

B. CSIS Reporting on Operational Activities

Counter Terrorism

The role of the Counter Terrorism (CT) Branch is to advise the government on emerging threats of serious violence that could affect the safety and security of Canadians and of Canada's allies. Whether of domestic or foreign origin, addressing the threat of violence in support of a political, religious or ideological objective continues to be one of the Service's chief priorities.

As discussed in some detail in the Committee's study of CSIS's investigation of Sunni Islamic extremism (*see* pages 4–8), the threats represented by Sunni extremists have been and remained in 2001–2002 a major priority for the CT Branch. CSIS reported no significant changes in operational focus or priorities

in the year under review. Reporting on the threat of terrorism more generally, the Service continues to regard the spread of advanced communication technologies, the ease and speed of international travel and the diffuse nature of terrorist alliances as its greatest challenges. In the Service's view, these factors have rendered "geographic constraints to the spread of terrorism . . . virtually non-existent."

THREAT ASSESSMENTS

CSIS provides threat assessments to departments and agencies within the federal government based on relevant and timely intelligence. CSIS prepares these assessments—dealing with special events, threats to diplomatic establishments in Canada and other situations—either upon request or unsolicited.

CT Threat Assessment Unit produced 795 assessments for government clients—a considerable increase over the previous year's 544

In 2001–2002, the CT Threat Assessment Unit produced 795 assessments for government clients—a considerable increase over the previous year's 544. CSIS attributed the increase to three factors: first, a greater

number of special events (for example, major conferences and diplomatic events); second, increased demand from various departments of government; and third, its own more "proactive stance" to issuing assessments.

Counter Intelligence

The Counter Intelligence (CI) Branch investigates threats to national security caused by the hostile intelligence activities of foreign governments, as well as threats to Canada's social, political and economic infrastructure. The Service reported that the CI Program continues to change with the evolving geopolitical environment.

The Committee had asked the Service for information regarding the impact of the events of September 11 on the CI Branch. The Service provided detailed information to the Committee on the effect of the events of September 11 on the CI Branch's operational activities and deployment of resources. The Service reported on a number of active and successful investigations across the spectrum of CI's activities.

Research, Analysis and Production

As the research and analysis arm of CSIS, the Research, Analysis and Production Branch (RAP) is responsible for producing and disseminating finished intelligence product to the Government of Canada on threats to the security of Canada through such documents as *CSIS Reports*, *CSIS Studies* and *CSIS Intelligence Briefs*. When and where appropriate, RAP intelligence product is also distributed to a broader readership.

Authorized disclosures of information obtained in the performance of CSIS's duties and functions—subject to sections 19(2)(a) through (d) of the *CSIS Act*—are another means by which RAP disseminates intelligence product. RAP reported that in 2001–2002 there were 778 section 19 disclosure reports, a dramatic increase over previous years: namely 307 in 2000–2001 and 101 in 1999–2000.

According to the Service, the rise in numbers was the result of greater sensitivity of CSIS officers in Canada and abroad to section 19 issues, and documents being more effectively disseminated by foreign intelligence services in accordance with exchange arrangements.

In 2001–2002, RAP also produced 83 classified reports compared to 93 the previous year. RAP's intelligence publications generally fall under two categories:

- 1) Public safety reports examine the threat to Canadians at home and abroad from international terrorism.
- 2) National security reports refer to the activities in Canada of other national governments' intelligence services, and global issues such as counter-proliferation and transnational criminal activities.

CSIS also contributes to the wider government intelligence community by participating in the Intelligence Assessment Committee (IAC). This body is made up of senior officials from departments and agencies of the Government of Canada most concerned with intelligence matters. In the year under review, RAP staff wrote or contributed to the writing of eight IAC reports. These reports are distributed to a senior readership across government.

Security Screening

The Service has the authority, under section 13(1) of the *CSIS Act*, to provide security assessments to federal government departments. The Service may also, with appropriate Ministerial approval, enter into arrangements to provide assessments to provincial government departments or provincial police forces, as outlined in section 13(2). Arrangements for providing security screening advice to foreign governments, foreign agencies and international institutions and organizations are authorized under section 13(3).

For federal employment, CSIS security assessments serve as the basis for determining whether an individual should be granted access to classified information or assets. In immigration cases, Service assessments can be instrumental in Citizenship and Immigration Canada's decision to admit an individual into the country and in granting either permanent resident status or citizenship.

SECURITY SCREENING FOR FEDERAL EMPLOYEES

2001–2002 Key Statistics

- The Service received 65 066 requests for security screening assessments for clearance, levels one through three, new upgraded and updated. This number represents a substantial increase from 36 803 in 2000–2001. CSIS attributed the increased volume to government client concern following the events of September 11 and extra prudence in the context of Canadian military operations in the Afghan theatre of operations. Also, 312 requests were for action relating to administrative procedures such as transfers and downgrades.
- This year, CSIS reported on median turnaround times for security screening assessments in two separate categories—DND and Government (*see* Table 1). The Service reported that administrative practices in the client departments accounted for the discrepancies between screening times for DND requests and those for the rest of the government.
- The Branch reported that it had improved turnaround times, which it attributed to government clients expanding their use of the Electronic Data Exchange (EDE). CSIS expects the trend to continue as almost all government departments will have switched to EDE by the end of fiscal year 2002–2003, obviating the need to handle about 6000 cases per year by hand.
- The Service reported that they had completed 4000 government security screening investigations and that another 1376 were still ongoing. Of these

Table 1
Security Screening Turnaround Times

Category	Level	Median length of time (in days)
DND	1 (Confidential)	43
	2 (Secret)	50
	3 (Top Secret)	97
Government	1 (Confidential)	2
	2 (Secret)	30
	3 (Top Secret)	62

requests, the largest number came from the Department of National Defence, followed by the Communications Security Establishment, Canadian Security Intelligence Service, Department of Foreign Affairs and International Trade, Public Works and Government Services, the Privy Council Office and Citizenship and Immigration Canada.

- The Service reported that they received 33 108 requests for assessments under the Airport Restricted Access Area Clearance Program (ARAACP). This number represents a 10.8-percent decrease in requests for security assessments reported by CSIS last year, because the Service completed most of the clearances required for this program in the previous fiscal year. The median turnaround time for ARAACP requests is 15 days.
- There were 20 803 requests for security assessments related to “site access,” of which only 2954 were from federal government clients. The significant increase in the number of these security assessments is attributed to the fact that the Canadian Nuclear Safety Commission enacted order #01-1 on October 19, 2001 for enhanced security measures, including security screening by CSIS of all employees at nuclear power facilities.
- The Service reported that their security screening investigations resulted in 26 information briefs and one denial brief.
- With the RCMP acting as intermediary, the Service received 214 requests for accreditation to access the Parliamentary Precinct and 16 781 requests for accreditation to special events and functions to which access is controlled.

IMMIGRATION SECURITY SCREENING PROGRAMS

Under the authority of sections 14 and 15 of the *CSIS Act*, the Service conducts security screening investigations and provides advice to the Minister of Citizenship and Immigration Canada (CIC). Generally speaking, the Service's assistance takes the form of information-sharing on matters concerning threats to the security of Canada as defined in section 2 of the *CSIS Act* and the form of "assessments" with respect to the inadmissibility classes of section 19 of the *Immigration Act*.

APPLICATIONS FOR PERMANENT RESIDENCE FROM WITHIN CANADA

The Service has the sole responsibility for screening immigrants and refugees who apply for permanent residence status from within Canada. In 2001–2002, the Service received 45 902 such screening requests.¹ Of these requests, 26 735 were immigration applications and 12 226 came through the Refugee Determination Program.

The time required for the Service to issue its recommendations based on an immigration application differs considerably based on how the application was filed. Those applications filed using the EDE took a median of 77 days, whereas those filed on paper took a median of 159 days. The average number of days for the Service to respond was 86.

APPLICATION FOR PERMANENT RESIDENCE FROM OUTSIDE CANADA

Immigration and refugee applications for permanent residence that originate outside Canada or the United States are managed by the Overseas Immigrant Screening Program under which the Service shares responsibility for security screening with CIC officials based abroad. Generally, CSIS only becomes involved in the screening process either upon being requested to do so by the Immigration Program Manager (IPM) or upon receiving adverse information about a case from established sources. This division of labour allows the Service to concentrate on the higher-risk cases.

In 2001–2002, the Service received 28 775 requests to screen refugee and immigration applications initiated outside of Canada. Of these, CSIS reported that 7155 were referred to SLOs for consultation.

NATURE OF CSIS ADVICE TO CIC

Immigration requests for security screening resulted in 415 briefs from CSIS to CIC—282 inadmissible briefs and 133 information briefs. Of those requests, the

1. This number includes the 6941 cases that originated from the United States, an increase of 1624 from 2000–2001.

HOW CSIS PROVIDES ADVICE TO CITIZENSHIP AND IMMIGRATION CANADA

CSIS is solely responsible for providing security screening assessments for immigration applications originating in both Canada and the United States. For immigration applications originating elsewhere, it is up to the Immigration Program Manager (IPM) at the Canadian overseas mission concerned to request a security screening assessment. In either case, regardless of the advice CSIS gives to CIC, the final decision on any potential immigrant's admissibility rests with the Minister of Citizenship and Immigration.

A typical investigation begins when the Service receives a request for immigration security screening from either a Case Processing Centre in Canada or an IPM at a Canadian mission overseas. The investigation ends when the Service provides its advice to CIC in one of four forms:

No Reportable Trace (NRT)—a report given to CIC when the Service has no adverse information on the immigration applicant.

Inadmissible Brief—advice provided when the Service has concluded, based on information available to it, that the applicant meets the criteria of inadmissibility outlined in the security provisions of section 19 of the *Immigration Act*.

Information Brief—advice provided by CSIS that it has information that the applicant is or was involved in activities as described in the security provisions of the *Immigration Act*, but that it is of the opinion that the applicant does not fall into the class of persons deemed to be inadmissible under the Act.

Incidental Letter—provided to CIC when the Service has information that the applicant is or was involved in nonsecurity-related activities described in section 19 of the *Immigration Act* (for example, war crimes or organized criminal activity) or any other matter of relevance to the performance of duty by the Minister of Citizenship and Immigration, as set out in section 14(b) of the *CSIS Act*.

average time required for a “no reportable trace” (NRT) was 55 days, for an information brief 401 days and for an inadmissible brief 498 days. In the latter two categories, the figures represent a significant improvement over the previous year, which were 661 days and 644 days, respectively. For applications under the Refugee Determination Program, information briefs required 355 days on average and inadmissible briefs 433 days.

The Service reported reduced turnaround times for security screening assessments as compared to the previous year. This improvement is attributed to the fact that more clients are using the EDE software, including several foreign immigration posts. Also, the Service sent 50 “incidental letters” to CIC.

CITIZENSHIP APPLICATIONS AND THE WATCH LIST

As part of the citizenship application process, the Service receives electronic trace requests from CIC’s Case Processing Centre in Sydney, NS. The names of citizenship applicants are cross-checked against the names in the Security Screening Information System database. The Service maintains a Watch List, which is made up of individuals who have come to the attention of CSIS through, *inter alia*, TARC-approved investigations.

In 2001–2002, the Service reviewed 144 346 citizenship applications for CIC. Of these, 2 resulted in inadmissible briefs and 129 in information briefs. In 10 instances the Service sought Ministerial approval to defer its advice.

FRONT-END SCREENING PROGRAM

The Front-End Screening Program is a recent government initiative through CIC, to ensure that all refugee claimants arriving in Canada are subject to a screening process similar to that for applicants for permanent residence. The aim of the program is to identify potential security and criminal cases in the refugee claimant stream as early as possible in the determination process.

In the four months of operation, between November 25, 2001 and March 31, 2002, the Service received 5522 cases from CIC for processing.

SCREENING ON BEHALF OF FOREIGN AGENCIES

The Service may enter into reciprocal arrangements with foreign agencies to provide security checks on Canadians and other individuals who have resided in Canada. For 2001–2002, the Service reported that 1908 screening checks were done on behalf of foreign agencies. Of these, 91 resulted in either field investigations, information briefs or recommendations for rejection. These statistics compare to last year’s 995 and 66, respectively.

Three reasons were given by the Service to explain the sharp rise. First, following the events of September 11, the demand for security screenings increased in all categories; second, requests for foreign agency screenings typically increase during any year in which the Olympic Games are staged; and third, the Screening Branch cleared a backlog of immigration cases late in the fiscal year under review.

CSIS Funding Following Events of September 11

In its December 2001 budget, the government allocated an additional \$7.7 billion for the purpose of enhancing the personal and economic security of Canadians. Of this total, \$1.6 billion was to augment the nation's capacity for intelligence-gathering and policing. Beginning almost immediately after the events of September 11 and extending into future years, CSIS received authorities for increased spending of 30 percent for fiscal year 2001–2002 with smaller increments in subsequent years. By fiscal year 2006–2007, the Service's budget will have increased by 36 percent over the level in fiscal year 2000–2001.

Beginning almost immediately after the events of September 11, CSIS

The Committee sought and received briefings and other detailed, classified information from the Service on various elements of its spending plans. The

received authorities for increased spending of 30 percent

The Service intends to increase its staff complement by 283 full-time positions and channel more resources to carrying out the increased volume of security clearances for various government clients. The new funds will also be used to upgrade and replace technical equipment and information systems.

On how it intends to use its new resources, CSIS stated in its most recent public annual report:

The additional resources, both human and financial, will allow the Service to broaden its daily activities and inject more flexibility into its choices of intelligence operations. Priority investigations will be maintained and areas reduced to address the priority threat will return to a full investigative posture.²

The Committee will continue to inform itself on the issue as the new funds come on stream in future years.

2. *CSIS 2001 Public Report*, Ottawa, 2002, p. 18.

