



Security Intelligence Review Committee

Performance Report

For the period ending
March 31, 1999

Canada

Improved Reporting to Parliament Pilot Document

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

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Available in Canada through your local bookseller or by mail from

Canadian Government Publishing — PWGSC

Ottawa, Canada K1A 0S9

Catalogue No. BT31-4/72-1999

ISBN 0-660-61084-1



Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis what was known as the annual *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*.

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

This year, the Fall Performance Package is comprised of 82 Departmental Performance Reports and the government's report *Managing for Results - Volumes 1 and 2*.

This *Departmental Performance Report*, covering the period ending March 31, 1999, provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's pilot *Report on Plans and Priorities* for 1998-99. The key result commitments for all departments and agencies are also included in Volume 2 of *Managing for Results*.

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government.

The government continues to refine and develop both managing for and reporting of results. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

This report is accessible electronically from the Treasury Board Secretariat Internet site:
<http://www.tbs-sct.gc.ca/tb/key.html>

Comments or questions can be directed to the TBS Internet site or to:

Planning, Performance and Reporting Sector
Treasury Board Secretariat
L'Esplanade Laurier
Ottawa, Ontario, Canada
K1A 0R5
Tel: (613) 957-7042
Fax (613) 957-7044

Security Intelligence Review Committee

Performance Report

**For the
period ending
March 31, 1999**

The Right Honorable Jean Chrétien
Prime Minister of Canada

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Section I: The Message

Within the Government of Canada, the Security Intelligence Review Committee is unique in a number of ways. Our work consists almost entirely of reviewing and monitoring the endeavours of others in the government system. As Members of the Review Committee, we are selected in a consultative, non-partisan manner and then given extraordinary powers of inquiry. The law prevents us from passing on to the general public a great deal of what we learn through those inquiries, yet public trust and confidence in our efforts is the prime objective of the Committee's work.

All of these somewhat unusual characteristics stem directly from the responsibility Parliament has given us: to watch over Canada's security service while it carries out its mandated tasks of protecting the national security of Canada and the safety of Canadians.

The history of the establishment of SIRC in the same Act of Parliament that created the Canadian Security Intelligence Service (CSIS) would seem to indicate that our Committee's ultimate purpose is somehow at odds with that of CSIS. After all, SIRC arose directly from the McDonald Commission of 1981 and the revelation that the Security Service of the RCMP was involved in illegal or improper activities. Though we and CSIS do not, in fact, work at cross-purposes, there is a constructive tension between the two organizations that we believe benefits Canada and all Canadians.

In the world as it is, a security and intelligence organization is essential to maintaining Canadians' well-being and to protecting the nation from very real and dangerous threats. However, organizations like CSIS in possession of extraordinary intrusive powers, must be held accountable if the integrity of Canada's democratic process is to be maintained, and is to be seen to be maintained.

Recent Canadian history shows that a security service without effective external review will not obtain or keep the confidence of the public. We are confident of SIRC's ability to carry out this vital work in the years to come.

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

KEY RESULTS COMMITMENT

The Security Intelligence Review Committee (SIRC)

to provide Canadians with:	to be demonstrated by:	achievements reported in:
<p>confidence that the Canadian Security Intelligence Service (CSIS) uses its extraordinary powers within the law and in a way that protects the civil rights of Canadians to the greatest extent possible</p>	<ul style="list-style-type: none"> ▶ level of satisfaction of Parliament and public ▶ audit results to ensure that CSIS operates effectively in protecting Canadians from terrorist or other threats to national security ▶ response of the Minister and where national security permits, the public to annual and research reports ▶ being the most trusted and widely used independent source of information about CSIS activities ▶ prompt investigation of complaints and Ministers' reports ▶ frequency with which complaints and report case decisions are overturned or changed on appeal to the Courts 	<p>SIRC's Annual Report</p> <p>SIRC's Performance Report</p>

Section II: Departmental Overview

The Review Committee's Mission

The Security Intelligence Review Committee (SIRC) fulfills two different and distinct functions in carrying out its mandate: to provide external review of the Canadian Security Intelligence Service (CSIS); and to examine complaints by individuals or reports from Ministers concerning security clearances, immigration, citizenship, and other matters involving CSIS investigations.

External Review of CSIS -- To protect the rights and freedoms of Canadians, SIRC has been given the power to investigate CSIS' activities so as to ensure that the Service's powers are used legally and appropriately. In this role, SIRC has the absolute authority to examine all information concerning CSIS' activities -- with the exception of Cabinet confidences -- no matter how highly classified that information may be.

Investigation of Complaints -- The Committee investigates complaints concerning denials of security clearances to government employees or contractors. It also investigates reports from Ministers involving immigration, citizenship, certain human rights matters, and organized crime. Finally, the Committee investigates complaints from the general public concerning any act or thing done by CSIS.

Mandate, Mission & Vision

The Committee derives its powers from the *Canadian Security Intelligence Service Act* promulgated on July 16, 1984. The Committee is empowered to set its own Rules of Procedure, and to employ an executive director and adequate staff to support its activities. The *Act* requires the Committee to submit its Annual Report to the Solicitor General of Canada who must, in turn, table the report in each House of Parliament on any of the first fifteen days on which that House is sitting after the day the Minister receives it. The Committee may also require CSIS or the Inspector General appointed under the *CSIS Act* to conduct a review of specific activities of the Service and provide the Committee with a report of the review.

Operating Environment

Objectives

SIRC's objectives are to:

- (a) audit the widest possible range of CSIS activities within allocated resources, and to do so in such a way as to increase the public's confidence in the validity of its conclusions;
- (b) keep abreast of the evolving international security environment;
- (c) be the most trusted and widely used independent source of information about CSIS activities;
- (d) provide speedy resolution of complaints; and
- (e) improve the confidence of all parties in the validity and fairness of the Committee's decisions or recommendations in complaint cases.

Strategic Priorities

The Committee's strategic priority again this year is to increase the effectiveness of the review process by improving research methods and personnel training. This, in turn, should allow the Committee to more effectively audit CSIS activities, the Committee's primary strategic objective.

Challenges

The major challenge facing the Committee this year and next is the training of research staff. Six staff members, nearly half of the Committee's total staff and two-thirds of its research staff, either retired or moved to other positions in 1997-98. Replacement staff have now been engaged. There were almost four hundred applications for the vacant positions, and the Committee was able to choose among many very high quality candidates. However, the Committee has found that it takes between one and two years of training and experience for new employees to reach their full potential as research officers. Staff turnover, therefore, is a distinct burden.

Departmental Organization

The Security Intelligence Review Committee (SIRC) is the only Business Line representing two distinct Service Lines: to provide external review of the Canadian Security Intelligence Service (CSIS); and to examine complaints by individuals or reports from Ministers concerning security clearances, immigration, citizenship, and other matters involving CSIS investigations.

a) External Review of CSIS

The Committee reviews CSIS activities, and reports to the Solicitor General and Parliament on whether the Service is acting within the limits of the law and is effectively protecting the security of Canadians.

As part of its regular review functions, each year the Committee examines special areas of interest. These major special reviews allow the Committee to provide in-depth findings on potential areas of concern.

To carry out its review function, the Committee relies on a staff of eight, under the direction of the Deputy Executive Director.

b) Complaints

The Committee investigates complaints concerning denials of security clearances to government employees or contractors. It also investigates reports from Ministers involving immigration, citizenship, certain human rights matters, and organized crime. Finally, the Committee investigates complaints from the general public concerning any act or thing done by CSIS.

Section III: Departmental Performance

Key Results Commitments

Key Results Commitments can be found at page 2, of which the following is an excerpt.

Commitments	As demonstrated by:
Ensure that Parliament and the public have confidence in the rigour of SIRC's review process and, therefore, are satisfied that CSIS uses its extraordinary powers within the law and in a way that protects the civil rights of Canadians to the greatest extent possible.	Level of satisfaction of Parliament and public.
Ensure that CSIS operates effectively in protecting Canadians from terrorist or other threats to national security.	Audit of CSIS activities.
Provide high quality annual and research reports.	Response of the Minister and where national security permits, the public.
Be the most trusted and widely used independent source of information about CSIS' activities.	Public demand for reports and frequency of visits to the Web site.
Investigate promptly complaints and ministers' reports.	Response time.
Sound decision making in complaints and reports cases.	Frequency with which decisions are overturned or changed on appeal to the courts.

The Committee has been in existence now for nearly fifteen years. It is difficult to see how measures of effectiveness will ever be other than subjective with regard to the review function. There are many subjective indicators such as remarks by Parliamentarians, academics, editorial writers, and two foreign professors who have studied the Canadian system, which testify to the fact that many independent observers believe that the Committee is reviewing CSIS effectively. Informed observers will be canvassed whenever possible to ensure that the Committee is aware of outside opinions.

Another indicator of the Committee's effectiveness is the degree to which CSIS modifies its operational procedures or initiates new policy guidelines as a direct or indirect consequence of SIRC's recommendations included in reports following audits or complaints investigations. The Committee has a program to measure the degree to which CSIS responds to its recommendations.

A significant indicator of SIRC's efficacy in conducting its investigations of complaints is the number of decisions that are overturned or changed on appeal to the Courts.

A revealing indicator of the usefulness of SIRC's Annual and other published reports, and of SIRC's work in general, is the interest displayed (the number of visits) to SIRC's Web site. An older, but no less useful, indicator is the demand for copies of the printed version of SIRC's annual and other reports.

Performance Expectations

The expected outcome is the confidence of Parliament and the public that CSIS uses its extraordinary powers within the law and in a way that protects the civil rights of Canadians to the greatest extent possible.

Security Intelligence Review Committee	
Planned Spending	\$1,389,000
<i>Total authorities</i>	<i>\$1,514,000</i>
1998-99 Actuals	\$1,522,000

SIRC Activity in its Ongoing Review of Canada's Security and Intelligence Service

The research, analysis, audit, and consultation that comprise the review function are continuous processes that provide the basis for the Committee's ability to report with confidence to Parliament in the SIRC Annual Report each September. Occasionally, a particular research project or study may fall wholly within a fiscal year, making it possible to establish discrete costs. More often, the Committee's research and monitoring activities will require assigned resources spanning more than one fiscal year, with reports, conclusions or recommendations flowing from the Committee on a sporadic timetable. Thus, the annual report in any given year, or special Committee reports to the Solicitor General when appropriate, will usually reflect the application of resources provided for more than one year.

The Committee has a staff program in place to ensure that as much as possible of all published material of interest is provided to its Members in full or summary form. A network of academics and experts in Britain, the US, and Australia as well as in Canada is now in place, and the Committee receives a steady flow of relevant material.

Disclosure to Parliament and the Public -- The manner in which the Review Committee is able to respond to questions raised by elected representatives is a key element in the public's confidence in the security intelligence system as a whole. While the Committee does its best to inform Members of Parliament, the *CSIS Act* does not give SIRC the authority to brief parliamentarians on the details of classified information. Section 37 of the *CSIS Act* directs that Members of the Committee comply with the security regulations of the Government of Canada and that they take an oath of secrecy. Nevertheless, the Review Committee continually seeks to find ways to convey information to parliamentarians and the public so that they can assess the quality of the Committee's research, and judge whether the *CSIS Act* is working as it should.

Efficiency in the Research and Review Process -- One year ago, SIRC reorganized the preparation of research reports so that Committee Members could examine the drafts of research studies every other month, rather than receiving the bulk of them at the end of the year. This modification was designed to give staff enough time to prepare the many reports, yet allow Members more time to deliberate on the research results.

Another relatively recent innovation was that the Committee has integrated all research resources to more closely mirror the current deployment of resources within CSIS. The Committee's aim is to manage the intensive research program more effectively, as well as to maintain the capacity to take on special projects which typically arise during the year. Success will be measured by the quality and comprehensiveness of the research reports completed during the fiscal year, and by whether all planned reports and projects are in fact completed during the year in question.

SIRC Activity Regarding Complaints and Ministerial Reports

The Committee conducts investigations in relation to complaints made by any person with respect to any act or thing done by the Service (section 41 of the *CSIS Act*), complaints made by individuals who are denied a security clearance and are adversely affected in their employment with the Government of Canada (section 42 of the *CSIS Act*), reports made to the Committee pursuant to the *Citizenship Act* or the *Immigration Act* (Ministerial reports), as well as matters referred to the Committee pursuant to the *Canadian Human Rights Act*.

In the exercise of its statutory jurisdiction regarding complaints, the Committee has all the powers, rights and privileges of a superior court. Committee staff and security-qualified outside counsel conduct pre-hearing meetings aimed at promoting an expeditious hearing confined to the issues; examine and cross-examine witnesses as required; meet counsel for complainants to establish and

agree on procedures; provide legal advice to Committee Members on procedural and substantive matters throughout the decision-making process; and prepare summaries of evidence for the Committee's consideration. Because of the complexity of complaints and the consequent flow of documents, transcripts, and Committee reports, the general administrative support activity is very much oriented towards the complaints function.

Performance Accomplishments

Research and Review Process

The Committee tried to complete all reports on a schedule designed to give its Members more time to consider both them and the draft text to be included in the Annual Report. However, several factors, the most noteworthy being staff departures, combined to make this exercise less than successful. Members were still confronted with too many complex reports to consider at the end of the Annual Report year. Having now filled all of its vacant research positions, the Committee expects to do better this year.

On the other hand, the change to a single research team implemented two years ago, has significantly increased the flexibility of the research program and augurs well for the future.

Public demand for information provided by the Committee indicates that SIRC may be achieving its objective of becoming the most trusted and widely used independent source of information about CSIS' activities.

The Committee's last Annual Report was sent to approximately 1,000 recipients, and its web site was visited 257,326 times, an increase of 62% over the previous year.

Complaints and Ministerial Reports

Again this year there were no occasions where SIRC decisions were overturned or changed on appeal to the Courts.

The continuation of more, and more focussed, pre-hearing meetings chaired by the Committee's counsel has noticeably improved the efficiency of the hearings process. The Committee will attempt to improve the process further, but it may be that the very nature of quasi-judicial proceedings makes further efficiencies either very difficult or impossible.

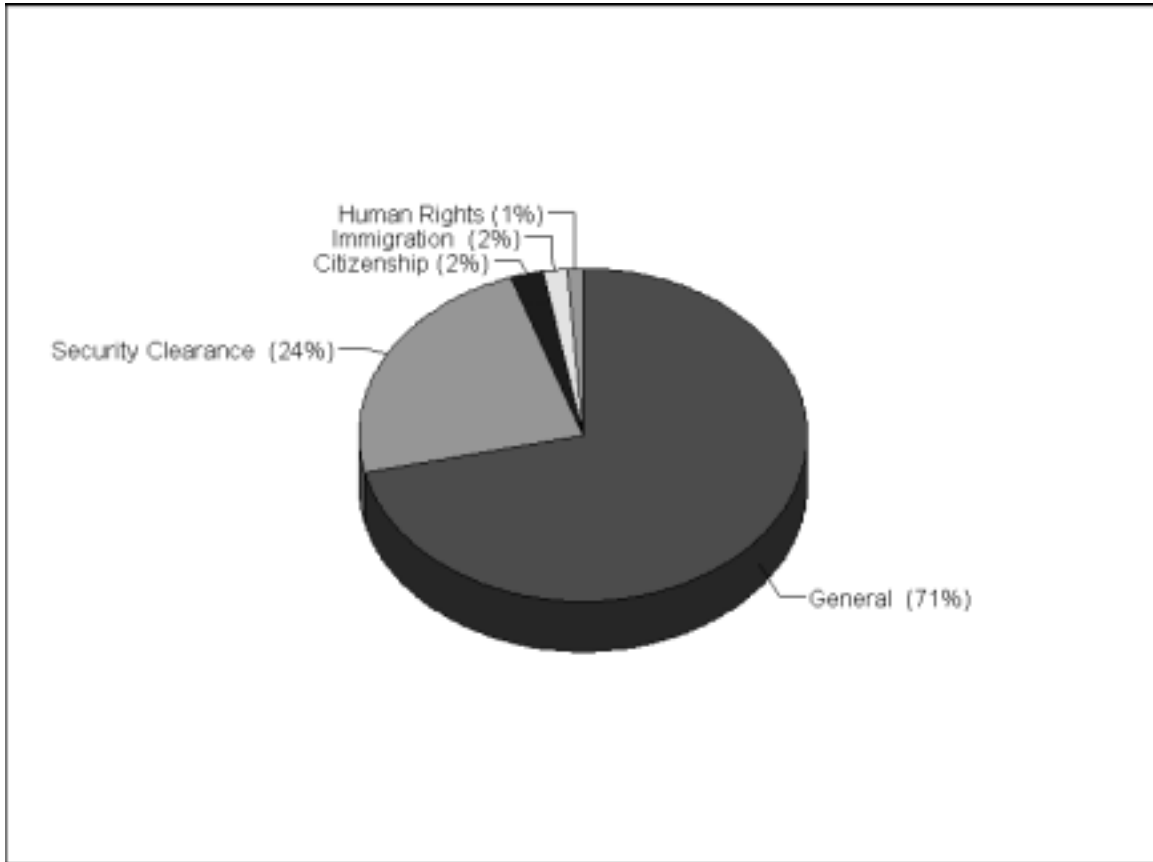
Anecdotal evidence from complainants and their lawyers indicates that SIRC's clients do not believe that there is any undue delay in the disposition of their cases.

Statistics and Indicators of Performance -- The volume of complaints, referrals and Ministerial reports dealt with by the Committee from its inception in November 1984 until March 1999 is shown below.

SIRC Complaint Cases to 31 March 1999

Year	General Complaints	Security Clearance	Citizenship	Immigration	Human Rights	Totals
1998-99	53	0	0	0	1	54
1997-98	30	1	-	-	-	31
1996-97	29	1	1	1	1	33
1995-96	37	1	1	-	-	39
1994-95	53	1	-	1	3	58
1993-94	45	2	-	-	-	47
1992-93	44	3	-	1	-	48
1991-92	40	4	-	-	-	44
1990-91	37	23	-	-	-	60
1989-90	46	21	-	-	2	69
1988-89	16	12	-	3	-	31
1987-88	33	2	1	3	-	39
1986-87	12	6	-	2	-	20
1985-86	17	85	12	1	1	116
1984-85	3	1	1	-	-	5
Total	495	163	16	12	8	694

SIRC Complaint Cases to 31 March 1999



Section IV: Consolidated Reporting

Year 2000

The Committee has had all computer hardware checked for Y2K compliance. Some software needed to be changed during 1999. Once this is done, the Committee will be year 2000 compliant.

Statutory Annual Report

Information about the Review Committee's work can be found in much greater detail in the Committee's Annual Report, to be tabled in Parliament in October 1999.

Section V: Financial Performance

Financial Performance Overview

The Review Committee's budget includes very little discretionary spending since its greatest expense is personnel salaries and benefits. It does not seem likely that the Committee could reduce its budget any further without reducing its output in either the Review or Complaints roles.

Though discretionary spending is a relatively small proportion of the budget, significant variations in either direction in any given year are quite likely because of the varying number and complexity of complaints cases or Ministerial reports concerning deportation or citizenship.

Complaints from the general public, or reports from Ministers must be investigated rapidly and thoroughly. The inquiry process is expensive but it is very difficult to forecast expected costs because the number of cases can change significantly from year to year. It is also true that one complex case can be as expensive as several more straightforward cases combined.

In fiscal year 1998-99, the costs of SIRC investigations exceeded the Committee's expectations. Supplementary estimates were requested to cover the additional costs, and were approved. Unfortunately, the Committee did not request any allowance for contingencies and, therefore, overspent its authorized budget by \$7,900 when confronted with an unexpected bill for legal services.

New procedures have been implemented with the help of the Privy Council Office and, therefore, there should be no recurrence of such overspending.

Financial Summary Tables

The following tables are applicable to SIRC:

Table 1. Summary of Voted Appropriations

Table 2. Comparison of Total Planned Spending to Actual Spending 1998-99

Table 3. Historical Comparison of Total Planned Spending to Actual Spending

Table 1. Summary of Voted Appropriations

A. Authority for 1998-99 - Part II of the Estimates				
Financial Requirements by Authority (thousands of dollars)				
Vote		1998-99 Planned Spending	1998-99 Total Authorities	1998-99 Actual
Security Intelligence Review Committee				
40	Operating expenditures	1,239	1,364	1,372
	Capital expenditures	--	--	--
(S)	Contributions to employee benefit plan	150	150	150
Total Department		1,389	1,514	1,522

Table 2. Comparison of Total Planned Spending to Actual Spending 1998-99

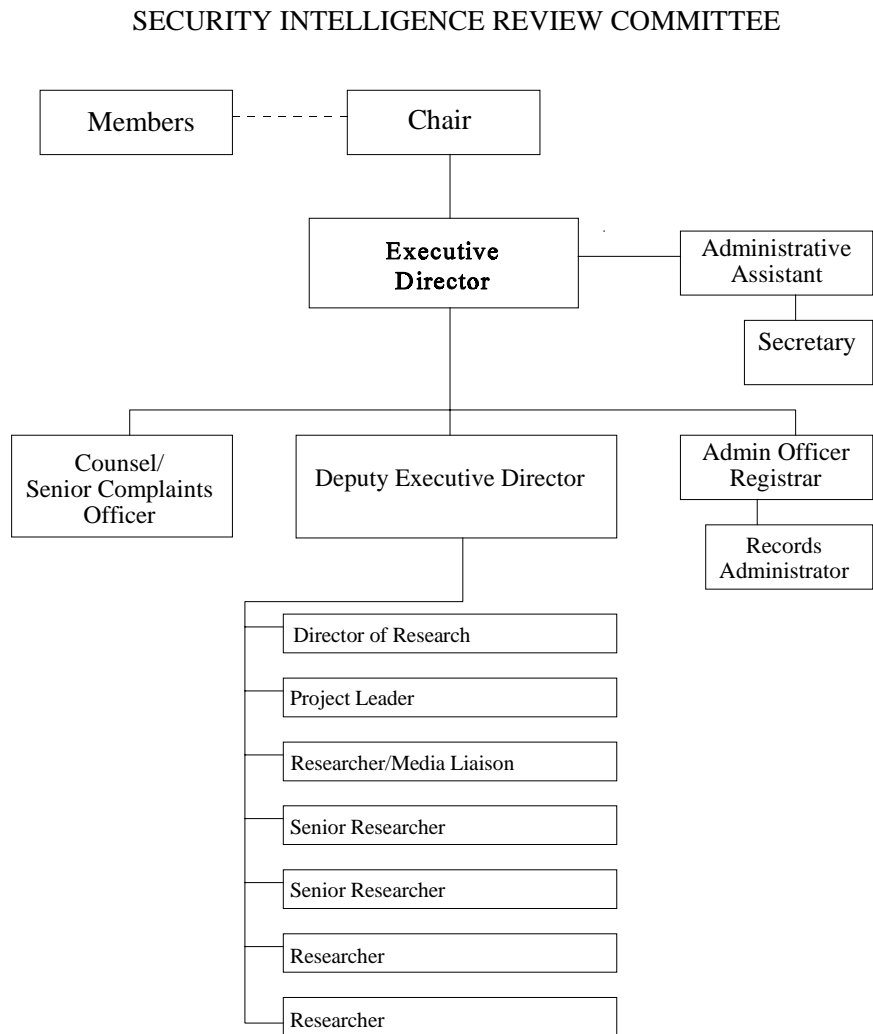
Departmental Planned versus Actual Spending by Business Line (thousands of dollars)									
Business Lines	FTEs	Operating	Capital	Voted Grants & Contributions	Subtotal: Gross Voted Expenditures	Statutory Grants and Contributions	Total Gross Expenditures	Less: Respendable revenues	Total Net Expenditures
Business Line	14	1,514	--	--	1,514	--	1,514	--	1,514
<i>(Total authorities)</i>	14	1,514	--	--	1,514	--	1,514	--	1,514
(Actuals)	14	1,522	--	--	1,522	--	1,522	--	1,522
Cost of services provided by other departments									234
<i>(Total authorities)</i>									234
(Actuals)									234
Net Cost of the Program									1,756
<i>(Total authorities)</i>									1,514
(Actuals)									1,756

Table 3. Historical Comparison of Total Planned Spending to Actual Spending

Departmental Planned versus Actual Spending by Business Line (thousands of dollars)					
Business Lines	Actual 1996-97	Actual 1997-98	Planned Spending 1998-99	Total Authorities 1998-99	Actual 1998-99
Business Line	1,313	1,314	1,389	1,514	1,522
Total	1,313	1,314	1,389	1,514	1,522

Section VI: Supplementary Information

A. SIRC Organization Chart



B. Listing of Statutory and Departmental Reports Produced in 1998-99

Economic Espionage II, (TOP SECRET) (CI 96-02)

Domestic Exchanges of Information 1996-97, (SECRET) (SIRC 1997-02)

Foreign Conflict , (SECRET) (SIRC 1997-03)

Regional Audit, (TOP SECRET) (SIRC 1997-04)

CSIS Liaison with Foreign Agencies, (TOP SECRET) (SIRC 1997-05)

Spy Case, (TOP SECRET) (SIRC 1998-02)

Domestic Investigations (3), (TOP SECRET) (SIRC 1998-03)

CSIS Cooperation with the RCMP, Part I, (SECRET) (SIRC 1998-04)

Interagency Cooperation Case, (TOP SECRET) (SIRC 1998-06)

A Case of Historical Interest, (TOP SECRET) (SIRC 1998-08)

CSIS' Role in Immigration Security Screening, (SECRET) (CT 95-06)

CSIS Cooperation with the RCMP - Part II (SECRET) *(SIRC Study 1998-04)

* Section 54 reports, special reports the Committee makes to the Minister.

Contacts for Further Information & Web Site

Security Intelligence Review Committee
P.O. Box 2430 Station "D"
Ottawa, Ontario
K1P 5W5
Telephone: (613) 990-8052
Facsimile: (613) 990-5230
Internet: <http://www.sirc-csars.gc.ca>
E-Mail: sirc-csars@smtp.gc.ca

Legislation Administered by the Security Intelligence Review Committee

The Canadian Security Intelligence Service Act