



Canadian
Security
Intelligence
Service

Public Report 2005-2006



Public Contact

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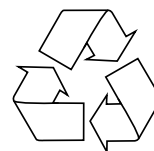
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At home and abroad, in 2005–06 Canada and Canadians continued to face many security threats, which showed no signs of abating.

- > In the London transit bombings of July 7, 2005, there were no Canadian casualties. The incident, however, killed 52 people, injured over 700 and provided another serious reminder to the Western world of the growing threat of radicalized citizens. All four suicide bombers were British citizens, and three of them had been born in the United Kingdom.
- > On August 15, 2005, a roadside bomb exploded near the Sinai military base where international troops were stationed to monitor the peace accord between Egypt and Israel. Two Canadian peacekeepers were wounded.
- > In October 2005, terrorist bombings in Bali, Indonesia, killed 26 and wounded 129, including three Canadians.
- > Four members of the Christian Peacemakers Team (one American, one Briton and two Canadians) were kidnapped in Baghdad on November 26, 2005. The American hostage was killed in February 2006. A joint military operation freed the remaining hostages on March 23, 2006. CSIS assisted in the efforts to locate the hostages.
- > On January 23, 2006, a suicide bombing killed Canadian diplomat Glyn Berry and injured three Canadian soldiers in Kandahar, Afghanistan.

One Canadian was awaiting trial in Ottawa on charges connected with a terrorist bombing conspiracy in the United Kingdom, and four foreign nationals were held on security certificates.

The threat of terrorism from religious extremists posed the most immediate danger to Canada and Canadians in 2005–06. At the same time, other sources of threat persisted: espionage, efforts by foreign interests to interfere in Canadian affairs, the proliferation of weapons of mass destruction and some domestic threats to security.

CSIS operations— results for 2005–06

Worldwide terrorist attacks continued in 2005–06, and counter-terrorism remained CSIS' top priority during this period. The Service focussed much of its efforts on investigating terrorist threats to Canada and its interests - both domestically and abroad - and on ensuring that Canada was not used to support or stage such attacks elsewhere. For example:

- > During the year, a main focus of CSIS was terrorism inspired by the ideology of al-Qaeda, and the issue of radicalization of citizens or residents of Western countries.
- > Terrorism represented a major threat to Canadian military and other personnel deployed in Afghanistan. Most worrisome was a marked increase in the use of suicide bombings, including against members of the Canadian Forces. CSIS provided intelligence support to the Department of National Defence for the protection of Canadian soldiers in Afghanistan. This intelligence helped save lives, provided advance warning of attacks, and contributed to the recovery of munitions and to the capture and arrest of suspected terrorists.
- > CSIS also assisted efforts to recover Canadian hostages in Iraq.

Apart from counter-terrorism efforts, CSIS investigated cases in which foreign governments or organizations tried to interfere with, manipulate or gain control of communities of different ethnic or cultural backgrounds in Canada. Other priorities in 2005–06 included investigating threats to Canada's economic security and critical infrastructure, and safeguarding the confidential information of the Government of Canada from espionage by foreign governments.

As part of this work, CSIS produced 360 threat assessments, 26 intelligence briefs, 10 reports and 17 studies¹, and it shared these with other government departments and agencies. In addition, during 2005–06 the recently created Government of Canada Integrated Threat Assessment Centre (ITAC)—which is housed at CSIS—issued 98 threat assessments and redistributed 382 others produced by ITAC's allied intelligence agency counterparts.

1 See Annex A for definitions of these and other terms.

In 2005–06, CSIS provided advice to Citizenship and Immigration Canada and the Canada Border Services Agency on immigration matters, including refugee claimants, permanent residence applications, citizenship applications and visitor visas. CSIS also provided advice to CBSA regarding the Ports of Entry program.

CSIS provided security assessments for government workers requiring clearances, as well as site access programs. CSIS participated in the process of creating a list of terrorist entities, and investigated terrorist financing and threats posed by weapons of mass destruction and conventional arms.

Table 1:
CSIS Government Screening *

	2004–05	2005–06
Requests from DND	9,100	9,200
Requests from other departments/agencies	27,400	32,900
TOTAL	36,500	42,100
Assessments issued to DND	9,000	8,900
Assessments issued to other departments/agencies	27,600	28,900
TOTAL	36,600	37,800

* Figures have been rounded to the nearest 100.

CSIS provides security assessments to federal departments and agencies, which are then responsible for granting or denying clearances in accordance with the *Government Security Policy*. In 2005–06, CSIS issued 19 information briefs reporting information of an adverse nature, and issued 1 denial brief.

Table 2:
CSIS Site Access Screening Programs *

	2004-05	2005-06
Parliamentary Precinct	1,100	1,000
Airport Restricted-Access Area	31,100	37,600
Nuclear Facilities	6,800	10,600
Free and Secure Trade (FAST)	21,500	3,100
Special Events Accreditation	1,800	5,600
Other Government Departments	2,300	2,400
TOTAL	64,600	60,300

* Figures have been rounded to the nearest 100.

CSIS also provides site-access screening. A site-access clearance allows an individual to enter certain secure areas within installations or provides accreditation for special events. In 2005-06, CSIS received over 60,000 requests for this type of screening and provided four information briefs to requesting agencies.

In addition, CSIS vets applications and provides advice to Citizenship and Immigration Canada, as well as the Canada Border Services Agency, to support the processing of refugee claims or applications for immigration or citizenship. CSIS' authority in this regard is provided under sections 14 and 15 of the *CSIS Act*.

In 2005-06, CSIS received approximately 92,000 requests under various immigration screening programs. CSIS issued 232 information briefs and 117 inadmissibility briefs, as well as 12 incidental letters.

Table 3:
Immigration Screening

	Requests ¹		Briefs	
	2004-05	2005-06	2004-05	2005-06
Within and outside Canada	56,100	63,200	88	133
Front-end screening ²	22,900	17,100	184	89
Refugee ³ determination	14,200	11,700	110	127
SUBTOTAL	93,200	92,000	382	349
Citizenship applications	161,200	308,000	124	120
TOTAL	254,400	400,000	506	469

¹ Figures have been rounded to the nearest 100.

² Represents individuals who arrive at the Canadian border claiming refugee status.

³ Represents refugees (as defined by the *Immigration and Refugee Protection Act*) who apply from within Canada for permanent resident status.

In 2005-06, CSIS vetted over 36,000 applications from foreign nationals for temporary resident or visitor visas.

CSIS began participating in the Free and Secure Trade (FAST) program in 2005-06. This is a joint Canada-U.S. initiative, administered in Canada by the Canada Border Services Agency. CSIS conducted over 3,000 security assessments of truck drivers who applied for a FAST border pass.

CSIS also responds to inquiries under the *Access to Information Act* and the *Privacy Act*. Table 4 represents the number of requests CSIS received under these acts in the previous two fiscal years.

Table 4:
Requests for Release of Information

	2004-05	2005-06
<i>Access to Information Act</i> requests	98	107
<i>Privacy Act</i> requests	353	394

Privacy Act requests accounted for the largest proportion of requests for release of information in 2005-06.

Inside **CSIS**

Agenda of Internal Change

Historically, CSIS' organizational structure has been functionally divided into four main program areas: Counter Intelligence, Counter Terrorism, Counter Proliferation and Security Screening. The changing threat environment, particularly after September 11, 2001, necessitated that CSIS gradually add to these programs. The result was a less-than-optimal organizational structure for CSIS operations. For the 2005-2006 CSIS organizational chart, see Annex C.

In late 2005, CSIS' Executive Committee launched a realignment exercise to enhance the Service's operational capacity. A Realignment Committee was formed, with representatives from all Branches of the Service and two of its Regions. The committee was mandated to develop a more streamlined organizational structure that would increase our analytical capacity.

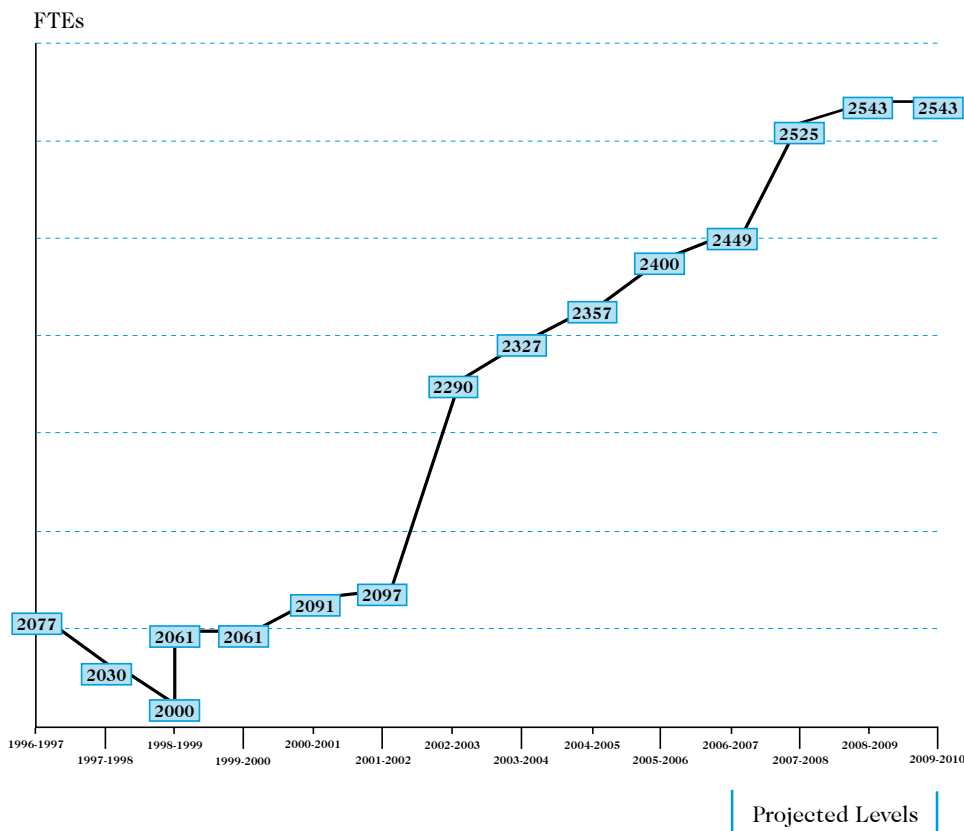
Our People

In 2005-06, CSIS had 2,400 full-time equivalent (FTE) employees. Our workforce consists of intelligence investigators and analysts, surveillants, information management and technical specialists, security screening investigators, translators and interpreters. We also have staff performing standard corporate management and support functions.

Table 5:
Focus on CSIS Workforce, 2005-06

No. of FTEs	2,400	
Average age of CSIS employees	42 years	
% of bilingual employees (English and French)	66%	
% of intelligence officers who speak a language other than English or French	34%	
% of women	48.3%	
% of CSIS managers from Intelligence Officer job stream	76.5%	

Figure 1:
CSIS Human Resources



Recruitment and Training

The realignment exercise of 2005–06 was an opportunity to examine and address demographic issues. Like many other employers, CSIS needs to manage the approaching retirement of ‘baby boomers’, and the loss of their knowledge and experience. The Service needs to invest more in the training and development of younger staff members; with less time in the organization than their predecessors had, they must be as well-equipped as possible for greater responsibilities. Another priority is recruiting a new generation of intelligence professionals reflecting the current demographic realities of Canada.

In 2005–06, CSIS participated in 52 career fairs, gave 115 information sessions about intelligence officer positions and participated in 10 special recruitment events (receptions and cultural events).

CSIS offered staff a broad range of courses in 2005–06: operational training for intelligence officers, including ongoing cross-cultural education; more general management and professional development training; and informatics courses for general employees and technical specialists.

CSIS hosts a regular “lunchtime theatre series” for employees, with outside speakers and some in-house experts sharing their knowledge and encouraging discussion. Topics covered in 2005–06 included:

- > the structure of al-Qaeda;
- > a look at terrorism in the future;
- > the O’Connor Commission;
- > modern cryptography;
- > the Integrated Threat Assessment Centre;
- > life as a foreign collection officer; and
- > building bridges with ethnic communities.

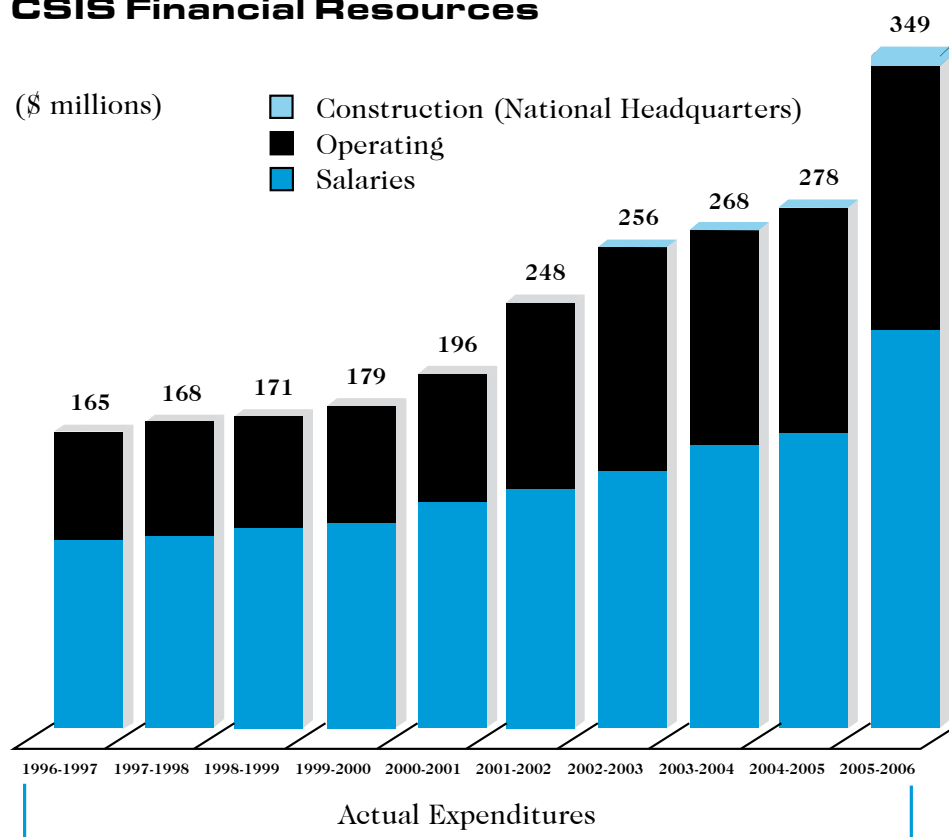
The Regions

Approximately half of CSIS’ workforce is located in our Regions. The Service has six regional offices: Atlantic, Quebec, Ottawa, Toronto, Prairie and British Columbia.² Together with their district offices, these bring CSIS operations to all geographic areas of Canada.

2 See Annex D for a list of CSIS regional offices and their locations.

Focus: Toronto Region

- > *Toronto Region is the largest of CSIS' regional operations. Its offices are located in downtown Toronto.*
- > *The geographic area of responsibility extends from Windsor in the west to Belleville in the east and the Muskoka/Haliburton area in the north. It covers five Points of Entry: Pearson International Airport (Canada's busiest airport), Windsor, Niagara Falls, Fort Erie and Sarnia.*
- > *In May 2005, CSIS marked the official opening of its Niagara District Office in Niagara Falls, Ontario.*
- > *In 2005-06, Toronto Region operations focused primarily on the issue of radicalization of citizens or residents of Canada.*
- > *Toronto Region is particularly active in its outreach activities. It sends representatives to cultural associations, citizens' groups and other non-governmental organizations to talk about CSIS' role in national security.*
- > *During 2005-06, Toronto Region personnel were actively involved in five job fairs, held 10 information sessions to recruit for intelligence officer positions, and participated in numerous informal meetings with community and cultural associations.*
- > *In addition, Toronto Region representatives took part in formal meetings organized by the Coalition of Muslim Organizations, the Canadian Muslim Lawyers Association and the RCMP Citizens' Academy.*

*Financial Resources***Figure 2:
CSIS Financial Resources**

CSIS' financial resources have increased since 2001-02 as a result of new funding for public safety and anti-terrorism initiatives allocated in the December 2001 federal budget. In addition, CSIS received resources for its part in the Government of Canada's Marine Security Initiatives and the Canada-U.S. Smart Borders Declaration.

In 2005-06, the CSIS budget increased significantly as a result of the inclusion of Employee Benefit Plan costs; these were not previously paid out of the Service's appropriation. Additional funding was provided to augment CSIS' foreign collection capabilities and administer the Integrated Threat Assessment Centre.

Construction costs shown from fiscal years 2002-03 to 2005-06 represent expenditures associated with the project definition stage of a planned expansion of the National Headquarters building.

Public communications

CSIS significantly increased efforts to communicate with Canadians during 2005–06.

The Service handled almost 400 media inquiries in the year. CSIS spokespersons appeared on television and radio news shows to talk about the Service and encourage young people to consider a career with CSIS.

The CSIS Web site received more than 4.6 million views during 2005–06.

Through speeches, appearances before parliamentary committees and meetings with families of the victims of Air India Flight 182, the Director provided Canadians with information about what CSIS does and does not do, listened to their concerns about the Service, and answered questions about CSIS.

CSIS outreach efforts in 2005–06 included:

- > informal meetings with members of Canada's academic and ethno-cultural communities;
- > responses to invitations from other government departments, women's groups, non-governmental organizations and universities;
- > meetings with Canadian business leaders;
- > participation in regional events of the Cross-Cultural Roundtable on Security; and
- > attendance at career fairs and recruiting events at universities and community festivals.



Table 6:
CSIS Web Site

Item(s) viewed	Number of views*
Web site	4,677,300
Backgrounders	104,500
"Security Screening"	13,600
<i>Commentary</i>	206,200
<i>Perspectives</i>	84,800
Recruitment information and job postings	1,308,500

* Figures have been rounded to the nearest 100.

CSIS in the headlines, 2005-06

- > **How CSIS 'tool box' broke up terror cell: Ressam's network**
National Post, April 26, 2005
- > **Brief: Africa ripe for al-Qaeda: report**
Edmonton Journal, May 9, 2005
- > **Canada prime recruiting turf for al-Qaeda, CSIS report says**
Canadian Press, May 15, 2005
- > **Al-Qaïda représente une menace directe pour le Canada, selon le SCRS**
Nouvelles Télé-Radio, May 15, 2005
- > **Canada needs overseas spy network, says CSIS watchdog: Country's national security being left in hands of foreign agencies**
Ottawa Citizen, May 23, 2005
- > **Terrorists tap technology to leave spies in the cold: CSIS says old laws make it harder to track subjects**
CanWest News Service, August 8, 2005
- > **La prison n'altère pas les sombre desseins des terroristes, selon le SCRS**
Presse canadienne service français, September 10, 2005
- > **Le patron du SCRS croit que le conflit en Irak augmente l'insécurité mondiale**
Nouvelles Télé-Radio, October 21, 2005
- > **Our spooks come out of the closet**
Globe and Mail, October 31, 2005
- > **Brief: Detained terrorist suspect still a threat, CSIS tells bail hearing**
CanWest News Service, November 3, 2005
- > **CSIS warns al-Qaeda encouraging attacks in Afghanistan: Canadian troops in Kandahar**
CanWest News Service, February 1, 2006



Annex A: **Glossary of Terms**

CSIS Report: One of several types of classified strategic intelligence assessments prepared by CSIS to inform the government about the entire range of threats to the security of Canada. Based on all-source information—including a range of open-source and classified information—the CSIS Report provides a broad, in-depth review of the issue. (CSIS discontinued production of the CSIS Report at the end of 2005–06, focusing instead on the CSIS Study.)

CSIS Study: Differs from the CSIS report in that it offers an assessment of a threat in its entirety.


Denial brief: Advice issued by CSIS recommending to a requesting agency that a security clearance or site access be denied to an individual.

Foreign intelligence: Section 16 of the *CSIS Act* allows CSIS to collect foreign information or intelligence relating to the capabilities, intentions or activities of any foreign state or group of foreign states, or anyone other than a Canadian citizen, permanent resident or a Canadian corporation. CSIS can collect foreign intelligence only in Canada, at the request of the Minister of Foreign Affairs or the Minister of National Defence under the *CSIS Act*.

Foreign operations: Activities of CSIS employees stationed outside Canada, and the collection of threat-related information overseas.

Inadmissibility brief: Advice issued to Citizenship and Immigration Canada and to the Canada Border Services Agency regarding the potential inadmissibility of an applicant under the security provisions of the *Immigration and Refugee Protection Act*.

Incidental letter: Advice issued to Citizenship and Immigration Canada and to the Canada Border Services Agency when CSIS has information about an applicant who is or has been involved in non-security-related activities defined under the *Immigration and Refugee Protection Act*.



Information brief: Advice issued in a government screening case when CSIS has information that could have an impact on the requesting agency's decision to grant an applicant a security clearance or site access. It is also provided in immigration screening cases when CSIS has information that an applicant is or was involved in activities that bear consideration when determining admissibility for entry into Canada.

Intelligence brief: A classified report prepared by CSIS based on all-source information, including a broad range of open-source and classified information. Unlike the CSIS report or study, this is a short assessment that addresses a specific facet of a threat and is more time-sensitive.

National security: While the *CSIS Act* does not define national security per se, it does define threats to national security very specifically (section 2):

- > espionage or sabotage directed against Canada or its interests;
- > foreign-influenced activities within Canada that are detrimental to its interests;
- > activities involving the threat or use of serious violence against persons or property for the purpose of achieving a political, religious or ideological objective within Canada or a foreign state; and
- > activities directed toward undermining by covert unlawful acts or destroying or overthrowing Canada's constitutionally established system of government.

Security intelligence: The product resulting from the collection, collation, evaluation and analysis of information regarding security threats. It provides government decision-makers with insight into activities and trends at the national and international levels that can have an impact on the security of Canada. This insight allows decision-makers to develop suitable policy anticipating possible threats. Regardless of its source, security intelligence provides value by supplementing information already available from other government departments, open sources such as the Internet, or the media.

Threat assessment: Information concerning a potential threat to national security, issued by CSIS or ITAC to the intelligence community, law enforcement agencies and other organizations.

Annex B:

Accountability and Review

CSIS is one of the most open and reviewed security organizations in the world. It is subject to a system of control and review mechanisms and processes, prescribed by the *CSIS Act*:

- > **Minister of Public Safety:** The Minister is responsible to Parliament for CSIS as a whole and for its general direction. The Minister issues policy guidelines concerning operational procedures, is informed of security operations and problems, and approves cooperative agreements and relationships with foreign agencies.
- > **Deputy Minister of Public Safety:** The Deputy Minister provides advice to the Minister on general direction to CSIS, and monitors how CSIS implements this direction.
- > **Director of CSIS:** The Director of CSIS is accountable to the Minister for the management and control of CSIS. The Director submits periodic reports on CSIS activities to the Minister, and chairs internal committees mandated to enhance the organization's management and accountability. One of these committees has direct responsibility for, and authority over, CSIS' use of intrusive investigative techniques.
- > **Inspector General:** The Inspector General is appointed by the Governor in Council to monitor CSIS' compliance with operational policies, review its operational activities and issue a certificate indicating the degree of satisfaction with the Director's annual operational report. The certificate and the report are forwarded to the Security Intelligence Review Committee. At the request of the Minister or SIRC, the Inspector General may conduct a review of specific CSIS activities. The Inspector General has access to all information under CSIS' control, except for Cabinet confidences.
- > **Security Intelligence Review Committee:** SIRC is appointed by the Governor in Council to review how CSIS performs its functions and to investigate complaints against the Service. The Committee also investigates complaints filed by individuals denied security clearances, and reviews reports concerning immigration applications and citizenship applications rejected on security or criminal grounds. To fulfill its responsibilities, the Committee has access to all information under CSIS' control, except Cabinet confidences. SIRC informs the Minister of Public Safety of its investigation findings on an ongoing basis, and produces an annual report tabled by the Minister in Parliament.

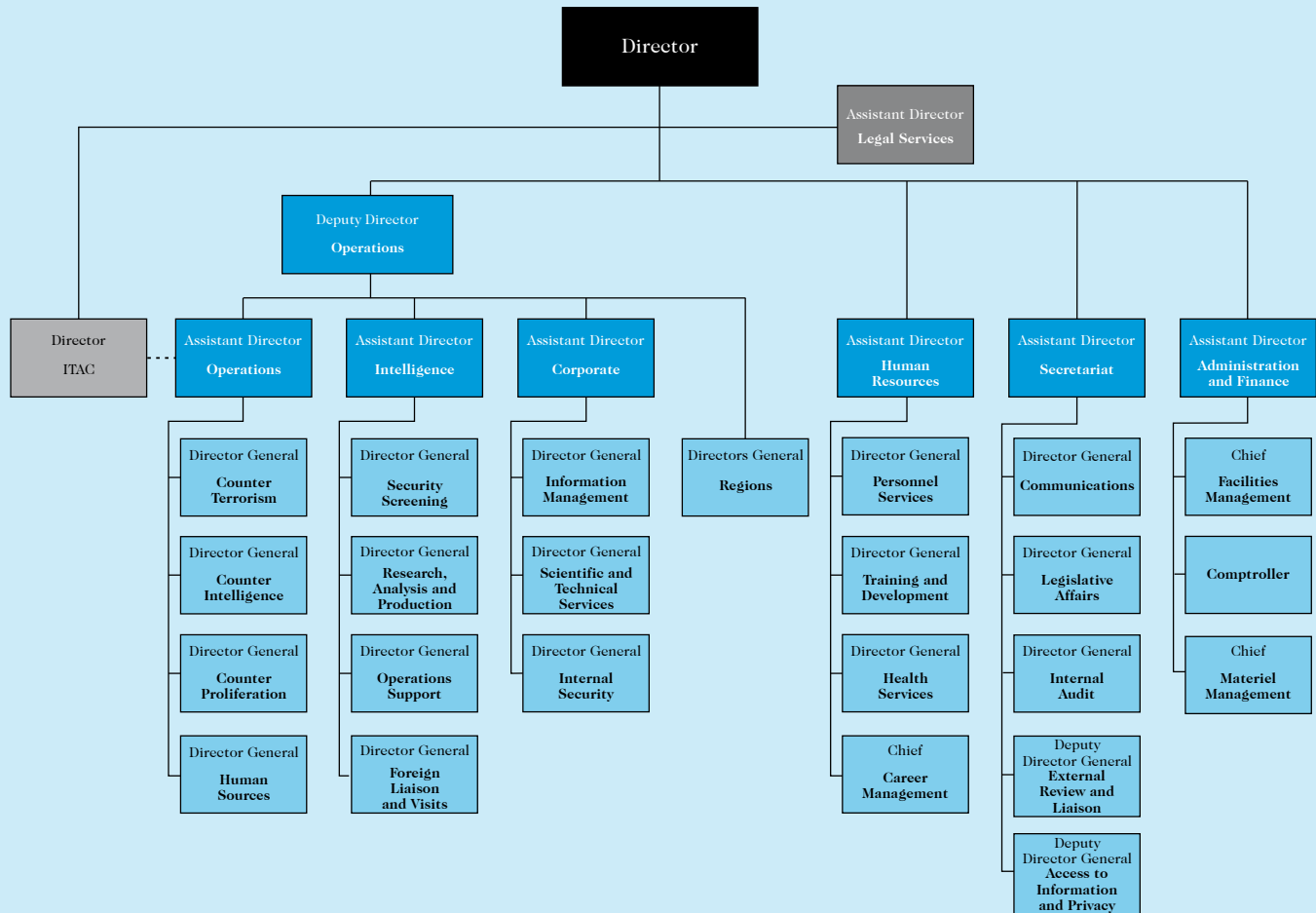
- > **Federal Court:** The power to authorize intrusive investigation techniques rests solely with the Federal Court of Canada. Before such an authorization can be made, CSIS must provide solid justification for the proposed use of these techniques in a warrant application, which is reviewed by a senior CSIS committee chaired by the Director and composed of representatives from the departments of Justice and Public Safety.

If the committee endorses the application, it is then submitted to the Minister of Public Safety for approval. Only after receiving the Minister's approval is the warrant application, in the form of an affidavit, submitted to a judge of the Federal Court for a decision.

- > **Public Report:** CSIS provides information to Parliament and the public through the CSIS Public Report, which gives an assessment of the current security intelligence environment. The Public Report seeks to increase awareness of CSIS functions and procedures, and to dispel some of the myths surrounding security intelligence work. CSIS also issues a classified report to the Minister of Public Safety each year, giving a detailed assessment of the security intelligence environment.

In addition, CSIS activities are reviewed by outside bodies such as the Office of the Auditor General and commissioners dealing with access to information, privacy and official languages.

Annex C: CSIS Organization



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