

# **Security Intelligence Review Committee**

**1998-99 Estimates**

**Report on Plans and Priorities**

Approved

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PRIME MINISTER

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## **Section I: Messages**

### **Chair of the Security Intelligence Review Committee The Honourable Paule Gauthier, P.C., O.C., Q.C.**

#### **A. Message**

Within the Government of Canada, the Security Intelligence Review Committee (SIRC) is unique in a number of ways. Our work consists almost entirely of reviewing and monitoring the endeavours of others in the government system. Members of the Review Committee are selected in a consultative, non-partisan manner and then given complete authority to inquire into the activities of the Canadian Security Intelligence Service (CSIS). Most of what we learn through those inquiries is too sensitive to make public, yet public trust and confidence in our efforts is the foundation of the Committee's work.

All of these 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.

In the world as it is, an effective security and intelligence organization is essential if Canadians' well-being and safety are to be protected 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.

History shows that a security service without the confidence of the public will not be effective. The Security Intelligence Review Committee exists to engender that public confidence and to ensure that it is well-founded. The other Members of the Committee and I are confident of SIRC's capabilities in carrying out this vital work, now and in the years to come.

The Review Committee's main efforts in the next few years will be devoted to meeting two challenges: the evolving international security environment, and continuing fiscal austerity.

The nature of the "threats" to the security of Canada and Canadians is evolving rapidly and in often unpredictable ways. These changes have already resulted in a major redirection of resources in the Canadian Security Intelligence Service and consequently in the priorities of the Review Committee as well. SIRC must maintain a high standard of performance in current areas of work while staying abreast of a rapidly changing international security climate that presents new challenges. Though the resources available to accomplish this have declined recently, Members and staff are confident that the Review Committee will be able to maintain or improve its effectiveness in coming years.

**B. Management Representation**

**Report on Plans and Priorities 1998-99**

I submit, for tabling in Parliament, the 1998-99 Report on Plans and Priorities for  
*The Security Intelligence Review Committee*

To the best of my knowledge the information:

- Accurately portrays the department's mandate, plans, priorities, strategies and expected key results of the organization.
- Is consistent with the disclosure principles contained in the Guidelines for Preparing a Report on Plans and Priorities.
- Is comprehensive and accurate.
- Is based on sound underlying departmental information and management systems.
- I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

The Planning and Reporting Accountability Structure (PRAS) on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Name: \_\_\_\_\_

Maurice Archdeacon  
Executive Director

13 February 1998

## **Section II: Departmental Overview**

### **A. Review Committee Mandate, Roles and Responsibilities**

The Committee derives its powers from the *Canadian Security Intelligence Service Act* promulgated on July 16, 1984. The first Chair and Members were appointed by His Excellency the Governor General on November 30, 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 report annually 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.

The Security Intelligence Review Committee fulfills two different and distinct functions in carrying out its mandate: to provide external review of the Canadian Security Intelligence Service; 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*** -- Parliament has given CSIS extraordinary powers to intrude on the privacy of suspected terrorists or spies. 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. With the exception of Cabinet confidences, SIRC has the absolute authority to examine all information concerning CSIS' activities, no matter how highly classified that information may be.

The Committee reviews CSIS activities, and reports to 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. Thus, it has reviewed CSIS investigations in the areas of economic security, proliferation of weapons of mass destruction, and campus operations. These major special reviews allow the Committee to provide in-depth findings on potential areas of concern.

***Investigation of Complaints*** -- SIRC's second role is to investigate 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.

Complaints cases involve people's fundamental rights. Denials of security clearances affect employment and future career prospects. Citizenship or immigration actions can lead to removal from Canada. The Committee must thus ensure that individuals so affected are provided with as much information as possible within the limits of national security requirements. The Committee must also ensure that, to the extent possible, every complainant has an opportunity to be heard, to present his or her witnesses, and make his or her case.

## **B. Priorities**

The Committee's priorities and initiatives over the next few years are oriented towards the achievement of its strategic objectives. They include:

- ▶ enhancing the productivity and effectiveness of the research/audit section by providing appropriate training, guidance, and experience;
- ▶ staying abreast of the changing security environment by keeping in touch with the appropriate agencies and experts both domestic and international;
- ▶ improving the appearance and readability of the Annual Report as well as reorganizing its content to make it a more useful research tool for SIRC's clients;
- ▶ improving SIRC's Web site to make it an informative and up-to-date reflection of SIRC's work; and
- ▶ making every effort to ensure that the fairness and efficiency of the complaint process satisfies all parties, but, in particular, satisfies those persons who complain to the Committee or who are the subject of Ministerial Reports.

The Committee has too small a staff to undertake "year 2000" information technology research on its own. It will rely on guidance from outside specialists in this regard. However, the Committee will continue to stay abreast of information technology in general so as to continue the steady increase in productivity seen over the last five years.

**C. Financial Spending Plan**

(thousands of dollars)	<b>Forecast Spending 1997-98</b>	<b>Planned Spending 1998-99</b>	<b>Planned Spending 1999-00</b>	<b>Planned Spending 2000-01</b>
<b>Gross Program Spending:</b>				
Security Intelligence Review Committee	1,406	<b>1,389</b>	1,389	1,389
<b>Net Program Spending:</b>	1,406	<b>1,389</b>	1,389	1,389
<b>Other Expenditures</b>				
Estimated Cost of Services Provided by Other Departments	234	<b>193</b>	188	184
<b>Net Cost</b>	1,640	<b>1,582</b>	1,577	1,573

## Section III: Plans, Priorities and Strategies

### A. Summary of Key Plans, Priorities and Strategies

#### *Planned Spending*

(\$ thousands)	Forecast	<b>Planned</b>	Planned	Planned
<b>Business Line</b>	Spending	<b>Spending</b>	Spending	Spending
Security Intelligence Review Committee	1997-98	<b>1998-99</b>	1999-00	2000-01
Gross Expenditures	1,406	<b>1,389</b>	1,389	1,389
<b>Total Net Expenditures</b>	1,406	<b>1,389</b>	1,389	1,389

#### *Objective*

The Committee's objective is to provide to its clients, the general public and Parliament, a comprehensive, annual assessment of CSIS' use of its powers. The aim of SIRC's ongoing review process is to reduce or eliminate the risk that CSIS will engage in illegal or inappropriate activities.

#### *External Factors Influencing the Business Line*

**Demands of Special Projects** -- SIRC has a small number of employees to conduct research, yet they must review many files each year in order to report to the Canadian public and to Parliament on CSIS' investigative activities. The statutory requirements also set out broad areas for ongoing audits of CSIS' work. In addition, the Committee has often been asked to undertake, or has undertaken on its own initiative, many major projects concerning matters in the public interest, such as the Air India tragedy, the attack on the Iranian Embassy, the Boivin case, and the Heritage Front Affair. To meet the resource demands of these investigations and then to respond to Parliament's requests for information about them requires the Committee to maintain the capability to redirect research resources to high profile issues on very short notice and for lengthy periods.

**Evolution of the International Security Environment** -- When looking at the threats to Canada's national security, it is recognized that the world's security environment has largely changed from the Cold War era's long-running threats, such as espionage by intelligence services, to the reappearance of nationalist and religious extremism, which have proven to be much less predictable. The Committee will conduct research and expend some resources in examining whether the new movements and activities that have arisen, such as some forms of economic espionage and transnational crime, constitute "threats" to national security as defined by the *CSIS Act*.

**Expectations of Clients** -- The Committee has two clients: the general public and Parliament. Both expect SIRC to provide a comprehensive, annual assessment of CSIS' use of its powers. The review provides a form of "report card" to Parliament and the public which can be used to measure CSIS'



performance. It must be designed so as to preserve the Service's capacity to protect national security while at the same time maintaining public confidence that the system is functioning as it should. These clients also expect the Committee to respond to controversial issues in a timely fashion.

**Frequency and Complexity of Complaints and Ministerial Reports** -- A major external factor currently influencing the Review Committee's capacity to fulfill its mandate is the volume and the complexity of the complaints and ministerial reports received. 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*, as well as matters referred to the Committee pursuant to the Canadian *Human Rights Act*.

Because complaints and ministerial reports are very time consuming and require expensive legal services, small changes in their numbers can significantly affect the Committee's budget and operations. By their nature, predicting the volume of complaints and ministerial reports is very difficult; however, the Committee is anticipating an increase in the number of ministerial reports received as a result of a 1993 amendment to the *Immigration Act*. This amendment broadened the category of individuals who can be denied immigrant status because of previous connections with terrorist activities. In spite of increased screening efforts in the immigration program, individuals who constitute a threat to the security of Canada may gain entry. Any ministerial report generated to deal with such individuals must come before the Committee.

**Review Committee Adjustment to Continued Government Restraint** -- Government-wide budget reductions have, of course, affected SIRC and have had an impact on the Committee's research functions. The Committee has reduced the funding for seminars, in which staff had access to the opinions and expertise of persons from academic and other sectors. Instead, staff now rely on one-to-one meetings with experts and opinion makers.

The investigation of complaints is the most expensive area of discretionary spending, and must, therefore, bear the brunt of recent budget cuts. To deal with the reductions, the Committee is doing more work "in house", and using outside lawyers less. More pre-hearing meetings are being conducted by Committee staff to better focus the issues to be dealt with in hearings. While undertaking such measures, the Committee is determined to avoid increasing the time required to handle complaints, and to maintain the quality of its reports.

The Committee believes that these steps will allow SIRC to maintain or improve the performance of its responsibilities to Parliament and the public at lower cost.

## *Key Plans and Strategies*

The Security Intelligence Review Committee has two different and distinct Service Lines: to provide external review of the Canadian Security Intelligence Service; 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** -- The Committee plans to audit CSIS' activities by conducting a series of reviews that cover the key program areas of the Service.

In 1998-99, the Review Committee will conduct two major reviews of the core CSIS program: it will examine a long-duration counter terrorism investigation and, in a separate study, will audit the investigative authorities issued against the officials of a foreign state.

The counter terrorism review will examine the basis for investigative authorizations, analyze the current threat posed by certain terrorist groups to Canada's national security, measure the scope of the resource-intensive investigations, and assess the level of cooperation between CSIS and foreign security/intelligence agencies. The audit will study the scope of the investigations and the resources that CSIS has committed to ascertaining the activities of these suspected terrorists.

Under section 16 of the *CSIS Act*, the Departments of National Defence and Foreign Affairs and International Trade, under certain conditions, can make requests to CSIS for assistance in collecting information of interest to Canada.

The *CSIS Act* provides that such assistance may only be requested for operations within this country.

The Committee will audit the information about Canadians, if any, that the Service collects and retains in the course of responding to section 16 requests.

Under the *CSIS Act*, the Committee is to monitor the information that CSIS exchanges with foreign and domestic agencies. In 1998-99, the Committee will review the information exchanges at two missions abroad arising from the CSIS liaison program with foreign agencies. The Committee's review of this data will include an examination of information conveyed to foreign agencies via the Service's Security Liaison Officers who serve at two recently opened posts abroad, as well as through direct communications. In the first of a special two-part review of domestic information exchanges, the Review Committee will examine the level of co-operation between CSIS and certain domestic agencies. The analysis will focus on the agreements in place, how the agencies attempt to solve disclosure and evidence issues, and the effectiveness of dispute resolution procedures.

Each year, the Committee undertakes small specialized reviews. For 1998-99, SIRC will comment on three sectors of CSIS operations. First, the Committee will examine and describe the impact of technology on the Service. A previous audit found that CSIS faces certain challenges due to

advances in technology. This study will outline the problems and provide an analysis of the measures employed by the Service to deal with the challenges.

The second review stems from a new Ministerial Direction on sensitive institutions that the Solicitor General of Canada issued in February 1997. This review will examine the impact of the new Direction, as well as existing Direction in the same area, on CSIS operations.

The third study will assess the new developments in CSIS' production of intelligence. Specifically, the review will examine the changes to the organizational structure of the Analysis and Production Branch, and will provide an evaluation of the intelligence products issued by the Branch during the previous year.

A key strategy of the Committee is to conduct an extensive examination each year of all CSIS investigations in one region of Canada. These examinations, conducted on a rotating basis, include an evaluation of targeting decisions, a review of the validity of facts in Federal Court warrant affidavits filed in order to obtain intercept or other powers, an assessment of the effects of surveillance on individual privacy, a review of internal security programs, and an examination of the approval process and the handling of sensitive operations.

**Complaints and Ministers' Reports** -- The Committee will conduct comprehensive investigations of complaints filed pursuant to sections 41 and 42 of the *CSIS Act*, and reports made to the Committee under the *Citizenship Act*, the *Immigration Act*, and the *Canadian Human Rights Act*.

### ***Expected Results***

The Committee expects that the plans and strategies outlined above will enable it to:

1. ensure that Parliament and the Public have confidence in the rigour of SIRC's review process and are satisfied, therefore, 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;
2. be knowledgeable about CSIS' level of effectiveness in protecting Canadians from terrorist or other threats to national security;
3. provide a comprehensive, high quality Annual Report, and probative research reports; and
4. have confidence in the soundness of decisions rendered or recommendations made in reports following the investigation of complaints.

### ***Indicators***

**External Review of CSIS** -- The Committee has been in existence for thirteen years. There are many subjective indicators of effectiveness and results such as remarks by Parliamentarians, academics, editorial writers, and 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 are canvassed on a regular basis to ensure that the Committee is aware of outside opinions.

Another indicator of the Committee's results 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 recent but revealing indicator of the usefulness of SIRC's Annual and other published reports, and of SIRC's work in general, is the interest displayed by the number of visits to SIRC's Web site. An older, but no less useful, measure is the demand for copies of the printed version of the Annual Report and other reports.

**Investigation of Complaints and Ministers' Reports** -- A significant indicator of SIRC's efficacy in conducting its investigations of complaints and the soundness of its decision making is the number of decisions that are overturned or changed on appeal to the Courts.

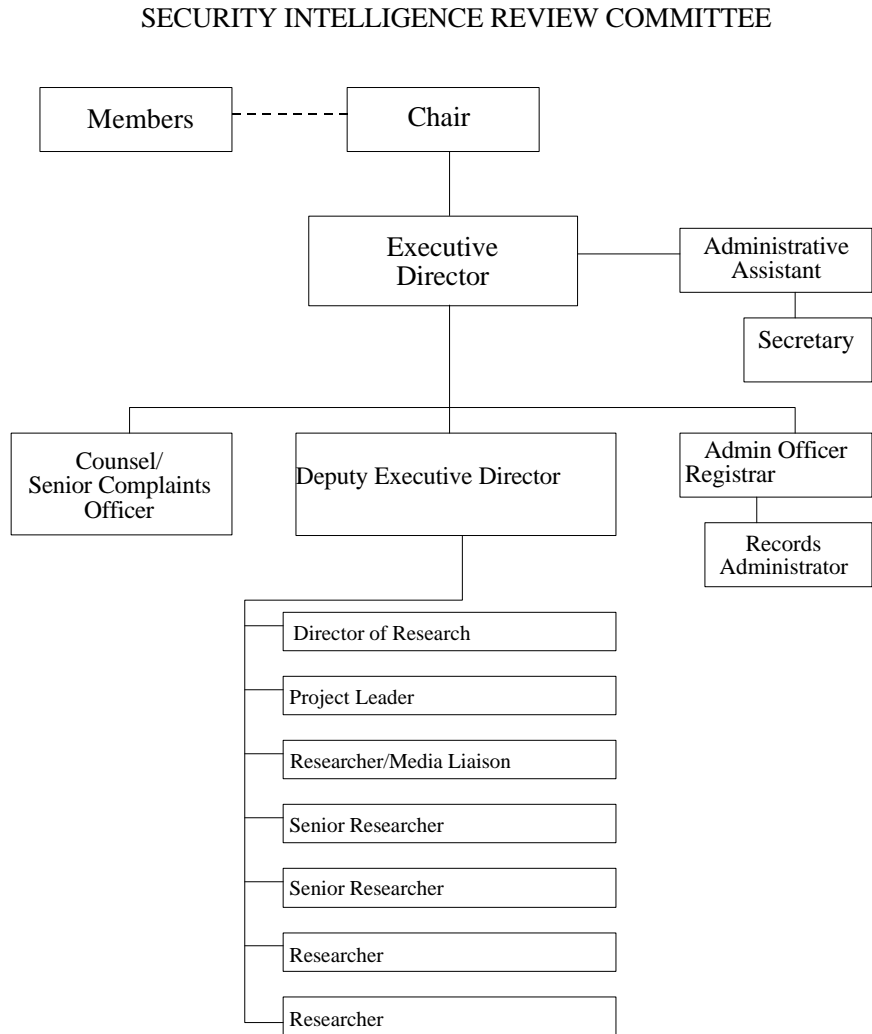
## Section IV: Supplementary Information

**Table 1. Spending Authorities**

### Program by Activities

(thousands of dollars)		<b>1998-99</b>	1997-98
		<b>Main Estimates</b>	Main Estimates
<b>Security Intelligence Review Committee</b>			
40	Program expenditures	<b>1,239</b>	1,285
(S)	Contributions to employee benefit plans	<b>150</b>	121
<b>Total</b>		<b>1,389</b>	1,406

**Table 2. Organization and Program Composition**



**Table 3. Details of FTE\* Requirements**

	Forecast 1997-98	<b>Planned 1998-99</b>	Planned 1999-00	Planned 2000-01
Order-in-Council Appointments	-	-	-	-
Executive Group	2	<b>2</b>	2	2
Scientific and Professional	1	<b>1</b>	1	1
Administrative and Foreign Service	10	<b>10</b>	10	10
Technical	-	-	-	-
Administrative Support	1	<b>1</b>	1	1
Operational	-	-	-	-
<b>Total</b>	14	<b>14</b>	14	14

\* Full-time equivalents (FTE) is a measure of human resource consumption based on average levels of employment. FTE factors out the length of time that an employee works during each week by calculating the rate of assigned hours of work over scheduled hours of work. FTEs are not subject to Treasury Board control but are disclosed in this report in support of personnel expenditure requirements specified in the Estimates.

**Table 4. Departmental Summary of Standard Objects of Expenditure**

(thousands)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
Personnel				
Salaries and wages	710	<b>714</b>	714	714
Contributions to employee benefit plans	121	<b>150</b>	150	150
Goods and services				
Transportation & communications	92	<b>92</b>	92	92
Information	18	<b>18</b>	18	18
Professional & special services	409	<b>359</b>	359	359
Rentals	32	<b>32</b>	32	32
Purchased repair and upkeep	3	<b>3</b>	3	3
Utilities materials & supplies	12	<b>12</b>	12	12
Other subsidies & payments	-	-	-	-
Minor Capital	9	<b>9</b>	9	9
<b>Total</b>	1,406	<b>1,389</b>	1,389	1,389



**Table 5. Net Cost of the Program for 1998-99**

(thousands of dollars)	<b>Total</b>
Gross Planned Spending	<b>1,389</b>
Other expenditures	
Accommodation Provided by Public Works and Government Services (PWGS)	<b>193</b>
Total Cost of Program	<b>1,582</b>
1997-98 Estimated Total Program Cost	<b>1,640</b>

**Table 6. Program Resources by Program and Business Line for the Estimates Year**

(\$ millions)	Budgetary									
	FTE	Operating	Capital	Grants and Contributions	Gross Voted	Statutory Items*	Non-budgetary Loans Investments and Advances	Gross Planned Spending	Less: Revenue Credited to the Vote	Net Planned Spending
Security Intelligence Review Committee	14	1,380	9	-	1,389	-	-	1,389	-	1,389
<b>Total</b>	<b>14</b>	<b>1,380</b>	<b>9</b>	<b>-</b>	<b>1,389</b>	<b>-</b>	<b>-</b>	<b>1,389</b>	<b>-</b>	<b>1,389</b>

\* Does not include non-budgetary items or contributions to employee benefit plans and Minister's allowances that are allocated to operating expenditures.

## **Other Information**

### **Statutes and Regulations**

Canadian Security Intelligence Service Act