illicit wealth and frustrate law enforcement efforts.

Similarly, terrorism is an enduring global challenge that continues to evolve. Technology is facilitating online radicalisation as well as terrorist funding. Terrorist groups or lone actors continue to adopt low-sophistication, low-resource methods of committing attacks, especially in western countries. Internationally, Canadian extremist travellers may seek to exploit financial services to raise or move funds for travel to and activities in conflict zones.

Within this operating context, FINTRAC has updated its vision and strategic priorities, built on a foundation of three pillars that, together, bring to life the vision of Safe Canadians, Secure Economy: Contributing to the safety of Canadians and the security of the economy, as a trusted leader in the global fight against money laundering and terrorist activity financing.

FINTRAC's new Strategic Plan articulates six priorities under the pillars of 1) Promote a culture of accountability; 2) Prepare FINTRAC for the future; and 3) Collaborate to strengthen results. These six priorities are summarized below, along with some of the key strategic actions that will enable the Centre to realize its vision.

**Pillar 1: Promote a culture of accountability**

FINTRAC’s objective is to have a resilient, agile workforce accountable for achieving the Centre’s priorities within a culture that values diversity, collaboration, civility and ethical behavior.

<b>FINTRAC Priorities</b>	<b>Strategic Actions</b>
Maximize the potential of our people	<ul style="list-style-type: none"> <li>• Encourage a respectful, inclusive and performance-driven culture that is based on trust and promotes accountability, civility and ethical behavior.</li> <li>• Maintain a high level of employee engagement that supports a culture of excellence.</li> <li>• Attract, recruit, retain, and manage our talent effectively and strategically to ensure that our people have the technical and behavioral competencies, agility and mindset to position the Centre and its people for success in the constantly evolving landscape.</li> </ul>
Ensure transparency through results and performance	<ul style="list-style-type: none"> <li>• Strengthen our performance measurement framework and regularly report on results.</li> <li>• Proactively engage with, and support various government oversight bodies.</li> <li>• Enhance internal communications and encourage information sharing.</li> </ul>

## Pillar 2: Prepare FINTRAC for the future

FINTRAC’s objective is to maintain a work environment that supports innovation and provides the support and tools, especially information and data, to deepen the Centre’s analysis and approaches.

FINTRAC Priorities	Strategic Actions
Modernize the workplace	<ul style="list-style-type: none"> <li>• Implement a strategic, enterprise approach to managing FINTRAC’s infrastructure, applications, and data.</li> <li>• Implement tools and processes that will effectively enable collaboration, mobility and information sharing.</li> <li>• Leverage the implementation of FINTRAC’s new analytics system and other information technology investments to enhance outcomes.</li> </ul>
Explore and implement innovative solutions	<ul style="list-style-type: none"> <li>• Implement a FINTRAC-wide approach for innovation, which includes policy, technology, and processes.</li> <li>• Strive for continuous growth and excellence by implementing a FINTRAC-wide approach to learning and training that supports all areas of organizational learning including corporate training, leadership development, executive training and functional business line training.</li> <li>• Embrace multiple perspectives and promote internal collaboration to leverage the Centre’s knowledge and expertise to identify future trends and address possible challenges.</li> <li>• Investigate and promote opportunities for private sector engagement and partnerships.</li> </ul>

### Pillar 3: Collaborate to strengthen results

FINTRAC’s objective is to leverage the knowledge and expertise of our domestic and international partners to influence change in the way we detect and deter money laundering and terrorist activity financing.

FINTRAC Priorities	Strategic Actions
Cultivate strategic relationships with key external stakeholders	<ul style="list-style-type: none"> <li>• Regularly identify, review, and prioritize FINTRAC’s relationship with key business and international stakeholders to ensure their alignment with the Centre’s compliance, intelligence, and corporate priorities, in line with FINTRAC’s requirement to be independent and operate at arm’s length.</li> <li>• Play a leadership role in international fora, to support the government’s broader international efforts to combat money laundering and terrorist activity financing.</li> <li>• Work with external stakeholders to discover new ways of doing business.</li> <li>• Enhance transparency and demonstrate progress with our external stakeholders.</li> </ul>
Strengthen cross-government cooperation	<ul style="list-style-type: none"> <li>• Proactively work with other Canadian government departments / agencies to enhance FINTRAC’s contribution to government policy making and decision making on matters related to money laundering and terrorist activity financing.</li> <li>• Work with Central agencies in creating more efficient and effective interactions.</li> </ul>

As a small agency, FINTRAC embraces the concept of ‘experimentation’ through its continued commitment to innovate and evolve its operational programs and internal services activities. In 2019–20, FINTRAC is committed to exploring new collaborations and work arrangements within Canada’s Anti-Money Laundering and Anti-Terrorist Financing (AML/ATF) Regime and through public and private partnerships with its major reporters, to continue the fight against money laundering and terrorist activity financing.

For more information on the FINTRAC’s plans, priorities and the planned results, see the “[Planned results](#)” section of this report.

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## Planned results: what we want to achieve this year and beyond

### Core Responsibilities

**Core Responsibility:** Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations

### Description

The Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) is responsible for ensuring compliance with Part 1 and Part 1.1 of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) and its associated Regulations. This legal framework establishes obligations for reporting entities to develop a compliance regime in order to identify clients, monitor business relationships, keep records and report certain types of financial transactions. FINTRAC undertakes enabling and enforcement actions to ensure that the reporting entities operating within Canada's financial system fulfill their PCMLTFA obligations. These obligations provide important measures for countering patterns and behaviours observed in criminals and terrorists in order to deter them from operating within the legitimate channels of Canada's economy. FINTRAC also maintains a registry of money services businesses in Canada.

### Planning highlights

FINTRAC administers a comprehensive, risk-based compliance program to ensure that reporting entities fulfill the aforementioned obligations.

The Centre's approach to its compliance mandate directs more of FINTRAC's resources at higher-risk reporting entities and at those areas that most effectively facilitate the sending of quality reporting to the Centre. This reporting is analyzed and assessed within FINTRAC's financial intelligence program and may be used in the production of financial intelligence disclosures. This approach recognizes that the overall effectiveness of Canada's AML/ATF regime is dependent upon businesses submitting high quality and timely financial transaction reports.

By establishing an effective compliance regime, keeping detailed and accurate records, ascertaining the identity of clients, and submitting high-quality financial transaction reports to FINTRAC, reporting entities play a unique role in protecting the integrity of Canada's financial system. Through the implementation of these requirements, reporting entities are helping to detect and deter criminals, terrorists and associated organizations that seek to exploit financial systems for illicit purposes.

In 2019–20, FINTRAC will continue to put greater emphasis on the effectiveness of its compliance program and the impact of non-compliant behaviour on Canada's AML/ATF regime. Over the coming year, FINTRAC will continue to take part in key initiatives and discussions with leading policy experts to exchange ideas and information, all in hopes of enhancing compliance levels of reporting entities, which in turn assists with addressing money laundering and terrorism financing issues faced domestically and abroad.

To achieve the expected results for 2019–20, FINTRAC plans to undertake the following activities:

- Continue to work closely with the Department of Finance and other regime partners to address deficiencies, gaps and vulnerabilities in Canada's AML/ATF regime by supporting the implementation of legislative, regulatory and operational measures to strengthen Canada's regime.
- Increase the compliance program's transparency and effectiveness by advancing both the renewed assessment methodology and enforcement approach.
- Continue to provide effective guidance and support to enable reporting entities to understand and comply with their PCMLTFA obligations, including responding to enquiries and requests for policy interpretations; participating in a number of consultative forums and committees; and providing presentations, engaging in conferences, and working closely with sector associations and reporting entities.
- Continue to manage and cultivate relationships with key external stakeholders, domestic and international partners and other regulators, to enhance dialogue, encourage information sharing, and strengthen the approach to compliance as a whole.
- Support FINTRAC's role as a global leader in the detection, prevention and deterrence of money laundering and the financing of terrorist activities through targeted international engagement, capacity building initiatives and technical assistance with current as well as future AML/ATF operational and policy development partners.
- Continue to build on our comprehensive and robust privacy protection regime by exploring new methods to identify, segregate and destroy financial transaction reports that do not meet the legislated threshold for reporting.

## Planned results

Departmental Results	Departmental Result Indicators	Target <sup>1</sup>	Date to achieve target	2015–16 Actual results	2016–17 Actual results	2017–18 Actual results
Reporting entities understand their role and contribution in combating money laundering and terrorist activity financing	Percentage of follow-up examinations where reporting entities demonstrate higher rates of compliance with their money laundering and terrorism financing legislative and regulatory obligations	Greater than or equal to 80%	March 31, 2020	Not available <sup>2</sup>	Not available	Not available
Reporting entities meet their reporting obligations to FINTRAC and provide accurate transaction data that can be used to produce actionable financial intelligence	Percentage of follow-up examinations where reporting entities demonstrate improvement in the quality of their reporting to FINTRAC	Greater than or equal to 80%	March 31, 2020	Not available	Not available	Not available
	Percentage of Financial Transaction Reports submitted to FINTRAC that meet quality requirements	Greater than or equal to 80%	March 31, 2020	Not available	Not available	Not available

<sup>1</sup> Note: Targets are based on historical trends. 2018–19 will serve as the baseline year and results will inform the setting of future targets.

<sup>2</sup> Note: The indicators shown in the above table on Planned Results are new for 2018–19 as part of the transition to the Departmental Results Framework and prior year data is not available.

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
17,216,674	17,216,674	17,591,535	17,651,294

Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
126	126	126

**Core Responsibility: Production and Dissemination of Financial Intelligence****Description**

The Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) is mandated by the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) to produce actionable financial intelligence, including disclosures that assist Canada's police, law enforcement, national security and other partner agencies in combatting money laundering, terrorism financing and threats to the security of Canada, while protecting the personal information entrusted to FINTRAC. FINTRAC also produces strategic financial intelligence for federal policy and decision-makers, reporting entities across the country, international partners and other stakeholders. FINTRAC's strategic intelligence provides a wide analytic perspective on the nature, scope and threat posed by money laundering and terrorism financing.

**Planning highlights**

In fulfilling its intelligence mandate, FINTRAC analyses and assesses the reports and information it receives and collects under the PCMLTFA. Where the Centre's analysis raises reasonable grounds to suspect that designated information would be relevant to investigating or prosecuting of a money laundering offence or a terrorist activity financing offence, FINTRAC must disclose this information to police. FINTRAC must also disclose designated information to other disclosure recipients listed in the PCMLTFA when separate legal thresholds are met, in addition to the legal threshold related to money laundering and terrorist activity financing.

The financial intelligence disclosed by FINTRAC is used in a wide variety of criminal investigations related to the funding of terrorist activities and the laundering of proceeds originating from such crimes as drug trafficking, fraud, tax evasion, corruption and human trafficking, to name a few.

FINTRAC describes its intelligence as "actionable" since it can show links between individuals and businesses that may have been previously unknown to investigators. Financial intelligence enables police, law enforcement and national security agencies to refine the scope of their investigations, to shift their sights to different targets and to identify assets for seizure and forfeiture.

FINTRAC also produces valuable strategic financial intelligence, providing a wide analytic perspective on the nature, scope and threat posed by money laundering and terrorist activity financing. Produced for the Canadian security and intelligence community, federal policy- and decision-makers, reporting entities across the country, international partners and other stakeholders, the Centre's strategic financial intelligence is invaluable in strengthening Canada's ability to prevent, detect, and deter the methods and techniques used by criminals to launder money or fund terrorist activities.

In 2019–20, FINTRAC will continue to provide the Centre’s intelligence analysts with customized tools and training through the ongoing development and implementation of its new analytics system, and by adopting new practices and methods that support the Centre’s ability to produce high-quality financial intelligence. By leveraging these initiatives, FINTRAC will optimize its business processes and systems to strengthen information exchange, and enhance the Centre’s capacity to determine the intelligence value of the financial transaction reports it receives.

To achieve the expected results for 2019–20, FINTRAC plans to undertake the following activities during the planning period:

- Nurture strategic partnerships with reporting entities, regulators, stakeholders, disclosure recipients, and policy makers to support project level ML/TF investigations in priority investigative areas, including those collaborative initiatives that mobilized government and financial institutions across Canada related to the laundering of proceeds derived from human trafficking in the sex trade<sup>1</sup>, mass-marketing fraud and the production and distribution of fentanyl.
- Cultivate relationships with international partners to enhance information sharing and to be the leader in the production of financial intelligence that supports investigations and prosecution of ML/TF offences and of offences in other jurisdictions that are substantially similar to ML/TF offences.
- Enhance intelligence monitoring of international events related to money laundering and terrorists activity financing to determine their implications for Canada and support the work of other government agencies responding to these files in accordance to FINTRAC’s mandate.
- Continue to produce strategic intelligence assessment products, including operational briefs and alerts, which provide indicator-based information for reporting entities, disclosure recipients and the general public on specific money laundering and terrorism financing issues, with a focus on methods, threats, and vulnerabilities.

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<sup>1</sup> Gender-Based Analysis Plus (GBA+): While FINTRAC’s policies, programs and legislation are financial transaction centric, it is worth noting that a continuing priority for the Centre is to support project level investigations that counter human trafficking in the sex trade, a crime where the victims are largely vulnerable women and girls.

## Planned results

Departmental Results	Departmental Result Indicators	Target <sup>1</sup>	Date to achieve target	2015–16 Actual results	2016–17 Actual results	2017–18 Actual results
Financial intelligence disclosures make an important contribution to investigations of money laundering and terrorist financing while respecting specific legislative thresholds and information limits	Number of police, law enforcement, national security and other partner agency major and project-level investigations supported by FINTRAC financial intelligence disclosures	Greater than or equal to 100	March 31, 2020	Not available <sup>2</sup>	Not available	Not available
	Percentage of FINTRAC's financial intelligence disclosures that align with partner investigative priorities	Greater than or equal to 85%	March 31, 2020	Not available	Not available	Not available
Law enforcement, partner agencies and international partners receive financial intelligence that is actionable	Percentage of feedback from disclosure recipients that indicates that the FINTRAC financial intelligence disclosure was actionable	Greater than or equal to 85%	March 31, 2020	Not available	Not available	Not available
	Percentage of feedback from proactive disclosure recipients that indicates that the independent analysis provided by FINTRAC was actionable	Greater than or equal to 75%	March 31, 2020	Not available	Not available	Not available
Key Stakeholders are well-informed on issues, trends, and risks in money laundering	Number of strategic financial intelligence products recognised by recipients for making a significant contribution to their	Greater than or equal to 5	March 31, 2020	Not available	Not available	Not available

and terrorism financing	understanding of money laundering and terrorism financing issues, trends and risks					
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<sup>1</sup> Note: Targets are based on historical trends. 2018–19 will serve as the baseline year and results will inform the setting of future targets.

<sup>2</sup> Note: The indicators shown in the above table on Planned Results are new for 2018–19 as part of the transition to the Departmental Results Framework and prior year data is not available.

#### Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
16,292,693	16,292,693	15,373,434	15,423,007

#### Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
109	109	109

Financial, human resources and performance information for FINTRAC’s Program Inventory is available in the [GC InfoBase](#).<sup>i</sup>

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## Internal Services including Privacy Protection

### **Description**

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

### **Planning Highlights**

FINTRAC's Internal Services support the Centre's core responsibilities and programs. A key priority is ensuring the protection of personal information entrusted to FINTRAC. More specifically, all facets of FINTRAC's operations are subject to rigorous security measures that ensure the safeguarding of the Centre's physical premises and IT systems, including the handling, storage and retention of all personal and other sensitive information under its control. Internal Services also support the development and delivery of effective and integrated services, policies, advice and guidance in the fields of finance, human resources, security, communication, procurement, administration, information management, and information technology. The overall objective of the program is to ensure that FINTRAC has the proper capacity, processes and systems to allow its workforce to focus on, and perform well, in meeting their operational objectives and core mandate.

Over the planning period, Internal Services will focus on activities that leverage advancements in information technology, enhance the leadership capacity of FINTRAC's workforce, and adapt the Centre's security posture to an ever-changing environment while ensuring its information, assets and services are protected against compromise. To realize these objectives, FINTRAC will undertake the following activities:

- Continue to advance the Centre's strategic policy and planning objectives, and ensure productive and effective relations with federal, provincial, territorial and international governments, as a key contributor to Canada's AML/ATF regime.
- Following the introduction of FINTRAC's new strategic plan and to reinforce good governance, ensure strategic consideration is given to the provision and sustainability of resources and systems necessary to achieve program outcomes. This will be achieved by creating multi-year plans for many of the program areas, such as, a Departmental

Security Plan, a People and Culture Strategy, a Communication Strategy, an IT Strategy, and a Data Strategy.

- Align FINTRAC’s operational plan and investments with the new strategic plan to ensure advancement of its change agenda, including the implementation of FINTRAC's new analytics system, preparing the Centre for the move of its headquarters, the implementation of new legislation and regulations, the Financial Management Transformation, the planning and execution of FINTRAC's transformational Information Technology (IT) Infrastructure renewal in collaboration with SSC with particular focus on maintaining the integrity of the Centre's current infrastructure, consolidating networks and exploring innovative technology that will enhance effectiveness, such as machine learning and artificial intelligence.
- Implement an action plan to respond to the areas of concern and opportunities for improvement identified as part of the 2017 Public Service Employee Survey (PSES). The PSES provides concrete measures for evaluating the effectiveness of people management activities, and is leveraged as a powerful engagement tool. FINTRAC will also begin preparations for the 2019 PSES, expected to take place in fall 2019.
- Continue to work closely with SSC and other central agencies to develop a data centre transformation strategy, to implement new government-wide policies and initiatives, and ensure the ongoing integrity of information technology infrastructure, systems and services.
- Continue to expand on our external communication strategies, including the use of different social media vehicles, for engagement with key domestic and international partners to increase awareness, understanding and collaboration.
- Continue to mature the Centre’s audit and evaluation program to ensure sound management of its core responsibilities.
- Ensure the ongoing integrity of our privacy protection and security regime by evaluating options and implementing appropriate measures to prevent data loss, actively monitor systems for indications of inappropriate access, use, or disclosure, and attempts to defeat security protocols, and by engaging SSC to ensure the ongoing protection of FINTRAC's information holdings.

## Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
18,147,561	18,147,561	18,558,905	18,624,479

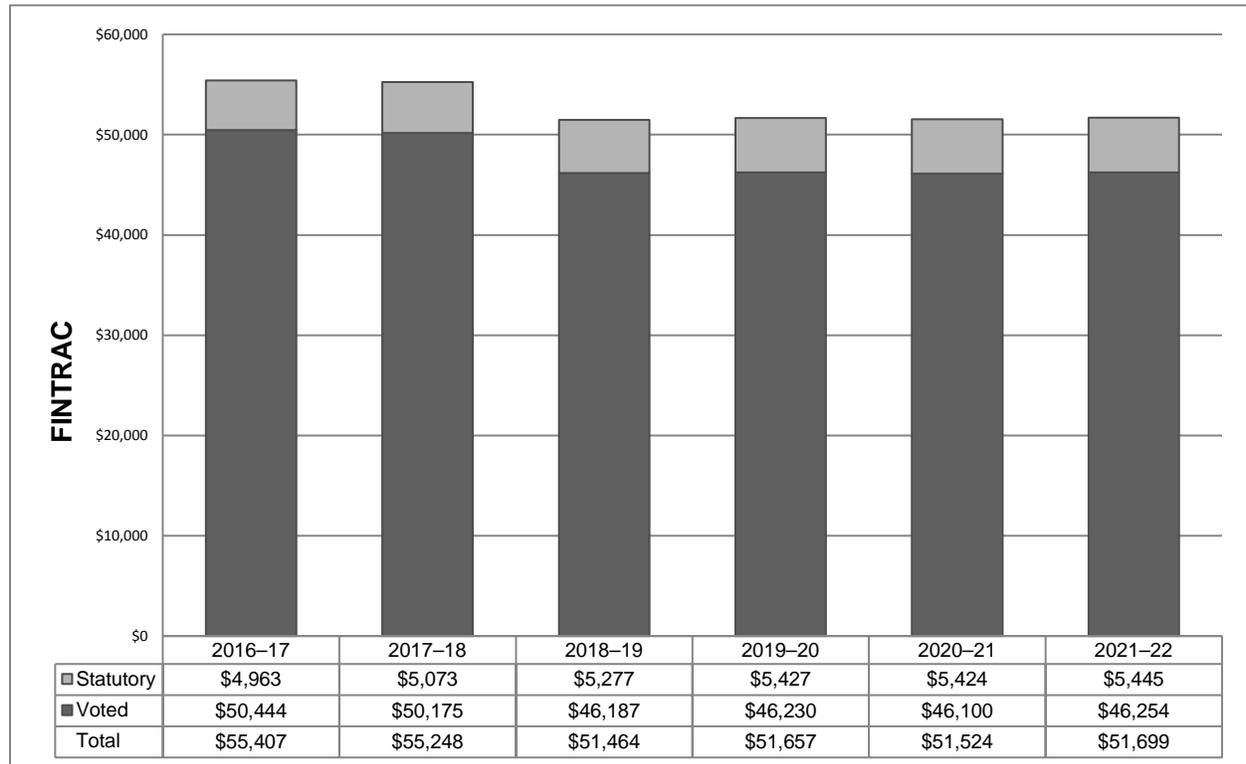
## Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
133	133	133

## Spending and human resources

### Planned spending

(thousands of dollars)



### Actual Spending (2016–17 and 2017–18)

The resources available for spending in 2016–17 and 2017–18 were \$58,646,951 and \$56,557,177 respectively. Resources available for spending decreased \$2,089,774 from 2016–17 to 2017–18 primarily as a result of:

- a decrease of \$4.2M in funding to modernize the analytical system used to detect money laundering and terrorist financing;
- an increase of \$2.6M following the receipt of compensation allocations;
- a decrease of \$1.0M in funding to support the implementation of legislative amendments;
- an increase of \$0.4M in the operating budget carry forward;
- an increase of \$0.3M in funding to provide disclosures to provincial securities regulators;
- and
- a decrease of \$0.2M due to budget reductions.

Actual spending was \$55,406,525 in 2016–17 and \$55,247,790 in 2017–18.

### Forecast Spending (2018–19)

Forecasted spending for 2018–19 is \$51,464,074.

FINTRAC's overall spending is expected to decrease compared to last fiscal year. In 2017–18, FINTRAC was allocated compensation funding to make a retroactive economic salary increase payment to past and present employees. The retroactive payments covering 4 years of economic increases (2014 to 2017) increased personnel expenditures in 2017–18. Spending is expected to decrease further following a reduction in authorities for 2018–19 based on the profile of the funds received via Budget announcements.

### Planned Spending (2019–20 to 2021–22)

Planned spending is expected to be \$51,656,928 in 2019–20, \$51,523,847 in 2020–21 and \$51,698,780 in 2021–22.

Planned spending remains relatively stable over the next three years. The small change is due to variances in transfers to other government departments and budget reductions for central Government of Canada initiatives.

#### Budgetary planning summary for Core Responsibilities and Internal Services (dollars)

Core Responsibilities and Internal Services	2016–17 Expenditures	2017–18 Expenditures	2018–19 Forecast spending	2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations	20,353,044	\$21,475,777	17,025,336	17,216,674	17,216,674	17,591,535	17,651,294
Production and Dissemination of Financial Intelligence	27,084,324	\$25,228,215	16,556,450	16,292,693	16,292,693	15,373,434	15,423,007
<b>Subtotal</b>	47,437,368	46,703,992	33,581,786	33,509,367	33,509,367	32,964,969	33,074,301
Internal Services	7,969,157	8,543,798	17,882,288	18,147,561	18,147,561	18,558,905	18,624,479
<b>Total</b>	55,406,525	55,247,790	51,464,074	51,656,928	51,656,928	51,523,874	51,698,780

## Planned human resources

Human resources planning summary for Core Responsibilities and Internal Services (full-time equivalents)

Core Responsibilities and Internal Services	2016–17 Actual full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Forecast full-time equivalents <sup>1</sup>	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations	150	151	126	126	126	126
Production and Dissemination of Financial Intelligence	152	166	109	109	109	109
<b>Subtotal</b>	302	317	235	235	235	235
Internal Services	51	49	133	133	133	133
<b>Total</b>	353	366	368	368	368	368

<sup>1</sup> Note: To comply with TBS' Guideline on the Attribution of Internal Services, the way in which FINTRAC codes its internal service expenditures has changed. This change has resulted in a shift of some financial and human resources figures from being reported under the programs to being reported under Internal Services beginning in fiscal year 2018–19.

## Estimates by vote

Information on FINTRAC's organizational appropriations is available in the [2019–20 Main Estimates](#).<sup>ii</sup>

## Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of the Financial Transaction and Reports Analysis Centre of Canada's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the Future-Oriented Condensed Statement of Operations is prepared on an accrual accounting basis, and the forecast and planned spending amounts presented in other sections of the Departmental Plan are prepared on an expenditure basis, amounts may differ.

A more detailed Future-Oriented Statement of Operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on [FINTRAC's website](#).<sup>iii</sup>

**Future-Oriented Condensed Statement of Operations**  
for the year ended March 31, 2020 (dollars)

Financial information	2018–19 Forecast results	2019–20 Planned results	Difference (2019–20 Planned results minus 2018–19 Forecast results)
Total expenses	\$52,737,199	\$55,899,419	\$3,162,220
Total revenues	\$0	\$0	\$0
Net cost of operations before government funding and transfers	\$52,737,199	\$55,899,419	\$3,162,220

Additional information

Corporate information

**Organizational profile**

**Appropriate minister:** The Honourable William Francis Morneau, Minister of Finance

**Institutional Head:** Nada Semaan, Director and Chief Executive Officer

**Ministerial portfolio:** Finance

**Enabling instrument:** Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000, c. 17. (PCMLTFA)

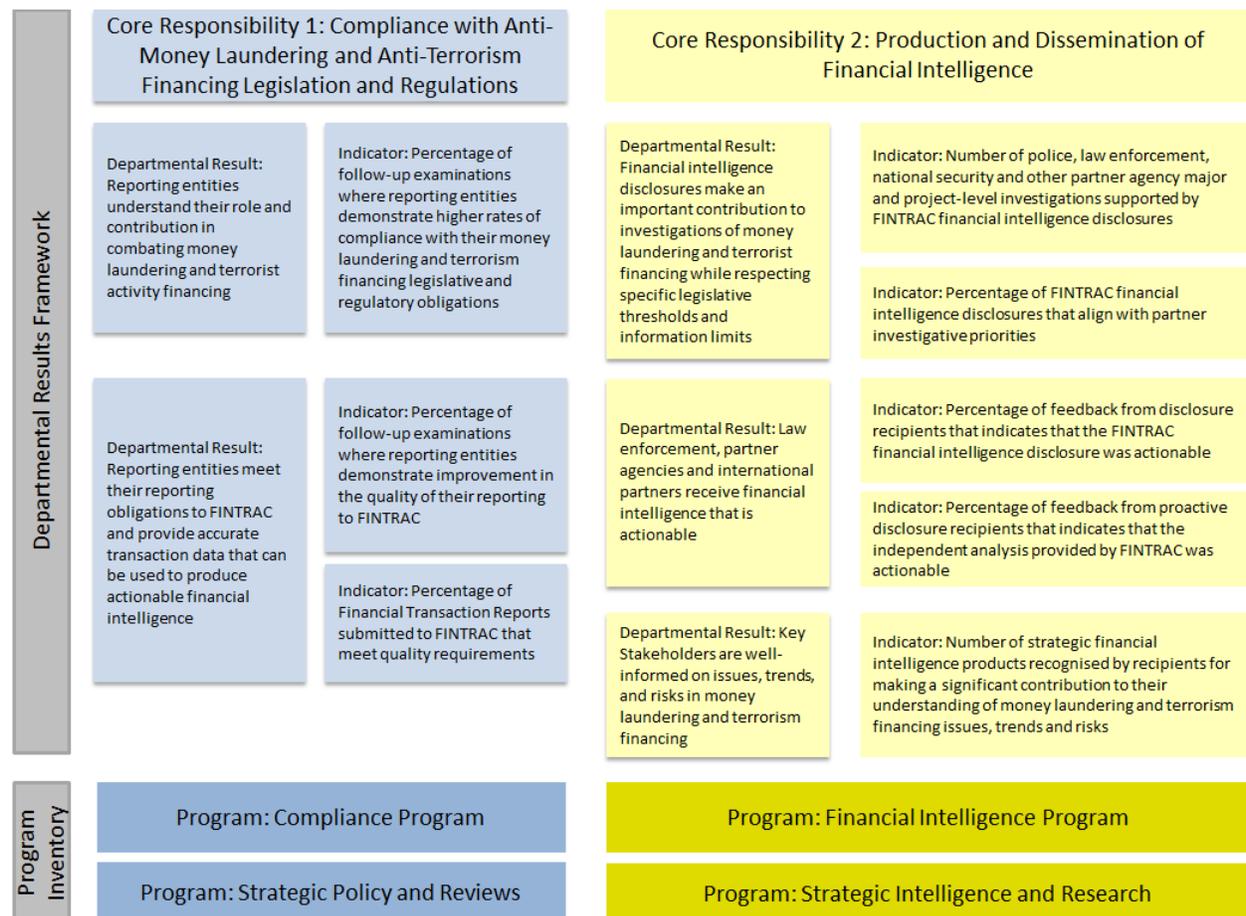
**Year of commencement:** 2000

**Raison d’être, mandate and role**

“Raison d’être, mandate and role: who we are and what we do” is available on [FINTRAC’s website](#).

**Reporting framework**

FINTRAC’s Departmental Results Framework and Program Inventory of record for 2019–20 are illustrated below:



## Supporting information on the Program Inventory

Supporting information on planned expenditures, human resources, and results related to the FINTRAC's Program Inventory is available in the [GC InfoBase<sup>iv</sup>](#).

## Supplementary information tables

The following supplementary information tables are available on [FINTRAC's website](#):

- ▶ Departmental Sustainable Development Strategy
- ▶ Gender-Based Analysis Plus

## Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the [Report on Federal Tax Expenditures<sup>v</sup>](#). This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

## Organizational contact information

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## Appendix: definitions

### **appropriation (crédit)**

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

### **budgetary expenditures (dépenses budgétaires)**

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

### **Core Responsibility (responsabilité essentielle)**

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

### **Departmental Plan (plan ministériel)**

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

### **Departmental Result (résultat ministériel)**

Any change that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by Program-level outcomes.

### **Departmental Result Indicator (indicateur de résultat ministériel)**

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

### **Departmental Results Framework (cadre ministériel des résultats)**

The department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

### **Departmental Results Report (rapport sur les résultats ministériels)**

A report on the actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

### **evaluation (évaluation)**

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

**experimentation (expérimentation)**

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

**full-time equivalent (équivalent temps plein)**

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

**gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])**

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender-diverse people. The “plus” acknowledges that GBA goes beyond sex and gender differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

**government-wide priorities (priorités pangouvernementales)**

For the purpose of the 2019–20 Departmental Plan, government-wide priorities refers to those high-level themes outlining the government’s agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

**horizontal initiative (initiative horizontale)**

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

**non-budgetary expenditures (dépenses non budgétaires)**

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

**performance (rendement)**

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

**performance indicator (indicateur de rendement)**

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, Program, policy or initiative respecting expected results.

**Performance Information Profile (profil de l’information sur le rendement)**

The document that identifies the performance information for each Program from the Program Inventory.

**performance reporting (production de rapports sur le rendement)**

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

**plan (plan)**

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

**planned spending (dépenses prévues)**

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

**priority (priorité)**

A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Departmental Results.

**Program (programme)**

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

**Program Inventory (répertoire des programmes)**

Identifies all of the department's programs and describes how resources are organized to contribute to the department's Core Responsibilities and Results.

**result (résultat)**

An external consequence attributed, in part, to an organization, policy, Program or initiative. Results are not within the control of a single organization, policy, Program or initiative; instead they are within the area of the organization's influence.

**statutory expenditures (dépenses législatives)**

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

**sunset program (programme temporisé)**

A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

**target (cible)**

A measurable performance or success level that an organization, Program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

**voted expenditures (dépenses votées)**

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

## Endnotes

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- i. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html>
- ii. 2018–19 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html>
- iii. FINTRAC, <http://www.fintrac-canafe.gc.ca/publications/pub-eng.asp>
- iv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html>
- v. Report on Federal Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>