

Sécurité publique Canada

Deputy Minister

Sous-ministre

Ottawa, Canada K1A 0P8 For your meeting with: Minister

Clare O'Neil

DATE: May 31, 2023 LOCATION: Secure VTC

TIME: 5:00

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DATE:

File No.: PS-039947 RDIMS No.: 4619914

## MEMORANDUM FOR THE MINISTER OF PUBLIC SAFETY

## MEETING WITH AUSTRALIAN HOME AFFAIRS AND CYBER SECURITY MINISTER CLARE O'NEIL

(Information only)

## ISSUE

The call with Minister O'Neil is an opportunity to deepen discussions on foreign interference following your May 9 discussion with Five Eyes counterparts and ahead of the Five Country Ministerial (June 27-28). The call is also an opportunity to confirm your intention to visit Canberra, possibly later this summer. Talking points have been attached in **TAB A** and a biography of Minister O'Neil in **TAB B**.

#### BACKGROUND

There has been significant engagement with Australia in recent months.

Officials from the Australian High Commissions in Washington and Ottawa actively participated in Public Safety's Special Discussion on Disinformation held in Ottawa in early May for G7 and Five Eye partners, and Deputy Minister Shawn Tupper spoke with his Home Affairs counterpart, Secretary Pezzullo, on May 15, 2023 regarding foreign interference, cyber security and critical infrastructure. The deputies committed to quarterly calls, beginning in July 2023.

At the upcoming Five Country Ministerial you will have another opportunity to meet bilaterally with Minister O'Neil. Australia has signalled that discussions on the Indo-Pacific, cyber security and foreign interference are their priorities.

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## Foreign Interference

Earlier this year, the Director General of the Australian Security Intelligence Organization (ASIO) publicly announced that more Australians are being targeted by espionage and foreign interference than at any time in the country's history. On April 15, 2023 an Australian businessman was charged with reckless foreign interference, an offence under the Criminal Code, for allegedly selling national security material to foreign operatives. This marks the second person charged under this section of the Criminal Code first introduced in 2018.

Canada has announced a series of initiatives aimed at combatting this threat, including public consultations to guide the creation of a Foreign Influence Transparency Registry (FITR) and a National Counter Foreign Interference Coordinator. The Special Rapporteur on Foreign Interference's interim report released on May 23, 2023 recommended against establishing a public inquiry on foreign interference in Canada's federal election process. However, the Rapporteur will hold public hearings to address governance and policy issues identified to date.

## Foreign Interference and Democratic Resilience

The Australian Counter Foreign Interference Coordination Centre (CFICC) within the Department of Home Affairs and Cyber Security administers Australia's Counter Foreign Influence Strategy. The CFICC works with democratic institutions, including state, territory and local government agencies, to assist with the development of frameworks and safeguards to counter foreign interference at all levels of government. They also provide support to the Australian Electoral Commission.

In January 2023, Minister O'Neil established a Strengthening Democracy Taskforce to bolster Australia's democratic resilience and enhance trust between citizens and governments. This includes engagement with social media companies on risks from foreign interference, misinformation and disinformation.

Canada has initiated a number of measures to protect the integrity of our democratic institutions and processes including: the interdepartmental Security and Intelligence Threats to Elections Task Force and the Critical Election Incident Public Protocol, and investing \$5.5 million to strengthen the capacity of civil society partners to counter disinformation.

#### Foreign Interference and Education & Research

The Australian government has worked with universities to develop safeguards against the risk of foreign interference and published updated guidelines in 2021. The CFICC also advises the research sector on risk management and protective security measures.

In 2023, Canada published the National Security Guidelines for Research Partnerships which guides researchers and organizations to consider potential risks. The recent establishment of Public Safety's Research Security Centre seeks to work with Canadian universities and researchers to mitigate risks.

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## Cyber Security

On May 25, Australia, Canada and the other Five Eyes' cybersecurity agencies issued a joint advisory note highlighting a recently discovered cluster of activity of interest associated with a People's Republic of China state-sponsored cyber actor, also known as Volt Typhoon. Technology giant Microsoft, which uncovered the hack, said the campaign had been active since the middle of 2021 and targeted critical infrastructure assets in Guam, an island in the west Pacific Ocean that is home to some of America's most important military bases.

Australia has recently completed public consultations on the 2023-2030 Cyber Security Strategy Discussion Paper, with a final draft expected by the end of 2023. The stated goal is to establish Australia as 'the world's most cyber secure nation' by 2030. As part of their consultations, Australia is seeking Public Safety's views on issues such as the cyber capacity building needs of the Indo-Pacific region up to 2030, and how Canada is prioritizing capacity building and cyber incident response activities. The Department's National Cyber and Security Branch is responding to this request.

The Australian government has also announced plans to establish a Coordinator for Cyber Security, supported by a National Office for Cyber Security, within the Department of Home Affairs. The goal is to ensure a centrally coordinated approach to deliver the government's cyber security initiatives.

Canada is currently developing a renewed National Cyber Security Strategy which included a public consultation last summer and engagement with industry, provinces and territories on cyber security gaps and emerging issues.

#### Critical Infrastructure

In 2022, Australia suffered a number of notable cyber attacks including on a large telecommunications company and a private health insurer. The country is amending its Security of Critical Infrastructure Act 2018 to require infrastructure owners and operators to increase the security of their assets through a range of new due diligence, risk mitigation and governance obligations. Critical infrastructure covered overall by this program represents about 30% of Australian industry.

Canada is also undertaking a process of modernization of critical infrastructure and resilience. The *Critical Cyber Systems Protection Act* is currently referred to the House of Commons Standing Committee on Public Safety and National Security. The Act would better protect critical infrastructure from malicious cyber activity in the energy and utilities, finance information and communication technologies, and transportation sectors.

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## Other

Finally, recalling that Minister O'Neil extended an invitation for you to visit Canberra (at the time she had suggested January 2023), the Department recommends you accept and travel to Australia later in August 2023.

## NEXT STEPS

Should you require additional information, please do not hesitate to contact me or Shannon Grainger, Assistant Deputy Minister, Portfolio Affairs and Communications Branch at 613-949-6435.

Shawn Tupper Enclosures: (2)	
Prepared by:	, International Affairs Division





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# TALKING POINTS FOR MEETING WITH AUSTRALIAN HOME AFFAIRS AND CYBERSECURITY MINISTER CLARE O'NEIL

- I'm happy to deepen our exchanges on foreign interference ahead of the Five Country Ministerial Meeting next month.
- Thank you again for the invitation to visit Canberra. While I would have loved to escape the Ottawa winter in January, as you had initially proposed, unfortunately it just wasn't possible. My office is looking at possible dates around the third week of August. Would that work on your end?
- We valued the participation of Australian officials at the Special Discussion on Disinformation that my department hosted earlier this month for G7 and Fives Eyes partners. Participants were impressed with Australia's robust protections for victims of online crime.
- I am also pleased our Deputy Ministers have agreed to hold quarterly calls.

## Foreign Interference

- My department recently completed (May 9) public consultations to guide the creation of a Foreign Influence Transparency Registry in Canada, much like Australia's Foreign Influence Transparency Scheme (FITS).
- What lessons have you learned in the design and/or introduction of the FITS that may be important for me to consider?
- We are also establishing a National Counter Foreign Interference Coordinator in my department to serve as a focal point for organizing and integrating our efforts.
- I would like to hear more about the Australian Counter Foreign Interference Coordination Centre within your department, including your experience setting it up.
- The threat posed by the People's Republic of China remains a key concern for Canada. What trends is Australia seeing recently, and how are you addressing them?



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## Foreign Interference and Democratic Resilience

- Canada has put in place measures such as the Plan to Protect Canada's Democracy to safeguard Canada's electoral process and democratic institutions.
- Among other initiatives to safeguard its institutions, Canada has launched the Security and Intelligence Threats to Elections (SITE) Task Force.
- Are you considering additional measures to safeguard your democratic institutions against foreign interference?

## Education and Research

- We have been undertaking extensive work to protect Canadian research and intellectual property from foreign interference. In particular, we have requested that the Canada Foundation for Innovation and Canada's federal research granting councils enhance their posture on national security.
- Grant applications involving research in sensitive areas will not be funded if
  any of the researchers are affiliated with a university, institute, or laboratory
  connected to military, national defence or state security entities of foreign
  state actors that pose a risk to our national security.
- We will also be developing guidelines in consultation with the Government of Canada-Universities Working Group and have established a Research Security Centre to provide advice and guidance directly to research institutions.
- I would be interested in learning more about what Australia is doing to
  protect the security of research in universities and other institutions. Do you
  have thoughts on how we could work together?



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## Cyber Security

- I am pleased your department has reached out to mine as part of consultations on the 2023-2030 Cyber Security Strategy.
- As you may know, we are currently in the process of renewing our National Cyber Security Strategy.
- I am particularly interested in the idea of a Coordinator for Cyber Security.
   Can you share more about this position?

## Critical Infrastructure (CI)

- I am impressed by your comprehensive approach to CI security and resilience, including legislation; your register of CI assets; and your private sector information sharing and gathering powers.
- We are undertaking our own modernization process in Canada. In so doing, we are trying to catch up to our Five Eyes partners.
- Similar to Australia, our proposed Critical Cyber Systems Protection Act
  would better protect our critical infrastructure from malicious cyber activity
  in the energy and utilities, finance, information and communication
  technologies, and transportation sectors.
- How did you secure buy in from the private sector for amendments to your legislation? Are there any lessons you can share?



# **BIOGRAPHY**

Clare O'Neil Minister of Home Affairs and Cyber Security



Minister O'Neil was first elected to the House of Representatives for Hotham, Victoria in 2013 and re-elected in 2016, 2019 and 2022. She joined the Cabinet as Minister for Home Affairs and Cyber Security on June 6, 2022.

She previously served as a member of the Speaker's Panel from 2015-16, and as Secretary of the Australian Labour Party Economics Policy Caucus. Clare O'Neil was Shadow Minister (Opposition Critic) for a number of portfolios, most recently for Senior Australians and Aged Care from January 2021 until the election of the Albanese government on May 21, 2022.

Clare O'Neil is particularly passionate about the topic of alienation from democracy and revitalizing integrity and trust therein, having a book on the subject entitled "Two Futures: Australia at a Critical Moment". She has been a Fulbright Scholar and received a Master's of Public Policy from Harvard University's John F Kennedy School of Government, as well as a BA and LLB from Monash University. She began her career at the New York Stock Exchange in 2007 and worked as an Engagement Manager for McKinsey and Company from 2009-2013.

Clare lives with her husband, Brendan, their two sons and their daughter.