

Question Period Note

**BUDGET IMPLEMENTATION ACT
AMENDMENTS TO THE CSIS ACT**

ISSUE: Amendments to the *Canadian Security Intelligence Service (CSIS) Act* to eliminate the Office of the Inspector General

BACKGROUND:

The *Budget Implementation Act* includes amendments to the *CSIS Act* to consolidate and transfer the primary functions of the Office of the Inspector General to the Security Intelligence Committee (SIRC) in order to eliminate duplication of certain functions and to save approximately \$785,000 per year.

The Office of the Inspector General is an internal to government organization that undertakes a variety of review activities to monitor the compliance by CSIS with its operational policies and produce an annual Certificate attesting to its satisfaction with the CSIS Director's annual report to the Minister of Public Safety. This core function will be transferred to SIRC.

The Security Intelligence Review Committee (SIRC) is a review body at arm's length from Government. SIRC conducts self-initiated reviews of CSIS operations, reviewing them against legislation and Ministerial Direction. SIRC also investigates complaints in relation to any CSIS activity, as well as any denial or revocation of a security clearance. SIRC tables a report in Parliament each year summarizing the results of all work it has undertaken. The proposed amendments will require SIRC to provide the Minister of Public Safety with the reports of all reviews of CSIS activities that it initiates and to brief the Minister at least once a year on these activities.

In addition, Public Safety Canada's (the Department) capacity to identify and provide early notification of potential issues has grown substantially in the past few years. The vision is to strengthen this capacity, and to further enhance the advice the Department provides to the Minister. Enhanced engagement between departmental officials and their CSIS counterparts on policy and operational issues will help ensure that internal oversight remains robust.

**BUDGET IMPLEMENTATION ACT
AMENDMENTS TO THE CSIS ACT**

PROPOSED RESPONSE:

- **The *Budget Implementation Act* includes amendments to the *CSIS Act* to consolidate and transfer primary functions of the Office of the Inspector General to the Security Intelligence Review Committee (SIRC).**
- **With this change, the review of CSIS activities will continue to be robust and effective.**
- **This consolidation will eliminate duplication of certain functions and save the Government approximately \$785,000 per year.**
- **SIRC is an independent organization with a broader mandate than the Inspector General.**
- **Public Safety Canada will also assume a greater responsibility for providing independent advice to the Minister.**

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**BUDGET IMPLEMENTATION ACT
AMENDMENTS TO THE CSIS ACT**

PROPOSED RESPONSE:

- **La *Loi d'exécution du budget* prévoit des modifications à la *Loi sur le SCRS* en vue de la consolidation et du transfert des principales fonctions du Bureau de l'inspecteur général au Comité de surveillance des activités de renseignement de sécurité (CSARS).**
- **Grâce à ce changement, l'examen des activités du SCRS continuera d'être robuste et efficace.**
- **Cette consolidation éliminera le chevauchement de certaines fonctions et permettra au gouvernement d'économiser environ 785 000 \$ par année.**
- **Ce comité est un organisme indépendant doté d'un mandat plus large que celui de l'inspecteur général.**
- **Sécurité publique Canada assumera une plus grande responsabilité en ce qui a trait à prodiguer des conseils indépendants au ministre.**

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Deficit Reduction Action Plan

Updated: May 1, 2012



Public Safety Sécurité publique
Canada Canada

Questions and Answers

General

Public Safety Canada has gone through major spending reviews in the past few years, starting with A-Base and most recently, with Strategic Review. How did the Department examine its budget this time round to find both 5 and 10 percent savings for the Deficit Reduction Action Plan (DRAP)?

- Public Safety Canada's savings have been achieved by streamlining, consolidating and modernizing operations and processes.
- The Department has retained its ability to implement key government priorities and to respond to emerging and evolving threats.

How much has the Department spent on the review leading up to this Budget?

- Public Safety Canada's review was undertaken within existing resources.
- While the work was considerable, it was shared across all branches and program areas in line with the periodic reviews of programs and spending by government.

What was the Budget impact for Public Safety Canada?

- The Budget announced that Public Safety Canada will achieve savings of \$2.9 million in 2012-2013, \$15.8 million in 2013-2014 and \$24.7 million in 2014-2015. This represents an 8.5% reduction of the review base budget.

Staffing

Are your job cuts going to predominately affect the National Capital Region? Did the department try to lessen the impact for the NCR by spreading the cuts to the regions?

- Public Safety Canada's staff reductions are spread across Canada, with the majority in the NCR.
- Savings will be in line with the government's decision to reduce Public Safety Canada's review base budget by approximately 8.5%.

Deficit Reduction Action Plan

Updated: May 1, 2012

How many positions at Public Safety are affected by the Budget announcement? Has staff been informed yet? If not, when will they know?

- Public Safety Canada is eliminating 117 positions in total.
- Employees were informed of these decisions on April 11, 2012.

How were the positions targeted?

- Decisions were based on positions themselves and their functions, not on the people in the positions.

Will outside consultants be used to counsel staff?

- Affected employees will have access to the Employee Assistance Program. Other internal resources to support employees during this transition period are also being made available.

Programs

Given that Public Safety is a priority area for the Government with its safety and security agenda, does that mean that cuts to its core programs are minimal compared to other organizations?

- Like other federal organizations, Public Safety Canada provided proposals for 5 and 10% savings to Treasury Board—including proposed reductions to contributions programs. Decisions made are consistent with an overall reduction of 8.5% to our review base budget.
- Public Safety Canada has an opportunity to refocus resources on fulfilling its responsibilities under the *Emergency Management Act*, implementing core tools, plans and strategies, as well as maintaining partnerships in the most cost-effective and efficient manner going forward.
- The changes are expected to result in a leaner, more efficient and effective government engaged in the delivery of its core business functions.
- Public Safety Canada remains committed to ensuring a safe and resilient Canada and to the security of Canadians and their communities.

Deficit Reduction Action Plan

Updated: May 1, 2012

Emergency Management and Regional Operations

Why the emphasis on Emergency Management programs given the Department's legislated requirements under the *Emergency Management Act*? Will these cuts just transfer responsibilities to provinces and territories?

- These changes provide value for taxpayers without increasing risk to Canadians.
- The responsibility to prepare for and mitigate emergency events in Canada remains a shared responsibility at many levels—both public and private.
- Public Safety Canada leads emergency management at the federal level; however, most emergencies in Canada are local in nature and are managed by municipalities or at the provincial or territorial level.

Not that long ago, the Auditor General of Canada criticized the Government's lack of progress on key emergency management files and identified several areas for improvement: won't these further reductions affect any progress being made?

- Public Safety Canada has indeed made significant progress since the 2009 Auditor General's report on emergency management.
- Some examples include: formal approval of the Federal Emergency Response Plan (FERP), the National Emergency Response System (NERS), the introduction of the National Strategy and Action Plan for Critical Infrastructure, advancing federal leadership through the launch of the Federal Emergency Management Policy and the Emergency Management Planning Guide, to name a few.
- The current reductions will not affect the Department's work toward building a safe and resilient Canada.

How can the federal government end its cost-sharing arrangement with the provinces/territories on the Joint Emergency Preparedness Program (JEPP)? Especially when the government talks about the increased need for mitigation measures?

- The original objectives of this program, namely, to enhance local emergency preparedness and response capacity, have been met
- As this is a provincial responsibility, communities are aware of the need to invest in preparedness – a message sustained throughout Emergency Preparedness Week (insert link) every year
- We continue to work with them on many other fronts, for example DFAA.

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- With respect to mitigation, of particular interest to Public Safety Canada is the Government's proposal in its *Economic Action Plan 2012* for up to \$99.2 million over three years to assist the provinces and territories with the cost of permanent flood mitigation measures undertaken for the 2011 floods.
- The Government is also committed to discussing with the provinces and territories the development of a national disaster mitigation program, recognizing that mitigation can lessen the impact of natural disasters on vulnerable communities and reduce the costs associated with these events.

How can you explain the loss of federal funding under JEPP for Canada's Urban Search and Rescue (USAR) Teams?

- Since 2001, the Government of Canada has provided financial support for light and medium USAR teams within the provinces and territories, as well as support for the five HUSAR Task Forces that comprise the National HUSAR Team—to the tune of approximately \$22 million.

With the closure of the Canadian Emergency Management College (CEMC), how will first responders and municipal staff continue to access these courses? A large part of emergency management training is hands-on as is the case with the Chemical, Biological, Radiological, Nuclear and Explosives (CBRNE) courses. Has this decision been properly thought through? How will training continue to be delivered?

- Emergency management training will be provided in the most effective and cost-efficient manner
- This decision makes sense because there has also been an increase in emergency management training programs offered across the country by the Canada School of Public Service, provincial/territorial emergency management organizations, academia, and the private sector
- By transitioning to e-learning as a delivery method, Public Safety Canada expects that its emergency management courses will reach an even wider audience and enhance stakeholder engagement activities.

How can the Department cut funding to the CBRNE training program when the Minister announced the CBRNE Resilience Strategy in January 2011 calling for sustained capability and standards in CBRNE training and equipment?

- The CBRNE Resilience Strategy and Action Plan, announced by FPT Ministers in January 2011, is a policy framework that guides not only federal partners (DND, RCMP, HC, PHAC, CSC & PS), but also provincial and territorial governments on “the creation of sustainable capabilities and common standards in CBRNE policies, programs, equipment and training.”

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- At Public Safety, we will continue advancing this important initiative at the policy level, offering guidance to investments in this area.

What if there is a biological event for example that is a significant threat to Canadians?

- It would be handled as per normal protocol.
- The response to any emergency in Canada is led at the local or provincial/territorial level first. If, for example, we were faced with a serious biological threat with public health implications, local authorities (municipal or provincial/territorial) would respond to the immediate needs of citizens and if their resources were overwhelmed, the federal government would provide assistance.
- The federal response would be coordinated by the Government Operations Centre, in accordance with the Federal Emergency Response Plan and other emergency response plans that have been prepared for such contingencies.

Aren't you just offloading some of the costs and federal responsibilities for emergency management to the provinces/territories?

- No.
- Public Safety Canada is focusing its resources on its core program activities. As the majority of emergencies take place at the local or provincial level of responsibility, it is important for these levels of government continue to invest in preparedness measures, whether it is training or developing an emergency plan or purchasing a generator, as appropriate to the risks they face.
- In the event of a large scale emergency that overwhelms the capacity of a province or territory, the federal government has always been and will continue to be available to assist with the response.

Do any of these proposals to gain efficiencies mean that Public Safety Canada can no longer provide the leadership and other functions mandated under the *Emergency Management Act* or the *Federal Emergency Response Plan (FERP)*?

- No, that's not accurate.
- Public Safety Canada leads emergency management at the federal level in accordance with the *Emergency Management Act*; however, most emergencies are local in nature and are managed by municipalities or at the provincial or territorial level.

Deficit Reduction Action Plan

Updated: May 1, 2012

National Security

The Jobs, Growth and Long-term Prosperity Act - re IG-CSIS (After announcement Apr 26, 2012)

Will the loss of the Inspector General of the Canadian Security Intelligence Service (IC-CSIS) diminish the Public Safety Minister's oversight role with respect to CSIS operations?

- No. The principal function of the IG-CSIS is to report to the Minister regarding its satisfaction with the Director's annual report to the Minister of Public Safety.
- We will transfer this responsibility to the Security Intelligence Review Committee (SIRC), which is also responsible for hearing complaints against CSIS, and is conducting independent reviews of its compliance with law and Ministerial direction. SIRC is at arm's length from Government.

What is the rationale for eliminating the IG-CSIS?

- By consolidating review functions into a single organization we will eliminate duplication and reduce federal spending while ensuring the same level of accountability for CSIS activities.
- With this change, the review of CSIS activities will continue to be robust and effective.
- Public Safety Canada will also assume a greater responsibility for providing independent advice to the Minister.

Community Safety and Partnerships

Why is the Government cutting funding to its First Nations Policing Program when the crime rates, in Aboriginal communities are so high? How will the Government ensure public safety is upheld in these communities?

- It is important to note that the First Nations Policing Program (FNPP) was established to ensure policing on First Nations is done in an effective and culturally sensitive manner.
- The efficiencies being achieved will ensure that the FNPP remains focused on its core priority.
- Funding for administrative costs in 44 First Nations communities in Saskatchewan will be eliminated.

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- This administrative funding is not provided to any other province in the country. This change will ensure fairness and consistency across Canada.
- This does not affect frontline officers.

If asked specifically about the reduction of RCMP coordinator positions:

- These administrative positions are not essential in meeting the core priority of the FNPP.
- Community Advisory Boards remain in place to ensure that there is community involvement with the police that serve them.

Why did the Government cut spending to National Crime Prevention Strategy (NCPS) programs that could prevent crime over the long term resulting in fewer prisoners behind bars...and at less cost to taxpayers?

- The Government of Canada remains committed to effective crime prevention programs to keep our communities safe and we are continuing to invest over \$40M in the National Crime Prevention Strategy (NCPS) programs.

The National Crime Prevention Strategy funding programs support projects that help prevent crime and increase knowledge about what works in crime prevention.

- Funding levels for the Crime Prevention Action Fund and the National and Aboriginal Crime Prevention Action Fund will be adjusted following lapses in funding in previous years.
- Overall funding remains at an unprecedented level.

The NCPS programs address risk and protective factors associated with crime in children and youth or chronic offenders. How can the government justify any cuts that could adversely affect these highly vulnerable segments of the population?

- The government continues to make unprecedented investments in crime prevention.
- Funding levels for the Crime Prevention Action Fund and the National and Aboriginal Crime Prevention Action Fund will be adjusted following lapses in funding in previous years.
- Overall funding remains at an unprecedented level.

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Community Safety and Partnerships and Law Enforcement and Policing (for National Anti-Drug strategy only)

Won't reduced funding to the Policy Development Contribution Program (PDCP) hamper policy development in the areas of aboriginal or criminal justice, or the drug trade? How can the Government make knowledge-based decisions without these investments at the front end?

- Government grants and contributions are designed to address priorities and to achieve results for all Canadians.
- These reductions will be offset by other more targeted measures such as innovative research under the National Anti-Drug Strategy, which addresses drug-related issues related to organized crime, and will continue to be supported by federal resources – to help make Canadians and their communities safer.

Internal Services & Communications

Other than reductions to contribution programs, what kind of belt-tightening is being done in the Department?

- Any change will not result in any direct government service reductions to the public, but will increase our efficiency and transform our day-to-day business practices in line with new spending levels.
- Examples of savings include: reducing print in favour of electronic publishing.

Media Lines

May 1, 2012

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ISSUE: The results of the Strategic and Operating Review/Deficit Reduction Action Plan were announced by the Government of Canada as part of the federal budget on March 29, 2012. These lines are intended for media and external stakeholders.

OVERARCHING LINES:

- Public Safety Canada will achieve savings of \$2.9 million in 2012-2013, \$15.8 million in 2013-2014 and \$24.7 million in 2014-2015. This represents an 8.5% reduction of the review base budget.
- The efficiencies achieved will change service delivery within the federal government, but will not affect service to the public or provincial/territorial partners.
- Public Safety Canada's savings have been achieved by streamlining, consolidating and modernizing operations and processes. The Department has retained its ability to implement key government priorities and to respond to emerging and evolving threats.
- These changes are expected to result in a leaner, more efficient and effective federal government engaged in the delivery of its core business areas.
- Public Safety Canada remains committed to ensuring a safe and resilient Canada and to the security of Canadians and their communities.

EMERGENCY MANAGEMENT

If asked about emergency management reductions:

- Public Safety Canada leads emergency management at the federal level; however, most emergencies in Canada are local in nature and are managed by municipalities or at the provincial or territorial level.
- Public Safety Canada has carefully and critically examined its emergency management activities and identified deficit reduction measures that provide value for taxpayers without increasing risk to Canadians.

If specifically asked about the elimination of funding to the Joint Emergency Preparedness Program (JEPP):

- The original objectives of this program, namely, to enhance local emergency preparedness and response capacity, have been met.
- As this is a provincial responsibility, communities are aware of the need to invest in preparedness – a message sustained throughout Emergency Preparedness Week every year.
- We continue to work with them on many other fronts, for example DFAA.

If asked about the loss of federal funding under JEPP for Canada's Urban Search and Rescue (USAR) Teams:

- By investing in USAR capability, the Government has helped to prepare and equip communities that respond to potentially serious incidents.
- Since 2001, the Government has provided approximately \$22M for light and medium USAR teams within the provinces and territories and for the five HUSAR Task Forces that comprise the National HUSAR Team.
- The elimination of the USAR funding under JEPP, reflects the substantial increase in the local emergency preparedness and response capacity over the years.

If asked about the closure of the Canadian Emergency Management College (CEMC):

- Emergency management training will be provided in the most effective and cost-efficient manner.
- This decision makes sense because there has also been an increase in emergency management training programs offered across the country by the Canada School of Public Service, provincial/territorial emergency management organizations, academia, and the private sector.

- By transitioning to e-learning as a delivery method, Public Safety Canada expects that its emergency management courses will reach an even wider audience and enhance stakeholder engagement activities.

If asked about other emergency management reductions:

- Emergency management remains a key responsibility of Public Safety Canada—a responsibility that is shared with all levels of government.
- The efficiencies achieved will change service delivery within the federal government, but will not affect service to the public or provincial/territorial partners.
- These changes are expected to result in a leaner, more efficient and effective federal government engaged in the delivery of its core business areas.

COMMUNITY SAFETY AND PARTNERSHIPS

If asked about the funding reductions to the First Nations Policing Program:

- It is important to note that the First Nations Policing Program (FNPP) was established to ensure policing is provided on First Nation and Inuit communities.
- The efficiencies being achieved will ensure that the FNPP remains focused on its core priority.
- Funding for administrative costs in 44 First Nation communities in Saskatchewan will be eliminated.
- This administrative funding is not provided to any other province in the country. This change will ensure fairness and consistency across Canada.
- Frontline policing will not be affected.

If asked specifically about the reduction of RCMP coordinator positions:

- These administrative positions are not essential in meeting the core priority of the FNPP.
- Frontline policing will not be affected.
- Community Advisory groups remain in place to ensure that communities are involved with their policing services.

If asked about the reduction of contribution funding to the National Crime Prevention Strategy (NCPS):

Funding levels for the Crime Prevention Action Fund and the National and Aboriginal Crime Prevention Action Fund will be adjusted following lapses in funding in previous years.

A modest reduction to the Funding levels for the Crime Prevention Action Fund and the National and Aboriginal Crime Prevention Action Fund will be absorbed through more focused investments, resulting in minimal decrease of the number of projects funded across the country.

- Overall funding remains at an unprecedented level.

If asked about the funding reductions to the Policy Development Contribution Program (PDCP):

- Government grants and contributions are designed to address priorities and to achieve results for all Canadians.

These reductions will be offset by other, more targeted measures such as innovative research under the National Anti-Drug Strategy, which address drug-related issues related to organized crime. Cuts under the PCDP will be managed internally and remaining funds will be allocated carefully with a view focusing on our priorities and leveraging other sources of funding where possible.

INTERNAL SERVICES & COMMUNICATIONS

- Public Safety Canada will undergo a number of organizational efficiencies and transformative business measures to reduce current departmental spending levels.
- One example of savings would be reducing print in favour of electronic publishing.
- These measures are largely internal to government and are not expected to result in direct government service reductions to the public.

Designated spokesperson: Communications

The Jobs, Growth and Long-term Prosperity Act – re IG-CSIS

NATIONAL SECURITY

If asked about the elimination of the Office of the Inspector General of CSIS (IG-CSIS):

Media Lines

- With this change, the review of CSIS activities will continue to be robust and effective.
- The core oversight responsibilities of the IG-CSIS will be transferred to the Security Intelligence Review Committee. SIRC is an independent organization with a broader mandate than the Inspector-General.
- By consolidating review functions into a single organization – transferring responsibility for the annual Certificate to the Minister from the IG-CSIS to SIRC – we will eliminate duplication and reduce federal spending while ensuring the same level of accountability for CSIS activities.
- Public Safety Canada will also assume a greater responsibility for providing independent advice to the Minister.

**Pages 39 to / à 99
are not relevant
sont non pertinentes**

2012-2013 Supplementary Estimates (A) / 2012-2013 Main Estimates

HOT ISSUES

DRAP FOR PS CANADA

- **Budget 2012 announced total DRAP savings of \$24.733M annually for PS, representing a reduction of 8.5% of the review base budget.**
- **Savings will be \$2.923M in 2012-13, rising to \$15.809M in 2013-14, and will reach the full \$24.733M in 2014-15.**
- **Some examples of how PS will achieve these savings include:**
 - **organizational restructuring and efficiencies within the department (\$2.7M),**
 - **business transformation, e.g., of invoice processing and greater use of electronic publications (\$317K),**
 - **closure of the Canadian Emergency Management College (\$4.45M),**
 - **transfer of the IG CSIS role to SIRC (\$784K) and**
 - **savings from program budgets (JEPP: \$6.47M; FNPP: \$1.21M, NCPS: \$1.9M).**
- **Stakeholders, partners, and affected employees have been informed of the changes.**

If pressed on affected staff:

- **DRAP will result in a net reduction of 95 FTE positions (10 EX, 85 non-EX; 87 in the NCR). We have focused on placing the affected employees, and this will continue to be our focus.**
- **We are benefitting from a positive and cooperative relationship with unions.**

If pressed on reporting:

- **As implementation progresses, PS will report on progress through the annual cycle of planning and reporting to Parliament, future Main and Supplementary Estimates, committee appearances, and the quarterly financial reports.**

Portfolio DRAP savings for reference:

Organization	2012-13	2013-14	2014-15	Ongoing
Public Safety Canada	2,923	15,809	24,733	24,733
Canada Border Services Agency	31,279	72,780	143,407	143,407
Canadian Security Intelligence Service	13,677	20,179	24,461	24,461
Correctional Service Canada	85,547	170,183	295,371	295,371
National Parole Board	1,613	2,662	4,772	4,772
Royal Canadian Mounted Police	44,397	89,068	195,160	195,160
Total Portfolio	179,436	370,680	687,904	687,904

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CSIS Facts and Figures

Corporate:

- Final 2011-2012 Budget is \$542.9M (Main Estimates \$509.0M + Supplementary Estimates (B) \$10.1M + Treasury Board Central Vote \$23.8M)
- Total authorities for 2011-2012 are: \$494.3M Operating Expenditures; and \$48.6M Employee Benefit Plans.
- Budget 2012-2013 is \$520.6M (Main Estimates).
- Total number of employees for 2011-2012 is 3,244 and for 2012-2013 is 3,226.
- CSIS has six Regional Offices and several District Offices.
- The Service currently has 288 foreign arrangements with agencies and international organizations in 151 countries and territories. We publicly acknowledge only the presence of CSIS foreign officers in Washington, London, Paris and Afghanistan.
- We work closely with many government departments and agencies, particularly members of the Canadian intelligence community such as Public Safety Canada, the Department of National Defence (DND), Communications Security Establishment, Transport Canada, Citizenship and Immigration Canada, Canada Border Services Agency (CBSA), Department of Foreign Affairs and International Trade and the Royal Canadian Mounted Police (RCMP).
- CSIS participates in other cooperative initiatives such as the RCMP's Integrated National Security Enforcement Teams.
- CSIS produces an annual Public Report that discusses Canada's security environment and the Service's national security role. The report is tabled in Parliament by the Minister of Public Safety.
- While the specific details of what the Service does are classified, Service publications offer general information. The Service also reaches out to the general public by sending representatives to speak at various communities, academic and corporate functions.

Mandate:

- As per the *CSIS Act*, the mandate of CSIS is to collect, analyze and retain information and intelligence on activities suspected of constituting threats to the security of Canada, and to report to and advise the government.
- CSIS is responsible for the collection of national security intelligence inside and outside Canada; the collection of foreign intelligence within Canada; and for security screening assessments for federal government employees, refugee, immigration and citizenship applicants, and some other sectors such as the Canadian nuclear industry.
- CSIS is a civilian security intelligence agency, not a law enforcement agency – it has no powers of detention or the capacity to compel cooperation.

Investigative Priorities:

Terrorism and Extremism:

- Terrorism – here or abroad – and the threat that it poses to Canada, Canadians, our allies and others, is our pre-eminent concern.
- Our preoccupation is with the terrorism associated with the ideology of Al Qaeda -- Al Qaeda as an organization itself, groups affiliated with it, or those inspired by its ideology. This is a preoccupation that is shared by most of the international community.
- Canada is a terrorist target and has been specifically named as such by Al-Qaeda. While Canada has not yet been directly attacked, terrorist acts have claimed the lives of Canadians.
- Canadian residents and citizens are known to have planned terrorist operations against foreign targets and to have personally participated in them. They are also known to have conducted preliminary reconnaissance against potential targets in Canada.
- The Internet continues to be a popular tool used by those who espouse extremist views. It remains a key component for planning, organizing, and executing terrorist activities, as well as in recruiting participants and disseminating propaganda. The Service continues to develop its capacities to investigate and understand how terrorists

use the Internet to support their ideology and plan their objectives.

- Terrorist violence in Canada is not always related to conflicts beyond our borders. We are concerned by the domestic extremism of people prepared to resort to violence to achieve their goals – groups like the violent fringe elements of single-issue groups from the ecological, animal rights and anti-globalization movements.

- CSIS is concerned with the growing trend of lone actor terrorism. Lone terrorists are particularly hard to identify before they strike and pose a special challenge to national security. Often the only indicators of a possible attack by a lone terrorist are anonymous Internet postings, or unusual purchases, like fertilizer or weapons.

Proliferation:

- We take very seriously the threat posed by the proliferation of weapons of mass destruction (WMDs) - chemical, biological, radiological, nuclear and explosive weapons (CBRNE) - as well as the proliferation of systems for delivering WMDs, and identifying countries and terrorist organizations that seek to develop, acquire or use WMDs and delivery systems.

- The Service works with its domestic and international partners to monitor developments around the world, and to identify countries and terrorist organizations that seek to develop, acquire or use WMDs and delivery systems.

Espionage & Other Foreign-Influenced Activities:

- Foreign intelligence services continue attempting to infiltrate key Canadian government departments in their quest for classified political and military intelligence.

- Increasing global economic competition is shifting the focus to the illicit acquisition of economic and technological information. Today, espionage activities directed against Canada also involve economic espionage.

- Economic espionage usually targets scientific and technological developments in Canada's natural resource sector, as well as our critical economic and information infrastructure. Canadian companies have been targeted by foreign governments seeking economic or commercial advantages. Canadian business people travelling abroad are also vulnerable.

- Despite strong warnings from the Government of Canada, certain countries continue to use their intelligence services to manipulate and exploit expatriate communities in Canada.

Cyber-Security:

- Canada and other states have been the targets of growing cyber-related attacks.

- The interconnection of sensitive systems through the Internet creates vulnerabilities which are exploited by foreign governments, hackers, or terrorists/extremists.

Intelligence Collection:

- CSIS collects intelligence through a variety of means, both covert and overt, about individuals or groups whose activities it suspects of constituting threats to national security. These include open source or public information, physical surveillance, human sources, communications and telecommunications interception, and information exchange with other intelligence and security services or law enforcement agencies.

- CSIS' national security investigations are proportional to the threat in question. At all times, the Service is mindful of individual rights and civil liberties, balancing them against its responsibility to protect all Canadians and Canada's national security. Investigations at the most intrusive level also require CSIS to obtain a Federal Court warrant to exercise those powers.

Legal Environment:

- Over the past several years, various high-profile inquiries, court cases and rulings, and legal debates

on national security cases have drawn attention to the use of intelligence information as evidence leading to debates over disclosure obligations, evidentiary standards, information recording and retention practices and the need for intelligence personnel to testify before the courts.

- It is clear that the legal environment has shifted, and that CSIS continues to adapt within the legal Framework of its mandate to ensure that the work it does continues to protect Canadians while respecting the rule of law and Canadian values.

Analysis and Reporting:

- The Service produces in-depth strategic reports that give context for specific threats and examine their wide-ranging security implications. The reports also examine emerging trends that could affect the security of Canada.
- The Service disseminates its intelligence products to a broad range of carefully selected Canadian government intelligence consumers, policy and decision makers, and allied services.

Integrated Terrorism Assessment Centre (ITAC):

- Established in 2004 under the auspices of the National Security Policy, ITAC is a community resource staffed by representatives from federal and provincial organizations. ITAC is housed in CSIS and it is a functional component of the Service.
- ITAC serves as a single, central organization for assembling, integrating, analyzing and sharing information provided by a wide range of sources. It distributes terrorism threat assessments within the intelligence community and outside it, as required. ITAC also has liaison arrangements with its counterpart organizations in Britain, the United States, Australia and New Zealand.
- ITAC also produces tactical reports that deal with specific issues or events. They address current or emerging terrorism threats to Canada or Canadian interests abroad, federal government ministers travelling abroad, internationally protected persons or other prominent visitors to Canada, foreign missions and their personnel in Canada, and special events, such as G8/G7 summits.

Security Screening:

Immigration Screening:

- The Immigration Screening program is vital to ensure individuals, who pose a threat to security and/or are inadmissible under *Immigration and Refugee Protection Act (IRPA)*, do not gain entry or obtain status in Canada. This program provides security advice to CIC and CBSA on the following:
 - a) Identify whether or not citizenship applicants will engage in activities which constitute a threat to the security of Canada;
 - b) Identify individuals who are inadmissible on security grounds under *IRPA*;
 - c) Identify visitor and refugee claimants at Canadian ports of entry who are inadmissible for security reasons;
 - d) Screen those requesting visitor visas from countries that pose a terrorist, espionage and transnational criminal activity threat.
- Under the Immigration Screening program, CSIS received in 2011-2012 approximately 364,600 requests.

Government Screening:

- The Government Screening program provides security assessments for all government departments and institutions, except for the RCMP, for which we perform indices and Out-of-Country checks, including joint subject interviews for cause. It is also involved in a Site Access program for airports, port and marine facilities, the Parliamentary Precinct, nuclear power facilities, as well as providing assessments to other Provincial and Federal government departments. Individual departments have exclusive authority to grant or deny their security clearances.
- These programs assist in enhancing security and reducing the potential threat from terrorist groups and foreign governments which seek advantage from gaining authorized access to classified information or other assets, materials and sensitive sites.

- CSIS is also an active partner in Canada–US border initiatives, including the Free and Secure Trade (FAST) program. The Service undertakes security assessments of individuals (primarily truckers) seeking a FAST pass to cross the border for commercial purposes.
- Under the Government Screening program, CSIS received in 2011-2012 approximately 133,100 requests.

Foreign Screening:

- CSIS supplies security assessments of individuals to some foreign states, foreign agencies and international organizations under reciprocal screening agreements.
- Requests for foreign screening typically involve database checks and inquiries on Canadian residents wishing to take up residence in another country; or checks and inquiries on former and current Canadian residents being considered for classified access in another country.

Review:

- The Service is subject to review by the Security Intelligence Review Committee (SIRC) and it is being proposed in the *Budget Implementation Act* that the functions of the Inspector General (IG) be consolidated into SIRC.
- Currently, the IG reports through the Deputy Minister to the Minister. The IG is responsible for monitoring the Service's compliance with Ministerial directions and its operational policies, reviewing the operational activities of CSIS and submitting a certificate setting out the degree of satisfaction with the Director's annual operational report. All these functions would be transferred to SIRC and nothing in the *Budget Implementation Act* would change that.
- SIRC is an independent, external body which reports to Parliament annually. It has the mandate to review the activities of CSIS by examining its operations and investigating complaints. Presuming the passing of the *Budget Implementation Act*, it would also gain the powers of the IG to issue certificates confirming the CSIS' compliance with Ministerial direction and operational policies.
- Under section 41(1) of the *CSIS Act*, anyone may make a complaint to SIRC "with respect to any act or thing done by the Service."
- CSIS activities can also be reviewed by outside bodies such as the Auditor General, Parliamentary committees, Commissions of Inquiry, as well as Commissioners for Access to Information, Privacy and Official Languages.

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s.15(1) - Subversive

2012-2013 Main Estimates / Supplementary Estimates (A)

BUDGET IMPLEMENTATION ACT – INSPECTOR GENERAL OF CSIS

PROPOSED RESPONSE:

- **The *Budget Implementation Act* includes amendments to the *CSIS Act* to consolidate and transfer primary functions of the Inspector General to the Security Intelligence Review Committee (SIRC).**
- **This consolidation will eliminate duplication of certain review functions, and will save the Government approximately \$785,000 per year.**
- **The review of CSIS activities will continue to be robust and effective.**
- **The core oversight responsibilities of the Inspector General will be transferred to SIRC, which is an independent organization with a broader mandate than the Inspector General.**
- **Public Safety Canada will also assume a greater responsibility for providing independent advice to the Minister of Public Safety.**

BUDGET IMPLEMENTATION ACT – INSPECTOR GENERAL OF CSIS

QUESTIONS AND ANSWERS:

Q1 What are the functions of the Inspector General and the Security Intelligence Review Committee (SIRC)?

A1 The Inspector General is a review body located within Public Safety Canada. Its key function is to produce a Certificate for the Minister of Public Safety each year, attesting to its satisfaction with the Director of the Canadian Security Intelligence Service's (CSIS) report to the Minister, and whether CSIS activities have complied with legislation and Ministerial Direction. In support of the Certificate, it conducts self-initiated reviews of CSIS activities.

SIRC is a review body at arm's length from Government. It has two key functions. SIRC conducts self-initiated reviews of CSIS activities, reviewing them against legislation and Ministerial Direction. SIRC also investigates complaints in relation to any CSIS activity, as well as any denial or revocation of a security clearance. SIRC tables a report in Parliament each year summarizing the results of all work it has undertaken.

Q2 What is the purpose of the amendments to the *Canadian Security Intelligence Service (CSIS) Act*?

A2 The purpose of these amendments is to consolidate the review of CSIS activities into a single organization. Consolidated review will eliminate the duplication that currently exists between SIRC and the Inspector General, while ensuring that the review of CSIS activities remains as effective as it now is.

Q3 Why is the review of CSIS activities being consolidated within SIRC?

A3 SIRC is well-positioned to assume the responsibilities it is inheriting from the Inspector General because it does similar work and its staff have a complementary skill set. SIRC is independent from the Government. SIRC also has a broader mandate, as it is also responsible for hearing complaints against CSIS.

Q4 Will the loss of the Inspector General diminish the review of, and accountability for, CSIS activities?

A4 No. The unique function of the Inspector General – its responsibility for producing a classified Certificate on the Director's annual report to the Minister of Public Safety on CSIS activities – will be preserved. It will be transferred to SIRC. In addition, SIRC will be required to provide the Minister of Public Safety with the reports of all reviews of CSIS activities that it undertakes, and to brief the Minister at least once a year on these activities. This will strengthen the Minister's (and Public Safety Canada's) knowledge of CSIS activities, and therewith his or her capacity to respond proactively to potential issues at an early stage.

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PART 18

OVERVIEW

PS

CANADIAN SECURITY INTELLIGENCE SERVICE: AMENDMENTS TO THE ACT

The amendments to the *Canadian Security Intelligence Service (CSIS) Act* form sections 292-301 of the *Budget Implementation Act*. They consolidate the responsibility for reviewing CSIS activities into a single organization, the Security Intelligence Review Committee (SIRC), and increase the information that SIRC provides to the Minister of Public Safety.

Specifically, the amendments will:

- (a) remove the office of the Inspector General;
- (b) transfer from the Inspector General to SIRC the responsibility for producing a classified Certificate on the Director's annual report to the Minister of Public Safety on CSIS activities; and
- (c) require SIRC to provide the Minister of Public Safety with the reports of all reviews of CSIS activities that it initiates pursuant to section 40 of the *CSIS Act*, and to brief the Minister at least once a year on these activities.

PARTIE 18

APERÇU

SP

SERVICE CANADIEN DU RENSEIGNEMENT DE SÉCURITÉ : MODIFICATIONS À LA LOI

Les modifications à la *Loi sur le Service canadien du renseignement de sécurité (SCRS)* figurent aux articles 292 à 301 de la *Loi d'exécution du budget*. Elles regroupent sous un seul organisme, le Comité de surveillance des activités de renseignement de sécurité (CSARS), les responsabilités touchant l'examen des activités du SCRS et élargit l'information que le CSARS transmet au ministre de la Sécurité publique.

Plus précisément, ces modifications :

- a) élimineront le Bureau de l'inspecteur général;
- b) transféreront au CSARS la responsabilité de l'inspecteur général de produire un certificat classifié concernant le rapport annuel sur les activités du SCRS présenté par le directeur au ministre de la Sécurité publique;
- c) obligera le CSARS à présenter au ministre de la Sécurité publique les rapports sur les activités du SCRS qu'il a préparés à la suite de recherches effectuées conformément à l'article 40 de la *Loi sur le SCRS* et à informer le ministre de ces activités au moins une fois par année.

PART 18

QUESTIONS & ANSWERS

CANADIAN SECURITY INTELLIGENCE SERVICE: AMENDMENTS TO THE ACT

Q1. What are the functions of the Inspector General and the Security Intelligence Review Committee (SIRC)?

A1. The Inspector General is a review body located within Public Safety Canada. Its key function is to produce an Certificate for the Minister of Public Safety each year, attesting to its satisfaction with the Director of the Canadian Security Intelligence Service's (CSIS) report to the Minister, and whether CSIS activities have complied with legislation and Ministerial Direction. In support of the Certificate, it conducts self-initiated reviews of CSIS activities.

SIRC is a review body at arm's length from Government. It has two key functions. SIRC conducts self-initiated reviews of CSIS activities, reviewing them against legislation and Ministerial Direction. SIRC also investigates complaints in relation to any CSIS activity, as well as any denial or revocation of a security clearance at the federal level. SIRC tables a report in Parliament each year summarizing the results of all work it has undertaken.

Q2. What is the purpose of the amendments to the *Canadian Security Intelligence Service (CSIS) Act*?

A2. The purpose of these amendments is to consolidate the review of CSIS activities into a single organization. Consolidated review will eliminate the duplication that currently exists between SIRC and the Inspector General, while ensuring that the review of CSIS activities remains as effective as it now is.

Q3. Why is the review of CSIS activities being consolidated within SIRC?

A3. Review is being consolidated within SIRC because it is at arms-length from the Government, and is therefore more independent than the Inspector General. It is also a larger organization, and has a broader mandate. These elements will strengthen the responsibilities that are inherited from the Inspector General.

Q4. Will the loss of the Inspector General diminish the review of, and accountability for, CSIS activities?

A4. No. The unique function of the Inspector General – its responsibility for producing a classified Certificate on the Director's annual report to the Minister of Public Safety on CSIS activities – will be preserved. It will be transferred to SIRC. In addition, SIRC will be required to provide the Minister of Public Safety with the reports of all reviews of CSIS activities that it undertakes, and to brief the Minister at least once a year on these activities. This will strengthen the Minister's (and Public Safety Canada's) knowledge of CSIS activities, and therewith his or her capacity to respond proactively to potential issues at an early stage.

SERVICE CANADIEN DU RENSEIGNEMENT DE SÉCURITÉ : MODIFICATIONS À LA LOI

Q1. Quelles sont les fonctions de l'inspecteur général et du Comité de surveillance des activités de renseignement de sécurité (CSARS)?

R1. Le Bureau de l'inspecteur général est un organe d'examen situé à même les locaux de Sécurité publique Canada. Il a pour fonction principale de présenter chaque année au ministre de la Sécurité publique un certificat attestant qu'il est satisfait du rapport annuel que le directeur du Service canadien du renseignement de sécurité (SCRS) présente au ministre de la Sécurité publique et que les activités du SCRS sont conformes à la loi et aux directives ministérielles. Pour l'aider à préparer ce certificat, il mène de sa propre initiative des examens des activités du SCRS.

Le CSARS est un organe non lié au gouvernement. Il exerce deux fonctions clés. Il mène de sa propre initiative des examens des activités du SCRS par rapport aux lois et aux directives ministérielles. Il enquête également sur les plaintes relatives aux activités du SCRS ainsi que sur le refus ou la révocation d'une habilitation de sécurité. Le CSARS présente chaque année au Parlement un rapport résumant tous ses travaux.

Q2. Pourquoi modifie-t-on la *Loi sur le Service canadien de renseignement de sécurité*?

R2. Le but est de regrouper sous un seul organisme les responsabilités touchant l'examen des activités du SCRS, éliminant ainsi les tâches exercées en double par le CSARS et l'inspecteur général tout en continuant à assurer un examen efficace des activités du SCRS.

Q3. Pourquoi les fonctions d'examen des activités du SCRS sont-elles regroupées sous le CSARS?

R3. Les fonctions d'examen sont regroupées sous le CSARS, car celui-ci n'est pas lié au gouvernement et est donc plus indépendant que l'inspecteur général. Il s'agit également d'un organisme de plus grande taille et ayant un plus vaste mandat. Ces éléments l'aideront à bien exercer les responsabilités qui lui seront léguées par l'inspecteur général.

Q4. L'élimination du Bureau de l'inspecteur général portera-t-elle atteinte à l'examen des activités du SCRS et à l'obligation de rendre compte de ces activités?

R4. Non. L'unique fonction de l'inspecteur général, soit de produire un certificat classifié au sujet du rapport annuel sur les activités du SCRS présenté par le directeur au ministre de la Sécurité publique, est préservée, car elle sera transférée au CSARS. De plus, le CSARS devra remettre au ministre de la Sécurité publique les rapports qu'il a préparés à la suite de recherches effectuées sur les activités du SCRS et informer le ministre au moins une fois par année de ces activités. Ainsi, le ministre (et Sécurité publique Canada) connaîtra mieux les activités du SCRS, ce qui améliorera sa capacité d'intervenir rapidement et proactivement en cas d'éventuels problèmes.

PART 18

CLAUSE-BY-CLAUSE

CANADIAN SECURITY INTELLIGENCE SERVICE: AMENDMENTS TO THE ACT

Clause #292

This clause repeals the definition of Inspector General.

Clause #293

This clause moves the requirement for the Director to provide the Minister of Public Safety with a report on the Canadian Security Intelligence Service's (CSIS) activities every 12 months (or less) to a different part of the *CSIS Act*. It repeals the requirement for the Director to provide a copy of the report to the Inspector General; and instead requires him or her to provide a copy of the report to the Security Intelligence Review Committee (SIRC).

Clause #294

This clause repeals the sections describing the functions and powers of the Inspector General.

Clause #295

This clause repeals the requirement in section 38(a)(i) of the *CSIS Act* for SIRC to review the Director's annual report to the Minister of Public Safety, and the Inspector General's Certificate on that report.

This clause also requires SIRC to assume responsibility for reviewing the Director's annual report to the Minister of Public Safety and producing a Certificate for the Minister on that report. This had been a requirement of the Inspector General. The language has been clarified to ensure that the part of the Certificate attesting to the lawfulness and reasonableness of CSIS activities relates specifically to activities described in the Director's report. The intent is to clarify the Government's expectations in relation to the Certificate, enhancing its value to the Minister.

Clause #296

This clause repeals references to the Inspector General in section 39 of the *CSIS Act*.

Clause #297

This clause repeals references to the Inspector General in section 40 of the *CSIS Act*.

As well, this clause requires SIRC to provide the Minister of Public Safety and the Director of CSIS the reports of all reviews of CSIS activities that it initiates pursuant to sections 38 and 40 of the *CSIS Act*.

Certain language in this section has also updated to reflect modern drafting standards.

Clause #298

This clause requires SIRC to brief the Minister at least once a year on any matter relating to CSIS.

Clause #299

This clause repeals the reference to the Inspector General in Schedule 1 of the *Access to Information Act*.

Clause #300

This clause repeals the reference to the Inspector General in the Schedule of the *Security of Information Act*.

Clause #301

This clause repeals the reference to the Inspector General in the Schedule of the *Privacy Act*.

PARTIE 18

ANALYSE ARTICLE PAR ARTICLE

PS

SERVICE CANADIEN DU RENSEIGNEMENT DE SÉCURITÉ : MODIFICATIONS À LA LOI

Article 292

Cet article prévoit l'abrogation la définition d'inspecteur général.

Article 293

Cet article déplace dans une autre section de la *Loi sur le Service canadien du renseignement de sécurité (SCRS)* l'obligation pour le directeur de présenter au ministre de la Sécurité publique un rapport sur les activités du SCRS tous les douze mois ou plus souvent. L'obligation pour le directeur de remettre un exemplaire du rapport à l'inspecteur général est remplacée par l'obligation de remettre cet exemplaire au Comité de surveillance des activités de renseignement de sécurité (CSARS).

Article 294

Cet article prévoit l'abrogation des articles décrivant les attributions de l'inspecteur général.

Article 295

Cet article prévoit l'abrogation de l'obligation prévue au sous-alinéa 38a)(i) de la *Loi sur le SCRS* pour le CSARS d'examiner le rapport annuel présenté par le directeur au ministre de la Sécurité publique et le certificat de l'inspecteur général sur ce rapport.

Il confère également au CSARS la responsabilité d'examiner le rapport annuel présenté par le directeur au ministre de la Sécurité publique et de produire un certificat sur ce rapport à l'intention du ministre, ce que devait faire l'inspecteur général. Le libellé a été changé pour préciser que la partie du certificat attestant que les activités du SCRS sont raisonnables et conformes à la loi s'appliquent aux activités décrites dans le rapport du directeur. Le but est de préciser les attentes du gouvernement en ce qui concerne le certificat et d'en accroître la valeur pour le ministre.

Article 296

Cet article élimine tout renvoi à l'inspecteur général à l'article 39 de la *Loi sur le SCRS*.

Article 297

Cet article élimine tout renvoi à l'inspecteur général à l'article 40 de la *Loi sur le SCRS*.

Par ailleurs, il oblige le CSARS à présenter au ministre de la Sécurité publique et au directeur du SCRS les rapports sur les activités du SCRS qu'il a préparés à la suite de recherches effectuées conformément aux articles 38 et 40 de la *Loi sur le SCRS*.

Le libellé de l'article a été mis à jour pour tenir compte des normes modernes de rédaction.

Article 298

Cet article prévoit que le CSARS doit informer le ministre au moins une fois par année de toute question touchant le SCRS.

Article 299

Cet article élimine tout renvoi à l'inspecteur général à l'annexe 1 de la *Loi sur l'accès à l'information*.

Article 300

Cet article élimine tout renvoi à l'inspecteur général à l'annexe de la *Loi sur la protection de l'information*.

Article 301

Cet article élimine tout renvoi à l'inspecteur général à l'annexe de la *Loi sur la protection des renseignements personnels*.