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## **Section I: Messages**

### **Chair's Message**

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

The Security Intelligence Review Committee (SIRC) carries out independent, informed reviews and investigations of the activities of the Canadian Security Intelligence Service (CSIS), on behalf of Parliament and the Canadian public. Almost eighteen months after the attacks on the United States, the events of September 11 continue to be felt. Public reporting suggests that Canadians have become increasingly tolerant of public safety initiatives designed to protect the country and its citizens: the federal government has responded, in part, through the granting of new powers and increased budgets to the security and intelligence community. Canada's security and intelligence apparatus, including CSIS, continue to be the subject of sustained public, political and media attention.

SIRC was created, in part, to provide a balancing effect upon the intrusive powers granted to CSIS. SIRC continuously strives to find effective ways to demonstrate the breadth and scope of its work and thereby to continue to earn the public and Parliament's trust. SIRC faces many ongoing challenges, including assessing whether CSIS' use of intrusive powers continues to respect legal and policy requirements; demonstrating to Parliament and the public that the Committee is living up to the expectations enunciated in the *CSIS Act*; protecting classified and personal information entrusted to the Committee from unauthorized disclosure; and, maintaining the necessary resources to carry out comprehensive examinations of CSIS activities and investigations. As increasing demands are put on CSIS to investigate threats to the security of Canada, SIRC must also assure itself, Parliament and the public that it continues to offer effective scrutiny of CSIS activities.

Identifying threats to the security of Canada rests at the foundation of CSIS activities, but these are not – indeed never have been – static. Understanding those threats in all of their evolving complexity and detail is essential to the effectiveness of the Canadian security intelligence function and to SIRC's assessment of CSIS' compliance with the requirements of Canadian law, Ministerial direction and Service policy.

The legislation passed after September 11, 2001 did not grant new powers to CSIS, but the workforce of Canada's security intelligence service and the volume of activity and clients served have nonetheless expanded and will continue to expand as new budget monies are implemented in the coming years. The challenge for SIRC, a small review body, is to continue to monitor effectively the broad spectrum of CSIS activity. CSIS exists

to identify and advise government about threats to the security of Canada. SIRC exists to assure Canadians that in doing so, CSIS respects individual rights and the legal framework within which its powers may be used. These duties and responsibilities exist on a dynamic world stage in a state of constant evolution and encapsulate some of the challenges, responsibilities and realities faced every day by SIRC.

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

## Management Representation

### *Report on Plans and Priorities 2002-2003*

I submit, for tabling in Parliament, the 2003-2004 Report on Plans and Priorities (RPP) for *The Security Intelligence Review Committee*.

This document has been prepared based on the reporting principles and disclosure requirements contained in the *Guide to the preparation of the 2003-2004 Report on Plans and Priorities*:

- It accurately portrays the Committee's mandate, plans and priorities.
- The planned spending information in this document is consistent with the directions
- It is comprehensive and accurate.
- It is based on sound underlying Committee information and management systems.

The reporting structure 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: \_\_\_\_\_  
Susan Pollak

Date: \_\_\_\_\_

## **Section II: Raison d'être**

### **Mandate, Roles and Responsibilities**

The Security Intelligence Review Committee (SIRC) derives its powers from the *Canadian Security Intelligence Service Act*, which was promulgated on July 16, 1984. The Act calls for the appointment of a Chair and not more than four other Committee Members. The first appointments were made by His Excellency the Governor General on November 30, 1984.

SIRC was created to carry out two different and distinct functions. The first is to provide external, independent review of the Canadian Security Intelligence Service (CSIS). The second is to examine complaints by individuals or reports from Ministers concerning security clearances, citizenship, and other matters involving CSIS investigations.

SIRC is empowered to employ an executive director and adequate staff to support its activities, and to set its own Rules of Procedure for the performance of its duties and functions. The Act requires the Committee to submit an annual report to the Solicitor General of Canada who must, in turn, table that 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.

### **External Review of CSIS**

SIRC has the absolute authority to examine all information concerning CSIS' activities, no matter how highly classified that information may be. Only Cabinet confidences are excluded from SIRC's right of access. SIRC has been given the power to review CSIS' activities and performance so as to ensure that the Service's powers are used legally and appropriately. This comprehensive access to information allows SIRC to determine that the rights and freedoms of Canadians are being protected.

Each year, SIRC reviews a broad spectrum of CSIS activities, and reports to Parliament on whether the Service is acting within the limits of the law while protecting the security of Canadians. The Committee uses its review powers to assess new areas of interest and to revisit previously identified areas of concern. Thus, over the years SIRC has reviewed CSIS investigations in such areas as counter-terrorism, transnational criminal activity, economic security, proliferation of weapons of mass destruction, domestic exchanges of information and foreign liaison. These reviews allow the Committee not only to provide in-depth findings on a broad range of issues of concern, but also to revisit areas where previous recommendations for change were identified.

## Investigation of Complaints and Ministers' Reports

SIRC's second role is to investigate complaints. Five areas fall within the Committee's purview:

- 1) As provided in the *CS/S Act*, the Committee investigates complaints "with respect to any act or thing done by the Service."
- 2) The Committee is also empowered to investigate complaints about denials of security clearances to federal government employees and contractors.
- 3) The Committee investigates reports made by Government Ministers about persons in relation to citizenship.
- 4) Where the complaint relates to the security of Canada, the Canadian Human Rights Commission may refer a matter to SIRC for investigation.
- 5) Under s.15 of the recently promulgated *Security of Information Act*, SIRC was granted new responsibilities in relation to the disclosure of special operational information in the public interest.

Complaints cases examine issues involving people's fundamental rights. Denials of security clearances affect employment and future career prospects. Decisions relating to immigration or citizenship matters may ultimately lead to someone being barred or removed from Canada. Through the thorough investigation of these complaints, the Committee must ensure that their findings are sound and that the individuals so affected are provided with as much information as possible within the limits of national security requirements. It is also foremost in the Committee's investigation of complaints that, to the extent possible, every complainant has an opportunity to be heard, to present his or her witnesses, and to make his or her case. The Committee strives for the greatest degree of transparency and engagement within a reality that is often constrained by national security interests.

## **Section III. Planning Overview**

### **Program Overview**

SIRC provides, on behalf of the Canadian people and Parliament, independent, informed, high quality reviews of the Canadian Security Intelligence Service's performance of its duties and functions; and investigates and reports on complaints by individuals or reports from Ministers relating to security clearances, citizenship, and other national security matters involving CSIS investigations.

### **New Issues, Challenges, Trends and Developments**

#### **1. Domestic and Foreign Changes Impacting Security and Intelligence**

Although Bill C36, the *Anti-Terrorism Act*, was passed in December 2001 and the \$7.7 billion in new spending for the security and intelligence community was announced in the federal budget that same month, these initiatives have repercussions for the coming year. While SIRC itself received no new funding, the Committee is not isolated from the impact of the changes underway. CSIS is in the midst of a multi-year plan to implement changes made possible by this new money. Many government departments and agencies are seeking out the expertise and assistance of CSIS to meet the needs created, in part, by heightened public and parliamentary expectations regarding security and safety. Further, Canada's security and intelligence community continues to respond to global realities and to demands for support from many quarters.

The Service's expanding intelligence activities in a wide range of areas, including security screening and foreign liaison, require an expanded work force and an increase in services to a broader range of domestic and foreign partners. Coupled with the challenges and demands created by world events, CSIS' investigations of threats to the security of Canada increasingly know no geographic limits. The global security environment is growing more complex as continuing threats such as espionage by foreign intelligence services are joined by growing or emerging threats, such as ideological extremism or the use of weapons of mass destruction for terrorist purposes.

#### **2. Responding to the Needs of Clients**

The Security Intelligence Review Committee reports directly to Parliament and, in so doing, has two key clients, namely the general public and Parliament. SIRC is obliged to provide high quality, professional, impartial services to its clients through both the review of CSIS activities and the investigation of complaints. SIRC's annual report to Parliament serves as the cornerstone of our public report card to Parliament and the public. This report not only examines CSIS's use of its powers, but also demonstrates the extent to which SIRC has fulfilled its two-part mandate and responded to our clients' needs.

In addition to carrying out the range of reviews planned for a given fiscal year or investigating complaints in a professional and timely fashion, SIRC must also be prepared to adjust planned activities to respond to unforeseen events and the urgent needs of its clients. Responding to the unpredictable may include reviewing CSIS' activities in relation to an unexpected event or responding to a sudden, dramatic increase in complaints.

CSIS has been growing to meet new pressures and realities, yet SIRC has been obliged to carry out its functions within existing financial and staffing limits. As a small agency of only 16 people entrusted with the public and Parliament's expectations for comprehensive review and investigations, SIRC faces increasing challenges in assessing an organization that is not only expanding the services previously provided but also offering those same services to a broader, more diverse community. SIRC's work has always been, in part, one of risk assessment. While every complainant is assured of a full, fair and unbiased investigation, the review process is forced, in effect, to look at a proportionately smaller range of CSIS activities as each year of the Service's expansion unfolds.

The public and Parliament's sustained attention to issues of public safety and national security are felt by SIRC in the scrutiny we face, the expectations for timely, professional services through both our complaints and review functions and in the assessment of the quality of our accountability tools.

### **3. Earning the Client's Trust**

Given the national security and privacy restrictions on the Committee's ability to discuss our work publicly, SIRC faces ongoing challenges to demonstrate that we have earned our clients' trust. In part, this challenge is exacerbated when our clients receive misleading or unfounded information about the activities of SIRC or CSIS. Privacy and national security concerns significantly constrain the Committee's ability to correct certain types of misinformation. National security is not a shield that SIRC chooses to hide behind, but rather an operational and legislative reality attached to the sensitive information we are privy to. In many cases, SIRC's public reporting of our review and complaints activities is forced, by reasons of national security or privacy, to exclude specific details of our investigations and findings.

The Committee continuously strives to find the right balance between the public and Parliament's fundamental right to receive accurate information and the boundaries on public discussion created by privacy and national security restrictions.



#### **4. Personnel Matters and Committee Membership**

SIRC's central task is to assure the general public and Parliament that the delicate balance between the intrusive powers granted to CSIS to protect national security, and the protection and maintenance of individual rights, is respected. There are clear risks in SIRC becoming less effective as a result of inadequate resources. SIRC continuously focuses on attracting staff with the right expertise and skills, as well as ensuring that the existing staff have the tools and training they need to meet the dynamic challenges of reviewing or investigating the evolving activities of CSIS. SIRC staff receive direction from a Committee of up to five Privy Councillors.

SIRC is committed to the ongoing assessment and adjustment of resources at both the senior management and staff levels, to respond to the needs of our clients and to sustain a high quality, professional work force. As a small organization with a significant mandate, the loss of one team member or an unmet requirement for a small increase in resources has a palpable impact on the work of the Committee and the demands placed on the existing staff. Further, while the Committee may function with fewer than the maximum number of Privy Councillors, a full year has passed without the filling of two vacancies on the Committee. The existing Committee Members have worked diligently to override any disadvantages to having only three Committee Members; nonetheless, operating with a bare quorum is an unworkable long-term scenario.

Immediately following the attacks of September 11, CSIS received an increase in spending authorities that will expand their operational activities by 15 to 20 percent - areas which SIRC has a compelling interest and legal obligation to review. As the scope of CSIS' activities increases so too does the size of the task facing the Committee. For the past two years, SIRC has been obliged to forego examinations of areas of Service activity that warrant scrutiny, but for which the necessary resources were simply not available. Absent an increase in resources available to carry out its review function, SIRC's capacity to fulfill the mandate entrusted to it will be increasingly at risk.

#### **Ongoing Activities and Priorities**

##### **1. External Reviews of CSIS**

The review of CSIS activities is a key function of the Committee. With a small team of highly qualified staff, SIRC reviews thousands of pages of materials each year in order to report to the Canadian public and to Parliament on CSIS' investigative activities. In addition to the Committee's identification of key areas for review, the *CSIS Act* enumerates a broad list of CSIS activities that require SIRC's ongoing attention and assessment.

In planning the upcoming year of SIRC reviews, it is essential to consider Committee resources; domestic and world events; issues, priorities and concerns identified by Canadians and Parliament; past SIRC reviews and findings; and existing and emerging

CSIS programs and activities. Through assessment of these key issues and consultation with stakeholders, SIRC develops a rotating review program designed to address a broad range of subjects. By taking this approach, the Committee focuses on managing the inherent risk of only being able to review a small percentage of CSIS activities in a given year. In the upcoming year, the Committee expects to examine such matters as domestic and foreign relationships, targeting decisions, internal security matters, warranted operations and the use of human sources.

## **2. Investigation of Complaints and Ministers' Reports**

The Committee will conduct comprehensive, timely investigations of complaints filed pursuant to sections 41 and 42 of the *CSIS Act*, and referrals made to the Committee under the *Citizenship Act* and the *Canadian Human Rights Act*.

The *CSIS Act* sets out the rights of individuals to make a complaint with respect to any act or thing done by CSIS. The *Act* also grants the Committee, subject to the receipt of a complaint, the power to review the denial of a security clearance. In addition to complaints made directly to the Committee, SIRC receives referrals under the *Citizenship Act* and the *Canadian Human Rights Act*. The Committee has no control over the number of complaints it receives in any given year.

The volume and complexity of these complaints have a significant impact on the Review Committee's capacity to fulfill its mandate. Because complaints and Ministerial Reports are very time consuming and may require expensive legal services, small changes in their numbers can significantly affect the Committee's budget and operations.

## **3. Special Projects**

In addition to carrying out a planned series of review projects each year, the *CSIS Act* also provides for SIRC to prepare special reports for the Solicitor General of Canada. Through this mechanism, the Committee often undertakes special, reviews to address, in a timely fashion, matters in the public interest, such as the Heritage Front Affair. To meet these unforeseen resource demands, and to respond to Parliament's requests for information about them, the Committee's review program and staff maintain a flexibility and openness to unexpected shifts in priorities. In this way, the Committee is able to redirect research resources to critical, time sensitive issues on very short notice.

## **4. Committee Travel and Liaison**

The Committee includes both domestic and foreign travel in its schedule. Domestic travel to CSIS' regional offices allows Committee Members to meet with senior CSIS staff, receive briefings on issues and priorities of a regional nature and communicate the Committee's focus and concerns. In addition to meetings with CSIS regional staff, these trips present an opportunity for the Committee to meet with local stakeholders and experts

on a broad range of subjects of interest to the Committee Members. Travel within Canada to CSIS regional offices allows the Committee to maintain its profile, communicate key messages, strengthen their understanding of regional issues, pressures and priorities and build relationships with new and existing stakeholders. The Committee intends to visit at least two CSIS regional offices in the coming year.

Travel abroad is often at the invitation of other countries and is generally designed to focus on issues of common concern to security intelligence review bodies and to receive first hand information on strategies and best practices. In 2000-2001 the Committee staff hosted a delegation from Norway that was seeking ideas and guidance on approaches to review and oversight, in anticipation of legislative initiatives in this area. The Committee, in turn, has accepted an invitation to meet with representatives of the Norwegian security and intelligence community to explore further and exchange experiences with various review and oversight processes.

Finally, CSIS maintains a large number of agreements for the exchange of specific types of information with foreign states and their agencies. SIRC is required to review both expansions to existing foreign arrangements as well as the terms and conditions for new ones. In addition to these arrangements, CSIS maintains a number of foreign liaison posts outside Canada. In order to monitor effectively the application and implementation of the Service's foreign arrangements and to assess the nature of CSIS' liaison activities, SIRC conducts reviews of the Service's liaison posts abroad. CSIS foreign liaison activities and the nature and scope of their relationships with international partners is an increasingly important aspect of the Service's work. For this reason, SIRC's review of a foreign liaison post is an important component of the review program. In the 2002-2003 fiscal year, SIRC did not have the resources to review a foreign liaison post. However, a review of a foreign liaison post will be part of the fiscal year 2003-2004 research plan.

## **5. Internet**

The Committee will continue to explore new ways to be accessible and communicate critical information through the use of a comprehensive website on the World Wide Web (<http://www.sirc-csars.gc.ca/>). The site provides the reader with both the latest SIRC annual report as well as archived reports dating back to the Committee's creation in 1984. Current news about Committee activities, including biographical information about Committee Members, is also included. As the investigation of complaints is an important part of the Committee's responsibilities, the procedures for filing complaints were recently updated to help members of the public to understand better when and how to make a complaint. Finally, the Committee maintains and monitors daily requests and inquiries received through the SIRC website.

## **6. Modern Comptrollership**

One of the components of the management framework set out in *Results for Canadians* is modern comptrollership. SIRC has committed itself to integrating the principles of modern comptrollership into the organization's management and culture, and is in the early stages of doing so. To this end, a project leader has been recently designated and training will be undertaken to establish the knowledge required to proceed with and map out next steps.

## **Section IV. Strategic Outcomes**

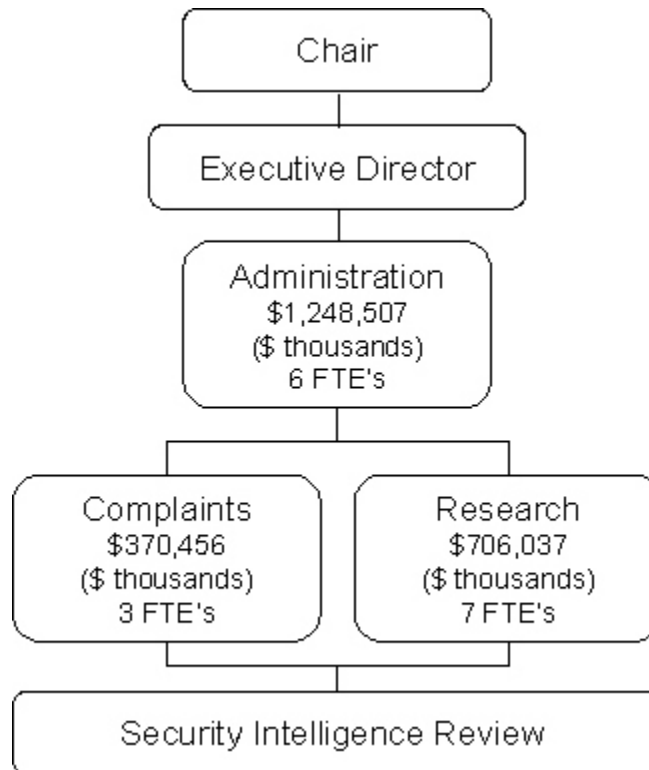
The plans and priorities identified by SIRC in this report will enable the Committee to:

1. Evaluate effectively CSIS' performance of its duties and functions for the purpose of identifying threats to the security of Canada, advising government and protecting Canadians from terrorist and other security threats;
2. Ensure that Parliament and the public has reason to be confident in the rigour of SIRC's review process;
3. Demonstrate to Parliament and the public that CSIS has used its extraordinary powers within the law and in a way that respects the civil and constitutional rights of individuals to the greatest extent possible;
4. Produce a high quality Annual Report that provides the reader with the greatest degree of detail possible while still respecting national security constraints;
5. Prepare comprehensive, probative classified reviews and Minister's reports; and
6. Render sound decisions and recommendations following the investigation of complaints.

<b>Strategic Outcome</b>	<b>Priorities</b>
<p>1. Provide, on behalf of the Canadian people, independent, informed, high quality reviews of the Canadian Security Intelligence Service's performance of its duties and functions.</p>	<ul style="list-style-type: none"> <li>• Identify and undertake key reviews taking into consideration such matters as domestic and world events; issues, priorities and concerns identified by Canadians and Parliament; past SIRC reviews and findings; and existing and emerging CSIS programs and activities</li> </ul>
<p>2. Investigate and report on complaints by individuals or reports from Ministers relating to security clearances, and other national security matters involving CSIS investigations.</p>	<ul style="list-style-type: none"> <li>• Conduct comprehensive, timely investigations</li> <li>• Ensure complainants, to the extent possible, have an opportunity to be heard, to present evidence and to make their case</li> <li>• Provide the complainant with the greatest degree of transparency, engagement and information possible within the limits imposed by national security requirements</li> </ul>
<p>3. Ensure that Committee Members and staff have the tools necessary to respond to the domestic and foreign changes impacting security and intelligence.</p>	<ul style="list-style-type: none"> <li>• Provide staff and Committee Members with the research tools and information required to maintain current, comprehensive knowledge of domestic and foreign issues impacting upon security and intelligence</li> </ul>
<p>4. Respond to the Needs of Clients</p>	<ul style="list-style-type: none"> <li>• Seek out feedback from key stakeholders on the quality and content of the SIRC annual report</li> <li>• Ensure that both the SIRC review plans and complaints process retain a flexibility to respond to unforeseen events and urgent requests</li> </ul>

<p>5. Earn the Client's Trust</p>	<ul style="list-style-type: none"> <li>Identify new opportunities to communicate publicly accurate information about the work and mandate of SIRC, within the limits imposed by privacy and national security considerations</li> </ul>
<p>6. Retain sufficient staff to meet SIRC's legal obligation to review CSIS activities</p>	<ul style="list-style-type: none"> <li>Continue efforts to seek Treasury Board's approval of SIRC's September 2002 submission for three additional staff to meet the current demonstrated deficiencies in meeting SIRC's review program responsibilities</li> </ul>
<p>7. Effective liaison with partners and stakeholders</p>	<ul style="list-style-type: none"> <li>Arrange domestic travel to CSIS regional offices and opportunities for meetings with local stakeholders and experts</li> <li>Pursue international information exchanges and discussions on security intelligence review strategies and best practices</li> </ul>
<p>8. Client focussed, user-friendly, Internet presence.</p>	<ul style="list-style-type: none"> <li>Ensure prompt posting of the Committee's annual report</li> <li>Examine the clarity and comprehensiveness of complaints-related information and instructions</li> <li>Identify new links</li> </ul>
<p>9. Implementation of Modern Comptrollership</p>	<ul style="list-style-type: none"> <li>Provide staff training for implementation of Modern Comptrollership</li> <li>Initiate capacity assessment</li> </ul>

**V. Organization**  
**Accountability**





## **Departmental Planned Spending**

The Security Intelligence Review Committee operates with a maximum of sixteen full time equivalents (FTE's) and up to five appointed part-time Privy Councillors. With a program net cost of \$2.3 million, SIRC's largest budgetary expenditures are salaries for staff and, to a lesser extent, expenses associated with the Committee's Privy Councillors. Given the size of the Committee and its budget, the loss of a small number of staff and the absence of a full complement of Committee Members has a significant impact on SIRC's expenditures. Every staff person at SIRC must have a Top Secret security clearance. Even the most aggressive staffing initiatives result in positions being vacant for several months due to the time required to complete the hiring and security clearance processes.

Planned Spending Table

(\$ millions)	Forecast Spending 2002-2003*	<b>Planned Spending 2003-2004</b>	Planned Spending 2004-2005	Planned Spending 2005-2006
Security Intelligence				
Budgetary Main Estimates (gross)	2.3	2.3	2.3	2.3
Less: Respendable Revenue	0	0	0	0
<b>Total Main Estimates</b>	2.3	2.3	2.3	2.3
Adjustments**	0	0	0	0
<b>Net Planned Spending</b>	2.3	2.3	2.3	2.3
Less: Non-respendable revenue	0	0	0	0
Plus: Cost of services received without charge	0	0	0	0
<b>Net Cost of Program</b>	2.3	2.3	2.3	2.3
<b>Full Time Equivalents</b>	14	16	16	16

\* Reflects the best forecast of total net planned spending to the end of the fiscal year.

\*\* Adjustments are to accommodate approvals obtained since the Annual Reference Level Update (ARLU) exercise and to include Budget initiatives.

## Financial Information

**Table 1 Net Cost of the Program for 2003-2004**

(\$ millions)	<b>Total</b>
Net Planned Spending	<b>2.3</b>
Plus Services Received without Charge	
Accommodation Provided by Public Works and Government Services Canada (PWGSC) (\$ thousands)	<b>0</b>
Contributions covering employer's share of employees' insurance premiums and expenditures paid by TBS (\$ thousands)	<b>0</b>
Workman's Compensation coverage provided by Human Resources Canada	<b>0</b>
Salary and associated expenditures of legal services provided by Justice Canada	<b>0</b>
Less: Non-respendable Revenue (\$ millions)	<b>0</b>
<b>2003-2004 Net Cost of Program</b>	<b>2.3</b>