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# Standing Committee on Citizenship and Immigration

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**Monday, June 5, 2006**

—  
**Chair**

**Mr. Norman Doyle**

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## Standing Committee on Citizenship and Immigration

Monday, June 5, 2006

• (1530)

[English]

**The Chair (Mr. Norman Doyle (St. John's East, CPC)):** I guess we'll bring our committee meeting to order.

I want to welcome, on behalf of our committee today, the Auditor General—and I want to thank you for coming, Ms. Fraser; the Assistant Auditor General, Richard Flageole; and Paul Morse, principal. Thank you for your presence today.

I want to thank you as well for your correspondence of May 11, in which you sent along a copy of the chapters in your report that relate to CIC.

We have two hours. I think you have an opening statement, so I'll turn it over to you, Ms. Fraser.

**Ms. Sheila Fraser (Auditor General, Office of the Auditor General of Canada):** Thank you, Mr. Chair.

We thank you for this opportunity to meet the committee and discuss our most recent audits on control and enforcement and the economic component of the Canadian immigration program.

As you mentioned, I am accompanied by Richard Flageole, the Assistant Auditor General in charge of this portfolio, and Paul Morse, who directed our two audits in 2003.

[Translation]

It is important to keep in mind that our comments will be based on what we have observed more than three years ago. Since then, significant changes have occurred, including the full implementation of the new Immigration and Refugee Protection Act, and the transfer of all intelligence, interdiction and enforcement functions to the Canada Border Services Agency, which is also responsible for managing the Canadian borders.

[English]

In our April 2003 chapter on control and enforcement, we identified a number of problems with detentions, removals, and screening at ports of entry. For example, there was a growing but unknown number of people who remained in Canada, despite Citizenship and Immigration Canada having issued removal orders against them.

We reported that Citizenship and Immigration Canada had no current information on whether customs officers were referring the right people to immigration officers, or how effective its own secondary examination was.

We also commented positively on the work of CIC abroad to identify people attempting to travel to Canada with improper or false documents. Most of these activities are now under the responsibility of the Canada Border Services Agency.

In 2003 we conducted a follow-up audit of the economic component of the Canadian immigration program that had been audited in 2000. The aim of this program is to recruit skilled workers and business immigrants.

[Translation]

In 2000, we expressed many concerns about the Department's management and delivery of this program. For example, visa officers needed better selection criteria, training and tools to assess immigrant applications more effectively. There were significant weaknesses in medical assessments of prospected immigrants and serious constraints in establishing their criminality and security admissibility. There were also inadequate controls over revenues, visa forms and computer systems in offices abroad. Given the seriousness of these problems, we questioned whether the department had the resources and operational capacity to deal with the annual immigration levels set by the government.

[English]

In our 2003 follow-up we reported that the department appeared to be heading in the right direction, and that the new Immigration and Refugee Protection Act and its supporting regulations addressed many of the issues raised in 2000. However, it was too early to determine the full impact of the new act and some of the corrective actions. We also noted that the department needed to pay more attention to the medical surveillance of immigrants and refugee claimants.

Let me take this opportunity as well to let you know that we have initiated a risk-based planning exercise to help us identify future audit work in the areas of citizenship, immigration, and refugee protection. As part of this process, we would like to meet with some of you early next fall to discuss any issues that may be of particular interest to the committee and that we should consider when conducting our audit work over the next three to five years.

[Translation]

Mr. Chairman, that concludes my opening statement. We would be pleased to answer your committee's questions regarding our previous work or any other matter relating to our role, mandate and audit work.

[English]

I thank you for your attention.

**The Chair:** Thank you very much.

In one of your reports you mentioned that the immigration offices abroad were overworked, and some of the applications were taking up to three years. Has that improved? Is it a matter of throwing more money, resources, or people at the problem? What is the problem, and how do we deal with it? Has it improved any over the last couple of years?

•(1535)

**Ms. Sheila Fraser:** We unfortunately haven't done any recent audit work that would enable us to comment on the situation presently. When we did that audit, though, we noted that the department was having difficulty meeting the targets that had been established by government, and even with that there was a very long delay in processing. We do mention that they needed better tools, better information systems. We do have an audit under way now on systems under development; I think it's called the global case management system, which had been indicated by government as being one of the solutions to many of these problems, but which has had recurring problems and has been late, and will be part of that audit we'll be reporting on this fall, in November.

**The Chair:** In the 2000 report you noted weaknesses in the selection of immigrants. These officers needed better selection criteria, better training, and what have you. That was six years ago. Have there been any improvements in that area?

**Ms. Sheila Fraser:** I can ask Mr. Flageole to talk more about it, but, again, we haven't done a lot of follow-up work. We did more work on the enforcement more recently. We did some work on the medical screening, where we did note that there appeared to be improvements. But the new law was just coming in, which would have seemed to have addressed that, so when we did that last audit, in 2003, it was still too early to adequately assess whether the law was having the impacts. This is one of the questions we would like the committee's comments on: Which areas do you think are the most critical for us to begin re-auditing? Is it going back and doing a follow-up of some of that work, or are there new issues we should be looking at?

I don't know if Richard would like to add anything more, perhaps.

**Mr. Richard Flageole (Assistant Auditor General, Office of the Auditor General of Canada):** Briefly, Mr. Chair, on the criteria, they've been modified in the new legislation, in 2002. So at the time they were really focused on occupations and now I think they're probably simpler to apply. They are really focusing on the general ability of immigrants to immigrate to Canada, but, as Mrs. Fraser mentioned, we didn't do any work to really assess what's the real impact of that.

**The Chair:** Thank you.

We will now go to questioning.

I'll go to you first, Andrew, if you have some questions.

**Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.):** Yes, thank you.

Actually, I've got two questions. One, the government has indicated that they're not going to set targets to the extent that the previous government set targets. Then there was something to judge performance against, which I found to be quite useful, because I noted that in 1998, when targets were set, they were missed, but then in the subsequent years the targets were met or exceeded.

So what are your thoughts about the government not setting targets, and how can it measure its performance against no criteria?

**Ms. Sheila Fraser:** I'm not quite sure how to respond to that. In part it's a policy question, and we hesitate to comment on policies. But there would have to be some sort of performance indicator set, be it time of processing applications or some way of assessing the efficiency and the effectiveness of the system. Those are obviously different measures, so we would perhaps have to look in our audit work, when we go into the department, to see how are they going to measure performance going forward.

**Hon. Andrew Telegdi:** It seems to me that if you don't set targets you have a problem, because nobody knows what's being worked towards.

The other question I have for you is about something we were discussing—that is, not knowing how many people there are in Canada who are not supposed to be here. Essentially, depending on which stats you subscribe to, we have statistics of 200,000 to 500,000 people being in Canada, many of whom are undocumented workers who do not have the proper documentation for being here.

It's well known that if we were to get rid of all undocumented workers tomorrow we probably would have a major problem economically. I'm sure the United States would have a recession and I think Canada would probably have a... We'd have a recession, and they'd have a depression, given the numbers they have. But one of the problems seems to be the point system. In essence, people who are needed by the Canadian economy, such as in the trades, can't get into the country, and then of course we've got an overabundance of professionals who have great problems with their accreditation.

Maybe when you're looking at further review, because it does touch the problem that you're mentioning, you could look at the adequacy of the point system that's in place, because it's obvious that the economy is not getting in people we need.

•(1540)

**Ms. Sheila Fraser:** Yes, that would certainly be an interesting area for us to look at.

I'll just make the point that when we did that audit on control and enforcement, we were looking at the difference between removal orders that had actually been issued—so people who had been ordered to leave the country—and the actual confirmed departures. At the time we looked at that, there was a gap, quite a significant gap of 36,000, so we were saying that the department had to get a better way of enforcing the removal orders and getting better information.

But yes, we can certainly look at how the department measures the effectiveness of its criteria.

**Hon. Andrew Telegdi:** But just going along those lines, on anyone they find, they end up issuing a removal order. So there's a whole subset of people—as I said, 200,000 to 500,000. I don't know if it's so much the question of the ones for whom they have a removal order, but just the magnitude of the problem, and is it realistic to try to address it the way it's now being addressed?

The other issue regarding that is that maybe we could have a differentiation between the kind of people we have here, such as undocumented workers, and then the 2,000 or 3,000 people where you have a serious problem of criminality. It would seem that a focus on finding and removing those folks should really be a priority, because that's pretty malignant, whereas the other one is pretty benign—as a matter of fact, helpful, I would say.

**Ms. Sheila Fraser:** Yes. Obviously, when we looked at that audit, I remember the various reasons for which people had been issued removal orders. Some of them were for criminal convictions. Some were failed refugee claimants. But we said there should be better information on that.

The whole question is that it's to maintain the integrity of the system. So if people come in, are here illegally, and are issued a removal order, and then there's never anything done about it, why would people, quite frankly, go through a very long process to come into the country if they can come in illegally and there's no consequence to that? So there's a philosophical issue around the enforcement part of it as well.

**The Chair:** For the information of committee members, we have a vote in about 20 minutes. We will have to be back by four o'clock. So I would think maybe at 3:55 we'll have to break and go back for the vote.

All right, Andrew, you have two minutes left. Go ahead.

**Hon. Andrew Telegdi:** One of the other issues I want to touch on is the one you've identified, and it's one that's giving us all a hard time: visas, and people getting temporary permits coming into the country. It really puts a lot of folks into hardship.

I noted that you said there don't seem to be uniformly applied standards for the decision, and I wonder if you could perhaps go back and take a look at that again, because members of Parliament still find it a huge problem.

Also, could you look at it from the perspective of what happens when we don't allow people in? When somebody comes here for a visit, they become an economic stimulant in the tourism industry. Not only do they go and visit sites, but the people who are their hosts all of a sudden find themselves going to Niagara Falls or the CN Tower, which they probably wouldn't be doing. So it really is an economic opportunity lost. I wonder if you could take a look at that in the future.

**The Chair:** Okay, Madame Faillie.

[*Translation*]

**Ms. Meili Faillie (Vaudreuil-Soulanges, BQ):** Good afternoon, Ms. Fraser. It is always a pleasure to have you here with us. I would have liked to see you last year so that I could elucidate a number of things.

You say that the Act has been implemented in full. I believe that is not quite correct. The Department in conjunction with the IRB, has established a plan and is conducting studies to implement an appeal structure for refugees, but this never came about. It is an issue you could look at, because the legislation is the legislation, even for the government. In my view, delaying the establishment of the appeal structure by six years is too much. I am waiting for your recommendations on this.

In managing a department as large as Citizenship and Immigration Canada, people work with data that reflect reality as closely as possible. The problem — there was a writ of mandamus regarding this matter several years ago — is that the figures as presented do not exactly reflect the situation in operations abroad, at the Mississauga centre or in Vegreville. The 2003 and 2000 reports seem to express that concern. During a future meeting, I would like you to provide us with an outline of your concerns on this matter.

In the work I have done recently, I have come to understand that in achieving targets we were including people who had withdrawn. People who withdraw their applications are counted in the figures when we try to determine whether targets have been reached. We include withdrawn applications when compiling figures for the business class and skilled-workers class, as well as applications for landed-immigrant status. So someone who withdraws his or her application still contributes to the Department's success.

For applications by skilled workers, we include dependents in the statistics. So these statistics do not necessarily reflect the real number of skilled workers entering Canada. It is very difficult to determine whether there are needs in the construction sector by looking at the labour statistics, for example. So what do we do? What is the real picture?

I would also like to talk about Immigration Canada's sites. We use historical data when preparing statistics on backlog, but we don't mention targets. We do not tell people how long it will take to process their applications. That concerns me. If some people had known how long it would take to process their applications, they might never have applied for immigration to Canada and would have applied elsewhere instead. This way, they have been had. They realize that processing their application might take a very long time.

This is an issue I raise regularly at this committee because I find it troubling. We have a backlog in a number of classes, including parents and grandparents. This is something you should look at.

The other issue that concerns me are the ongoing infringements of the Financial Administration Act. A number of class action suits are before the courts. I would like you to audit the resources allocated to opening files that are currently at the Mississauga centre and in foreign offices, particularly those pertaining to the parents and grandparents classes, but also those pertaining to other immigrant classes.

I did not really have a specific question. Your reports always contain information that is relevant today. As you say, your observations must be brought up to date. The annual report we receive shows that a profit is made. I find it disturbing that the Department makes a profit.

• (1545)

When we see the fees required by the department, and when we see what it costs to process an application, it looks like the department always generates a profit. I would like to know where that money goes.

Lastly, I would like you to explain the issue of the appeal structure. What has the department done? Is it true that this flows from a policy decision? What is the Immigration and Refugee Board currently doing about the appeal structure? A number of people are being prejudiced by the way in which the department and the IRB supervise their employees to ensure that decisions are uniform. How do they ensure that the best decisions are actually arrived at? I would like you to tell me something about the way in which the department ensures that selection decisions and IRB decisions are appropriate.

• (1550)

**Ms. Sheila Fraser:** Thank you for your suggestions. The information conveyed to Parliament is generally something that we examine in all audits. In the 2003 audit, we pointed out problems in some figures. Mr. Flageole can perhaps indicate them to you. I remember that the issue was the accuracy of some of the figures submitted.

**Mr. Richard Flageole:** We raised the issue you mentioned earlier, the issue where the figures indicating numbers of people include dependants in all categories. In the 2003 report, we used skilled workers as an example. According to the figures, there were 137,000 skilled workers. But in fact, there were 58,000 applicants and 80,000 dependants. We recommended that the department provide details, or a breakdown of the figures. Otherwise, we are left with the impression that 130,000 skilled workers applied, when in fact they did not.

**Ms. Meili Faile:** Last week, the department was saying that it had 800,000 skilled workers in its inventory. You are confirming that this is not the case.

[English]

**The Chair:** Our vote takes place in about 15 minutes. I'm in your hands as to what we do here. Will we ask the Auditor General to come back, or will we ask her to wait until we come back or have her appear on another day?

How is your schedule?

**Ms. Sheila Fraser:** I am at your....

**The Chair:** Okay.

Yes, Bill?

**Mr. Bill Siksay (Burnaby—Douglas, NDP):** We were scheduled to go until 5:30. I don't think the vote will take that long. So if you could stay, I'd appreciate the chance to have further conversation on this.

**The Chair:** Okay.

The meeting is adjourned for approximately half an hour.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

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• (1630)

**The Chair:** My apologies for the interruption, but that's politics.

When we left it was your turn, Bill, so we'll go to you.

**Mr. Bill Siksay:** Thank you, Mr. Chair.

Thank you for being with us, Ms. Fraser, and your colleagues as well.

I appreciate that we're dealing with older reports and that some things may have changed in the time period, but I want to ask a couple of things and I am looking forward to participating in further discussion about what might be on an agenda.

One of the things I want to ask about is your statement that there were "significant weaknesses and serious constraints in establishing criminality and security admissibility". We recently heard testimony from CSIS before a Senate committee that up to 90% of applicants from Pakistan and Afghanistan weren't being screened appropriately, in that particular person's opinion.

In the work that you and your department did, were there any regional concerns? Were particular areas not being screened? Was that part of what you reported on, or did you notice those kinds of things?

• (1635)

**Ms. Sheila Fraser:** Mr. Chair, I'll ask Mr. Flageole to respond to that.

**Mr. Richard Flageole:** Mr. Chairman, we covered that question quite extensively in our 2000 report. The reference we made was that in a number of countries it was not possible to obtain a police certificate, which was one of the requirements. I think we gave a list in that report. I think China was part of that at the time.

I'm just going through the 2003 report....

There was also the question that some of the security information obtained in confidence from other countries couldn't be released. Not being able to use that information was a major problem. I think there were amendments to the Immigration Act to deal with that specific issue.

**Mr. Bill Siksay:** Did your 2003 report update the countries list, or was that just a...?

**Mr. Richard Flageole:** In 2003 we talked about it more in general terms and mentioned that they have better tools, but the whole question of the difficulty of obtaining reliable information from police services, for example, in a number of countries was still there.

**Ms. Sheila Fraser:** Actually, we said in 2000 that the department at that time didn't require a police certificate for applications from more than 40 countries, and that 23% of applicants came from those countries. That was one issue.

**Mr. Bill Siksay:** It looks as if that issue might need some continuing work, especially when you talk about risk-based planning, although to you folks that might mean something different from what we're talking about right now.

I want to follow up on the question about the immigration levels. Did you examine how the department sets those targets and what information it is based on? There has often been some question about where those targets spring from and how commitments like the previous government's commitment to 1% of population as an immigration target are established. Generally, where did the annual targets that were announced in the past come from?

I also have a question about the 60-40 split in applications. Of the applicants accepted each year, 60% are from the economic class and 40% are from the family and refugee class. Why is it 60-40? Is there a point that would establish a better equilibrium between economic and family class applicants, a better balance, so as not to have the huge backlog in family applications? Is that something you folks looked at when you were considering targets?

**Ms. Sheila Fraser:** We wouldn't generally look at the 1%, for example, because we would consider it more of a policy issue. On the levels themselves, Mr. Flageole might have information. There is also some information about the approval of the levels; based on the previous question, we might want to clarify that.

**Mr. Richard Flageole:** Mr. Chairman, we never really looked at the actual process to set the levels. We haven't audited this. There are a good number of consultations with a whole bunch of stakeholders that take place in Canada, regarding the levels. A major question is how able the country is to absorb and integrate those people.

Those levels, if I understand correctly, are tabled in Parliament. They're approved in Parliament. I'd like to go back to one question that was asked before, when you made the comparison with 2000. When we did the audit in 2000, the situation was very different from what it is now, because in 2000 we were not meeting the levels. We were behind. We said at the time the department was overtasked. We were not able to get all the people that we would like to get as a country.

The situation in 2006 is quite different. We're meeting the levels. We exceeded the levels in a whole bunch of categories in here, so I guess the whole question of processing time is linked with the levels. We said we would like to get 250,000. We're getting the 250,000. We have a number of applications in the process. So there's a question of balance between setting the level and waiting times, and that's something that probably needs to be looked at.

• (1640)

**Mr. Bill Siksay:** On the question of temporary resident permits, there's been some concern in the past that this was something over which there was undue political influence. There have been accusations of bias out of the minister's office, particularly that certain MPs' requests from certain ridings might be more favourably looked upon than others. I wonder if you found any suggestion of that in your review.

I noticed that one of the statements you made is that there was no consistent documentation of the reasons for the issuance of a TRP, but was there any suggestion of bias or political interference in how those were issued?

**Mr. Richard Flageole:** Mr. Chairman, I think the main issue we raised was the lack of documentation. I don't think we've seen any specific instances of this, but we don't know because the basic reason for issuing those in almost 50% of the cases was not adequately

documented. We have asked the department to make really significant efforts to make sure that the file provides the reason the permit was issued.

**Mr. Bill Siksay:** Would part of the audit not have looked at which ridings the people who received the temporary resident permit or their families lived in, that kind of thing?

**Mr. Richard Flageole:** No. I think we looked at just a sample of permits.

**Mr. Bill Siksay:** Can you explain to me what a "risk-based planning exercise" is so that I'm a little clearer about what you're going to be looking at and what I hope we might have some input into?

**Ms. Sheila Fraser:** Yes. To determine the audits we're going to do, we use a planning exercise in which we try to identify the major risks to the department or agency in achieving its objectives. We go through a fairly extensive exercise. We interview, obviously, people within the department, parliamentarians, but also stakeholders outside to try to get a sense of what the risks are. Then we will look at those risks and determine if they're auditable, because some obviously are outside the scope of audit. Some could be questions of policy. There are other areas in which, frankly, we don't have any expertise

We then put it through a filter and develop a plan for three to five years of audit work that we want to do within the department. We do this for all the major departments, generally every three to four years. Obviously, if there are significant changes, we have to go back, and given that there have been some significant changes in this department, and given that all the enforcement activities have gone over to the Canada Border Services Agency, it's time for us to go back and take a look at it again.

**The Chair:** Thank you, Bill. Thank you, Ms. Fraser.

I'll now go to Ed.

**Mr. Ed Komarnicki (Souris—Moose Mountain, CPC):** Thank you, Ms. Fraser.

I understand that your reports are generally issued every three to four years, perhaps five years. The latest report made a number of recommendations, some of which were to reconsolidate or consolidate some areas of responsibility for border services and so on, in defining the responsibilities of the various parties. As I understand it, you have a fairly good working relationship with the department, even though you don't do audits except on certain terms. There is an ongoing process that takes place between the auditing bodies of the department and your department with respect to the areas that are of concern to you.

Objectively speaking, how has the department reacted to most of your recommendations?

**Ms. Sheila Fraser:** Obviously we have an ongoing relationship with all of the major departments because we audit the public accounts each year. So for any departments that have significant spending, we go in to do financial audits of transactions.

When we did these audits I would say that the department was very responsive. It agreed with the recommendations and was very open to them. In fact, we can easily say that the deputy minister at the time was very interested in the audit and took a personal interest almost from the very beginning when we started the audit work. I think we even saw that he was trying to adjust as we were doing the audit. So the department was responsive. I guess the true test of how responsive it was will be if we go back and re-audit to see if the issues have been addressed.

**Mr. Ed Komarnicki:** One of the concerns left with the department was on case management, both abroad and inland, and the fact that various agencies were attempting to access data to ensure its integrity and that people had access to it. You had some remarks about the case management system, and there's a significant discussion about going to a global case management system. There was a recommendation that the area needed to be improved.

From what your recommendations were to what you see on an ongoing basis, is that being approached in a reasonably comprehensive fashion?

• (1645)

**Ms. Sheila Fraser:** I think we did see some improvement. From 2000 to 2003, on the information systems, there was this global case management system that you referred to, which I think was supposed to be operating by 2005. I think it is still not fully operational. It's one of the systems we're looking at in an audit we're doing called "systems under development". That will be coming out in November. It's not specifically on Citizenship and Immigration, but on broader systems.

Perhaps Paul could give some information on the information systems.

**Mr. Paul Morse (Principal, Office of the Auditor General of Canada):** We did see quite a bit of improvement there in the system called CAIPS. In 2000, a lot of the missions abroad were not really hooked up to it properly. There was no interface with the basic data system called FOSS, and a lot of the people weren't very well trained on it.

By 2003 they had fixed the interface, so there was real-time data between their basic database, FOSS, and what people were seeing overseas. The training has been done, and close to 100% of the people have access to it. So there has been quite a bit of improvement there.

It's going to be supplanted by the global case management system, whenever that's done.

**Mr. Ed Komarnicki:** Noting the various recommendations you had and the responses to them, other than the case management system, what is the next area to watch for an audit?

In response to a question raised about undocumented workers, I'm wondering if it's possible within the audit to look at whether there's any systemic bias in this type of worker not being able to come through the system. Is there a reason for that, other than queue

jumping and not waiting in line to go through the proper system? Has any thought been given to that, or have you looked at that aspect of it in your audit procedures?

**Ms. Sheila Fraser:** We haven't specifically looked at that aspect. We tend to audit more of the systems and processes in place to see how they're working, and not judge the unintended consequences or people who don't come into the system. But if the committee thinks this is an area we should look at, we will certainly consider it.

As we mentioned, we're just in the process of doing the planning for the next three to five years. I suspect we will have some follow-up work. There are some important recommendations that came forward in 2000 and 2003 that we need to look at. I shouldn't advance the planning that the team hasn't done, but we also need to look at the relationship between Citizenship and Immigration and the Border Services Agency, how that transfer has gone, and whether the Border Services Agency has also addressed some of our recommendations.

Those will be some of the areas, but we'd certainly be interested in any suggestions the committee has on future audit work that we should be doing.

**Mr. Ed Komarnicki:** As a follow-up to that, when you look at the system as it's designed in terms of the scoring process and the qualifications for coming into the system, is it something that you might also look at? Does the design itself work as well for the needs of the people who are classified as it does for those who are not coming in through the regular way?

**Ms. Sheila Fraser:** We would certainly look to see how the department measures its own effectiveness and how they know that the scoring system is effective.

In the pause we just had, Richard and Paul told me that in many of the missions abroad, they are still working with pre-2002 inventories and the old criteria are still in effect. I would suspect it's probably difficult for the department to know the effects of the new criteria if they haven't started processing people on that basis.

• (1650)

**The Chair:** Thank you, Ed.

We'll go to Blair.

**Mr. Blair Wilson (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.):** Thank you, Mr. Chair.

Thank you, Ms. Fraser.

As a former auditor and chartered accountant, I always enjoy it when other auditors or accountants come to speak.

Having said that, I've got about four or five questions. I'll see how quickly I can get through them.

The first one is more on a general note. I'd like to ask a question of you and your staff on the human resource capacity within the department of immigration.

I know that we talked earlier about targets for the number of immigrants who we'd like to bring into Canada. It was about 260,000 people last year, and the hope is to get close to 1% of the population or greater if we can. Is there a current capacity within the department right now to be able to move up to 1% or to 350,000 people?

**Ms. Sheila Fraser:** When we did the audit in 2000, it was one of the issues that we brought forward. We really questioned whether the department had the capacity to meet the targets that were set then.

As was mentioned by Mr. Flageole, the department is actually exceeding the targets that have now been set.

If the target were to go higher, would they be able to meet that? It's a question I don't think we can answer. But the actual intake is higher than the targets that have been set. It would be an indication that the capacity is there to be able to deal with it.

**Mr. Blair Wilson:** When looking at the trends, it appears that the efficiency rate within the department is improving, and in some areas the actual number of applicants is declining, so they can kind of chew through the backlog a little more quickly.

I was looking at the area of the skilled worker class: 500,000 of the 800,000 people are in that class, and it's a 58-month processing time. I look at our Canadian society, especially western Canada, where there is a great demand for skilled workers. There is a great demand and we've got a great supply sitting there. We only need the political will to put the two together to solve the equilibrium.

The other question I had goes back to what you were talking about earlier on the temporary residence permits. I only want a clarification. Did I hear that 50% of the files didn't have sufficient documentation to render a decision?

**Ms. Sheila Fraser:** Yes, that's right. I believe that 50% did not have sufficient documentation in order for us to assess on what basis it had been accorded.

**Mr. Richard Flageole:** It's very close. We found that overall the decisions were supported in 60% of the cases, but for cases involving serious crimes or security issues, it went down to 52%. For those security cases, in about one out of two cases we didn't find enough explanations in the files to explain what they were.

**Mr. Blair Wilson:** That was based on the 2003 audit. Do you have any record, or has there been any audit since 2003?

**Ms. Sheila Fraser:** No, we haven't done any audit work since then.

**Mr. Blair Wilson:** The other question is on the reports that are tabled in Parliament with regard to the department. In your view, did your prior recommendations in 2003, based on reports the government has tabled, show changes in inventories, processing times, and the number of principal applicants and dependants? Has there been a follow-up on what's been presented to Parliament since the audit?

**Ms. Sheila Fraser:** We haven't done any specific audit work to verify that.

I don't know if Mr. Flageole wants to comment on it, but we tend to be a little hesitant to make comments about whether progress is good or not good if we haven't actually done any audit work.

I don't know if you want to add anything more, Mr. Flageole.

**Mr. Richard Flageole:** Just briefly, there is an information number for the department, which is made available by the department in their reports and in other ways.

You mentioned a couple of figures, including the 58 months. Those are current figures from the department. It was not that long a period in 2000, so I guess the delays are extending. But as Ms. Fraser said, we haven't done any systematic analysis of all those data on delays and inventories.

**Mr. Blair Wilson:** On a more general note, then, what recommendations would you have for the department in their reports to Parliament to increase their accountability and the transparency of the reports the House of Commons receives?

**Ms. Sheila Fraser:** We'll have to do the audit before we can make recommendations.

• (1655)

**Mr. Blair Wilson:** I mean based on your 2003 findings.

**Ms. Sheila Fraser:** For example, there was the question of the numbers of people who had been accepted; that they needed to give more details, because the economic component of the skilled workers included dependents in the number as well. We said, you need to break it out to say what the figure is for skilled workers and what it is for the dependents, so that parliamentarians have a better understanding of the number and can't misinterpret the numbers. I think those were the kinds of recommendations we made.

We also have made recommendations about the effectiveness of the program; that tends to be a recommendation we also make.

I'm trying to see whether there is anything else. We talked about processing times and the number of applications on hand. That goes back to 2003.

**Mr. Blair Wilson:** Let me change gears; I have one more minute.

No? Am I done?

**The Chair:** Go ahead, anyway.

**Mr. Blair Wilson:** Thank you, Mr. Chair.

I noticed in the report also that there were some discussions with Health Canada regarding mandatory testing for HIV and hepatitis B in all immigration medical exams. Are these now being tested?

**Ms. Sheila Fraser:** I don't know. At the time, I know the only mandatory testing was for syphilis and tuberculosis, and we said that with these new communicable diseases, they should certainly consider making some of these other ones mandatory. I don't know whether that has happened or not.

In the last audit we did, in 2003, we had an issue with people who had inactive tuberculosis. They were tested, and it was noted, but the person wasn't informed, and there was actually no tracking of those people. As we know, tuberculosis can easily go from inactive to active, and they should be informed, and there should be some monitoring of it. We will have to go back to see if anything has changed in that area.

**The Chair:** Thank you, Blair.

Madame Deschamps.

[*Translation*]

**Ms. Johanne Deschamps (Laurentides—Labelle, BQ):** Thank you.

If I may, I will share my time with Ms. Faillie.

I'm very happy to meet you Ms. Fraser, as well as the members of your team. You are someone we have been listening to very carefully in recent years. I have a great deal of admiration for the work you have accomplished.

After the last policy statement made by the preceding government, we saw a number of embassies close, including some in Africa. Is it possible for you to assess the impact of those closures? What happened to applications made to those embassies, applications that were transferred to other service centres? Did those additional applications burden their processing system? Was this a factor that discouraged people? Did a number of applicants withdraw their applications, given the place where they were being sent, the political situation, conflicts at the time and the more difficult economic situation in those countries? Did the closures have a negative impact on applications? Where did those applications find themselves routed? Was there an impact on delivery?

Applications were routed to Gabon and Cameroon, for example. We mentioned Abidjan. During today's question period, a colleague noted that applications from Lebanese sources had been routed to Syria. Were more staff assigned to process those applications? Are there resources to accelerate the process? If so, does that not make the existing structure more cumbersome?

**Ms. Sheila Fraser:** There are two things we rarely mention in our reports — government policy and the way government is organized. The Auditor General has always believed that the government has the right to organize itself in any way it wishes. Our role is not to comment on that issue or on government policy. Rather, what we do is examine the way government policy is instituted and implemented.

Moreover, we do not assess programs. Our enabling legislation is quite clear on that issue. We can audit the way in which the government assesses a given program, and determine whether the government has the documents to demonstrate it has conducted that assessment, but we do not ourselves conduct the assessment.

As for the impact of closing a given office, we do not comment on closures as such. However, if those closures have a significant impact, we would expect the Department to disclose them in Parliament and indicate the way in which they have been managed.

With regard to information submitted to Parliament, we would examine the impact of the given decision and the way in which the file was processed, or handled. We could also look at waiting times, but we conduct no direct assessment of the impact closures have.

• (1700)

[English]

**The Chair:** You have a minute, and then I have to move on because of the speakers list.

[Translation]

**Ms. Meili Faille:** My questions are on controlling the revenues of Citizenship and Immigration Canada within the framework of the Financial Administration Act.

Is CIC on the list of organizations authorized to make a profit, and to levy fees higher than the real cost of opening files and delivering services? In recent years, CIC has been making a profit. That profit

is set out in the Annual Report and the figures are there to be audited. Do they have any right to use those profits for other ends? I would like to know where that money has gone. They have made a profit. What have they done with the money?

My second question is on the Immigrant Investor Program. There is a federal program and a Quebec provincial program. Quebec's program is quite transparent — we know where the money goes. How is the money transferred to the provinces used? Where is that money?

**Ms. Sheila Fraser:** First of all, on the issue of user fees, I believe that the Department is subject to government policy requiring that fees be levied to cover operating costs. I think it is generally recognized that the aim is not to make a profit. The Department should have an accounting method in place to demonstrate that costs justify the fees levied. This is perhaps something we should consider.

I do not believe we have ever audited the Immigrant Investor Program. That is also something we could consider.

[English]

**The Chair:** Thank you.

Barry, please.

**Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC):** Thanks, Mr. Chair.

Thank you for being here today and sitting through that timeout.

I have a couple of questions. First, when the decision was made to create the Canada Border Services Agency, at that time, in terms of setting up processes, was your advice sought, and if so, was it listened to, in your opinion?

**Ms. Sheila Fraser:** Our advice was not sought. The government would not usually consult with us on something like this. As I mentioned earlier, there are two areas on which we do not comment. One is policy and the other is what we call machinery of government, so government can organize itself as it sees fit.

I certainly hope somebody looked at past recommendations, but I'm not sure that would be the case.

**Mr. Barry Devolin:** Okay.

I have a second question. I'm new to this file and this Parliament. I don't have a huge immigration workload within my own riding, so I'm certainly not an expert on it. But as a layperson, I can say that when you ask people which departments run well and which ones don't run so well in Ottawa, I don't think this one would get a high mark. A lot of people think it's very slow and that it takes years and years to make decisions. I appreciate why that's true in some cases, but I just think, in terms of perception...

In terms of goal-setting, we hear a lot of talk about this top-line number, 250,000 or 300,000 a year, or 1% of the population. It's a great number to use in a speech, but I mean, you're not going to say zero or two. I'm not sure it was a very rigorous process that came up with 1% in the first place. We seem to be about 250,000 and that's a number that seems to get tracked. But I'm not sure how useful that number is in terms of tracking the efficiency or effectiveness of this department. It may somehow measure what its capacity is, how many decisions they can spit out, etc.

Are there some other measuring tools or other numbers we should be looking at in terms of measuring the performance of this organization—for example, how long it takes them to deal with a file? Is there a process in place that on average it takes a year to deal with something, and if it gets to two years it's automatically bumped into a separate process and there's some requirement for it to be dealt with more quickly? If we wanted to identify two or three measurements in this department that would actually give us a better sense of how well they're doing their job, what might they be?

• (1705)

**Ms. Sheila Fraser:** I know that when we did this audit in 2003, we talked about processing times. We have this, and I presume members have this as well. It's facts and figures that come from the department. I note that they do talk about the processing times. They talk, as well, about approval rate. They also present the number of cases that are pending or what they call their inventory. The levels are really set as an objective, and I think that will determine the resource levels within the department. It also has a direct impact on the inventory, or as some would say, the backlog, because the greater the numbers that you accept—of course it will bring it down if you reduce those numbers—the backlog is going to go up. I presume this will affect processing times as well. They're all interrelated.

The levels are actually very detailed by type of category and by class. We've never actually looked at how it is established; we've taken that as a given. It's like a policy issue for us. We'll look afterwards to see how they manage that and how they do the processing.

**Mr. Barry Devolin:** Again, I guess my question is whether there is a range that's reasonable. Maybe waiting 40 weeks or 50 weeks for a decision to be made is reasonable, but waiting four years for that decision would be unreasonable.

Airlines can tell you what percentage of their flights arrive on time. I suspect if it drops below some level, it's deemed as unacceptable.

Maybe this isn't a question, it's more of a suggestion. I wonder if that isn't an area where some time should be spent to develop standards in terms of how quickly files should be dealt with. That's a better way to measure the success of the department rather than how many files they happen to plow through in a year.

**Ms. Sheila Fraser:** Theoretically, I agree with you, except that if you have a very large number of applicants, unless you have no target or no level established... I'll give you an example. In the economic class, they say the level is from 132,000 to 148,000. There were actually 156,000 accepted. The number of applicants who are still waiting is 582,000 and it takes 57 months. Now, if you brought that down to two years, I would think it would mean—and I'm sure there's not a direct relation—that you'd probably be up over 300,000 acceptances. So the faster you deal with them, the more acceptances you're going to have.

**The Chair:** We will go on strict five-minute rounds right now to see if we can get around again, because we have to break at 5:25 for our next group. It's eight minutes after; the clock is not correct up there, I don't think.

Madame Folco, and Bill.

• (1710)

[Translation]

**Ms. Raymonde Folco (Laval—Les Îles, Lib.):** Thank you, Mr. Chairman.

Ms. Fraser, I am very happy to see you again today, even though it is on another issue. Please forgive me for being late.

I think my question is in line with Mr. Devolin's.

When the issue is to determine whether an individual will or will not be accepted for immigration to Canada, Immigration Canada is only one of the partners involved. You looked at the issue of health. There are a number of questions there, and decisions to be made. Moreover, there is the security issue. What we hear on that is always vague, not to say obscure.

In my riding, I need to consider a great many immigration cases. I'm not the only one in that position, I am sure, but it remains that when a case has been pending for four, five or six years and we are trying to see why it is taking so long, we are told without fail that it is for security reasons.

In my riding, there is a person who has already been in Canada for four years. Everything has been dealt with except the security issue. This person is wondering why it is taking so long to deal with the security aspect of the file.

Do you have a mandate to look at CSIS activities? If so, have you looked at their activities, and what have you concluded?

**Ms. Sheila Fraser:** Our mandate does cover CSIS. We can audit CSIS, but in some cases restrictions on the subject of our reports apply. For example, it goes without saying that we cannot publicly disclose secret or confidential information.

We looked at the security issue during the 2000 and 2003 audits, if I remember correctly. I think we focused particularly on the RCMP.

I would ask Mr. Flageole to provide more specific details.

**Mr. Richard Flageole:** Mr. Chairman, as part of the 2000 audit, we looked at the relationship between Immigration Canada and CSIS. Some procedures need to be followed. For example, CSIS has developed security profiles. We ensure that Immigration Canada was following the rules established for requesting or not requesting advice from CSIS.

We looked at what Immigration Canada was doing with the opinions provided by CSIS, but we did not look at the way in which CSIS conducted the investigations. We looked at the application and audited what was being done with the reports received. However, we did no audit at CSIS to look at procedures.

**Ms. Raymonde Folco:** You talked about the 2000 audit.

Did you do the same thing in 2003?

**Mr. Richard Flageole:** Yes. I believe we concluded that Immigration Canada was applying the established procedures. There again, we did not look at the way in which the investigations were conducted.

**Ms. Raymonde Folco:** Could you look at that?

**Ms. Sheila Fraser:** We could review the process used and the type of information obtained. In fact, I think that's what we would do for all agencies, be they police agencies or other kinds. We would not redo the assessments they were already doing. Rather than reviewing individual cases, we would look at the process in general and the way it was applied.

**Ms. Raymonde Folco:** In fact, I would like to know why the process takes so long. Of course, I know there are borderline cases, but I cannot believe that all cases are borderline.

Is this something we can ask of you? Is this part of your mandate?

**Ms. Sheila Fraser:** If the committee asked, we would be quite prepared to consider the issue.

• (1715)

**Ms. Raymonde Folco:** Thank you.

[*English*]

**The Chair:** Thank you for remaining on time, right to the minute—five minutes.

Bill, and then Ed, and we'll see if we have a minute or two left for you, Madame Faillle.

Okay, Bill.

**Mr. Bill Siksay:** Thank you, Chair.

Ms. Fraser, the right-of-landing fee—its implementation—was that part of what your group looked at? There was some talk when it was implemented that it was intended to cover the costs of settlement services for new immigrants. Did you folks look at that?

**Ms. Sheila Fraser:** We haven't looked at that per se, though with the new policy on user fees we are certainly considering that we should be doing something within government to see how they actually justify the charges. This might be a good place to do it.

**Mr. Bill Siksay:** I think Madam Faillle alluded to places where there are agreements in place with provinces. The specific case that I'd raise is the settlement agreement with British Columbia. There's some concern that not all of the money transferred to the province goes into settlement services, that some of it—almost half—goes into general revenue and is then used for other things that are outside of the scope of the agreement. The province will say it's for things like fee-for-service language training, which isn't part of the agreement.

Was that part of what the studies looked at in 2000 or 2003?

**Ms. Sheila Fraser:** No, we wouldn't have looked at that. In those cases where there are agreements with the provinces, we would have to look very closely at what the conditions in the agreements actually are and then see how the federal government assures itself that those conditions are being met. We wouldn't actually go beyond into the provincial governments to see what's actually happening there.

**Mr. Bill Siksay:** I want to come back to the risk-planning exercise. Can you tell me the timeline for this, when you expect to know what you'll be looking at with regard to this department?

**Ms. Sheila Fraser:** By the fall of this year. If the committee is interested, we could certainly come back to discuss our plans in the department.

**Mr. Bill Siksay:** Okay.

You mentioned that you consult with stakeholders as well. How is that done? Is it by invitation? Do you invite submissions from anyone?

**Ms. Sheila Fraser:** No, we generally will just take the initiative to call people and meet them through an interview process to try to get their views on challenges that the departments face.

**Mr. Bill Siksay:** And how do you come up with the list of contacts?

**Ms. Sheila Fraser:** It's often through the department itself. The department will tell us the people who are knowledgeable, people they think we should be talking to. It's been a very good exercise, and we find as well that the internal audit function in departments will often cooperate with us, because they should be doing the same sort of exercise. Then we obviously go back and validate it with the senior management of the department to make sure we are addressing the right issues.

It's all part of our concern that we know, when we go into departments and start auditing something, that the departments are going to focus attention and resources there. So we have to make sure we're looking at things that are significant and we're not forcing them into areas that aren't as significant.

**Mr. Bill Siksay:** So how would you define a stakeholder, then? Is it like community organizations working with immigrants and refugees, or is it—

**Ms. Sheila Fraser:** It could be non-profit organizations. It could be associations of lawyers, for example, that deal with immigration cases, or resettlement services. I don't know if you want to think of other ones, but there could be a wide variety of people in the area, even groups that help immigrants coming into the country.

**Mr. Bill Siksay:** Is it problematic that you depend on the department for the list of referees?

**Ms. Sheila Fraser:** No, because we'll always pick some ourselves, too. The departments make suggestions.

**Mr. Bill Siksay:** Thank you.

**The Chair:** Thank you, Bill.

Ed, and I think we'll have time to go back to Madam Faillle for a couple of questions.

**Mr. Ed Komarnicki:** Thank you.

I have a couple of brief questions.

In your 2003 annual report you identified a problem with respect to the primary inspection line that was done by the immigration department and the referrals to a secondary examination that was being completed by immigration officials. Part of the solution was to have both of those functions performed by an employee with Canada Border Services. But simply changing the duties to the Canada Border Services employee wouldn't necessarily solve the problem. The issue essentially would be whether the people were properly referred to a secondary inspection and whether the tools were available to ensure that the proper people were being referred and the proper job was done when they were referred.

Was there something done systemically or was a recommendation made to monitor the problem, even though it was transferred over to Canada Border Services?

• (1720)

**Ms. Sheila Fraser:** Unfortunately, I can't really respond to that, because we haven't done the audit work to see whether it has been addressed or not. A large part of the issue was just that they hadn't measured the effectiveness of that secondary inspection.

**Mr. Ed Komarnicki:** Even though it was transferred to one employer, the question of measuring the effectiveness is still an issue. Are there mechanisms in place to do it?

**Mr. Richard Flageole:** I can briefly add, Mr. Chair, that the main issue was that the immigration department didn't know whether customs was doing a good job in referring people to them. They had a study in the nineties that showed they were referring a whole bunch of people who should not have been referred, and the other way around. Even Immigration themselves at the time didn't know whether their second line was effective. Now that it's done by the same organization, as Ms. Fraser said we'll be quite interested to know whether a single organization knows whether what it's doing is effective. That's something we'll have to—

**Mr. Ed Komarnicki:** The same issue is still there. There needs to be a mechanism in place to monitor it.

The other point is that you mentioned that in the various categories we have of applicants, there wasn't a distinction between the applicants and their dependants. That is something that should be fairly easy to do. Is that being followed through and reported upon in the proper fashion?

**Ms. Sheila Fraser:** The only answer I can give is that on this information sheet we have, I note that they say "including dependants", but I don't think they've actually broken out the number of dependants. Anyway, I think they have started to address it, at least on these information sheets.

**Mr. Ed Komarnicki:** It seems like a fairly straightforward breakout that you should be able to do.

**Ms. Sheila Fraser:** And they obviously have those numbers. I'm just trying to see if it's actually there. The sheet I have just has an indication that it includes dependants, but I don't see on it where they actually break it out between the applicant and the dependants.

**The Chair:** Thank you, Ed.

We'll have a couple of fast questions from Madame Faille. Then we'll have to call it a wrap.

[*Translation*]

**Ms. Meili Faille:** A number of organizations have pointed out that immigrants do not complain, because they are afraid of reprisals. I believe they fear the RCMP, but they also fear Immigration officers as well. Immigrants believe that, if they complain, immigration officers will find them and cause problems for them.

A recent article indicated that 15 of the 56 complaints examined by the department were well founded. That is almost 20 per cent of the total. If we extrapolate that figure, we might be led to believe that many people feel they're being cheated by the immigration system and cannot take their complaints anywhere.

Have you assessed the immigration complaint mechanism?

**Ms. Sheila Fraser:** No, we have not.

**Ms. Meili Faille:** People also turn to our offices to complain about the fact that staff in foreign offices render decisions that are quite different from those rendered by Canadian staff. We are receiving more and more complaints to that effect. I would like to know how staff in foreign offices are hired.

When the issue comes up in the newspapers, the Department's spokesperson says that things are done this way to ensure efficiency and effectiveness.

Would you be in a position to make recommendations, and to determine whether people are being adversely affected by immigration services and the procedures in place?

**Ms. Sheila Fraser:** Yes, we will look at this issue. Staff hired abroad plays a very important role indeed.

**Mr. Paul Morse:** However, it is always Canadians who make the final decision, except in very rare cases where local designated staff have that responsibility.

**Ms. Meili Faille:** Could you please have the Department's confirm that? We are hearing something quite different.

**Mr. Paul Morse:** We audited this in 2003. All files go through a Canadian Immigration officer.

[*English*]

**The Chair:** Thank you.

We have about a minute left. I think you have a fast, very short question.

**Ms. Raymonde Folco:** I have a very fast question. It follows upon Madame Faille's.

I'm thinking of one or two Canadian posts very clearly and concretely. It's not so much who takes the decision. It's more a question of people who say "You'll have to come back next week", or next week again, "unless"—this is called "baksheesh" in Arabic—"something goes on under the table."

When you say, Mr. Morse, that it's a Canadian who takes that decision, I'm willing to admit it, but before that decision is taken, very often the prospective immigrant will be told to come back next week, or come back in two months. After a while, that immigrant really feels that something else has to be done before his dossier is even studied.

Could you react to that?

• (1725)

[*Translation*]

**Ms. Sheila Fraser:** This is not an issue we have specifically examined. However, we can certainly look at the management of human resources and the way in which the Department ensures that the right decisions are made.

[*English*]

**The Chair:** Thank you for coming in today on behalf of the committee and sharing an awful lot of good information with us. Thank you. We really appreciate it, and we want to apologize for the pause that we had.

We have a list of about 17 items the committee is going to be looking at over the next couple of months. We'll share that with you, if you'd like to have a copy of it. It probably dovetails a lot of the concerns you had in your previous reports. So we'll give you a copy of this, if you would like.

Again, thank you; we really appreciate it.

**Ms. Sheila Fraser:** Thank you for inviting us to appear. You never have to apologize for giving us a pause in life.

I very much appreciate the suggestions for the audit. We would be most pleased, if the committee has other ideas or areas they would like us to look at, to consider that in our planning. If the opportunity presents itself, we'd be glad to come back and talk about the results.

Thank you very much for your interest.

**The Chair:** Thank you. We appreciate it.

The meeting is adjourned.

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