



# Disclosure Report on Misconduct and Wrongdoing 2024-2025

Innovation, Science and Economic  
Development Canada

July 2025



This publication is available online at <https://ised-isde.canada.ca/site/transparency/en/disclosure-report-misconduct-and-wrongdoing-2024-2025>

To obtain a copy of this publication, or to receive it in an alternate format (Braille, large print, etc.), please fill out the Publication Request Form at [www.ic.gc.ca/publication-request](http://www.ic.gc.ca/publication-request) or contact:

### **ISED Citizen Services Centre**

Innovation, Science and Economic Development Canada

C.D. Howe Building

235 Queen Street

Ottawa, ON K1A 0H5

Canada

Telephone (toll-free in Canada): 1-800-328-6189

Telephone (international): 613-954-5031

TTY (for hearing impaired): 1-866-694-8389

Business hours: 8:30 a.m. to 5:00 p.m. (Eastern Time)

Email: [ISED@canada.ca](mailto:ISED@canada.ca)

### **Reproduction Authorization**

Except as otherwise specifically noted, the information in this publication may be reproduced, in part or in whole and by any means, without charge or further permission from the Department of Industry, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that the Department of Industry is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced or as having been made in affiliation with, or with the endorsement of, the Department of Industry.

For permission to reproduce the information in this publication for commercial purposes, please fill out the Application for Crown Copyright Clearance at [www.ic.gc.ca/copyright-request](http://www.ic.gc.ca/copyright-request) or contact the ISED Citizen Services Centre mentioned above.

© His Majesty the King in Right of Canada, as represented by the Minister of Industry, 2025.

Cat. No. lu1-38E-PDF

ISSN 2819-5922

Aussi offert en français sous le titre *Rapport de divulgation sur les cas d'inconduite et d'actes répréhensibles 2024-2025*.

## Table of contents

- Introduction
  
- Misconduct and wrongdoing
  - Definition
  - Context
  - Process
  - 2024-2025 Findings
    - Misconduct
    - Wrongdoing
  - Proactive and preventative measures
  
- Conflict of interest
  - Definition
  - Context
  - Process
  - 2024-2025 Findings
  - Proactive and preventative measures
  
- Harassment and violence
  - Definition
  - Context
  - Process
  - 2024-2025 Findings
  - Proactive and preventative measures
  
- Security incidents
  - Definition
  - Context
  - Process
  - 2024-2025 Findings
  - Proactive and preventative measures

## Introduction

In the spirit of transparency, Innovation, Science and Economic Development Canada (ISED) is pleased to present its first annual report on how misconduct and wrongdoing are addressed within the department.

This report summarizes cases related to misconduct and wrongdoing during fiscal year 2024-2025. It also touches on related or precursor considerations including conflict of interest, harassment, and security incidents. Furthermore, the report outlines preventative and proactive measures undertaken by the department to mitigate the risk of future occurrences.

The objective of this disclosure is to increase visibility on the processes to address cases of this nature at ISED. In doing so, the hope is to prevent future occurrences by increasing employee awareness and strengthening existing processes for early detection and effective resolution of founded cases. ISED seeks to foster a culture of zero tolerance for wrongdoing and wilful misconduct.

## Misconduct and wrongdoing

### Definition

**Misconduct** is defined as any action whereby an individual willfully contravenes, an act, a regulation, a rule, a departmental or Treasury Board policy instrument, approved procedure, departmental code of conduct, reasonable and lawful management direction, or the Values and Ethics Code for the Public Sector. In short, misconduct occurs when an employee breaches the obligations, they agreed to uphold upon joining the department and the public sector.

**Wrongdoing** is a term used specifically in reference to incidents addressed under the [Public Servant Disclosure Protection Act](#) (PSDPA). Under the PSDPA, wrongdoing in the public sector is defined as:

- a. a contravention of any Act of Parliament or of the legislature of a province, or of any regulations made under any such Act, other than a contravention of section 19 of this Act;
- b. a misuse of public funds or a public asset;
- c. a gross mismanagement in the public sector;
- d. an act or omission that creates a substantial and specific danger to the life, health or safety of persons, or to the environment, other than a danger that is inherent in the performance of the duties or functions of a public servant;
- e. a serious breach of a code of conduct established under section 5 or 6; and
- f. knowingly directing or counselling a person to commit a wrongdoing set out in any of paragraphs (a) to (e).

### Context

All ISED employees should feel safe reporting any situation involving potential misconduct or wrongdoing, without fear of reprisal. If an employee witnesses inappropriate actions or conduct, they are encouraged to speak to their supervisors and managers. Several mechanisms and processes are also available to employees who witness or experience misconduct or wrongdoing. Employees can contact their manager, the [Ombuds Office](#) (internal link available to ISED employees only), or consult the [Addressing your](#)

[Workplace Concerns Portal](#) (internal link available to ISED employees only) to obtain more information on these processes.

Misconduct is addressed by a management representative within the organizational structure of the concerned employee and in accordance with the [ISED Instrument of Sub-Delegation of Human Resources Authorities](#) (internal link available to ISED employees only).

Wrongdoing is addressed through the *PSDPA*, which provides a formal mechanism for public servants to disclose wrongdoing in the workplace while protecting them from reprisal. A case of founded wrongdoing may result in a referral to the employee's manager to take appropriate disciplinary and/or administrative measures.

## **Process**

ISED addresses all alleged cases of misconduct and disclosures of wrongdoing in accordance with the applicable legislation, regulations, policies, directives and guidelines. This includes conducting fair, timely, and objective investigations, taking measures to protect confidential information collected, protecting public servants against reprisal, and upholding procedural fairness, both for those under investigation and those who have initiated a formal process.

When an alleged case of misconduct is reported, managers, in consultation with labour relations, are responsible for reviewing and addressing the matter promptly and in line with the principles of natural justice and procedural fairness. Depending on the situation, management, in consultation with labour relations, will conduct a fact-finding exercise or an administrative investigation to assess whether the allegation is substantiated and what action, if any, is appropriate.

Pursuant to the *PSDPA*, the Senior Officer for disclosure (SDO) is responsible for receiving and dealing with disclosures of wrongdoing made by public servants, and ensuring compliance with the *PSDPA*. When a disclosure of wrongdoing is made, the SDO at ISED conducts an admissibility review to determine if an investigation is warranted. If so, the SDO oversees the investigation and provides findings and recommendations directly to the Deputy Minister.

While all alleged cases of misconduct and disclosure of wrongdoing are reviewed, not all result in formal investigations. Some may be unsubstantiated or resolved through informal mechanisms. Following any investigation, allegations are assessed based on the available evidence and the applicable administrative standard of proof.

When misconduct or wrongdoing is determined to be founded, ISED has the responsibility to take appropriate disciplinary or administrative measures, up to and including termination. In some instances, a situation may warrant the application of both disciplinary and administrative measures.

## **2024-2025 Findings**

### **Misconduct**

In fiscal year 2024-2025, a total of 30 alleged cases of misconduct were examined. Of these:

- Two (2) cases resulted in the employee leaving ISED before the conclusion of the disciplinary process
- 10 cases resulted in no disciplinary action being taken

- One (1) case resulted in an oral reprimand
- Six (6) cases resulted in a written reprimand
- One (1) case resulted in rejection of probation
- Nine (9) cases resulted in a suspension
- One (1) case resulted in termination of employment

For those cases resulting in disciplinary measures being imposed, the alleged misconduct involved breaches of the codes of values and ethics, fraud, inappropriate behaviour, insubordination and inappropriate use of the employer network.

## Wrongdoing

In fiscal year 2024-2025, the SDO received 27 disclosures. Among them:

- 26 were general enquiries on the PSDPA related process and on other recourse mechanisms, which led individuals to consider other informal and formal processes for their specific situations.
- One (1) disclosure led to an investigation being initiated but was subsequently addressed via another recourse mechanism.

## Proactive and preventative measures

The Labour Relations unit conducted individualized training sessions for management on effectively addressing workplace misconduct. Additionally, they actively participated in various management forums to raise awareness of labour relations issues impacting specific work units. The unit also engaged in ad hoc consultations with Bargaining Agents regarding relevant ISED procedures, aimed at resolving recurring challenges and fostering alignment between employees and management.

The SDO conducted information and awareness sessions for employees across the department.

## Conflict of interest

### Definition

**Conflict of interest** can be defined as a situation in which a public servant has private interests that could improperly influence the performance of his or her official duties and responsibilities or in which a public servant uses his or her office for personal gain.

- A **real conflict of interest** exists at the present time
- An **apparent conflict of interest** could be perceived by a reasonable observer to exist, whether it is the case or not
- A **potential conflict of interest** could reasonably be foreseen to exist in the future.

### Context

The foundation of the [ISED Values and Ethics Code](#) is the [Values and Ethics Code for the Public Sector](#) and the Treasury Board [Directive on Conflict of Interest](#). These frameworks apply to all ISED employees, regardless of level or position, and their acceptance is a condition of employment.

Employees are expected to always uphold both Codes and the Directive including by way of timely and proper disclosure of situations that may constitute a conflict of interest. Breaches of these Codes may lead to disciplinary action, up to and including termination of employment.

When ethical concerns arise, employees are encouraged to first speak with their immediate supervisor. Additional support is available through internal resources, such as the [Ombud Office](#) (internal link available to ISED employees only). Employees are also encouraged to seek resolution through informal means, including respectful dialogue or mediation.

Members of the public who believe that an ISED employee has seriously breached the codes may report the matter to ISED's Values and Ethics Office (VEO) ([valuesandethics-valeursetethique@ised-isde.gc.ca](mailto:valuesandethics-valeursetethique@ised-isde.gc.ca)) or to the Public Sector Integrity Commissioner.

### **Process**

When the VEO receives a conflict of interest disclosure reporting form, it conduct a thorough review and assessment of the disclosure and make recommendations to the designated senior official. The designated senior official will make a determination on the presence of a real, apparent or potential conflict of interest and will issue a response to the employee in accordance with the ISED [Instrument of Sub-Delegation of Human Resources Authorities](#) (internal link available to ISED employees only).

When a disclosure leads to a finding of a real, apparent or potential conflict of interest, management will implement appropriate mitigation measures in consultation with VEO to mitigate the risk of conflict on interest. The employee is responsible for complying with the compliance measure.

If an employee fails to disclose a real, apparent or potential conflict of interest, is non-compliant with measures put in place by the senior designated official, or is otherwise in violation of the requirements set out in the Codes or the Directive, they could be subject to disciplinary and/or administrative measures.

### **2024-2025 Findings**

In fiscal year 2024-2025, a total of 211 conflict of interest disclosure reporting forms were reviewed by the VEO. Of these:

- 182 disclosures were determined to be unfounded
- 15 disclosures were found to involve a potential or apparent conflict of interest
- 11 disclosures were confirmed to involve a real conflict of interest
- 3 disclosures were closed prior to making a determination as the subject of the conflict no longer existed

In addition, the VEO received four decisions from the Public Service Commission (PSC) concerning employee participation in political activities. The PSC granted three permissions to seek nomination or run as a candidate in an election and one permission related to non-candidacy political activity.

### **Proactive and preventative measures**

Throughout the 2024-2025 fiscal year, substantial work was done to advance the departmental values and ethics program and processes.

The VEO delivered training and awareness sessions to various sectors and branches across ISED. They also revised the conflict of interest disclosure reporting form to improve clarity and accessibility. The updated form is now available on ISED's intranet site, making it easier for all employees to access. The process of reviewing conflict of interest has also improved including: standard procedures for acknowledgement of receipt, improvements on the intake and triage processes, information sharing on best practices related to conflict of interest disclosure management, and substantial improvements in tracking and monitoring conflict of interest cases.

During the year, the Deputy Minister reinforced the expectations regarding ethical conduct and conflict of interest during a departmental town hall, highlighting the importance of early disclosure and ethical awareness. Employees were encouraged to participate in the Values and Ethics Symposium hosted by the Clerk in October 2024.

To support ongoing awareness and sector-specific engagement, a Values and Ethics Sectoral Network has been established. The Network is responsible for promoting values and ethics activities within their respective sector, gathering feedback from employees, communicating expectations from senior leadership and identifying emerging risk situations.

These activities contributed to increased awareness of employee obligations related to conflict of interest disclosures and reinforced general expectations in accordance with the Codes of Values and Ethics.

## **Harassment and violence**

### **Definition**

**Harassment and violence** means any action, conduct or comment, including of a sexual nature, that can reasonably be expected to cause offence, humiliation or other physical or psychological injury or illness to an employee, including any prescribed action, conduct or comment.

### **Context**

The Workplace Harassment and Violence Prevention Program (WHVPP) is a structured process designed to address incidents of harassment and violence in a fair, timely, and confidential manner. It provides a framework to ensure that all occurrences are handled appropriately while promoting a safe and respectful work environment.

When an individual experiences or witnesses workplace harassment or violence, they may file a notice of occurrence with the designated recipient within the Harassment and Violence Prevention team. This can be done either verbally or in writing and should include enough detail to clearly outline the nature of the incident. The process is intended to be accessible and supportive for all parties involved. The person who has experienced the workplace harassment or violence is referred to as the principal party.

### **Process**

Once a notice of occurrence is received, the designated recipient reviews the information and confirms receipt within seven days. During this stage, they also assess whether the notice meets the criteria set out under the applicable regulations to determine the appropriate next steps.

If the matter falls within the scope of the program, the parties involved are encouraged to explore informal resolution on a voluntary basis. This may involve informal dialogue,

mediation, or other alternative dispute resolution approaches. If both parties consent, a neutral third-party facilitator may be brought in to assist with the process.

In cases where informal resolution is unsuccessful a formal investigation is initiated at the request of the principal party. An impartial and qualified investigator is appointed to examine the facts of the case and determine whether the occurrence constitutes workplace harassment or violence, based on the evidence gathered.

Following the investigation, the investigator prepares a report that outlines their findings and may include recommendations. This report is shared with both parties and the employer. If it is determined that harassment or violence occurred, the employer is responsible for implementing appropriate preventative measures. These may include training, policy revisions, changes to work arrangements, or other actions aimed at preventing future occurrences.

Finally, after preventative actions have been implemented, the employer may provide follow-up support to those affected. The effectiveness of the measures taken is also assessed, and the overall workplace assessment and prevention strategies are updated as necessary to ensure continuous improvement of the workplace environment.

If the investigator's report demonstrates that the allegations are founded, the employer may conduct further analysis to determine if disciplinary measures are required and to what degree.

### **2024-2025 Findings**

In fiscal year 2024-2025, the Designated Recipient reviewed a total of 39 cases (these cases encompass a multitude of notice of occurrences). Of these cases:

- 11 cases did not meet the definition of harassment and violence
- 17 cases required additional information to determine the appropriate next steps
- 11 cases met the definition of harassment and violence

Among the 11 cases that met the definition:

- 6 cases are under investigation (either ongoing or about to be initiated)
- 3 cases are pending a determination on whether they will proceed to investigation or be referred to the Informal Conflict Management Services unit
- 2 cases were resolved through informal resolution processes

### **Proactive and preventative measures**

The Workplace Harassment and Violence Prevention (WHVP) unit delivered information sessions to ISED Occupational Health and Safety committees and employees. They also developed user friendly tools, including how-to guides and FAQs, related to ISED's WHVP policy to better support employees who are reaching out the Designated Recipient for assistance.

These tools include:

- An updated Notice of Occurrence form to simplify the process and ensure all necessary information is clearly provided.

- Clear information on what employees can expect after submitting a notice, including details on timelines and confidentiality.
- Guidance materials that distinguish between the meaning behind "workplace conflict" in contrast to "harassment and violence," with practical examples.
- Promotion of informal resolution options where appropriate, to encourage early intervention and resolution.
- Continued emphasis on addressing domestic violence in the workplace, including the integration of related resources into existing guides and FAQs.

Finally, the WHVP unit also reviewed existing processes to identify areas of improvement or efficiency by way of improved reports, enhanced communication, as well as using trends of investigation outcomes to inform work plans for focus and improvement.

These activities contributed to raise awareness and support a safe and respectful workplace environment.

## **Security incidents**

### **Definition**

**Security infraction** is generally a minor or inadvertent departure from established security policies, practices, or procedures that does not result in the compromise or loss of government information, assets, or facilities, but has the potential to do so.

**Security screening review** is the formal process by which the Government of Canada assesses and, if necessary, re-assesses an individual's suitability and reliability to access government information, assets, or facilities at a particular security level.

**Security violation or security breach** refers to an event, action, or inaction that results in the actual or potential compromise, loss, unauthorized disclosure, destruction, removal, modification, or access to information, assets, or facilities that are protected under government policy.

### **Context**

ISED's Chief Security Officer (CSO) is responsible for managing the departmental security program, which includes conducting administrative investigations related to security incidents in alignment with the ISED [Procedure for Security Administrative Investigation](#) (internal link available to ISED employees only). In fulfilling this responsibility, ISED's CSO ensures that investigations are coordinated with other departmental stakeholders who play a role in administrative investigations. Incidents suspected of constituting criminal offences are reported to the appropriate law enforcement authority by the ISED's CSO and protocols are established to ensure cooperation between the department and law enforcement agencies.

Under the authority of the CSO, the Security Services Directorate (SSD) is responsible for investigating security incidents and allegations of non-compliance, suspected criminal activity and workplace violence. Investigations may also include issues such as the improper handling of protected and classified information, unauthorized access, and other related security incidents.

The SSD is also responsible for matters related to security screening. Security screening and related reviews, conducted in accordance with the [ISED Procedure for Security Screening](#) (internal link available to ISED employees only), can include reviews for cause of

an individual's eligibility to hold a security status or clearance when reliability or loyalty to Canada is in question, and revokes security status or clearance as necessary.

Finally, the SSD conducts security inspections of ISED facilities during silent hours and in accordance with the [ISED Procedure for Security Inspection](#) (internal link available to ISED employees only).

## **Process**

When a manager is confronted with the possibility of a security incident occurring, the manager is expected to report it to the appropriate authority such as the CSO. An administrative investigation, if required, is conducted in accordance with the [ISED Procedure for Security Administrative Investigation](#) (internal link available to ISED employees only).

If allegations are founded, management is responsible for taking appropriate disciplinary or administrative action based on the investigation findings. Labour Relations must be consulted on any corrective actions and related processes. Where appropriate, the SSD may also refer cases to the relevant law enforcement agency or lead security authority.

In instances where information is reported or uncovered that could call into question an individual's reliability or loyalty to Canada, the SSD, under the authority of ISED's CSO, may conduct a review for cause of an individual's eligibility to hold a security status or clearance. In cases where it is deemed necessary, the SSD may proceed with revocation of the individual's security clearance or status. This may result in administrative measures including termination of employment if the individual no longer meets the security-related condition of employment.

The SSD also conducts non-intrusive visual checks of ISED spaces to assess compliance with Annex A of the [ISED's Procedure for Security Inspections](#) (internal link available to ISED employees only). When non-compliance is found, Security Infraction Notices are issued to the employee and their manager. These are addressed in accordance with *ISED's Procedure for Security Inspections*, which outlines consequence of non-compliance of varying severity.

## **2024-2025 Findings**

In fiscal year 2024-2025, a total of five (5) cases of alleged security violation were investigated. These resulted in one (1) administrative security investigation and four (4) personnel security investigations, being initiated. All cases were deemed to be founded and resulted in the following outcomes:

- One (1) security clearance reviewed
- Three (3) security status revoked, resulting in termination of employment
- One (1) security status maintained

In addition, the SSD issued 21 Security Infraction Notices. Of these:

- 17 infractions involved the improper containment of protected information in the workplace
- Four (4) infractions were related to unsecured assets.

Employees who received a Security Infraction Notice were required to complete the Canadian School of Public Service's online Security Awareness Course.

## **Proactive and preventative measures**

The SSD facilitated security awareness presentations to promote interactive discussions between participants and the presenter on all aspects of security in the workplace. The SSD also performed Security inspections on a regular basis to raise awareness and familiarize employees with safeguarding sensitive departmental information and assets.