Security Intelligence Review Committee

2018–19

Departmental Results Report

The Right Honourable Justin Trudeau
Prime Minister of Canada

Table of contents

Executive Director's message

I am pleased to submit the Security Intelligence Review Committee's (SIRC, or the Committee) Departmental Results Report for 2018–19. During this time, SIRC operations were led by the Honourable Pierre Blais as Chairperson and Deputy Head, and Chantelle Bowers, as acting Executive Director. This report is intended to provide Parliament with an accurate representation of SIRC's financial and operational activities for the 2018–19 reporting period. In doing so, it provides Canadians with more insight into how SIRC furthers accountability of the Canadian Security Intelligence Service (CSIS) — one of Canada's most important security agencies.

Since its creation in 1984, SIRC has reported to Parliament on the activities of CSIS. By assessing whether CSIS is acting appropriately and lawfully in the performance of its mandate, SIRC has provided Canadians with assurances that CSIS is operating in a manner that respects Canada's democratic values.

During 2018–19, SIRC settled into new offices and began preparations to be transformed into the National Security and Intelligence Review Agency (NSIRA).

On June 21, 2019 the *National Security and Intelligence Review Agency Act* received Royal Assent as part of former Bill C-59, the *National Security Act*. This new legislation significantly alters Canada's review framework for national security in Canada, and builds on earlier decisions to create a National Security and Intelligence Committee of Parliamentarians (NSICOP). NSIRA replaces SIRC, which reviewed CSIS and it also replaces the Office of the CSE Commissioner (OCSEC), which reviewed the Communications Security Establishment (CSE). NSIRA also has a statutory mandate to review the national security and intelligence activities of all other federal departments and agencies. NSIRA also inherits the complaints investigation functions of SIRC, which was responsible for hearing public complaints concerning the actions of CSIS, and complaints related to the Government of Canada security clearance process, as well as specific matters and reports referred under the *Citizenship Act* and the *Canadian Human Rights Act*. NSIRA's complaint mandate has also expanded to include hearing public complaints regarding the CSE, as well as certain complaints regarding the Royal Canadian Mounted Police (RCMP) where there is a national security nexus.

NSIRA is in the process of transitioning to this new mandate. As the inaugural Executive Director of NSIRA, I look forward to using this and other public reporting mechanisms to enhance the transparency of our work.

John Davies
Executive Director

Results at a glance

Actual Spending	
2018-19	**$4,992,553**

Actual Human Resources	
2018–19 Full-Time Equivalents	**28.9**

These numbers reflect spending and Full Time Equivalents (FTEs) of the whole organization.

- Conduct in-depth reviews of CSIS's activities and operations, to provide accountability to Canadians and Parliamentarians

This year SIRC's reviews covered CSIS's key activities across all of its programs in Canada and abroad. The subjects of the reviews were selected using a risk-based approach to ensure close and continuous scrutiny of high-risk areas, emerging threats, intelligence priorities and activities identified in the course of SIRC's reviews. Reviews also included SIRC's annual mandated assessment of CSIS's Threat Reduction Measures (TRM), and certification of CSIS's Director's Report to the Minister of Public Safety and Emergency Preparedness.

- Continue to improve access to justice

The process for SIRC's investigations of complaints continues to be refined and streamlined in accordance with the implementation of best practices and procedures to promote access to justice and ensure timeliness in the conduct of investigations.

This fiscal year, SIRC finalized two investigations; no recommendations were issued with respect to CSIS's actions.

For more information on SIRC's plans, priorities and results achieved, see the "Results: what we achieved" section of this report.

Results: what we achieved

Core Responsibilities

Investigations of Canadian Security Intelligence Services' operational activities

Description

SIRC is an external independent review body responsible for: reviewing the Canadian Security Intelligence Service to determine whether its operational activities complied with the law and ministerial direction; investigating complaints by any person about any action of the Service, including denials of security clearances; and certifying the Canadian Security Intelligence Service Director's annual report to the Minister of Public Safety and Emergency Preparedness to determine whether any activities were not authorized, contravened ministerial direction, or involved any unreasonable or unnecessary exercise of powers. The Committee makes findings and, where appropriate, recommendations designed to improve performance and prevent non-compliance. The results of this work, edited to protect national security and personal privacy, are summarized in an annual report, which is tabled in Parliament by the Minister.

Results

The Canadian Security Intelligence Service complies with the law and its actions are reasonable and necessary

Review of Canadian Security Intelligence Service operations

In 2018–19, SIRC engaged with CSIS and the Minister of Public Safety and Emergency Preparedness on the CSIS Director's annual report to the Minister. SIRC completed its certification of the Director's annual report, which was supported by three separate reviews. In addition to this work, SIRC completed ten in-depth reviews of CSIS activities. These reviews examined a cross-section of CSIS's activities, including threat reduction activities, domestic and foreign operations, intelligence collection and disposal, and information sharing.

In order to maximize coverage and understanding of CSIS's activities within the broader Canadian intelligence community, SIRC was actively involved with a range of government and non-governmental partners including academics and civil society representatives. SIRC continued to build working-level relationships with counterpart organizations and with allies. SIRC also engaged with existing review bodies, including the National Security and Intelligence Committee of Parliamentarians.

Investigation of complaints against the Canadian Security Intelligence Service

For complaints investigations, SIRC continued to address new complaints received by dealing with each complaint in a timely manner to minimize unnecessary delay. SIRC continued to investigate complaints carried over from the previous fiscal year. With respect to complaints requiring a full investigation, including the conduct of hearings, SIRC continued to adhere to its goal of completing each investigation within a period of 30 months.

SIRC relies heavily on its information resources to effectively fulfill its mandate. This year, SIRC strengthened its procedures to improve the organization of its information by continuing to work towards digitizing paper documents, and completing the implementation of an integrated electronic document case management system for its Reviews and Investigations. These measures have reduced SIRC's reliance on paper and increased efficiency.

SIRC prepared for its transition to NSIRA. SIRC updated and revised its *Rules of Procedures* and forms related to complaints investigations to reflect the changes in its mandate. SIRC also prepared an information session for the national security community to provide an overview and a sense of what to expect with the transition to NSIRA. SIRC revised its website to include information relating to NSIRA.

Results achieved

Departmental Results	Performance Indicators	Target	Date to achieve target	2018–19 Actual results	2017–18 Actual results	2016–17 Actual results
CSIS complies with the law and its actions are reasonable and necessary	% of high- and medium-risk operational activities reviewed annually	80% New indicator	2019–20	86%	79%	75%
	Degree to which the parties to complaints are satisfied with the complaints process	New indicator Target to be established by March 31, 2020	2022–23	N/A	N/A	N/A
	% of recommendations accepted by the Canadian Security Intelligence Service	90%	2018–19	N/A*	95.7%	95%
	% of recommendations advanced by the Canadian Security Intelligence Service	80% New indicator	2019–20	82%	66.7%	N/A

*Responses are still pending from CSIS, given the transformation of SIRC to NSIRA in 2019.

Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2018–19 Difference (Actual spending minus Planned spending)
3,737,163	3,737,163	3,794,437	2,648,567	(1,088,596)

Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2018–19 Difference (Actual full-time equivalents minus Planned full-time equivalents)
24.5	18.1	(6.4)

Financial, human resources and performance information for SIRC's Program Inventory is available in the GC InfoBase.[i]

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the ten distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The ten service categories are:

‣ Acquisition Management Services

‣ Communications Services

‣ Financial Management Services

‣ Human Resources Management Services

‣ Information Management Services

‣ Information Technology Services

‣ Legal Services

‣ Materiel Management Services

‣ Management and Oversight Services

‣ Real Property Management Services

Results

SIRC relies heavily on its information resources to effectively fulfill its mandate. This last fiscal year, SIRC continued putting a strong emphasis on changing business processes to include the management of electronic documents as part of day-to-day operations. SIRC also continued with the digitalization of paper documents as per plan.

SIRC relocated its offices in March 2018, which enabled the renewal of SIRC's aging IT infrastructure. The change in accommodation has provided much needed additional secure space.

Budgetary financial resources (dollars)

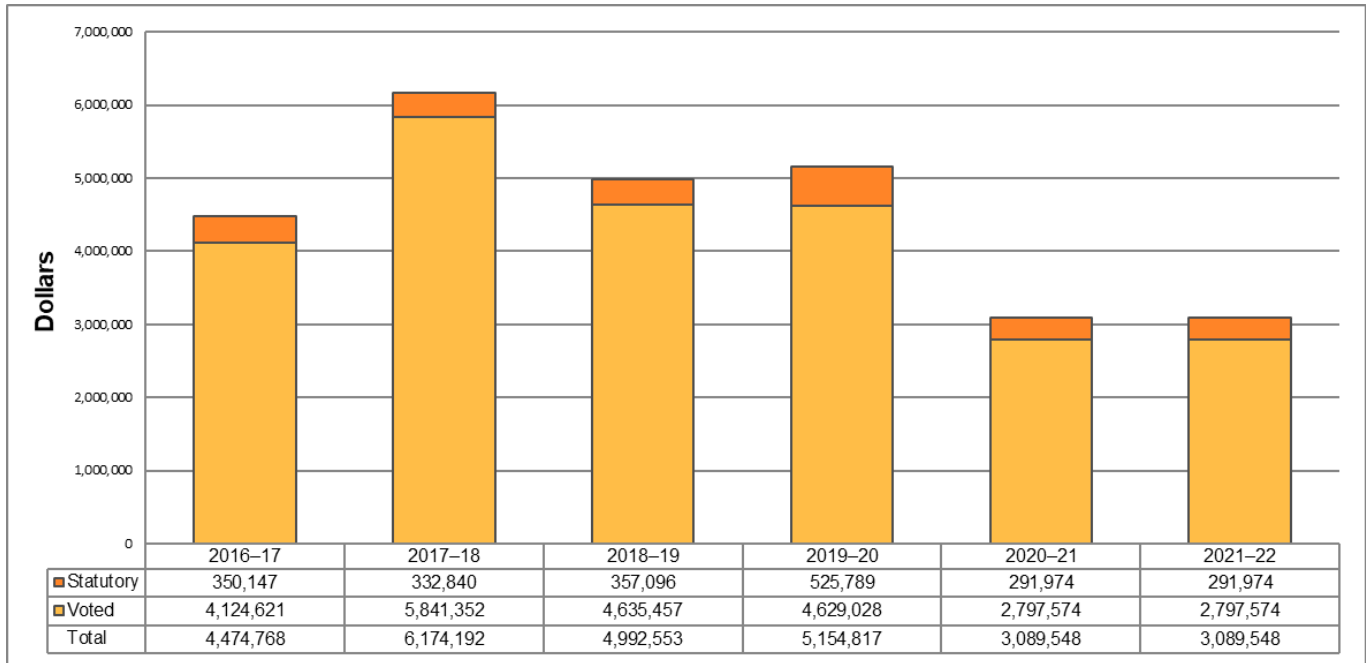| 2018–19 Main Estimates	2018–19 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2018–19 Difference (Actual spending minus Planned spending)
1,396,677	1,396,677	1,521,979	2,343,986	947,309

Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2018–19 Difference (Actual full-time equivalents minus Planned full-time equivalents)
8.5	10.8	2.3

Analysis of trends in spending and human resources

Actual expenditures

Departmental spending trend graph

	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22
Statutory	350,147	332,840	357,096	525,789	291,974	291,974
Voted	4,124,621	5,841,352	4,635,457	4,629,028	2,797,574	2,797,574
Total	4,474,768	6,174,192	4,992,553	5,154,817	3,089,548	3,089,548

Budgetary performance summary for Core Responsibilities and Internal Services (dollars)

Core Responsibilities and Internal Services	2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2017–18 Actual spending (authorities used)	2016–17 Actual spending (authorities used)
Investigations of CSIS' operational activities	3,737,163	3,737,163	3,752,433	2,062,960	3,794,437	2,648,567	2,894,198	2,651,234
Internal Services	1,396,677	1,396,677	1,402,384	1,026,588	1,521,979	2,343,986	3,279,994	1,823,534
Total	5,133,840	5,133,840	5,154,817	3,089,548	5,316,416	4,992,553	6,174,192	4,474,768

The decrease of 1.2M in spending from 2017–18 to 2018–19 is mainly explained by the SIRC Relocation project, including the IM/IT modernization project in 2017–18. SIRC changed office space at the end of March 2018.

The difference between 2018–19 Total authorities available for use and actual spending is largely attributable to the delay in Royal Assent of Bill C-59, which pushed back the creation of

NSIRA from 2018–19 to 2019–20. As a result, major implementation costs were postponed to the future reporting period.

Actual human resources

Human resources summary for Core Responsibilities and Internal Services (full-time equivalents)

Core Responsibilities and Internal Services	2016–17 Actual full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
Investigations of CSIS' operational activities	17.0	18.7	24.5	18.1	24.5	14.0
Internal Services	8.0	10.0	8.5	10.8	7.5	5.0
Total	**25.0**	**28.7**	**33.0**	**28.9**	**32.0**	**19.0**

The Government provided additional capacity funding to SIRC for a three-year period ending in 2019–20 to allow it to keep pace with CSIS's growth and the expansion of its powers. Given the short-term nature of the funding, SIRC was limited to using short-term processes, which created staffing challenges and higher turnover.

As the Committee transitions to NSIRA in 2019–20, it will need to engage in aggressive hiring efforts to discharge its expanded mandate.

Expenditures by vote

For information on SIRC's organizational voted and statutory expenditures, consult the Public Accounts of Canada 2018–2019.[ii]

Government of Canada spending and activities

Information on the alignment of SIRC's spending with the Government of Canada's spending and activities is available in the GC InfoBase[iii].

Financial statements and financial statements highlights

Financial statements

SIRC's financial statements (unaudited) for the year ended March 31, 2019, are available on the departmental website[iv].

Financial statements highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2019 (dollars)

Financial information	2018–19 Planned results	2018–19 Actual results	2017–18 Actual results	Difference (2018–19 Actual results minus 2018–19 Planned results)	Difference (2018–19 Actual results minus 2017–18 Actual results)
Total expenses	6,116,463	5,539,131	5,907,095	(577,332)	(367,964)
Total revenues	(6,081)	(490)	0	5,591	(490)
Net cost of operations before government funding and transfers	6,110,382	5,538,642	5,907,095	(571,740)	(368,453)

The majority of SIRC's expenses relate to salaries and professional and special services. The variance between actual and planned results in 2018–19 can be largely attributed to the delay in the creation of NSIRA, which resulted in deferred hiring and office expansion initiatives.

Condensed Statement of Financial Position (unaudited) as of March 31, 2019 (dollars)

Financial Information	2018–19	2017–18	Difference (2018–19 minus 2017–18)
Total net liabilities	1,494,816	1,711,995	(217,179)
Total net financial assets	1,355,973	1,552,796	(196,823)
Departmental net debt	138,843	159,199	(20,356)
Total non-financial assets	1,399,684	1,266,073	133,611
Departmental net financial position	1,260,841	1,106,874	153,967

In 2018–19, there was an increase in the total non-financial assets, which is mainly due to additional expenditures in preparation for NSIRA coming into force in the near future.

Supplementary information

Corporate information

Organizational profile

Appropriate minister: The Right Honourable Justin Trudeau, Prime Minister of Canada

Institutional head: John Davies, Executive Director

Enabling instrument: *Canadian Security Intelligence Service Act* [v]

Year of incorporation / commencement: 1984

Raison d'être, mandate and role: who we are and what we do

"Raison d'être, mandate and role: who we are and what we do" is available on SIRC's website[vi].

Operating context and key risks

Information on operating context and key risks is available on SIRC's website[vii].

Reporting Framework

SIRC's Departmental Results Framework and Program Inventory of record for 2018–19 are shown below.

Graphical presentation of Departmental Results Framework and Program Inventory

Core Responsibility: Investigations of Canadian Security Intelligence Services' operational activities		
Departmental Results Framework	**CSIS complies with the law and its actions are reasonable and necessary**	**Indicator**: Percentage of high- and medium-risk operational activities reviewed annually
		Indicator: Degree to which the parties to complaints are satisfied with the complaints process
		Indicator: Percentage of recommendations accepted by CSIS
		Indicator: Percentage of recommendations advanced by CSIS
Program Inventory	**Program: Review of Canadian Security Intelligence Service operations**	**Internal Services**
	Program: Investigation of complaints against the Canadian Security Intelligence Service	

Supporting information on the Program Inventory

Financial, human resources and performance information for SIRC's Program Inventory is available in the GC InfoBase[viii].

Supplementary information tables

The following supplementary information tables are available on SIRC's website[ix]:

▸ Gender-based analysis plus

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.[x] This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational contact information

As presented in the GCdirectory[xi]

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Internet: http://www.sirc-csars.gc.ca
E-Mail: info@sirc-csars.gc.ca

Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Core Responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Result (résultat ministériel)

A Departmental Result represents the change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

Departmental Result Indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

Departmental Results Framework (cadre ministériel des résultats)

Consists of the department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2018–19 Departmental Results Report, those high-level themes outlining the government's agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

priority (priorité)

A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s) or Departmental Results.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique)

A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

i.   GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
ii.   Public Accounts of Canada 2017–2018, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html
iii.   GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
iv.   SIRC's website, www.sirc-csars.gc.ca
v.   Canadian Security Intelligence Service Act, http://www.laws-lois.justice.gc.ca/eng/acts/C-23
vi.   SIRC's website, www.sirc-csars.gc.ca
vii.   SIRC's website, www.sirc-csars.gc.ca
viii.   GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
ix.   SIRC's website, www.sirc-csars.gc.ca
x.   Report on Federal Tax Expenditures, http://www.fin.gc.ca/purl/taxexp-eng.asp
xi.   GCdirectory, http://gcdirectory-gcannuaire.ssc-spc.gc.ca/en/GCD/?pgid=002