

Security Intelligence Review Committee

2005-2006

Report on Plans and Priorities

The Right Honourable Paul Martin
Prime Minister of Canada

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Section I - Overview

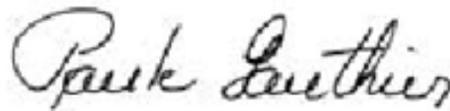
Chair's Message

The coming year could bring many changes to SIRC and CSIS. The appointment of a new Director, after the distinguished contribution of Mr. Ward Elcock, marks a new era for the Service. Similarly, my own term as Chair comes to an end in June, 2005.

I have witnessed SIRC's evolution over many years, having served both as a Member from 1984-1991 and from 1995-1996, as well as two terms as SIRC's Chair. Today, I am struck by both the similarities and differences. In the early 1980s, Canadians were transfixed by the revelations of the McDonald Commission, which ultimately resulted in the disbandment of the RCMP's Security Service and the creation of CSIS and SIRC. Today, the O'Connor Commission is formulating advice to Government on the creation of an independent, arm's length review mechanism for the RCMP's national security functions.

At the same time, the threat environment has changed dramatically. Cold War preoccupations with counter-espionage and counter-subversion have been replaced by concerns about counter-terrorism and the proliferation of weapons of mass destruction. There has been an unprecedented increase in cooperation and the exchange of information, both domestically and with foreign allies. Little wonder that western democracies are now struggling to find the right balance between public safety and the rights and freedoms which are hallmarks of a free and open society.

Nevertheless, the fundamental questions about what constitutes effective review and oversight are eerily similar to twenty years ago. I continue to believe that SIRC has a vital role to play, in ensuring that CSIS complies with the law, policy and Ministerial direction in the performance of its duties and functions. While I will no longer be directly involved in this work, I wish continued success to my successor, fellow Committee Members and staff. I have no doubt they will realize the plans and priorities outlined in this document, and demonstrate yet again SIRC's commitment to fulfilling this very important mandate.



Paule Gauthier, P.C., O.C., O.Q., Q.C.
Chair

Summary Information

Reason for Existence – *To provide assurance to the Parliament of Canada and through it, to Canadians, that CSIS is complying with law, policy and Ministerial Direction in the performance of its duties and functions*

The Security Intelligence Review Committee (SIRC or the Committee) is a small, independent review body which reports to Parliament on the operations of the Canadian Security Intelligence Service (CSIS or the Service). It was established at the same time that CSIS was created in 1984, and derives its powers from the same legislation, the *CSIS Act*.

The Committee is chaired by the Honourable Paule Gauthier, P.C., O.C., O.Q., Q.C., who was appointed Chair on September 30, 1996. The other Members are the Honourable Raymond Speaker, P.C., O.C., the Honourable Gary Filmon, P.C., O.M., the Honourable Baljit S. Chadha, P.C. and the Honourable Roy Romanow, P.C., O.C., Q.C. All Members of the Committee are Privy Councillors, who are appointed by the Governor-in-Council after consultation by the Prime Minister with the Leaders of the Opposition parties.

The Committee's raison d'être is to provide assurance to the Parliament of Canada and through it, to Canadians, that CSIS is complying with legislation, policy and Ministerial Direction in the performance of its duties and functions. In doing so, the Committee seeks to ensure that CSIS does not undermine the fundamental rights and freedoms of Canadians. The Committee is the only independent, external body equipped with the legal mandate and expertise to review the Service's activities, and is, therefore, a cornerstone for ensuring the democratic accountability of one of the Government's most powerful organisations.

To provide this assurance, SIRC has two key Program Activities. The first is to conduct in-depth reviews of CSIS activities to ensure that they comply with the *CSIS Act* and the various policy instruments that flow from it, and with direction from the Minister. The second is to receive and inquire into complaints by any person about any action of the Service.

The Service continues at all times to be accountable for current operations through the existing apparatus of government, specifically the Minister of Public Safety and Emergency Preparedness, the Inspector General of CSIS, central agencies and the Auditor General, Information Commissioner and Privacy Commissioner of Canada.

Financial Resources (\$ millions)

2005-2006	2006-2007	2007-2008
\$2.8	\$2.8	\$2.8

Human Resources (FTEs)

2005-2006	2006-2007	2007-2008
21	21	21

Departmental Priorities

	Type	Planned Spending		
		2005-2006	2006-2007	2007-2008
Annual Report	Ongoing	\$70,000	\$70,000	\$70,000
Outreach & Liaison	Ongoing	\$135,000	\$105,000	\$105,000
Proposed Committee of Parliamentarians	New	\$20,000	\$20,000	\$20,000
Modern Comptrollership	Ongoing	\$75,000	\$75,000	\$75,000
Best Practices	New	\$50,000	--	--

Planning Environment

SIRC's planning environment has been influenced by several factors. In some cases, their full effect has yet to be determined, but there is no question that they will impact on the Committee's work.

Proposed Committee of Parliamentarians on National Security

When Prime Minister Martin took office in December, 2003, he proposed the establishment of a Committee of Parliamentarians on National Security. Significantly, he called for its members to be “sworn in as Privy Councillors so that they can be briefed on national security issues.” (Most current Members of Parliament are not authorized to receive classified intelligence). This was followed by the release of a Consultation Paper by the Deputy Prime Minister in March, 2004 and the establishment of an Interim Committee of Parliamentarians to consult and make recommendations.

SIRC along with representatives of other federal review bodies appeared before the Interim Committee in September, 2004. While the Interim Committee’s report had not been made public at time of writing, media coverage suggests that it may be considering an oversight model similar to what exists in the United States. This would be a significant departure from the current role of the Sub-Committee on National Security of the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness.

SIRC wants to establish a positive and constructive relationship with whatever mechanism is established, but remains concerned about respective mandates and possible overlap and duplication. In addition, SIRC’s Members must address the legal conundrum of how to respond to Parliamentary requests for classified information, which could violate their Oaths of Secrecy and certain provisions of the *CSIS Act*, potentially resulting in the imposition of criminal sanctions against them.

O’Connor Commission

The establishment of the Commission of Inquiry into the Actions of Canadian Officials in Relation to Maher Arar could also have an impact on SIRC. Under his Policy Review, Mr. Justice O’Connor released a Consultation Paper in October, 2004 along with several Background Papers. While the intent is to make recommendations on “an independent, arm’s length review mechanism for the activities of the RCMP with respect to national security,” the O’Connor Commission is seeking input on a range of options, some of which go beyond the RCMP to include other federal organizations involved in national security. In addition, several of these options could potentially impact on SIRC, i.e. by expanding its role or indeed doing away with SIRC entirely.

The O’Connor Commission is soliciting submissions on these options and has scheduled Roundtables in May and June, 2005, to discuss international and domestic review models. While it will be up to the Government to determine how to respond to Mr. Justice O’Connor’s eventual recommendations, they are likely to stimulate public debate and will focus considerable attention on the adequacy of Canada’s review mechanisms.

Public Confidence

There has been considerable attention focused on security intelligence agencies, in the aftermath of widely-publicized intelligence failures about the existence of weapons of mass destruction in Iraq. Closer to home, the allegations of several individuals – notably Maher Arar – have generated significant, ongoing media coverage. This has been aggravated by the inherent tension which exists between the Government's responsibility to protect sensitive, classified information and the public's desire for greater openness and transparency.

To date, these developments do not appear to have eroded public confidence, because opinion research suggests that Canadians are generally satisfied with the Government's actions vis-a-vis national security. While a majority of Canadians reportedly feel that their country is about as "safe" as it was five years ago, they do not feel the same way about the world around them. Also of interest, a sizeable minority believe that the Government should give more emphasis to the protection of civil liberties, and are concerned about a perceived erosion of their right to privacy.

Resources

In December, 2004 Parliament approved Supplementary Estimates which increased SIRC's budget by \$344,000 in 2004 - 2005 and future years. This was based on a Treasury Board submission made in 2002, in which SIRC presented a business case explaining why it required additional funding to keep abreast of a 30 percent increase in CSIS's budget. Parliament's approval was welcomed by SIRC, because the long-awaited funding is critical to maintaining SIRC's ability to conduct an effective review program.

However, this infusion of funding (which is mainly being used to hire new research staff) brings with it an obligation to manage these resources with prudence and probity. It will be important to demonstrate effective use of these resources in future years.

Modern Comptrollership

SIRC has made significant progress, starting with a Capacity Assessment in 2003-2004, followed by a Management Action Plan, Risk Assessment, Audit Plan and the development of Performance Indicators in 2004-2005. Several priority areas have been identified for further action, including strategic leadership, accountability and human and financial resource management. However, like other small agencies, SIRC continues to struggle with central agency reporting requirements, given its small staff complement. While it is fully supportive of modernizing comptrollership (management practices), it does not have the luxury of dedicated, functional specialists available in larger departments. As a result, it must often rely on contracted resources to acquire the necessary expertise. It is also following several government-wide initiatives with interest, such as the expenditure and management review; the proposed sharing of common services; and certain governance initiatives.

Changing of the Guard

The November, 2004 appointment of Jim Judd as CSIS Director heralds a new era. His predecessor Ward Elcock served for a decade, and put his own unique stamp on the Service. Soon, the position of SIRC Chair will become vacant, when Mme Paule Gauthier's second term expires in June, 2005. She had previously been a Member from 1984-1991 and from 1995-1996, so SIRC is losing its longest-serving Member. Whoever is appointed to fill this position will have an impact both on SIRC's future direction and inevitably, its relationship with the Service.

Priorities

Before discussing SIRC's priorities for 2005-2006, it is important to recognize that virtually all of the Committee's energy and resources are allocated to two Program Activities (which are described more fully in Section II). The first is to conduct in-depth reviews of CSIS activities to ensure that they comply with the *CSIS Act* and the various policy instruments that flow from it, and with direction from the Minister. The second is to receive and inquire into complaints by any person about any action of the Service. Together, these two Program Activities account for 78 percent of SIRC's planned budget of \$2.8 million. This is because many of SIRC's priorities, such as the production of the Annual Report, are in effect an extension of SIRC's review and complaints programs.

SIRC has identified five (5) priorities for 2005-2006. These are: 1) to produce an Annual Report and other high-quality communications material; 2) to pursue outreach and liaison activities, in particular an International Symposium on Review and Oversight; 3) to establish a constructive, working relationship with the proposed Committee of Parliamentarians on National Security; 4) to undertake further modern comptrollership initiatives; and 5) to consult on best practices related to the complaints process.

Annual Report and Communications Material

By reviewing past operations of the Service and investigating complaints, SIRC is able to make findings and recommendations designed to improve the Service's performance. The results of this work, edited to protect national security and privacy, are summarized in its Annual Report. In accordance with s. 53 of the *CSIS Act*, the Report must be submitted to the Minister of Public Safety and Emergency Preparedness "not later than September 30 in each fiscal year." The Minister then tables the Report in Parliament within fifteen days of its receipt.

At 2004-2005 year end, SIRC also released "Reflections"—a publication commemorating its 20th anniversary by documenting the past two decades of independent, external review of security intelligence in Canada. In the coming year, SIRC intends to distribute this publication

widely, via its website; in public fora such as the International Symposium or other Committee events; by targeted mailings or in response to public enquiries.

This is an ongoing activity which includes costs for writing, editing, translation, graphic design and printing services, as well as the electronic distribution of news releases and backgrounders to the media.

Outreach And Liaison

The Committee's schedule includes both domestic and foreign travel. As part of its review program, the Committee visits CSIS regional offices on a rotating basis to examine how Ministerial direction and CSIS policy affect the day-to-day work of investigators in the field. These trips afford Committee Members with an opportunity to meet with senior CSIS staff, receive briefings on regional issues and communicate the Committee's focus and concerns. Regional visits also permit the Committee to meet with experts on a broad range of subjects. The Committee intends to visit at least two CSIS regional offices in 2005-2006.

CSIS also maintains a number of posts outside Canada. In order to monitor effectively the application of the Service's information-sharing arrangements with foreign agencies, SIRC conducts reviews of these Security Liaison Officer (SLO) posts abroad. At least one SLO post will be included in the 2005-2006 research plan.

To commemorate SIRC's 20th anniversary, it is co-hosting an International Symposium with the Canadian Centre of Intelligence and Security Studies (CCISS) of Carleton University, Ottawa. The theme of this two-day event is "Making National Security Accountable: International Perspectives on Intelligence Review and Oversight." To be held May 18-19, 2005 in the Auditorium of Library and Archives Canada, the Symposium is intended to attract a range of experts from both Canada and abroad. Delegates will be treated to panel discussions and keynote speeches. Details are available on the [CCISS website](#).

With the exception of the International Symposium, this is an ongoing activity which covers the costs of travel and per diems incurred by Committee Members and SIRC staff.

Proposed Committee of Parliamentarians

It has been more than two years (February 18, 2003) since SIRC appeared before the Sub-Committee on National Security of the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness. While staff made a presentation (September 8, 2004) to the Interim Committee consulting on the establishment of the proposed Committee of Parliamentarians, Members have been somewhat disappointed by the lack of attention paid to their work, particularly since SIRC reports to Parliament.

SIRC recognizes the importance of establishing constructive working relationships with whatever new mechanism is established. However, given the scarce resources that are allocated to Canada's review mechanisms, it is hoped that Parliament will develop a more constructive dialogue with existing review bodies like SIRC, the Commissioner of the Communications Security Establishment or the Commission for Public Complaints Against the RCMP. It will therefore be very important to ensure complementary mandates to avoid potential overlap and duplication of work.

While SIRC identified this as a priority in its RPP for 2004-2005, in effect it is a new activity, since no meeting has yet occurred. Resources are intended to cover the travel and per diem costs of Committee Members attending at least two annual Parliamentary hearings in Ottawa, plus the cost of preparing any briefing notes and other material which may be prepared for a new Committee.

Modern Comptrollership

In 2004-2005, SIRC finalized a Management Action Plan, as well as several initiatives flowing from that document, i.e. Risk Assessment, Audit Plan and the development of Performance Indicators. It also contracted for an independent audit of its policy framework, in order to establish that its policies and procedures are consistent with Treasury Board requirements, and to identify any gaps or omissions requiring attention.

In addition to modernizing its policy framework, SIRC has committed to undertake an independent financial audit, further to the conditions attached to its Treasury Board submission. This will examine how the new resources which Parliament approved under Supplementary Estimates, have been utilized by the Committee.

Human resource management continues to be challenging, with one senior Researcher position vacant at time of writing. This has always proven challenging for the Committee, because it is very difficult to identify and recruit employees with previous experience in the review of security intelligence agencies. And since all employees must have a Level III security clearance prior to their arrival, it can take months before prospective employees have been vetted.

This is an ongoing activity. Resources identified under this priority will be allocated to both in-house staff and contractors developing or implementing comptrollership initiatives.

Best Practices

SIRC intends to undertake consultations in 2005-2006, to identify and ultimately implement best practices to improve the efficiency of its quasi-judicial complaints program. These consultations will include other, similar organizations (e.g. the Commission for Public Complaints Against the

RCMP and the Military Police Complaints Commission) to understand what challenges and opportunities they have encountered in responding to complaints. The key stakeholders in SIRC's complaints procedure, CSIS and complainants, will be consulted to learn how SIRC's practices can best respond to these parties' legitimate needs and expectations. The views of complainants will be sought by requesting the opinions of experienced counsel who have been involved in complaints hearings or those with expertise in human rights law and policy.

A Consultation Plan will be developed and implemented in the coming year. Mechanisms could include (but may not be limited to) informal, bilateral consultations; roundtable discussions; or requests for written submissions. After the process has ended, further analysis will be undertaken by SIRC to determine the potential implementation or application of these best practices.

This is a new activity. Resources identified under this priority will be allocated to travel costs; obtaining legal advice or opinions; and the organization of roundtables and other consultation events.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES

SIRC has only one strategic outcome, described below. In realizing this outcome, the Committee is seeking to ensure that at all times, CSIS acts within the law.

This outcome is important to Canadians, because it helps to protect their fundamental rights and freedoms. In effect, SIRC is a cornerstone for ensuring the democratic accountability of one of the Government's most powerful organizations.

Strategic Outcome:

To provide assurance to the Parliament of Canada and through it, to Canadians, that CSIS is complying with law, policy and Ministerial Direction in the performance of its duties and functions

Program Activity # 1: Reviews of CSIS Activities

Financial Resources:

2005-2006	2006-2007	2007-2008
\$1,887,000	\$1,887,000	\$1,887,000

Human Resources (FTEs)

2005-2006	2006-2007	2007-2008
15	15	15

The purpose of the Review Program is to conduct reviews of CSIS activities to ensure compliance. The expected result is improvements to CSIS operational policies and procedures, based on the findings and recommendations which SIRC makes in its reviews.

SIRC has virtually unlimited power to review CSIS's performance of its duties and functions. With the sole exception of Cabinet confidences, SIRC has the absolute authority to examine all information concerning CSIS's activities, no matter how highly classified that information may be.

It is important to note that the Committee examines CSIS's performance on a retrospective basis, that is to say, it examines the past activities of the Service. Its work is not intended to provide oversight of current CSIS operations. However, by preparing "snapshots" of highly sensitive CSIS activities over almost two decades, SIRC helps Parliament to determine whether CSIS is acting appropriately and within the law.

SIRC's research program is designed to address a broad range of subjects. This approach allows the Committee to manage the inherent risk of being able to review only a small percentage of CSIS activities in any given year. However, the Committee must also be prepared to adjust planned activities to respond to unforeseen events.

In planning reviews for 2005-2006 and future years, SIRC will be able to expand its research program, as a result of the new resources it received through Supplementary Estimates. The choice of which reviews to undertake will be based on domestic and world events; issues, priorities and concerns identified by Canadians and Parliament; past reviews; and existing and emerging CSIS activities.

This is an ongoing activity which includes salary costs and training for staff, monthly meetings attended by Committee Members, their travel expenses and per diems. It also includes ground transportation on a daily basis between SIRC's offices in the Jackson Building and CSIS headquarters.

Several performance measurements are used to assess its effectiveness. One measure is whether the research plan approved by the Committee is completed in its entirety. Another measure concerns whether CSIS acts on the recommendations contained in SIRC's reviews. Other measures include the number and scope of reviews relative to resources; how frequently different aspects of CSIS's operations are reviewed, given that SIRC cannot review each on an annual basis; and feedback on the quality of reviews from those privy to receive them.

Program Activity # 2: Complaints

Financial Resources:

2005-2006	2006-2007	2007-2008
\$909,000	\$909,000	\$909,000

Human Resources (FTEs)

2005-2006	2006-2007	2007-2008
6	6	6

The purpose of the Complaints Program is to investigate complaints and conduct investigations in relation to:

- complaints "with respect to any act or thing done by the Service" as described in the *CSIS Act*;
- complaints about denials of security clearances to federal government employees and contractors;

- referrals from the Canadian Human Rights Commission in cases where the complaint relates to the security of Canada; and
- Minister's reports in respect of the *Citizenship Act*.

The Committee has no control over the number of complaints it receives in any given year. It also has a statutory responsibility to respond promptly to every complaint. Their volume and complexity can have a significant impact on SIRC's capacity to fulfill its mandate. Because complaints are very time consuming, small changes in their numbers can significantly affect the Committee's budget and operations.

This is an ongoing activity. It includes salary costs and training for staff, complaint hearings presided over by Committee Members, their travel expenses and per diems, as well as costs for simultaneous translation, court reporters, plus funding to obtain outside legal advice.

One measure of its effectiveness is whether or not the Committee's decisions are subsequently challenged in Federal Court. SIRC has also adopted a standard that all written complaints are formally acknowledged within seven days of their receipt and that within 60 days, all formal complaints should either be resolved to the complainant's satisfaction, determined to be without foundation and closed, or elevated to the status of an in-depth Committee investigation.

SECTION III – SUPPLEMENTARY INFORMATION

Management Representation Statement

I submit for tabling in Parliament, the 2005-2006 Report on Plans and Priorities (RPP) for the Security Intelligence Review Committee.

This document has been prepared based on the reporting principles contained in the *Guide to the preparation of Part III of the Estimates: Reports on Plans and Priorities*.

1. It adheres to the specific reporting requirements outlined in the TBS guidance;
2. It uses an approved program activity architecture (PAA) structure;
3. It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
4. It reports finances based on approved planned spending numbers from the Treasury Board Secretariat.



Name: Susan Pollak

Title: Executive Director

Organizational Information

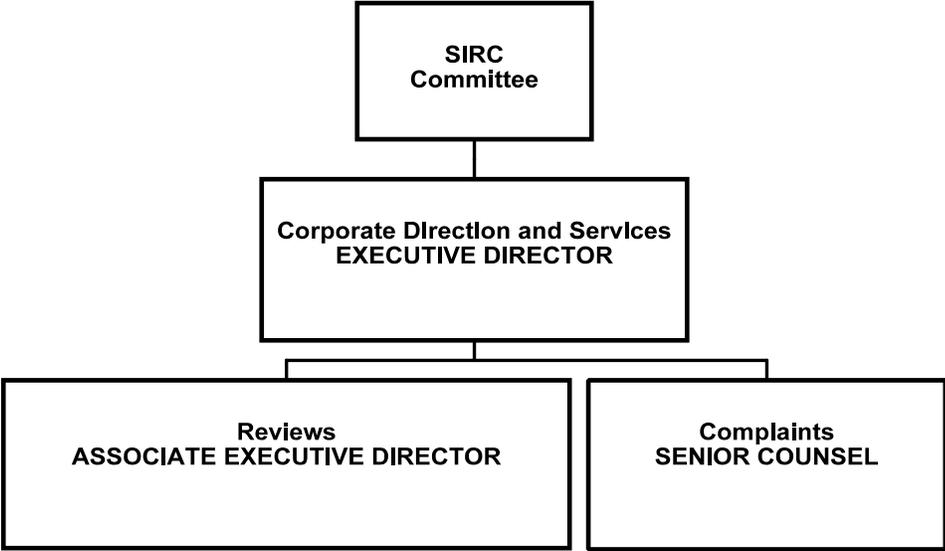


Table 1: Agency Planned Spending and Full Time Equivalents

(\$ millions)	Forecast Spending 2004-2005	Planned Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008
Reviews	1.6	1.9	1.9	1.9
Complaints	.9	.9	.9	.9
Budgetary Main Estimates (gross)	2.5	2.8	2.8	2.8
Non-Budgetary Main Estimates (gross)				
Less: Re-spendable revenue				
Total Main Estimates	2.5	2.8	2.8	2.8
<i>Adjustments:</i>				
Supplementary Estimates:				
Supps "A"	.3			
Budget Announcement:				
<i>Total Adjustments</i>	.3			
Total Planned Spending	2.8	2.8	2.8	2.8
Total Planned Spending	2.8	2.8	2.8	2.8
Less: Non-Respendable revenue				
Plus: Cost of services received without charge				
Net cost of Program	2.8	2.8	2.8	2.8
Full Time Equivalents	20	21	21	21

Table 2: Program by Activity

2005-2006					
Program Activity	Budgetary			Total Main Estimates	Total Planned Spending
	Operating	Gross	Net		
Reviews	1.9	1.9	1.9	1.9	1.9
Complaints	.9	.9	.9	.9	.9
Total	2.8	2.8	2.8	2.8	2.8

Table 3: Voted and Statutory Items listed in Main Estimates

2005-2006			
Vote or Statutory Item	Truncated Vote or Statutory Wording	Current Main Estimates	Previous Main Estimates
30	Program expenditures	2.5	2.2
(S)	Contributions to employee benefit plans	.3	.3
	Total Agency	2.8	2.5

Table 4: Net Cost of Agency for the Estimates Year

2005-2006			
(\$ millions)	Reviews	Complaints	Total
Total Planned Spending	1.9	.9	2.8
<i>Plus: Services Received without Charge</i>			
Accommodation provided by Public Works and Government Services Canada (PWGSC)			
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	.9	.4	1.3
Worker's compensation coverage provided by Social Development Canada			
Salary and associated expenditures of legal services provided by Justice Canada			
<i>Less: Non-responsible Revenue</i>			
2005-2006 Net cost of Agency	2.8	1.3	4.1

SECTION IV – OTHER ITEMS OF INTEREST

Corporate Direction and Services

Because “Corporate Direction and Services” is not displayed in the Main Estimates as a separate program activity, it was not discussed in Section II. Resources are simply included as part of the overall allocation for those activities. However, because Corporate Direction and Services consumes roughly 22 percent of the organization’s total resources and covers a number of activities and services which are essential to the smooth functioning of the organization, SIRC is providing the following breakdown.

Financial Resources:

2005-2006	2006-2007	2007-2008
\$612,000	\$612,000	\$612,000

Human Resources (FTEs)

2005-2006	2006-2007	2007-2008
3	3	3

For example, the Comptrollership priority discussed in Section I is funded through Corporate Direction and Services. It also includes ongoing refinements and additions to SIRC’s website, first launched in January, 2004, as well as the general informatics support required to maintain internal computing systems. In addition, financial and human resource management services which are not provided to SIRC by the Privy Council Office, are funded through this activity. Finally, the salaries of two executives providing corporate direction and one administrative head who supports them, are also included.

Contact Information

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Legislation Administered:

The Canadian Security Intelligence Service Act