The events surrounding and following the October crisis of 1970 and the revelations growing out of them led in the late 1970s to the formation of the Keable Commission by the Quebec government and of the McDonald Commission by the Federal government, both of which reported in 1981. Also in 1981, the Quebec government released the Duchesne Report on the October crisis. The McDonald Commission recommended that a civilian security intelligence service be established under statute by Parliament. It was to be circumscribed by a number of mechanisms providing for direction, control and review.

The government of the day accepted the major thrust of the McDonald Commission recommendations and, in 1983, based on the work of the Security Intelligence Transition Group, tabled Bill C-157 in the House of Commons. The Bill provoked a critical public outcry and, consequently, a Special Senate Committee chaired by Senator Michael Pitfield was established to examine it. The Special Senate Committee made a number of recommendations for changes to Bill C-157, which the Government adopted when it introduced Bill C-9 in 1984. After tumultuous consideration both in committee and in the House of Commons, Parliament enacted Bill C-9 in June 1984. That Bill is now the CSIS Act and the Security Offences Act, as well as a number of related transitional and consequential legislative provisions.

During its first three years of operation, CSIS ran into a number of difficulties. It was criticized for the slow pace of transition. There were complaints about its language policies and practices. The Security Intelligence Review Committee set out a number of criticisms of CSIS in its first three annual reports. In the *Atwal* case, criminal charges had to be dropped because of irregularities in CSIS's warrant application.

In July 1987, the Solicitor General (the Honourable James Kelleher) appointed an Independent Advisory Team (IAT) headed by Gordon Osbaldeston, a former Clerk of the Privy Council, to advise him on the implementation of SIRC's recommendations concerning counter–subversion and civilianization. In September 1987, the first Director of CSIS, Ted Finn, resigned because of the alleged *Atwal* warrant irregularities and was replaced by Reid Morden, the current Director. In November 1987, the Solicitor General released the Independent Advisory Team's report and announced acceptance of its recommendations.

As CSIS was going through its internal changes, there were also developments internationally. Terrorism, for example, has emerged as a serious concern since the late 1960s. Many international and national conflicts have yielded terrorist incidents. Canada has not been immune to this development. There have been a number of instances where conflicts outside Canada have manifested themselves on Canadian soil, with serious injury and loss of life. This was one reason for the establishment of a Special Senate Committee on Terrorism and Public Safety, under the chairmanship of Senator William Kelly, which published its first report in July 1987. A second such Committee was formed in the present Parliament following an April 1989 hijacking incident on Parliament Hill; it published its report in June 1989.