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CANADA

**CHAPTER 5, PREVENTING ILLEGAL ENTRY INTO
CANADA, OF THE FALL 2013 REPORT OF THE
AUDITOR GENERAL OF CANADA**

**Report of the Standing Committee on
Public Accounts**

**David Christopherson
Chair**

APRIL 2014

41st PARLIAMENT, SECOND SESSION

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SECOND REPORT

Pursuant to its mandate under Standing Order 108(3)(g), the Committee has studied Chapter 5, Preventing Illegal Entry Into Canada, of the Fall 2013 Report of the Auditor General of Canada and has agreed to report the following:

INTRODUCTION

Since the 11 September 2001 terrorist attacks on the United States, the federal government has made preventing illegal entry into Canada one of its policy priorities. In 2004, its National Security Policy identified the prevention of illegal entry into the country as one of Canada's core national security interests. In 2010, it developed a strategy to combat human smuggling and illegal migration. In 2011, the governments of Canada and the United States established the Beyond the Border Action Plan, with the goal of identifying and interdicting inadmissible persons. In 2012, the federal government adopted its Counter-terrorism Strategy, which included activities to ensure inadmissible persons do not enter Canada.

Failing to prevent illegal entry could compromise Canada's border, the immigration system, and the safety and security of Canadians. It can also place a burden on taxpayers, as federal and provincial officials must spend time, resources and effort to track down, detain and possibly remove individuals who may pose a threat to the security of Canadians. While the cost of illegal entries has not been estimated, some refugee claimants enter Canada illegally, and Citizenship and Immigration Canada estimated that each failed refugee claimant costs taxpayers about \$26,000.

The federal government's responsibilities with respect to preventing illegal entry into Canada primarily lie with the Canada Border Services Agency (CBSA) and the Royal Canadian Mounted Police (RCMP). The CBSA is responsible for preventing illegal entry at Canada's ports of entry. The RCMP is responsible for enforcing the law when people cross illegally between ports of entry. The CBSA and the RCMP make risk-based decisions on how to mitigate the threat of illegal entry.

In 2011–2012, the CBSA processed 98.7 million travellers at ports of entry. As about one-third of these travellers were foreign nationals, on average, 90,000 foreign nationals entered Canada per day. The CBSA denied entry to 54,000 people, and it intercepted another 4,000 people overseas. In the same year, the RCMP's Integrated Border Enforcement Teams and Marine Security Enforcement Teams intercepted 1,277 people attempting to enter Canada illegally between ports of entry.

In its *Fall 2013 Report*, the Office of the Auditor General (OAG) released a performance audit on whether selected federal government systems and practices prevented the illegal entry of people into Canada, as defined under the *Immigration and Refugee Protection Act* and the *Customs Act*.¹ The OAG's work included examining the way the government makes decisions about where and how to invest its resources to prevent people from entering illegally.

1 Auditor General of Canada, "[Preventing Illegal Entry into Canada](#)," Chapter 5 in *2013 Fall Report of the Auditor General of Canada*, Ottawa, 2013.

The House of Commons Standing Committee on Public Accounts (the Committee) held a hearing on this audit on 9 December 2013.² From the OAG, the Committee met with Wendy Loschiuk, Assistant Auditor General, and Nicholas Swales, Principal. From the CBSA, the Committee met with Martin Bolduc, Vice-President, Operations Branch; Maurice Chénier, Vice-President, Information, Science and Technology Branch; and Lesley Soper, Executive Director, Enforcement and Intelligence Programs. From the RCMP, the Committee met with Chief Superintendent Eric Slinn, Director General, Support Services for Federal Policing, and Staff Sergeant Jamie Solesme, Team Leader, Federal Policing Criminal Operations.

BORDER CONTROL AT PORTS OF ENTRY

The CBSA's Risk Assessment Program targets travellers who may be inadmissible prior to their arrival at Canadian ports of entry. The CBSA collects information on airline passengers and issues lookouts in its computer systems to assist border officers in identifying persons that may pose a threat to the safety and security of Canadians. The Admissibility Determination Program also relies upon the judgment of border officers to identify and intercept inadmissible people.

In a 2007 audit on the CBSA's management of the border, the OAG found that the CBSA's threat and risk assessments did not satisfactorily support its efforts to achieve a border management approach based on risk, had weaknesses in its operational data that prevented it from validating which risks are the most important, and had not established its desired levels of border openness and security.³

In its 2013 audit, the OAG concluded that the CBSA had made significant improvements since 2007 with the development of a National Targeting Program.⁴ Wendy Loschiuk, Assistant Auditor General, told the Committee that "we do recognize with the new national targeting program that they have in place, which was what we were commenting on a lot in 2007, that they have focused and done some good work in there."⁵

Martin Bolduc, Vice-President at the CBSA, described the process of building the National Targeting Centre, which opened on 1 April 2012:

We took advantage of the strategic review exercise that was launched to essentially move away from targeting that was done in all regions and centralize it in Ottawa, building a robust IT system that enables us to automatically risk assess every passenger on board aircraft and at the same time risk assess goods that are en route to Canada via

2 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 41st Parliament, 9 December 2013, Meeting 11.

3 Auditor General of Canada, "[Keeping the Border Open and Secure – Canada Border Services Agency](#)," Chapter 5 in *2007 October Report of the Auditor General of Canada*, Ottawa, 2007, paragraph 5.115.

4 Auditor General of Canada (2013), paragraph 5.68.

5 Meeting 11, 1555.

the marine mode. That brought rigour to our process and it brought uniformity into how we risk assess.⁶

Mr. Bolduc noted that the transition to the new Centre is ongoing.⁷

In addition, the CBSA is working to address threats before they show up at Canada's borders by "pushing the border out," which involves developing a liaison officer network, with over 60 officers in 40 countries. They are also making efforts to enhance their information about travellers through the Entry/Exit Initiative, whereby entry into the United States, as well as departing air passenger information, is recorded as an exit from Canada by the CBSA. This information allows the CBSA to know whether persons of interest have left the country and may pose a risk should they return.

Notwithstanding the progress the CBSA has made since the 2007 audit, the OAG noted areas where additional improvements could be made.

A. Air Passenger Information

Commercial airlines are required to submit passenger information to the CBSA before a flight arrives in Canada. The CBSA uses flight targeting and scenario-based targeting to identify and target passengers who may pose a threat to the security and safety of Canadians. By auditing a representative sample of passengers who arrived in Canada, the OAG found that because some Passenger Name Record (PNR) data elements were missing, 11% of passengers could not be assessed against any scenarios and 84% could only be assessed against some scenarios.⁸ In other words, as a result of inadequate information provided by air carriers, the CBSA was missing some data for about 95% of air passengers.

The CBSA reported that commercial air carriers had a 99% compliance rate in providing Advance Passenger Information (API), but this compliance measure did not require the information on the API to be complete and did not take PNR information into account.⁹ Mr. Bolduc noted that while the provision by airlines of API is legislated, the provision of PNR is not legislated and is delivered by airlines on a voluntary basis.¹⁰

The CBSA is undertaking improvements to its systems and practices to strengthen Canada's borders. The Interactive Advance Passenger Information Initiative will require traveller data be provided 72 hours before departure. The Entry/Exit Information System will use passenger information for flights leaving Canada to record the exit of individuals. The Enhanced Scenario-based Targeting Initiative will further automate the CBSA's targeting system. The OAG noted, however, that these initiatives are not currently

6 Ibid., 1555.

7 Ibid., 1720.

8 Auditor General of Canada (2013), paragraph 5.23.

9 Ibid., paragraph 5.25.

10 Meeting 11, 1610.

designed to improve information quality.¹¹ During the audit, the CBSA developed an action plan to improve the quality of the data it receives from airlines. The OAG recommended that the CBSA implement its plan.¹² Mr. Bolduc described the efforts the CBSA has taken and will be taking in this regard:

First, we needed to improve the quality of information, so a working group was set up with the airlines to engage with them on the importance of providing accurate information. Also, CBSA will be producing for each airline a sort of report card on their performance vis-à-vis the transmission of information. These things have started. We will also make sure that we have a better understanding of the correlation between the system capacity and the transmission of information from airlines. Finally, there will be a message that will be sent to an airline upon completion of the information transmittal on a per flight basis. There are a series of commitments. Some of them have already been started, and it is the commitment of CBSA that by June 2014 all of those action items will have been completed.¹³

B. Lookouts

The CBSA attempts to intercept known high-risk individuals by issuing lookouts, which are notices designed to identify high-risk individuals connected to organized crime, terrorism or other possible threats. The OAG found that the CBSA did not have a consistent process to enter information into its computer systems which are used to measure and monitor the performance of lookouts.¹⁴ The OAG also noted that, for 15% of the lookouts it audited, the individual identified by the lookout was not examined as required.¹⁵ According to Ms. Loschiuk, “The agency has also made little progress since 2007 in monitoring the results of lookouts. ... We found that the agency still does not monitor information about all missed lookouts, nor does it record information on examination results for all people who have been intercepted as a result of lookouts.”¹⁶

An internal audit at the CBSA also found problems with the performance information and monitoring of lookouts.¹⁷ Mr. Bolduc pointed out that the CBSA has developed an action plan in response to the internal audit, which includes stronger controls and provides greater oversight by senior management. He described the CBSA’s response to the internal audit:

What we were pleased with is that in 2012 we did our own internal review of the lookouts. We had an internal audit. In fact, we put together a working group, which I personally led, and when the Auditor General showed up to do the lookouts review, essentially we had identified internally all the areas that needed improvement. I think it is recognized by the

11 Auditor General of Canada (2013), paragraph 5.27.

12 Ibid., paragraph 5.28.

13 Meeting 11, 1700.

14 Auditor General of Canada (2013), paragraph 5.34.

15 Ibid., paragraph 5.35.

16 Meeting 11, 1530.

17 Auditor General of Canada (2013), paragraph 5.36.

Auditor General in the report that we already had put an action plan in place, which was essentially what the Auditor General's recommendation was to implement our action plan.¹⁸

Mr. Bolduc also told the Committee that the CBSA has put in place better procedures and has reviewed all of its lookouts, stating:

One area is training for our front line and for our intelligence officers who are responsible for issuing lookouts. Another is more rigour in, as I mentioned, closing the loop, making sure that the results of the examination are noted in the system. We've also conducted a review of every lookout in the CBSA database, over 100,000 individual files reviewed, to make sure that they were still valid and that the proper intelligence cycle had been applied on every lookout.¹⁹

Lesley Soper, Executive Director at the CBSA, also noted that the CBSA is doing compliance audits to ensure that procedures are being followed.²⁰

C. Information Systems

The CBSA uses two immigration enforcement information systems—the Field Operations Support System (FOSS) and the Integrated Customs Enforcement System (ICES)—to notify border officers of lookouts. These systems experience outages and require maintenance, and the OAG found that the CBSA could not specify the percentage of time the systems were fully functioning.²¹ Further, the FOSS is scheduled for decommissioning in December 2014 but the CBSA did not have an agreed plan with Citizenship and Immigration Canada to implement a replacement by that date. The OAG recommended that the CBSA define the level of availability of its information systems, monitor the level of availability and use the information to improve availability.²²

Maurice Chénier, Vice-President at the CBSA described how the CBSA will manage the transition away from the FOSS:

When we look at the replacement of the FOSS, which is targeted to be done for December 2014, the agency is currently looking at a plan to centralize all of the lookout information into one information base during 2014. Right now we are on plan to actually deliver design in the requirement for March 2014. In the meantime, the agency will continue to use the FOSS and the ICES to manage both kinds of information.²³

18 Meeting 11, 1600.

19 Ibid., 1640.

20 Ibid.

21 Auditor General of Canada (2013), paragraph 5.45.

22 Ibid., paragraph 5.47.

23 Meeting 11, 1715.

D. Resource Allocation

With respect to the CBSA's risk-based business planning, the OAG found that the CBSA had put in place an integrated risk management framework that identified risks consistent with threats and priorities identified by the Government of Canada and had undertaken a consultation process with federal partners to consider shared risks.²⁴ It had also developed an integrated business plan methodology to link resource allocation to an analysis of risk severity, performance and the impact of any trade-offs.²⁵ When asked about staffing levels, Mr. Bolduc replied, "I can tell you that the front line was not affected by the recent deficit reduction action plan initiative. The CBSA committed \$143 million, but no cuts were made to the front line."²⁶

E. Progress Report

Subsequent to the hearing, the CBSA provided the Committee with a detailed action plan outlining the steps the CBSA will be taking to respond to each of the OAG's recommendations on air passenger information, lookouts and its information systems. The projected completion dates for the actions extend to June 2014. As the Committee would like to ensure that the CBSA completes its actions, it recommends:

RECOMMENDATION 1

That by 30 June 2014 the Canada Border Services Agency provide the Standing Committee on Public Accounts a progress report outlining the actions it has taken to respond to Chapter 5 of the Office of the Auditor General's *Fall 2013 Report*.

BORDER CONTROL BETWEEN PORTS OF ENTRY

The RCMP has Integrated Border Enforcement Teams stationed at 22 locations along Canada's border. It also has four Marine Security Enforcement Teams, three stationed on the Great Lakes and another on the St. Lawrence Seaway. These teams seek to intercept illegal entrants between Canada's ports of entry.

The OAG found that the Integrated Border Enforcement Teams had not systematically gathered information on the number of apprehensions between ports of entry and the number of known illegal entries where the individuals were not apprehended.²⁷ This information is necessary to assess the effectiveness of the teams at intercepting and reducing illegal entries.

24 Auditor General of Canada (2013), paragraph 5.63.

25 Ibid., paragraph 5.64.

26 Meeting 11, 1705.

27 Auditor General of Canada (2013), paragraph 5.50.

The OAG collected information about the rate at which the RCMP was able to intercept known illegal entries by examining a representative sample from the RCMP's border occurrence database. Of the 49 cases examined by the OAG, the RCMP's Integrated Border Enforcement Teams intercepted illegal entry attempts in 26 cases (53%).²⁸ With respect to its marine enforcement teams, the RCMP intercepted an illegal entry in 35 of the 43 cases examined (81%).²⁹

When asked about border crossings in Quebec that do not have nearby RCMP detachments, Chief Superintendent Eric Slinn, Director General at the RCMP, referred to Project Concept, which involved cooperation between, and extra resources from, the RCMP, the CBSA and the Sûreté du Québec along a 140-kilometre portion of the Canada—US border in Quebec. According to C/Supt Slinn:

That project was extremely successful. It resulted in a bit of a spike, I think, in the numbers of people trying to cross the border. Those resources are still in place, not all 35-plus, but Project Concept still continues. I think it was an excellent example of using technology, human resources, and some integrated policing and community engagement to protect those borders.³⁰

The OAG also noted that the RCMP had put in place an integrated risk management framework, but it did not use performance information to guide resource allocation, and it did not systematically keep records of resource allocation decisions.³¹ In this regard, C/Supt Slinn stated:

[W]hat the OAG found, and rightfully so, was that we didn't always have a record of decision ... in light of the performance metrics. ... So although we believed we were making sound decisions based on threat assessments and that's how we allocated our resources, we need to up our game in terms of having the record of decision to demonstrate, through an audit, that those decisions were sound and that they were based on performance.³²

In order to understand better whether its approach to preventing illegal entry is improving or declining, the OAG recommended that the RCMP implement a performance measurement framework for its border law enforcement activities.³³ Nicholas Swales, Principal at the OAG, reinforced the importance of performance information, stating, "If you are attempting to put in place an integrated risk management process that takes risks, takes performance, and adjusts resources accordingly, you can't effectively do that in the absence of performance information."³⁴

28 Ibid., paragraph 5.51.

29 Ibid., paragraph 5.56.

30 Meeting 11, 1630.

31 Auditor General of Canada (2013), paragraphs 5.65-5.66.

32 Meeting 11, 1645.

33 Auditor General of Canada (2013), paragraph 5.60.

34 Meeting 11, 1645.

In response to the audit, the RCMP is developing a new program alignment architecture and performance measurement framework. C/Supt Slinn acknowledged that improvements were needed. He explained to the Committee that the Federal Policing Program had been reengineered in the past year and a half—they have implemented a prioritization matrix to assess where to focus resources and are realigning their operational information management to better integrate the information currently available in their systems. He outlined the steps the RCMP will be taking:

The RCMP will establish a working group with a mandate to review and propose changes to the existing [program alignment architecture (PAA)] and [performance measurement framework (PMF)], with a full implementation deadline of the 2015-16 fiscal year. The revised PAA and PMF will reflect the federal policing senior management team's resource allocation decisions, which are to be based on program requirements, resource availability, financial constraints, performance metrics, threat assessments, operational priorities, and risks.³⁵

The RCMP also provided the Committee with an action plan outlining the steps it will be taking to address the OAG's recommendations. The RCMP proposes to establish systems and practices for the collection of information by March 2015, and to develop and to test a new program alignment architecture and performance measurement framework by March 2016. To ensure that the RCMP meets its commitments, the Committee recommends:

RECOMMENDATION 2

That by 31 March 2015 and by 31 March 2016 the Royal Canadian Mounted Police provide the Standing Committee on Public Accounts progress reports outlining the actions it has taken to respond to Chapter 5 of the Office of the Auditor General's *Fall 2013 Report*.

CONCLUSION

With about 270,000 travellers arriving daily at Canada's ports of entry and a border that is almost 9,000 kilometres long, it is a tremendous task to prevent illegal entry into the country. At the same time, it is a vitally important task as illegal entry can compromise the safety and security of Canadians, through criminality, terrorism, human trafficking or other threats, and can constitute a burden on taxpayers. The Committee commends the employees of the CBSA and the RCMP in their efforts to minimize the risk of illegal entry. Nonetheless, the audit by the OAG identified opportunities for improvements in these organizations' systems and practices that will result in even greater success.

Both the CBSA and the RCMP have taken concrete steps to address the OAG's findings. The CBSA should make improvements in the quality of the air passenger information it receives from commercial airlines, and it should improve its performance information and monitoring of lookouts. The RCMP should collect information on the effectiveness of its border enforcement teams and ensure that its resource allocation

35 Ibid., 1545.

decisions are based on performance information and are systematically recorded. The Committee intends to monitor the progress of these organizations to ensure that Canada's border continues to be safe and secure.

APPENDIX A LIST OF WITNESSES

Organizations and Individuals	Date	Meeting
<p>Canada Border Services Agency</p> <p>Martin Bolduc, Vice-President, Operations Branch</p> <p>Maurice Chénier, Vice-President, Information, Science and Technology Branch</p> <p>Lesley Soper, Executive Director, Enforcement and Intelligence Programs</p> <p>Office of the Auditor General of Canada</p> <p>Wendy Loschiuk, Assistant Auditor General</p> <p>Nicholas Swales, Principal</p> <p>Royal Canadian Mounted Police</p> <p>Eric Slinn, Director General, Support Services for Federal Policing</p> <p>Jamie Solesme, Team Leader, Federal Policing Criminal Operations</p>	2013/12/09	11

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 11 and 17](#)) is tabled.

Respectfully submitted,

David Christopherson

Chair

