

Security Intelligence Review Committee

Departmental Performance Report

**For the
Period ending
March 31, 2004**

The Right Honourable Paul Martin
Prime Minister of Canada

**SECURITY INTELLIGENCE REVIEW COMMITTEE
PERFORMANCE REPORT**

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I MESSAGE FROM THE CHAIR

I am pleased to introduce the performance report of the Security Intelligence Review Committee (SIRC) for 2003-2004. Beginning with last year's report, SIRC has significantly re-organized the way information is presented to Parliamentarians. By expressing our work through only one strategic outcome, achieved through two programs, we can tell our story more simply to readers of this document.

Fiscal year 2003-2004 presented many challenges, because public safety was often at the forefront of the new Government's agenda. The challenge of protecting Canada's national security while safeguarding fundamental rights and freedoms was put into sharp relief by the case of Maher Arar, which became the subject of both a SIRC investigation and a public inquiry. The Committee believes that the issues raised by this case underline the fundamental contribution which review agencies make in ensuring the accountability of powerful government institutions, especially post 9/11. But they also illustrate the delicate balancing act required to address the public's right to know, while still respecting legal obligations to protect national security and personal privacy.

While the majority of SIRC's efforts were focused on its reviews and complaints programs, the Committee also made significant progress in improving service and advancing government priorities related to the control of resources. SIRC's capacity assessment and action plan completed under modern comptrollership (management practices), a new user-friendly Internet site, plus the Government's welcome recognition of the Committee's need to stay abreast of expanded CSIS activities; all bode well for realizing the Committee's future plans.



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

II. MANAGEMENT REPRESENTATION STATEMENT

I submit, for tabling in Parliament, the 2003-2004 Departmental Performance Report (DPR) for the Security Intelligence Review Committee.

This report has been prepared based on the reporting principles and other requirements in the *2003-2004 Departmental Performance Reports Preparation Guide* and represents, to the best of my knowledge, a comprehensive, balanced, and transparent picture of the organization's performance for fiscal year 2003-2004.

Name: Susan Pollak

Susan Pollak

Title: Executive Director

Date: September 7, 2004

III SUMMARY OF AGENCY PERFORMANCE

Beginning with SIRC's performance report for 2002-2003, the Committee significantly re-organized the way information is presented to Parliamentarians to explain its work more clearly. As a result, the Committee now has only one strategic outcome, which is achieved through two programs: reviews and complaints.

Due to this restructuring, which was approved by the Treasury Board Secretariat, it would be confusing to discuss performance against SIRC's report on plans and priorities for 2003-2004 (which identified nine strategic outcomes and sixteen associated priorities). However, all of these are addressed in this summary and the performance discussion which follows in Section VI.

Progress and Performance

SIRC considers that in 2003-2004, it successfully met its strategic outcome to provide assurance to the Parliament of Canada and through it, to Canadians, that CSIS is complying with the law, policy and Ministerial direction in the performance of its duties and functions. A summary of key results follows:

Reviews

The Committee completed six major reviews during the fiscal year:

- Front End Screening program
- Section 12 operational activity outside Canada
- Review of a counter intelligence investigation
- Review of a counter proliferation investigation
- Review of a Security Liaison Post abroad
- Internal security breach in a CSIS regional office

In addition, the Committee reviewed 17 foreign arrangements as well as the CSIS Director's annual report for 2002-2003 and the Inspector General's 2003 certificate.

Complaints

- Dealt with 47 complaints, of which 17 were carried over and 30 were new. Thirty-one had been closed by fiscal year end, and 16 were carried forward
- Issued one s. 42 report, dealing with the denial of a security clearance
- Responded to 31 requests under the *Access to Information Act*
- Responded to 1 request under the *Privacy Act*.

Other Activities

- Launched a new Internet site at www.sirc-csars.gc.ca to comply with Treasury Board guidelines on common look and feel
- Completed a capacity assessment as required under modern comptrollership (management practices)
- Just after fiscal year end, completed a Management Action Plan which established milestones and deliverables for future years.

Parliamentary Reports

While no Parliamentary Committee made any recommendations with respect to SIRC during the year under review, the Auditor General of Canada's November, 2003 report contained a section in Chapter 10 on "Independent reviews of security and intelligence agencies." It found that these agencies' compliance with the law and Ministerial direction is subject to widely varying levels of independent review – and in some cases, to no review at all. The complete findings of this report can be found on the Auditor General's website at www.oag-bvg.gc.ca which is also linked to SIRC's site.

IV AGENCY CONTEXT

Who We Are

The Security Intelligence Review Committee (subsequently referred to as SIRC or the Committee) is a small, independent review body which reports to Parliament on the operations of the Canadian Security Intelligence Service (referred to as 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 Committee is chaired by the Honourable Paule Gauthier, P.C., O.C., O.Q., Q.C., who was appointed Chair on September 30, 1996. At fiscal year end, the other Members were the Honourable Raymond Speaker, P.C., O.C., the Honourable Gary Filmon, P.C., O.M., the Honourable Baljit Chadha, P.C. and the Honourable Roy Romanow, P.C., O.C., Q.C. (currently, there is one vacancy). 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 is supported by an Executive Director and a staff of 13 who are located in Ottawa. Management of day-to-day operations is delegated to the Executive Director with direction, when necessary, from the Chair in her role as Chief Executive Officer.

Strategic Outcome and Programs

The Committee has only one strategic outcome: to provide assurance to the Parliament of Canada and through it, to Canadians, that CSIS is complying with the law, 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, and that at all times, it acts within the law. 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 organizations.

To realize this strategic outcome, the Committee has two programs. The first is to conduct in-depth reviews of CSIS activities to ensure that they comply with the Service's governing legislation, the *CSIS Act*, and with the various policy instruments that flow

from it. The second is to receive and inquire into complaints by any person about any action of the Service.

Reviews of CSIS Activities

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 activities, no matter how highly classified that information may be. Because much of this material is so sensitive that it must be reviewed on-site, the Service makes available a separate office and computers at CSIS Headquarters in Ottawa for the exclusive use of Committee staff.

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 activities. 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.

Complaints about CSIS

SIRC's second role is to investigate complaints about CSIS brought to it by individuals or groups. These can take one of four forms:

- 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 or 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*.

Both programs result in findings and recommendations designed to improve or correct the Service's performance. To the extent permitted by the legal requirement to protect

classified information or the privacy of individuals, SIRC makes these findings public in its Annual Report to Parliament.

Policy and Governance Framework

The legislative and policy framework governing the Service – which the Committee uses to assess CSIS actions – is contained in four main instruments:

1. The *Canadian Security Intelligence Service Act* promulgated on July 16, 1984. The *CSIS Act* (and its subsequent amendments) are the founding legislation for both CSIS and SIRC;
2. Ministerial Direction – this is the principal means by which the Minister exercises authority over the Service as set out in s. 6 of the *Act*. Ministerial direction gives overall policy guidance to the Director of the Service and governs a wide spectrum of Service activities. All changes to Ministerial direction are reviewed by the Committee;
3. National Requirements for Security Intelligence – issued by the Minister each year, National Requirements direct CSIS where it should focus its investigative efforts and how it should fulfill its intelligence collection, analysis and advisory responsibilities;
4. CSIS Operational Policy – this sets out for CSIS employees the parameters and rules governing the entire range of Service activities. CSIS operational policy is regularly updated to conform with changes in legislation and Ministerial direction. All revisions to operational policy are reviewed by the Committee to ensure that they conform with law and Ministerial direction.

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, CSIS, central agencies and the Auditor General, Information Commissioner and Privacy Commissioner of Canada.

Relationships Within and Outside Government

The Committee's key relationships are with the Parliament of Canada, our principal client and overseer; and secondly, with CSIS, the agency which we are charged by Parliament to review.

Each year, the Committee submits a report to Parliament, "An Operational Review of the Canadian Security Intelligence Service." Because this is a public document reporting on highly sensitive issues, the Committee is constantly challenged to provide enough information to support its findings, while still respecting national security and privacy concerns. Sometimes this can lead to disagreements over whether a particular disclosure is damaging to national security or merely unsettling to the Service. Nevertheless, to the best of SIRC's ability, and within these legal constraints, every study conducted, every query pursued, every complaint acted upon is reflected in the pages of SIRC's Annual Report.

Members and staff of the Committee, led by its Chair, also appear before the appropriate Parliamentary Committees to discuss SIRC operations and budget, and to respond to questions. During the period under review, SIRC was scheduled to make an appearance before the Sub-Committee on National Security of the Standing Committee on Justice and Human Rights, but this was cancelled when Parliament was prorogued in November, 2003.

The Committee's other principal relationship is with CSIS. Best characterized as one of healthy tension, the Committee's interactions with the Service are continuous and complex. With the exception of Cabinet confidences, SIRC has access to all information and documentation of whatever kind held by the Service. Interactions between SIRC and CSIS occur formally and informally, in writing and verbally, at many levels. Senior Service management in the regions and at Headquarters, including the Director, have met with the Committee on numerous occasions to discuss CSIS activities.

The Committee also maintains relationships with other key agencies of Canada's security intelligence community, such as the intelligence policy coordinating bodies within the Privy Council Office, Public Safety and Emergency Preparedness Canada and the Inspector General, CSIS. Formal links with other bodies of government, appointments of Members and some administrative services are provided by the Privy Council Office.

Outside of government, the Committee meets with scholars and representatives of non-governmental organizations who have expertise in matters relevant to SIRC's activities. Occasionally, the Committee exchanges information with agencies in other countries that review or conduct oversight on their own intelligence services.

Operational Challenges

SIRC faced a number of operational challenges in the reporting period. While some have influenced SIRC's planning environment over several years, others were unique to the period under review.

Change in Government

On December 12, 2003, Prime Minister Paul Martin announced significant changes to the machinery of government. The Prime Minister gave his Deputy Prime Minister responsibility over a new portfolio of Public Safety and Emergency Preparedness; created a high-level position of National Security Advisor, responsible for intelligence and threat assessment and inter-agency coordination; and established a new Cabinet Committee on Security, Public Health and Emergencies.

The Prime Minister further proposed that Parliament establish a new Parliamentary Committee on National Security. Significantly, he suggested that "its members would be sworn in as Privy Councillors so that they can be briefed on national security issues." (Members of Parliament generally are not authorized to receive classified intelligence). At fiscal year end, the Deputy Prime Minister had released a consultation paper on issues related to the proposed status, mandate and structure of this new committee, and pledged to consult widely. SIRC welcomes this initiative, but believes it will be important to minimize any potential overlap or duplication, to ensure that SIRC can continue to effectively support the needs of Parliamentarians.

O'Connor Commission

On January 28, 2004, the Deputy Prime Minister announced the appointment of Mr. Justice O'Connor to head a Commission of Inquiry into the Actions of Canadian Officials in relation to Maher Arar. This case has prompted widespread concern and shaken public confidence in domestic organizations involved in national security. Although the Minister had not requested a report, SIRC was troubled by allegations made about this

case and announced its own s. 54 inquiry on December 22, 2003. Although SIRC's report was not finished during the period under review, it occupied an enormous amount of the Committee's time and staff resources prior to its completion and submission to the Minister on May 19, 2004.

Appointment of a Fifth Member

The November 13, 2003 appointment of the Honourable Roy Romanow, P.C., O.C., Q.C., brought the Committee's membership up to the legally mandated five. With a full complement of five members, SIRC was able to benefit from another perspective when considering reviews and greater flexibility to schedule complaints hearings. (Unfortunately, the term of another Member expired in June, 2004 and at time of writing, the position had not been filled).

Risk Management

Because of the small size of SIRC in relation to CSIS, the Committee operates on the basis of risk management. Since it is not capable of examining all of the Service's activities in any given period, it must carefully choose which issues to examine. A number of factors influence this selection, including the importance and scope of CSIS investigations, their potential to intrude on individual rights and liberties, priorities and concerns of Parliament and Canadians, the CSIS Director's report, and the importance of conducting regular assessments of each of the Service's branches.

SIRC reviews for any given year are designed to yield assessments across the range of CSIS's operational activities. This approach helps ensure that, over time, the Committee has a comprehensive understanding of the Service's activities and is able to assure Parliament that the Service has acted appropriately, or inform Parliament that it has not.

The choices involved in determining the Committee's annual research plan are becoming more important, because the tempo of the Service's operational activities has increased since it received a 30 percent budgetary increase. SIRC received authority in December, 2003 to seek additional resources of \$343,520 in 2004-2005 Supplementary Estimates, and to increase its reference levels in future years. Nevertheless, risk management will remain integral to the way that the Committee conducts its business to keep abreast of the Service.

Public Awareness

Because of SIRC's legal obligation to protect national security and privacy concerns, it is often difficult to fully convey to the media or indeed Parliamentarians, the thoroughness and complexity of SIRC's reviews. SIRC's s. 54 inquiry into the case of Maher Arar is a good example. SIRC never discusses ongoing investigations, and was especially concerned not to impair Mr. Justice O'Connor's public inquiry. As a result, it was frustrating to be unable to respond to the legitimate questions of journalists and be constrained from correcting factual inaccuracies or omissions in media coverage. SIRC hopes that the creation of a new Parliamentary Committee, whose Members can be briefed on classified national security issues, will "widen the circle" of those authorized to know the full scope of its work and increase confidence in its findings.

Human Resources

Recruitment continues to be a challenge, given the small pool of employees with previous experience in review and oversight of security intelligence agencies. This means that the Committee must increasingly resort to hiring employees outside of the community and indeed, from outside government. Since all employees must receive a Level III security clearance prior to their arrival, it can take months before prospective employees have been vetted. Then the Committee must make a significant investment in the training of new employees before they can fully perform their duties. Similarly, the retention of qualified staff is also problematic, because SIRC is such a small organization that it does not have sufficient positions to allow for long-term career advancement.

V HIGH LEVEL LOGIC MODEL

Strategic outcome:

SIRC has only one 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.

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.

In 2003-2004, planned spending was \$2,338,000; actual spending was \$2,076,473; and there were 14 Full Time Equivalents (FTEs) associated with this strategic outcome.

Intermediate outcomes:

To make findings and recommendations designed to improve or correct the Service's performance.

Immediate outcomes:

To complete reviews into CSIS activities.

To receive and investigate complaints about CSIS.

Plans and priorities:

Virtually all of the Committee's energy and resources are allocated to its two programs: reviews and complaints. Together, these two activities account for 73 percent of SIRC's expenditures. This is because many of the Committee's priorities, such as the production of the Annual Report and various liaison activities, are in effect an extension of these two programs.

SIRC pursued several other priorities in 2003-2004, which are described in more detail in the performance discussion which follows in Section VI. These included:

To make demonstrable progress in implementing modern comptrollership (management practices) within SIRC

To fully comply with Treasury Board policy concerning common look and feel and government on-line

To make judicious use of outreach opportunities and develop an expanded suite of communications tools, to address public awareness and confidence issues.

Programs, resources and results linkages:

To realize its strategic outcome, the Committee is responsible for two programs: reviews and complaints. The first involves conducting in-depth reviews of CSIS activities to ensure that they comply with the Service's governing legislation, the *CSIS Act*, and with the various policy instruments that flow from it. The second program involves receiving and inquiring into complaints by any person about any action of the Service.

Programs, resources and results linkages (cont.):

Six major reviews were completed, all of which were previously identified in SIRC's annual work plan. The Committee also examined a total of 17 CSIS foreign arrangements. In addition, the Committee devoted significant time and energy preparing a s. 54 report into the case of Maher Arar, which was submitted to the Minister of Public Safety and Emergency Preparedness in the following fiscal year.

In 2003-2004, SIRC's actual expenditures against the reviews program totalled \$1,095,938. This 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.

Under the complaints program, SIRC dealt with a total of 47 complaints, of which 17 were carried over from the previous year and 30 which were new. At fiscal year end, 31 had been closed of which one resulted in a reported decision. Sixteen were carried forward into the next year.

In addition, SIRC responded to 31 requests under the *Access to Information Act* and 1 request under the *Privacy Act*.

In 2003-2004, SIRC's actual expenditures against the complaints program totalled \$422,400. This 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.

During the period under review, SIRC also expended resources against other activities: primarily to implement modern comptrollership (management practices) and to re-design and improve its Internet site. In 2003-2004, SIRC's actual expenditures against these other activities totalled \$558,135.

VI PERFORMANCE DISCUSSION

As noted earlier, the Committee has only one strategic outcome: to provide assurance to the Parliament of Canada and through it, to Canadians, that CSIS is complying with the law, policy and Ministerial direction in the performance of its duties and functions. To realize this strategic outcome, the Committee has two programs. The first is to conduct in-depth reviews of CSIS activities to ensure that they comply with the *CSIS Act* and with the various policy instruments that flow from it. The second is to receive and inquire into complaints by any person about any action of the Service.

Combined, these two programs – knowledge the Committee seeks out by review, and information identified through the investigations of complaints – provide Canadians with the assurance that knowledgeable individuals, independent from the Service and from government, will render an honest and fair-minded assessment based on the facts.

Reviews

Before discussing performance achievements, it may be useful to explain how the Committee conducts its reviews. The process begins with the development of a research plan which is approved by the Committee before the beginning of each fiscal year. However, the plan is not static and can be adjusted to respond to unexpected events.

Once the Committee has approved the broad research plan, staff resources are allocated for each review. A typical review requires hundreds of staff hours and is completed over a period of several months. Thousands of pages of hardcopy and electronic documentation must be obtained from CSIS files, reviewed and analysed. Briefings from and interviews of relevant CSIS staff normally form part of any SIRC review, as do field visits whenever a review involves a regional office of the Service or one of its Security Liaison Posts abroad.

In almost all cases, the interviews and the examination of documents generate follow-up questions to the Service, to which detailed answers are expected. A report on the results of the review, always a classified document, is presented to the Committee at one of its monthly meetings. Sometimes Members will request that follow-up inquiries be made. Once finalized, the review document is provided to the Director of the Service and the Inspector General, CSIS.

The reviews can include findings or recommendations. Although these are not binding, the Committee's role is to advise and warn, with the expectation that the Service and those bodies of government that direct it, will take steps to modify policies and procedures accordingly. Finally, a summary with all classified information removed, is included in the Committee's Annual Report to Parliament.

Achievements

In the period following 9/11, SIRC reviews were often focused on the Service's Counter Terrorism Branch investigations, particularly investigations into Sunni Islamic extremism. In 2003-2004, the Committee was able to return to a broader focus, in keeping with its responsibility to maintain a broad overview of the Service's activities across the spectrum of its responsibilities.

Two relatively new areas of CSIS activity were examined; its participation in the Front End Screening program, which screens refugee claimants in Canada, and its Counter Proliferation Branch, which was created in 2002. SIRC's findings will provide a baseline for future reviews of these areas.

The Committee also looked at the Service's handling of an internal security breach in a CSIS regional office, completing a review we had begun the previous year.

Intelligence from abroad is increasingly important in today's security environment. SIRC examined s. 12 investigative activities outside Canada, and reviewed the activities of a Security Liaison Post abroad. It also examined a particular CSIS counter intelligence investigation.

The Committee also conducted its annual review of CSIS foreign arrangements. Seventeen were examined, of which 14 were new, one was an expansion of an existing arrangement and two were renewed arrangements.

Although not completed during the period under review, the Committee devoted significant time and effort preparing a s. 54 report under the *CSIS Act*, dealing with the case of Maher Arar. This report was submitted directly to the Minister of Public Safety and Emergency Preparedness in May, 2004.

A more detailed description of these reviews, vetted to respect national security and privacy concerns, can be found in SIRC's *Annual Report 2003–2004: An Operational Review of the Canadian Security Intelligence Service*, which is tabled in Parliament by the Minister of Public Safety and Emergency Preparedness. This is available on SIRC's website at: www.sirc-csars.gc.ca

Performance Measures

One indication of this program's effectiveness is whether or not the research work plan is completed. In 2003-2004, the plan approved by the Committee was completed in its entirety.

Another performance measure concerns whether CSIS acts on the observations and recommendations contained in the Committee's reviews. SIRC regularly tracks the status of each recommendation to determine whether and how the Service acted upon it. The Committee would simply note that some of its recommendations are now reflected in CSIS operational policy. Incidentally, all such policies are subject to SIRC review.

Complaints

The Committee's second program involves the investigation of complaints about CSIS. It should be noted that SIRC provides complete and detailed instructions on its website, about how to register a complaint.

In exercising its statutory jurisdiction regarding complaints, the Committee has all of the powers of a superior court. Where appropriate, complaints are investigated through a quasi-judicial hearing presided over by a Member of the Committee, assisted by staff. Pre-hearings may be conducted in order to establish and agree on procedures with complainants or complainant's counsel. The Committee's counsel also provides legal advice to Members on procedural and substantive matters and prepares summaries of evidence for the Committee's consideration. Complaint cases are often complex, involving the flow of many documents, transcripts and other evidence which require substantial administrative support.

After the hearings, if any, are complete, the presiding Member issues a report including any findings and recommendations, to both the Minister and the Director of CSIS. Once any information with national security implications is removed, the complainant is also advised in writing of the findings.

If the Committee finds that the Service has acted appropriately, we convey that assurance to the complainant. If the Committee identifies issues of concern, we include these in our report to the Director of CSIS and the Minister and, to the extent possible, report on these matters in our Annual Report. These summaries are edited to protect the privacy of complainants and to prevent disclosure of classified information.

Four kinds of complaints may be directed to the Committee's attention for investigation:

- 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*.

Achievements

Almost all complaint cases begin as inquiries to SIRC – either in writing, in person or by phone. SIRC staff respond immediately to such inquiries, usually instructing the prospective complainant about what the law requires for their concern to become a formal complaint. Once a written complaint that conforms with these criteria is received, the Committee conducts an initial review that includes any and all information that might be in the possession of the Service.

During 2003-2004, the Committee dealt with a total of 47 complaints, 17 of which were carried over from the previous year and 30 which were new. At fiscal year end, 31 had been closed of which one resulted in a reported decision. Sixteen were carried forward

into the next year. In total, individual Committee Members were involved in 11 days of formal hearings related to complaint cases.

It should be noted that not all complaint cases result in a formal hearing or a written decision. In some cases, the complainant may not have complied with the requirements of s. 41 or 42 of the *CSIS Act*, for example, by first complaining to the Director of the Service. Others were determined not to be within the Committee's jurisdiction and the complainant was advised accordingly. Still others could be addressed by administrative action, or the complainant was redirected to another, appropriate governmental organization. And in other cases, the complainant decided to withdraw his/her complaint, resulting in the file being closed.

There were no reports made last year on s. 41 complaints ("any act or thing done by the Service"), or complaints referred from the Canadian Human Rights Commission or on Minister's reports. The one case which resulted in a reported decision, dealt with the denial of a security clearance under s. 42 of the *CSIS Act*. The complainant had applied for employment with a federal agency, which denied the applicant the required security clearance. SIRC determined that the agency demonstrated satisfactorily that its decision was based on reasonable grounds, and therefore, SIRC recommended that the decision of the Deputy Head be upheld.

A more detailed summary of this complaint, vetted to respect national security and privacy considerations, can be found in SIRC's *Annual Report 2003–2004: An Operational Review of the Canadian Security Intelligence Service*, which is tabled in Parliament by the Minister of Public Safety and Emergency Preparedness. This is available on SIRC's website at: www.sirc-csars.gc.ca

Performance Measures

One measurement of the effectiveness of this program, is whether or not the Committee's decisions are subsequently challenged in the Federal Court. In 2003-2004, there was no application for judicial review and no such decisions were rendered for prior reports.

The Committee has also adopted strict standards for its handling of complaints. For example, all written complaints are formally acknowledged within seven days of their receipt. Furthermore, SIRC has adopted a standard that within 60 days, all formal

complaints should be either resolved to the complainant's satisfaction, determined to be without foundation and closed, or elevated to the status of an in-depth Committee investigation. In 2003–2004 the Committee met both standards except in cases where circumstances were outside our control.

The following table summarizes the numbers of written complaints received and resolved in each of the last three fiscal years.

| RESOLUTION OF COMPLAINTS | | | |
|------------------------------------|------------------|------------------|------------------|
| Description | 2001-2002 | 2002-2003 | 2003-2004 |
| Carried over | 41 | 17 | 17 |
| New | 45 | 48 | 30 |
| Total | 86 | 65 | 47 |
| Closed | 69 | 48 | 31 |
| Carried forward to subsequent year | 17 | 17 | 16 |

The complaints program presents a special challenge in terms of resource allocation. The number of complaints received in any given fiscal year is beyond the Committee's control, as is the ultimate complexity of any individual complaint case. Spending in this area is non-discretionary, because SIRC has a legal obligation to address complaints about CSIS in a fair and timely manner.

Other Activities

Although reviewing CSIS activities and investigating complaints about the Service are the primary focus of the Committee, it pursued several other activities in 2003-2004. Some involved responding to key government initiatives, such as the implementation of modern comptrollership (management practices) or to ensure compliance with policy, such as government on-line. Other activities were designed to support and inform the Committee's work related to reviews and complaints. This included dialogue with specific governmental, non-governmental and academic bodies concerned with security intelligence matters, or information gathering exercises to ensure that the Committee

was fully informed about the domestic and international operating environment of the Service.

Modern Comptrollership

In 2003-2004, SIRC undertook a capacity assessment as a first step in implementing the modernization of comptrollership (management practices). The assessment was conducted by an independent consultant, employing a diagnostic tool endorsed by the Treasury Board Secretariat. This wide-ranging review looked at a variety of areas, including strategic leadership, accountability, risk management, performance measurement and human and financial resource management.

Just after fiscal year end, SIRC completed a Management Action Plan based on the results of that assessment, which established milestones and deliverables for future years. This Plan was submitted to the Treasury Board Secretariat. SIRC has identified the implementation of modern comptrollership as one of its strategic priorities in 2004-2005.

Internet

SIRC's launched its new website www.sirc-csars.gc.ca on January 21, 2004. The website conforms to Treasury Board guidelines concerning "common look and feel.". While it is still premature to evaluate its success, preliminary statistics indicate that it attracted 60,481 "requests for pages" in February - March, compared to 43,093 for the same two-month period the previous year. SIRC expects its new website to become another important vehicle for raising awareness about the Committee's mandate and providing user-friendly access to its published work.

Public Awareness

The primary vehicle for raising public awareness is SIRC's Annual Report. In accordance with s. 53 of the *Act*, this Report is 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.

SIRC has taken steps to make its news releases more media-friendly. During the year under review, the Committee issued one news release announcing the tabling of its

2002-2003 Annual Report, and a second on its decision to undertake a s. 54 inquiry into the case of Maher Arar. It also published three backgrounders summarizing the reviews described in its Annual Report, its role and responsibilities and explaining the s. 54 process. Finally, it produced a generic powerpoint presentation to support outreach and liaison opportunities.

SIRC's Chair and Executive Director both made presentations to non-governmental audiences which are described in more detail below. While admittedly modest in scope, SIRC hopes that such outreach activities will help to increase public awareness and confidence in the Committee's work.

CSIS Briefings

Besides carrying out in-depth reviews of selected CSIS operations each year, the Committee requests written and oral security intelligence briefings from the Service about activities that are relevant to the Committee's mandate. Although this information is not independently verified unless it forms part of an in-depth Committee review, it nonetheless helps the Committee to stay apprised of and to monitor the Service's priorities and perspectives. Committee meetings are frequently held in different regions of the country, at which time Members also visit CSIS regional offices to be briefed on local priorities and challenges.

Governmental and Non-Governmental Relations

Each year, Committee Members and senior SIRC staff meet with representatives of the security intelligence community, including those from other countries, academia and non-governmental organizations to make presentations and exchange views.

In May 2003, the Chair, Committee Members and Executive Director discussed issues of common concern with their counterparts in Oslo, Norway and London, England.

In September 2003, the Executive Director gave a presentation to representatives from the U.S. National Committee on Terrorist Attacks.

The Chair and Committee members, together with the Executive Director, Deputy Executive Director and Senior Counsel, hosted the Swedish Defence Intelligence Commission in October 2003. That same month, the Executive Director and several

SIRC staff attended the annual conference of the Canadian Association of Security and Intelligence Studies (CASIS) in Vancouver.

In October 2003 and again in March 2004, the Executive Director was a guest lecturer at Carleton University on the role of SIRC in the review of CSIS's activities, and in the investigation of complaints.

In November 2003, several SIRC staff attended the Canadian Centre of Intelligence and Security Studies (CCISS) Conference in Ottawa. (The Executive Director sits on the CCISS Board).

In November 2003, the Chair was a guest lecturer at the Collège Militaire in Saint-Jean-sur-Richelieu, Quebec.

In December 2003, the Executive Director and senior staff received a delegation from the Comité permanent de contrôle des services de renseignements of Belgium.

In March 2004, officials from the United Kingdom's Intelligence and Security Committee met with the Executive Director and Deputy Executive Director.

The SIRC Chair gave a speech to the Peace and International Security Program at Laval University in Quebec City in March, 2004.

At the end of the reporting period, the Executive Director attended a conference in Berlin entitled "Secrecy and Transparency: The Democratic Control of Intelligence Services in International Perspective".

VII CONTACT INFORMATION

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Legislation Administered:

The Canadian Security Intelligence Service Act

VIII FINANCIAL TABLES

Table 1 - Summary of Voted Appropriations

| Financial Requirements by Authority (in thousands) | | | | | |
|--|---|--|------------------|-------------------|---------|
| Fiscal year 2003-2004 | | | | | |
| Vote | | | Planned Spending | Total Authorities | Actual |
| | Security Intelligence Review | | | | |
| 50 | Operating expenditures | | \$2,111 | \$2,206 | \$1,885 |
| | Capital expenditures | | - | | - |
| | Grants and Contributions | | - | | - |
| | Minister of SIRC - Salary and motor car allowance | | - | | - |
| | Employee Benefits contributions | | \$227 | \$227 | \$191 |
| | Total Department | | \$2,338 | \$2,433 | \$2,076 |

Table 2 - Comparison of Total Planned Spending to Actual Spending

| Planned versus Actual Spending (in thousands) | | | |
|--|------------------|-------------------|---------|
| Fiscal year 2003-2004 | | | |
| | Planned Spending | Total Authorities | Actual |
| Security Intelligence Review | | | |
| Personnel | \$1,363 | \$1,458 | \$1,344 |
| Operating | \$975 | \$975 | \$732 |
| Capital | - | - | - |
| Grants and Contributions | - | - | - |
| Total Gross Expenditures | \$2,338 | \$2,433 | \$2,076 |
| Less: Respendable Revenues | - | - | - |
| Total Net Expenditures | \$2,338 | \$2,433 | \$2,076 |
| Other Revenues and Expenditures | - | - | - |
| Non-respendable Revenues | - | - | - |
| Cost of services provided by other departments | - | - | - |
| Net Cost of the Program | \$2,338 | \$2,433 | \$2,076 |

Table 3 - Historical Comparison of Planned vs Actual Spending

| Historical Comparison of Departmental Planned versus Actual Spending (in thousands) | | | | | |
|---|------------------|------------------|------------------|-------------|---------|
| | Actual 2001-2002 | Actual 2002-2003 | 2003-2004 | | |
| | | | Planned Spending | Authorities | Actual |
| Security Intelligence Review | | | | | |
| | \$1,943 | \$2,098 | \$2,338 | \$2,433 | \$2,076 |
| Total | \$1,943 | \$2,098 | \$2,338 | \$2,433 | \$2,076 |