

Military Police Complaints Commission

2007 - 2008

Departmental Performance Report

Honourable Peter Gordon MacKay, M.P.
Minister of National Defence

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SECTION I – DEPARTMENTAL OVERVIEW

Chair's Message

I am pleased to present the Military Police Complaints Commission's (Commission) *2007-08 Departmental Performance Report (DPR)*.

The Commission was established by the Government of Canada on December 1, 1999. This was executed by amendment to the *National Defence Act*, Part IV of which sets out the full mandate of the Commission and how complaints are to be handled. The purpose of the Commission is to provide independent, civilian oversight of the Canadian Forces military police. As stated in Issue Paper No. 8, which accompanied the Bill that created the Commission, its role is "to provide for greater public accountability by the military police and the chain of command in relation to military police investigations."

In addition to fulfilling our mandate, the Commission identified, in its *2007-2008 Report on Plans and Priorities*, two priorities: improving the effectiveness and efficiency of the complaints resolution process and improving management accountability. I am pleased to report that the Commission has been successful in addressing these priorities and has made significant progress, including strengthening the management accountability framework. The Commission received slightly fewer complaints in fiscal year 2007-08 but many of the complaints received were more complex and more involved, resulting in additional research, an increase in documents to be reviewed, and more interviews and investigations to be conducted. These complex, larger cases are being reviewed to identify innovative ways to address such complaints on a timely basis and in an effort to keep costs down. In addition, the Commission is reviewing its information gathering and storage practices, which benefit the more complex cases, to ensure that evidence, once filed, can be found and retrieved in an efficient manner. Evidence tracking software solutions have been examined and one is being utilized as a test case. The visibility of several of our cases and the challenges related to them is again motivating the Commission to find better ways to improve on the effectiveness and efficiency of its complaints handling processes.

The Commission has continued with its outreach visits to Canadian Forces Bases. These visits are important for several reasons. They afford the Commission the opportunity to increase awareness of its mandate and its processes for identifying and reporting complaints and they provide an opportunity for members of the military police to familiarize themselves with the Commission's mandate and the complaints resolution process. In addition, as the Commission moves from base to base, it gains further insight into issues affecting military police in the performance of their policing duties. This year eight (8) bases were visited.

The Commission, like most small agencies, faces significant corporate challenges. One challenge is staff turnover. Failure to have the right people in the right place at the right time could impede the Commission's ability to conduct detailed investigations, release timely reports and make sound, complete and timely recommendations. As the year was drawing to a close, the Commission achieved a cohesive mix of well qualified, experienced and dedicated personnel. External service providers, other government

departments and contractors, were utilized as a means to complement the Commission's internal capacity. The Commission strives to create a work environment that is more stimulating and challenging and in so doing, is retaining its employees for a longer period of time, thereby stabilizing the work environment and improving on the already high quality of service provided. This has achieved a better balance, including a more focused approach to fulfilling the Commission's core mandate.

During the year, the Commission realigned several management and administrative functions between the General Counsel and the Chief of Staff to allow the General Counsel to focus exclusively on the complaints resolution process and to provide the Chief of Staff with full responsibility for all of corporate services, including communications.

Successful changes have been made throughout the year and these efforts will continue as the Commission strives to meet its mandate and deliver on its priorities in a cost effective manner.

As the year drew to a close, a series of events unfolded that presented a significant challenge to the Commission. In February 2007, the Commission received a complaint from Amnesty International Canada and the British Columbia Civil Liberties Association concerning the conduct of military police members in the handling of detainees in Afghanistan. Shortly thereafter, a public interest investigation was initiated due to the seriousness of the allegations, the potential threat to public confidence in the military police and the fact that the complaint indirectly called into question directives, orders and procedures developed or approved at very senior levels within the Canadian Forces and the Department of National Defence. In March 2008, a public interest hearing was launched into this complaint in which the Commission has the power to compel testimony and documentary evidence in order to conduct a complete investigation into the grave allegations raised in the complaint. The Attorney General of Canada responded by submitting a Notice of Application, calling into question the Commission's jurisdiction in this matter. The matter is to be heard before the Federal Court.

In order to preserve its mandate, the Commission intends to vigorously address these challenges in Federal Court. In so doing, the Commission will continue to play an essential role in ensuring the highest standards of policing within the Canadian Forces, at home and abroad, in contributing to the effectiveness of the Canadian Forces and in benefiting people living or working in Canada's military communities.

Peter A. Tinsley
Chair

Management Representation Statement

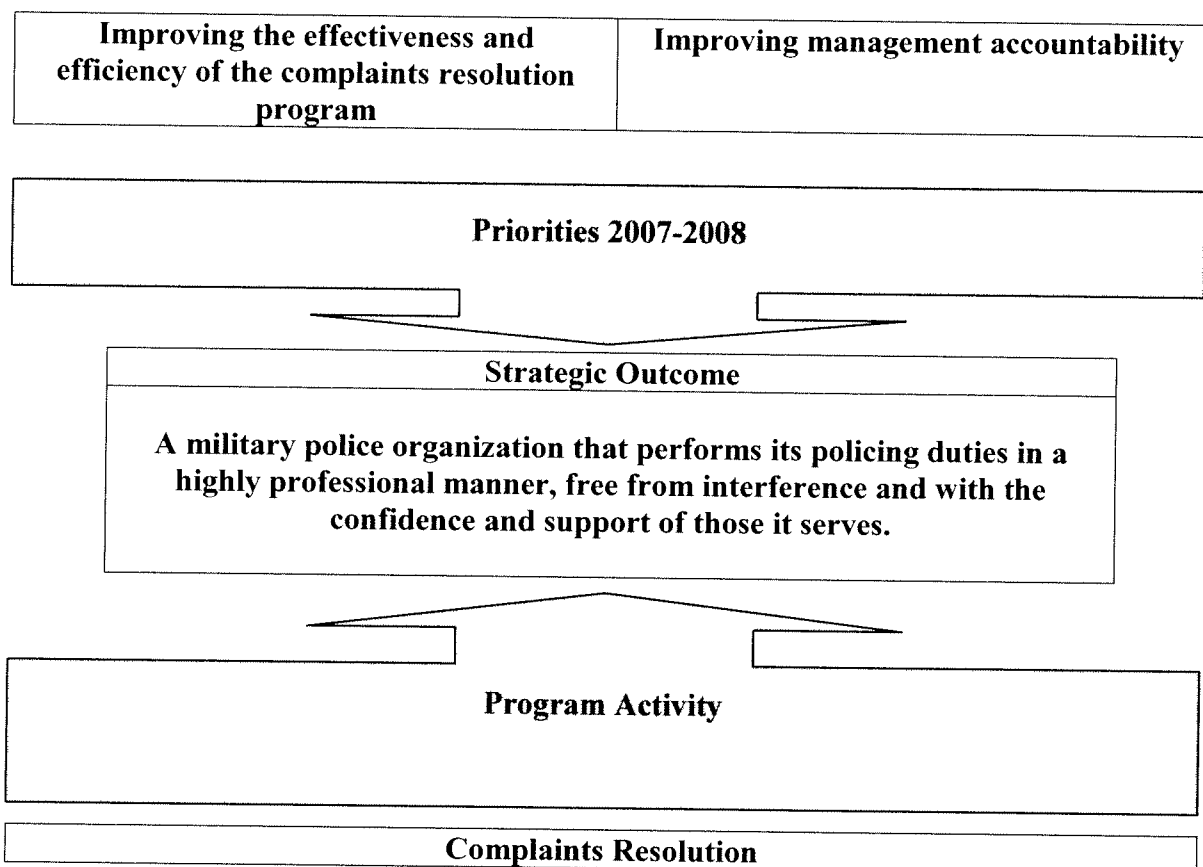
I submit for tabling in Parliament, the *2007-08 Departmental Performance Report* (DPR) for the Military Police Complaints Commission.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007-2008 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcome and Program Activity Architecture that were approved by Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Peter A. Tinsley
Chair

Strategic Outcome and Program Activity Architecture



Summary Information

Who We Are

The Commission was established by the Government of Canada on December 1, 1999. Its purpose is to provide independent, civilian oversight of the Canadian Forces military police. It is an independent commission, accountable to Parliament, through the Minister of National Defence.

What we do

The Commission receives and inquires into complaints independently and impartially and arrives at objective findings and recommendations based on the information provided by complainants, the subjects of the complaints, witnesses and others who may assist in uncovering the truth concerning the events being investigated. The role of the Commission is to provide for greater public accountability by the military police and the chain of command in relation to military police investigations.

The Commission formulates recommendations based on the findings of its independent and impartial reviews and investigations of complaints. Although not binding, if the

authority responsible for dealing with these recommendations does not act on them, the reasons for not acting must be provided to the Chair and the Minister of National Defence. While the Chair's recommendations may result in the censuring of the conduct of those who are the subject of a complaint, the recommendations are directed first and foremost at correcting any systemic problem that may have played a part in allowing the situation that gave rise to a complaint in the first instance.

The Commission is an organization that exhibits fairness and impartiality in the performance of its investigations and reviews, inspires trust in the results of its decision-making, and contributes to a climate of confidence in military policing.

Reason for Existence

The Commission oversees and reviews complaints about the conduct of members of the military police in the performance of their policing duties and functions, and handles complaints of interference from members of the military police who believe that another member of the Canadian Forces or a senior official of the Department of National Defence has improperly interfered with, or attempted to influence, a police investigation.

Strategic Outcome

The Commission has one strategic outcome: a military police organization that performs its policing duties in a highly professional organization, free from interference and with the confidence and support of those it serves.

Financial Resources (\$000)		
2007 – 2008		
Planned Spending	Total Authorities	Actual Spending
3,434	3,489	2,909
Human Resources (FTEs)		
Planned	Actual	Difference
18	16	2

Departmental Priorities

Name	Type	Performance Status
1. Improving the effectiveness and efficiency of the complaints resolution process	Ongoing	Successfully met
2. Improving management accountability	New	Successfully met

Program Activities by Strategic Outcome
(\$ millions)

	Expected Results	Performance Status	2007-2008		Contributes to the following priority
			Planned Spending	Actual Spending	
Strategic Outcome: A military police organization that performs its policing duties in a highly professional manner, free from interference and with the confidence and support of those it serves					
Complaints Resolution	Timely implementation of corrective action by DND to improve on the quality of military policing	successfully met	3.434	2.909	Priority 1 and 2
	Increased awareness on behalf of the military police, the Canadian Forces and the public of military policing issues, and an overall improvement in military policing practices	successfully met	(included in spending above)	(included in spending above)	Priority 1 and 2

Context and Operating Environment

The Commission was established to provide independent, civilian oversight of the Canadian Forces Military Police. By its efforts, the Commission contributes to the professionalism of the military police, helping to ensure the military police continue to enjoy the confidence of the Canadian Forces, and that of the Department of National Defence and of all Canadians.

The Military Police Complaints Process

The Commission is mandated to review and investigate complaints concerning military police conduct and investigate allegations of interference in military police investigations. Findings and recommendations are made directly to the military police and Canadian Forces leadership.

There are two types of complaints – conduct complaints and interference complaints. A complaint about the conduct of military police in the performance of their policing duties or functions can be made by anyone, a civilian or a member of the Canadian Forces, whether or not they are directly affected by the subject matter of the complaint.

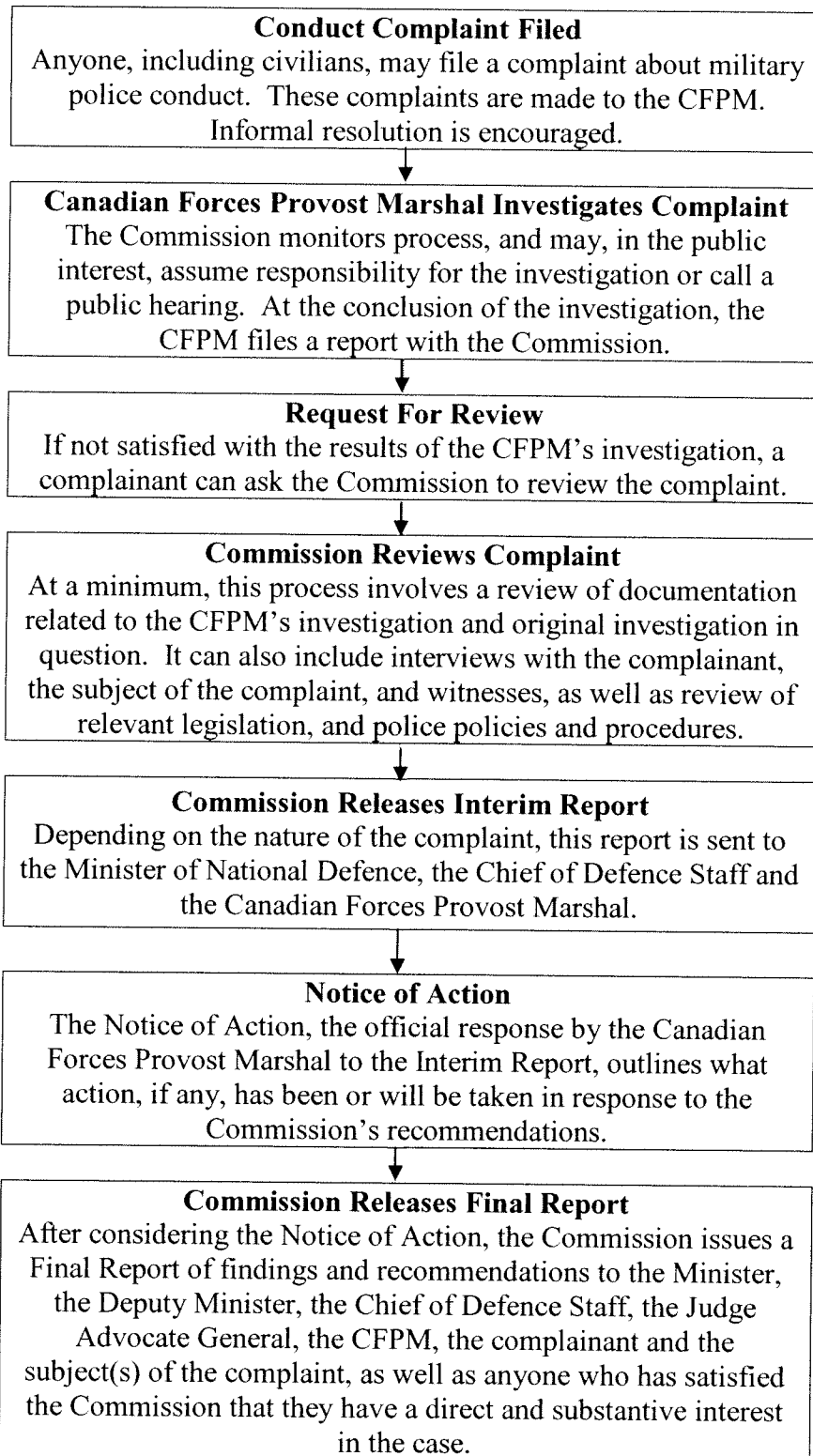
The Canadian Forces Provost Marshal (CFPM), the chief of military police, has primary responsibility for the investigation of complaints about the conduct of military police. The Commission has the authority to monitor the investigation and disposition of the complaints by the CFPM and to independently investigate complaints as appropriate, such as upon request of the complainant when he or she is dissatisfied with the result of their complaint by the CFPM (or his delegate).

When the Chair determines it is in the public interest, the Commission can exercise its power to assume immediate responsibility for the investigation of a conduct complaint and, if warranted, to hold a public hearing.

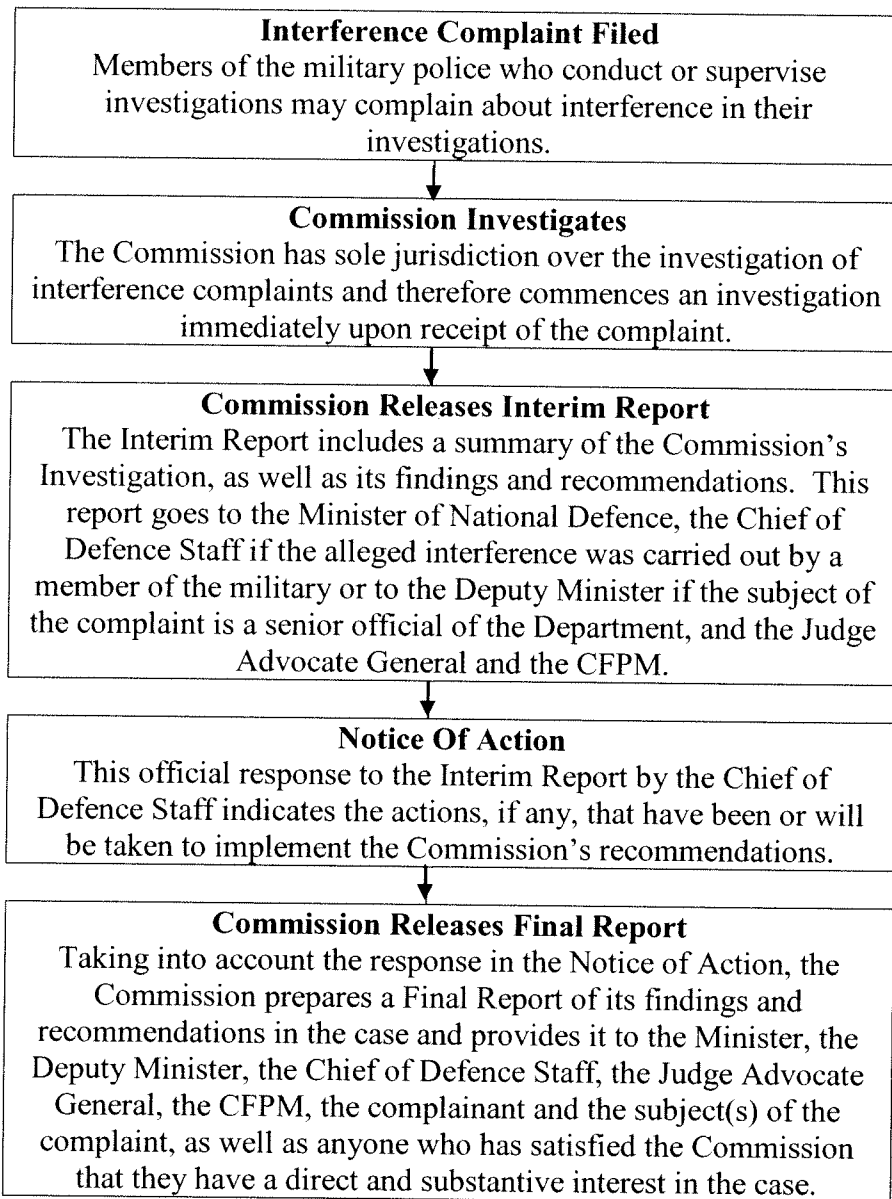
The Commission has exclusive jurisdiction for the investigation of complaints of interference in a military police investigation. Any member of the military police who conducts or supervises a military police investigation and believes that a member of the Canadian Forces or a senior official of the Department of National Defence has interfered with, or attempted to influence, a military police investigation, may file a complaint with the Commission. This process recognizes the special situation of military police who are both peace officers and members of the Canadian Forces subject to military command.

The processes involved with each type of complaint are set out below.

Complaints About Police Conduct



Interference Complaints



Public Interest

Perhaps the most significant authority provided to the Commission under the legislation is the authority conferred by the *National Defence Act* subsection 250.38(1) to, "... at any time the Chairperson considers it advisable in the public interest", initiate an investigation into a complaint and "... if warranted, to hold a hearing...". In the context of such a hearing, the Act gives the Commission powers similar to those of a public inquiry – to compel the attendance and testimony of witnesses and to require the production of documents and other evidence.

The Commission's involvement in investigating complaints about military police conduct or interference complaints results in the Chair preparing reports (interim and final) of findings and recommendations. The interim report requires a response from a senior designated National Defence or Canadian Forces official regarding the action taken or planned for each of the recommendations. Such recommendations, and the responses to them, help to ensure the highest standards of military policing and to strengthen the professionalism, integrity and independence of the military police.

Managing the Workload

An analysis of the past and present caseload over the past few years indicates that the complexity and size of many complaints has increased dramatically. Previously, the majority of the complaints were relatively straightforward, with interviews involving a few people, often in the same location, and were concluded in a relatively quick turnaround time. With the advent of the large, complex case type, an investigation now involves interviewing, in some cases, dozens of individuals spread across the country and internationally, as well as the review of thousands and thousands of pages of documentary evidence. Consequently, the Commission must manage its activities and allocate its resources so that complaints, both big and small, are thoroughly investigated in a timely and cost-effective manner.

A constant challenge of the Commission's operating environment is the Commission's lack of control over the volume and complexity of the cases received. It is impossible to predict with any degree of accuracy how many complaints will be received or deemed to be in the public interest - complaints that will result in more costly public interest investigations and/or hearings by the Commission. The possibility became a reality in March 2008 when the Chair exercised his authority under subsection 250.38(1) of the *National Defence Act* to call a public hearing. Given the size, complexity and visibility of the complaint, the Commission will be forced to carefully manage its resources and in fact seek additional funding in order to be able to acquire the resources necessary to discharge its mandate in a proper manner.

Cooperation and working relationships

The Commission requires the cooperation of others to be successful. The Chair cannot issue a final report in any given case until the appropriate authority within the military or the defence hierarchy has provided a response to the Commission's interim report. Furthermore, the recommendations for improvements issued by the Commission in its interim and final reports are not binding on the Canadian Forces or the Department. Establishing and maintaining good working relationships with the CFPM, the Chief of Defence Staff and other stakeholders within the Department will help to ensure that the recommendations are quickly and completely implemented.

Visibility

The Commission recognizes the importance of increasing the awareness of its mandate and activities among three key groups – members of the military police, the military chain of command and those who may interact with military police because they live, work or pass through a military base. As a result, the Commission operates a very active outreach program, consisting of a series of base visits. These base visits provide an opportunity for individuals in all three groups to gain further appreciation of how the Commission functions and how it could potentially impact them. Commission members and staff learn first hand of the challenging environment and working conditions in which the military police operate.

Commission's Context

Stability

The Commission is a micro-agency with a workforce average of 16 employees. The organization is, for the most part, flat and opportunity for advancement is limited. Turnover has, in the past, been an issue. But the implementation of a series of human resource renewal activities such as the awards and recognition program, the application of succession planning principles and strategies to potential vacancies and the adherence to the Public Service values of fairness, accessibility and transparency have resulted in the Commission achieving a cohesive mix of well-qualified, experienced and dedicated personnel.

Performance Measurement

The Commission continues to implement the Management, Resources and Results Structure (MRRS) policy in conjunction with Treasury Board. The Commission, at the suggestion of Treasury Board, will review its strategic outcome to ensure it is still aligned to government priorities. The performance measurement framework will continue to be revalidated and enhanced to ensure it properly measures the large, complex cases.

The Commission measures its performance against the achievement of its strategic outcome in two very critical areas – are complaints resolved in a fair and timely manner and are recommendations resulting from investigations implemented by the Department of National Defence and/or the Canadian Forces. In both areas, the Commission is performing well. Concerning fairness, to date, there have been no judicial reviews requested of any of the Commission's findings and recommendations set forth in its final reports. And as noted below, the Commission's recommendations are being implemented. As for timeliness, the timeframes and deadlines are in the process of being reviewed due to the arrival of the complex complaints, which have become more frequent. With regard to the acceptance and implementation of recommendations, it should be noted that the Notice of Action, the official response to the Interim Report, outlines what action, if any, has been or will be taken in response to the Commission's recommendations. Generally, prior to the issuance of the Final Report, the Commission

satisfies itself that its recommendations have been implemented. In some cases, follow-up is required where major changes are being made to a policy or training program. For the 2007-08 fiscal year, 100% of the Commission's recommendations were accepted and implemented.

Performance Summary

The Commission developed a series of strategic plans for each of its two priorities. To improve the effectiveness and efficiency of the complaints resolution process, the plans were as follows:

- Implementation of standards, practices and performance measures related to complaints processing
- Increased awareness of the Commission's mandate and mission
- Enhanced working relationships with stakeholders within DND
- Resourcing of investigations
- Restructuring of the organization

To improve management accountability, the plans were as follows:

- Adherence to the legislative and policy requirements of the Commission and the central agencies
- Attract and maintain a high-quality workforce
- Implement improved management practices

The Commission accomplished the majority of what it planned to do. A brief summary of some of its major accomplishments will illustrate this positive performance.

- Concluded the Commission's first public interest hearing and developed recommendations for systemic change that included operational, training and supervision policies.
- Refined the definitions of interference and conflict of interest as a result of case review findings.
- Successfully managed concurrent major investigations, including a very complex case involving allegations of fraud that required detailed examination of thousands of pages of documents and numerous witness interviews.
- Initiated and investigated public interest investigations into military police conduct during military operations "in theatre".
- Visited eight Canadian Forces bases across Canada to engage with key audiences about the Commission's mandate and activities, and to respond to any concerns about the complaints process.
- Contributed generally to professional development in the field of civilian oversight through significant involvement in the Canadian Association for Civilian Oversight of Law Enforcement (CACOLE) - four from the Commission participated in the CACOLE Annual Conference.
- Contributed more specifically to professional development in the field of civilian oversight by writing and presenting a well-received paper on the standard of proof

in police discipline cases at CACOLE's 2007 Annual Conference and by making a presentation to a law school.

- Achieved progress towards the required complement of staff members, including a highly qualified team of investigative specialists.
- Recognized by the Public Service Commission for the Commission's integrated business and human resource planning and its efforts to appropriately manage staffing.
- Raised the standard of reporting to central agencies, including obtaining a 100% rating for the timeliness and accuracy of more than 30 financial reports required by the Receiver General.
- Applied informatics strategies to maximize the capabilities of modern technology to streamline and support the workload of the Commission, including expediting the work of investigators through off-site access to the Commission's secure network.
- Advanced the implementation of an assets management control framework to address asset loss/obsolescence/cost of repairs for technology and other assets.

Details of the Commission's case activities can be found on the website at www.mpcc-cppm.gc.ca

Lessons Learned

The Commission is aware that its case load is changing. The size, complexity and visibility of recent complaints have increased dramatically. The recently implemented standards, practices and performance measures will have to be revisited and adjusted to encompass these large, complex cases. Information gathering processes, more than adequate in the past, have been reviewed given the influx of these large complex cases. Evidence tracking systems were reviewed and were implemented in one complex file as the Commission's first test case.

The Commission will continue to use operational and strategic staffing information in its planning processes. The stable workforce makes a positive contribution to the quality of investigations conducted, reports released and recommendation made.

The integration of risk management principles and practices into the decision-making processes will help to ensure that the Commission will apply operational resources to best meet operation requirements in a cost effective manner. This is the second year that the Commission has successfully operated within its reduced reference levels.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Analysis by Program Activity

Strategic Outcome: A military police organization that performs its policing duties in a highly professional manner, free from interference and with the confidence and support of those it serves.

Program Activity: Complaints Resolution – To successfully resolve complaints about the conduct of military police members as well as complaints of interference with military police investigations.

Financial Resources (\$000)		
Planned Spending	Authorized Spending	Actual Spending
3,434	3,489	2,909
Human Resources (FTEs)		
Planned		Actual
18		16

The Commission derives its authority from Part IV of the *National Defence Act*, which sets out how complaints about the conduct of military police and complaints of interference with military police investigations are to be handled. The previous section detailed the different mechanisms for dealing with both conduct and interference complaints. By statutory direction, the Commission must resolve matters that come before it as informally and expeditiously as circumstances and the consideration of fairness permit.

Workload

The current fiscal year was a busy year. During 2007 – 2008, the Commission monitored the Canadian Forces Provost Marshal's (CFPM) investigation of thirty-eight (38) complaints about military police conduct, eleven (11) complaints from prior to April and twenty-seven (27) new complaints received during the fiscal year. The Commission also received six (6) requests for review of the CFPM's handling of conduct complaints which required an independent investigation by the Commission. There were no new interference complaints received during the year but one interference complaint, received prior to the fiscal year, was completed during the year. In addition, the Commission completed, during the fiscal year, its first public hearing in its brief history. The result was a substantial report targeting areas of key importance such as police training and supervision.

As mentioned earlier, the Commission initiated, just as the year was closing, its second public interest hearing. The complaint concerns allegations of military police misconduct in relation to the handling of Afghanistan detainees. It should also be noted, in events subsequent to the year-end, that the Attorney General of Canada filed a Notice of Application with the Federal Court of Canada challenging the Commission's jurisdiction in this matter.

Results

Monitoring and Investigations

The Commission prepared eleven (11) reports during the fiscal year, six (6) final reports and five (5) interim reports. The number of recommendations in these reports increased significantly (more than double) from the previous year. One hundred percent (100%) of the Commission's recommendations were accepted by the Canadian Forces Provost Marshal or the Chief of the Defence Staff, as was the case in the two previous years. Details are as follows:

- For the public interest hearing completed during the year, it was determined that the complaint was well founded and the findings and recommendations were all accepted by the CFPM.
- The Commission issued five (5) interim reports and six (6) final reports. There were fifty-six (56) findings, twenty-seven (27) in the interim reports and twenty-nine (29) in the final reports. There were sixty-five (65) recommendations made, thirty-one (31) in the interim reports and thirty-four (34) in the final reports. All thirty-four (34) recommendations were accepted. Five (5) of these recommendations addressed the need for corrective measures for individual members and all were responded to positively. The other twenty-nine (29) recommendations addressed the need for changes to and improvements in military police policies and practices. All twenty-nine (29) were accepted and implemented.

Good results don't just happen. The Commission has improved its practices and procedures. It has provided extensive training to its investigators. The Commission's roster of investigators is impressive as well, averaging thirty-four (34) years in law enforcement and police management.

Part-time Commission members are Governor in Council (GIC) appointees and hold office during good behaviour for a term not exceeding five years. The members, as a group, bring to the MPCC experience and expertise in a variety of disciplines including law, law enforcement, and international relations as well as an appreciation of the role and responsibilities of oversight agencies.

The Commission members participate in the achievement of the MPCC mandate and the performance of its activities. Prior to their assignment by the Chairperson to active cases, the members are provided training in the principles, practices and processes of administrative tribunals and administrative law. This training helps to ensure that the members are able to perform their assigned functions and duties at the highest level possible. One of the challenges faced by the Commission is the infrequency of the training provided and the delays caused by this infrequency. To mitigate this challenge, the Commission has developed an in-house mentoring program which allows for a quicker integration of its members.

Once trained, Commission members are assigned cases by the Chairperson based on the Commission's workload, member's availability and linguistic competencies. The members may be required to perform similar duties as would the Chairperson including the review of documents, and the drafting and approving of Final Reports. They take a leadership role and work collaboratively with the Commission lawyers, the Registrar's Office and the Investigators.

Members also participate in the Outreach Program by delivering bilingual presentations during their visits on the Canadian Forces Bases (CFB). During these visits, the Members gain a better understanding and appreciation of the Department of National Defence, the Canadian Forces chain of command and the role of the Military Police. The Members are also provided guided tours of the Military Police detachments / units and included, during one visit, a walk-through of the Military Police Training facilities at CFB Borden. By participating in the Outreach Program, the Members are able to promote and increase the awareness of the MPCC mandate and its activities.

The Commission examined its complaints handling process in an effort to improve timeliness. Processes were changed and a new service standard for the completion of reviews and investigations was established, reducing the target time for either to be completed from 8 months to 5 ½ months. As mentioned in Lessons Learned in Section I, the Commission encountered a growing number of large and complex cases. Some changes have already been made; however, the Commission will develop strategies to address the need for new and innovative solutions to effectively handle the size and complexity of the cases now being received. This will certainly involve revisiting the target timeline for cases of this magnitude. This process is already underway.

The Chair cannot issue a final report in a given case until the appropriate authority within the military or defence hierarchy has provided a response to the Interim Report. The Commission's ability to ensure that cases are resolved in a timely manner is dependent upon the cooperation and collaboration of others. The ongoing dialogue with senior officials in DND and the Canadian Forces, so critical to the overall success of the Commission, appears to be paying dividends as the Commission had 100% of its recommendations accepted in the past year.

Outreach Visits to Canadian Forces Bases across Canada

Base visits, the outreach program, are an integral part of the Commission's operations. They provide the Commission the opportunity to increase the awareness of its mandate and mission and respond to any concerns about the complaints process. The outreach program was extremely active in 2007-08; the number of base visits increased to 8, up from 2 in the previous year. Representatives of the Commission visited the following bases: in Nova Scotia, Halifax and Greenwood, in Quebec, St. Jean and Montreal, in Ontario, Borden and Trenton and in British Columbia, Comox and Esquimalt. The visits were well received and through formal presentations and informal discussions, the Commission was able to reach its key stakeholders (military police, the military chain of command, and those who live, work or pass through a military base) and provide first-

hand knowledge and information on why the Commission exists, how it operates and their rights as military police. Representatives of the Commission at the same time gained an on-site appreciation of the challenging and demanding environment in which the military police operate. Valuable feedback received included:

- identification of common themes, such as concerns about the shortages of on-duty military police personnel;
- the status of Reserve military police;
- a genuine interest in the mandate and the complaints resolution process; and
- suggestions on improving the presentations and dialogue to best meet the needs of specific audiences.

Human Resource Management

The workforce of the Commission has started to stabilize. Efforts by the Commission to create a workplace of choice appear to be working. Turnover has dropped. The need for almost continuous staffing action has diminished. Effective human resource management, especially succession planning, has helped to recruit well-qualified, experienced and dedicated personnel on a timely basis and has done so while meeting the standards of fairness, accessibility and transparency required by the Public Service Commission.

The Commission also employs a variety of partnerships and agreements to acquire skilled resources on a part and full-time basis to supplement its own internal resources. The stability and expertise of the workforce, internal and contracted, are critical elements in the completion of sound investigations and the delivery of quality reports with meaningful recommendations on a timely basis. The Commission continues to work with its human resource services provider to ensure the services provided are complete, timely and accurate.

The Commission has established an effective internal communications regime. A staff meeting is held each month with an emphasis on issues of interest to the staff. Employees are kept up to date on the activities of the Commission and issues of staff concern are addressed and resolved.

Improved Organizational Model

This was the first full year of operations under the Commission's new organizational structure. The alignment of operational and corporate responsibilities between the General Counsel and the Chief of Staff allowed both to concentrate more fully on their individual responsibilities of mandate achievement and corporate services.

Accountability and Compliance

As part of the Commission's effort to ensure the effectiveness of its business practices, the Commission completed an external review of its procurement services, including the engagement of professional investigative services. The review concluded that its "roster"

of professional investigators was working well as a source of investigative services. The review also identified an opportunity - the Commission's web site could provide access to professional investigators who may wish to express an interest in conducting investigations on behalf the Commission. Efforts are currently underway to make these changes to the web-site and provide the Commission with an opportunity to expand or replenish, when needed, its current roster of investigators.

The Commission recognizes and respects the requirements of the central agencies and is doing its utmost to comply with them. The Public Service Commission has publicly acknowledged the strong performance by the Commission in the area of staffing. Compliance with the procurement and contracting requirements of both the Treasury Board and Public Works and Government Services are considered in the acquisition of all goods and services. Compliance information and guidance is given by the finance office to the responsibility and cost centre managers as part of their procurement and contracting activities.

Management practices are improving. The Commission completed the first year of its evergreen program for informatics assets. By planning asset acquisition and disposal more or less evenly over the next several years, the Commission is better able to manage its limited cash resources. Internal financial reporting has improved and has expanded to include recording and reporting of costs related to the Afghanistan Public Interest Hearing. Informatics agreements are being reviewed to ensure the services being provided are necessary and make-or-buy decisions are being made with regards to all aspects of security. Work is still underway concerning the Management Accountability Framework with the current focus on risk management and performance measurement.

SECTION III – SUPPLEMENTARY INFORMATION

Departmental Links to Government of Canada Outcomes

Strategic Outcome: A military police organization that performs its policing duties in a highly professional manner, free from interference and with the confidence and support of those it serves.				
Program Activity	Actual Spending 2007 – 08 (\$000)			Alignment to Government of Canada Outcome Area
	Budgetary	Non-budgetary	Total	
Complaints Resolution	2,909		2,909	maintaining safe and secure communities in Canada and abroad

Table 1: Comparison of Planned to Actual Spending (including FTEs)

(In thousands)	2005-06 Actual	2006-07 Actual	Main Estimates	2007-2008		Actual
				Planned Spending	Total Authorities	
Complaints Resolution	2,703	2,837	3,434	3,434	3,489	2,909
Total	2,703	2,837	3,416	3,434	3,489	2,909
Less:						
Non-Respendable revenue						
Plus: Cost of services received without charge *	154	127		111		111
Net cost of Department	2,857	2,964		3,545	3,489	3,020
Full Time Equivalents	15	16		18		16

**Employer's share of Public Service Insurance Plan; the Commission pays its accommodation costs, included in Complaints Resolution, (\$225 thousand) directly to Public Works and Government Services Canada.*

Table 2: Resources by Program Activity

Program Activity	2007 – 2008 Budgetary (\$000)		
	Operating	Total: Net Budgetary Expenditures	Total
Complaints Resolution			
Main Estimates	3,434	3,434	3,434
<i>Planned Spending</i>	3,434	3,434	3,434
Total Authorities	3,489	3,489	3,489
<i>Actual Spending</i>	2,909	2,909	2,909

Table 3: Voted and Statutory Items

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007 – 2008 (in thousands)			
		Main Estimates	Planned Spending	Total Authorities	Actual
20	Program Expenditures	3,139	3,139	3,306	2,726
(S)	Contributions to employee benefit plans	295	295	183	183
	Total	3,434	3,434	3,489	2,909

Table 4: Services Received Without Charge

(in thousands)	2007 – 2008
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	111
Total 2007 – 2008 services received without charge	111

Table 5: Financial Statements

MILITARY POLICE COMPLAINTS COMMISSION **Statement of Management Responsibility**

Responsibility for the integrity and objectivity of the accompanying financial statements of the Military Police Complaints Commission (Complaints Commission) for the year ended March 31, 2008 and all information contained in these statements rests with the Complaints Commission's management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on managements' best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Complaints Commission's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the Complaints Commission's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the Complaints Commission.

The financial statements of the Complaints Commission have not been audited.

Peter A. Tinsley
Chair

Sylvain Roy
Senior Financial Officer

Ottawa, Canada
Date: August 15, 2008

MILITARY POLICE COMPLAINTS COMMISSION

Statement of Operations (Unaudited)

For the Year Ended March 31

(in dollars)

	2008	2007
Operating Expenses		
Complaints Resolution		
Salaries and employee benefits	1,416,881	1,475,597
Professional and special services	1,126,436	997,668
Accommodation	225,207	148,813
Amortization of tangible capital assets	97,844	41,173
Transportation and telecommunications	97,545	94,734
Utilities, materials and supplies	66,918	66,035
Information	22,058	32,929
Rentals	8,602	10,086
Other	2,385	6,212
Net Cost of Operations	3,063,876	2,873,247

The accompanying notes form an integral part of these financial statements.

MILITARY POLICE COMPLAINTS COMMISSION

Statement of Financial Position *(Unaudited)*

At March 31

(in dollars)

	<u>2008</u>	<u>2007</u>
Assets		
Financial assets		
Accounts receivable and advances (note 4)	123,393	107,154
Non-financial assets		
Tangible capital assets (note 5)	136,502	162,770
TOTAL	<u>259,895</u>	<u>269,924</u>
Liabilities		
Accounts payable and accrued liabilities	328,119	205,520
Vacation pay and compensatory leave	55,499	78,107
Employee severance benefits (Note 6)	254,706	214,637
Total liabilities	<u>638,324</u>	<u>498,264</u>
Equity of Canada	<u>(378,429)</u>	<u>(228,340)</u>
TOTAL	<u>259,895</u>	<u>269,924</u>

The accompanying notes form an integral part of these financial statements.

MILITARY POLICE COMPLAINTS COMMISSION

Statement of Equity of Canada (*Unaudited*)

At March 31

(in dollars)

	2008	2007
Equity of Canada, beginning of year	(228,340)	(454,503)
Net cost of operations	(3,063,876)	(2,873,247)
Current year appropriations used (note 3)	2,908,777	2,836,971
Change in net position in the Consolidated Revenue Fund (note 3)	(106,360)	134,999
Services provided without charge by other government departments (note 7)	111,370	127,440
Equity of Canada, end of year	(378,429)	(228,340)

The accompanying notes form an integral part of these financial statements.

MILITARY POLICE COMPLAINTS COMMISSION

Statement of Cash Flow (Unaudited)

For the Year Ended March 31

(in dollars)

	<u>2008</u>	<u>2007</u>
Operating Activities		
Net cost of operations	3,063,876	2,873,247
Non-cash items:		
Amortization of tangible capital assets	(97,844)	(41,173)
Services provided without charge (note 7)	(111,370)	(127,440)
Variations in Statement of Financial Position:		
Increase (decrease) in receivables and advances and prepaids	16,239	(65,140)
Decrease (increase) in liabilities	(140,060)	243,670
Cash used by operating activities	<u>2,730,841</u>	<u>2,883,164</u>
Capital investment activities		
Acquisitions of tangible capital assets	<u>71,576</u>	<u>88,807</u>
Cash used by capital investment activities	<u>71,756</u>	<u>88,807</u>
Financing Activities		
Net cash provided by Government of Canada	<u>(2,802,417)</u>	<u>(2,971,971)</u>

The accompanying notes form an integral part of these financial statements.

MILITARY POLICE COMPLAINTS COMMISSION

Notes to the Financial Statements (Unaudited)

1. Authority and Objectives

The Military Police Complaints Commission (Complaints Commission) is a quasi-judicial agency, which reports to Parliament through the Minister of National Defence. It is a civilian body, external and independent of the Department of National Defence (DND) and the Canadian Forces (CF). The Commission was established in the fall of 1999 under Part IV of the *National Defence Act* (Sections 250.1 to 250.53). Its mandate is to monitor and review complaints about the conduct of the military police in performance of their policing duties or functions and to deal with complaints of interference in military police investigations.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations

The Complaints Commission is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Complaints Commission do not parallel financial reporting according to Canadian generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

(b) Net cash provided by Government

The Complaints Commission operates within the Consolidated Revenue Fund (CRF) which is administered by the Receiver General for Canada. All cash received by the Complaints Commission is deposited to the CRF and all cash disbursements made by the Complaints Commission are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

(Unaudited)

(c) Change in net position in the Consolidated Revenue Fund

The change is the difference between the net cash provided by Government and appropriations used in a year. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Expenses

Expenses are recorded on the accrual basis:

- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- Services provided without charge by other government departments such as the employer's contribution to the health and dental insurance plans are recorded as operating expenses at their estimated cost.

(e) Employee future benefits

- i. Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Complaints Commission's contributions to the Plan are charged to expenses in the year incurred and represent the total Complaints Commission obligation to the Plan. Current legislation does not require the Complaints Commission to make contributions for any actuarial deficiencies of the Plan.
- ii. Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(f) Accounts receivable and advances

Accounts receivable and advances are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(Unaudited)

(g) Tangible capital assets

All tangible capital assets and leasehold improvements having an initial cost of \$3,000 or more are recorded at their acquisition cost. The Complaints Commission does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Asset Class	Amortization Period
Informatics hardware	3 - 4 years
Software	3 – 5 years
Equipment	3 - 5 years
Leasehold improvements	10 years

(h) Measurement uncertainty

The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary appropriations

The Complaints Commission receives its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Complaints Commission has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(Unaudited)

(a) Reconciliation of net cost of operations to current year appropriations used:

	2008	2007
	(in dollars)	
Net cost of operations	3,063,876	2,873,247
Adjustments for items affecting net cost of operations but not affecting appropriations		
Add (Less):		
Services provided without charge by other government departments	(111,370)	(127,440)
Amortization of tangible capital assets	(97,844)	(41,173)
Other		(2,504)
Decrease (Increase) in employee severance benefits liability	(40,069)	58,190
Decrease (Increase) in vacation pay and compensatory leave liability	22,608	(12,156)
	2,837,201	2,748,164
Adjustments for items not affecting net cost but affecting appropriations		
Add: Tangible capital assets acquisition	71,576	88,807
Current year appropriations used	2,908,777	2,836,971

(b) Appropriations provided and used

	Appropriations Provided	
	2008	2007
	(in dollars)	
Vote 20 - Operating expenditures	3,306,150	3,331,000
Statutory amounts	183,327	208,043
Less:		
Lapsed appropriations: Operating	(580,700)	(702,072)
Current year appropriations used	2,908,777	2,836,971

(Unaudited)

(c) Reconciliation of net cash provided by Government to current year appropriations used

	2008	2007
	(in dollars)	
Net cash provided by Government	2,802,417	2,971,970
Change in net position in the Consolidated Revenue Fund		
Decrease (Increase) in accounts receivable and advances	(16,239)	62,251
(Decrease) Increase in accounts payable and accrued liabilities	122,599	(197,636)
Other adjustments	-	386
	<u>106,360</u>	<u>(134,999)</u>
Current year appropriations used	<u>2,908,777</u>	<u>2,836,971</u>

4. Accounts Receivable and Advances

The following table presents details of accounts receivable and advances

	2008	2007
	(in dollars)	
Receivables from other Federal Government departments and agencies	122,893	106,654
Employee advances	500	500
	<u>123,393</u>	<u>107,154</u>

(Unaudited)

5. Tangible Capital Assets
(in dollars)

Capital asset class	Opening balance	Cost		Closing Balance
		Acquisitions and transfers	Disposals transfers and write-offs	
Informatics hardware	248,594	29,708	-	278,302
Software	-	11,387	-	11,387
Equipment	165,824	14,215	-	180,039
Leasehold improvements	63,511	16,266	-	79,777
Total	477,929	71,576	-	549,505

Capital asset class	Opening balance	Accumulated amortization		Closing Balance
		Amortization and transfers	Disposals transfers and write-offs	
Informatics hardware	148,276	88,484	-	236,760
Software	-	-	-	-
Equipment	165,824	785	-	166,609
Leasehold improvements	1,059	8,575	-	9,634
Total	315,159	97,844	-	413,003

Capital asset class	2008	2007
	Net book Value	Net book Value
Informatics hardware	41,542	100,318
Software	11,387	-
Equipment	13,430	-
Leasehold improvements	70,143	62,542
Total	136,502	162,770

Amortization expense for the year ended March 31, 2008 is \$97,844 (2007 was \$41,173).

6. Employee benefits

a) Pension benefits

The Complaints Commission's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

(unaudited)

Both the employees and the Complaints Commission contribute to the cost of the Plan. The 2007-08 expense amounts to \$133,465 (\$153,325 in 2006-07) which represents approximately 2.1 times (2.2 in 2006-07) the contributions by employees.

The Complaints Commission's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

b) Severance benefits

The Complaints Commission provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	<u>2008</u>	<u>2007</u>
	(in dollars)	
Accrued benefit obligation, beginning of the year	214,637	272,827
Expense for the year	40,069	(58,190)
Accrued benefit obligation, end of the year	<u>254,706</u>	<u>214,637</u>

7. Related party transactions

The Complaints Commission is related as a result of common ownership to all Government of Canada departments, agencies and Crown Corporations. The Complaints Commission enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Complaints Commission received services which were obtained without charge from other Government departments as presented in part (a).

a) Services provided without charge:

During the year, the Complaints Commission received without charge from another department the employer's contribution to the health and dental insurance plans. This service without charge has been recognized in the Complaint Commission's Statement of Operations as follows:

(unaudited)

	<u>2008</u>	<u>2007</u>
	(in dollars)	
Employer's contribution to the health and dental insurance plans	111,370	127,440

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The cost of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the Complaints Commission's Statement of Operations.

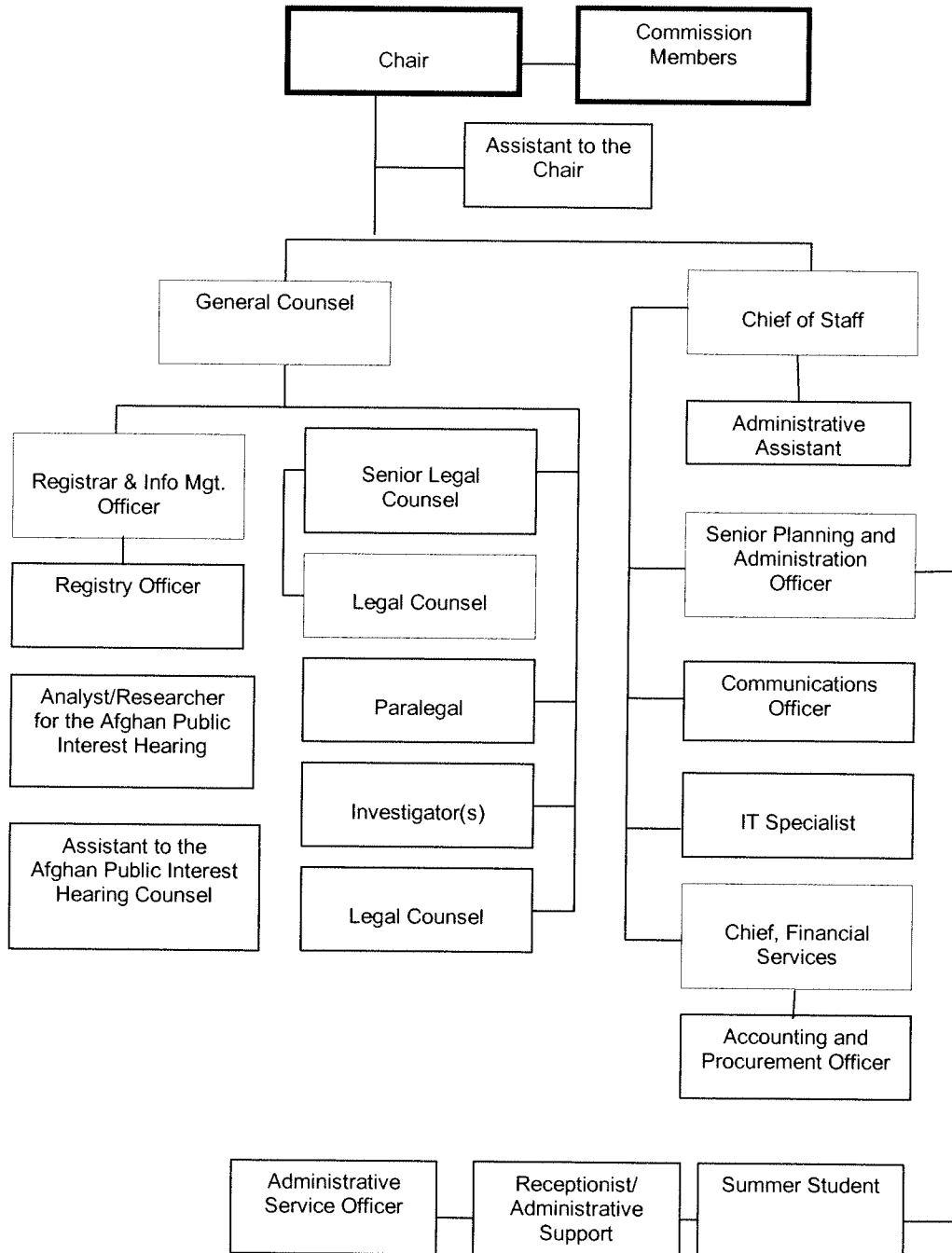
b) Payables outstanding at year-end with related parties:

	<u>2008</u>	<u>2007</u>
	(in dollars)	
Accounts payable to other government departments and agencies	39,303	43,141

SECTION IV – OTHER ITEMS OF INTEREST

Organizational Information

The following organizational chart represents the Commission in relation to the restructuring of its program activities.



How to reach the Commission

- Call our information line:
(613) 947-5625 or toll free at 1-800-632-0566
- Send us a fax:
(613) 947-5713 or toll free at 1-877-947-5713
- Send us a letter:
Military Police Complaints Commission
270 Albert Street, 10th
Ottawa, ON K1P 5G8
- Visit us at the above address for a private consultation – appointments are recommended
- E-mail us:
commission@mpcc-cppm.gc.ca
- Visit our website:
www.mpcc-cppm.gc.ca
- Media inquiries:
(613) 947-5668 or e-mail media@mpcc-cppm.gc.ca