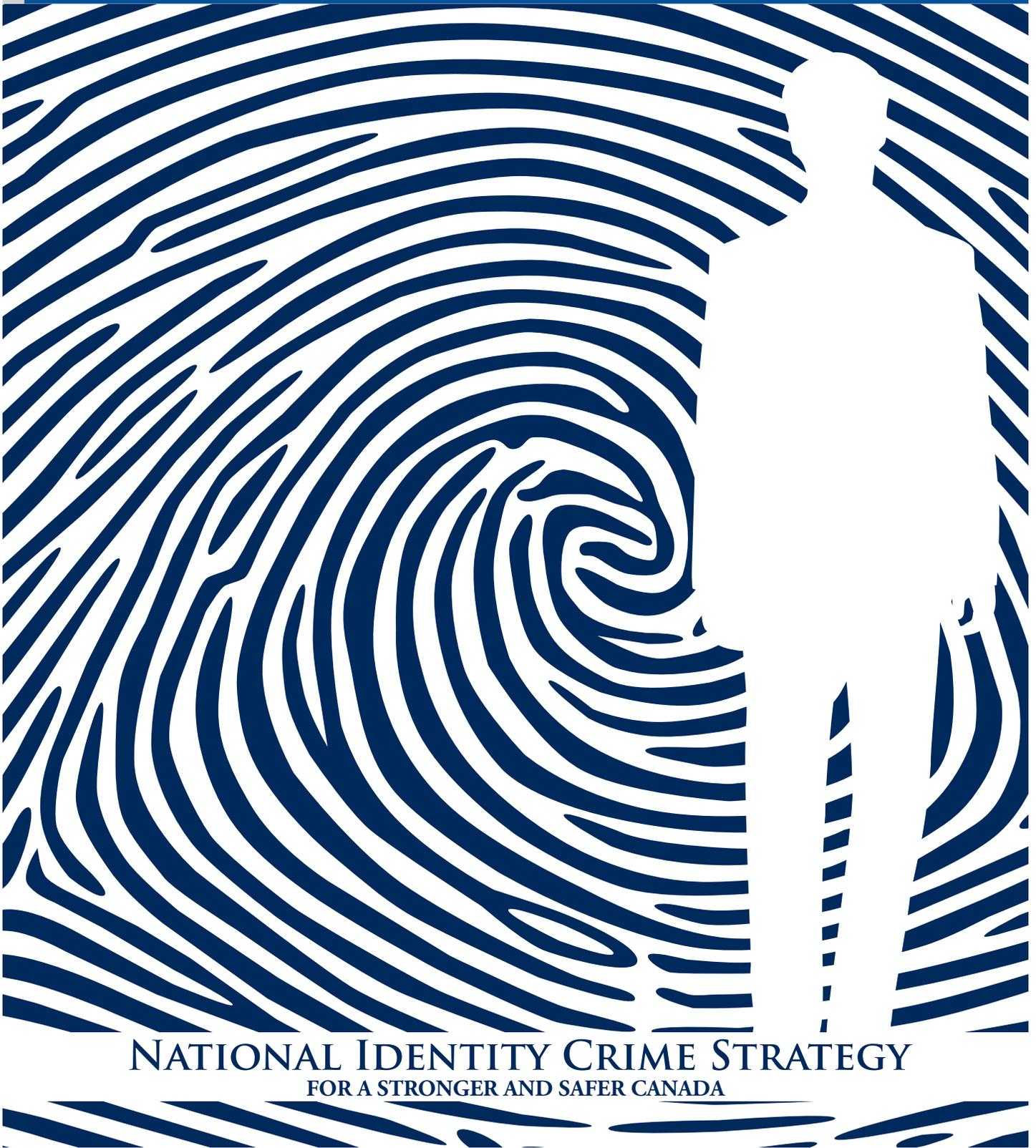


RCMP



ROYAL CANADIAN MOUNTED POLICE



NATIONAL IDENTITY CRIME STRATEGY FOR A STRONGER AND SAFER CANADA



Royal Canadian Mounted Police Gendarmerie royale du Canada

Canada

THIS DOCUMENT ILLUSTRATES THE ESSENTIAL FRAMEWORK AND KEY SUCCESS FACTORS REQUIRED FOR CANADIANS TO ACHIEVE AN INTEGRATED AND COLLABORATIVE APPROACH TO COMBAT IDENTITY CRIME SO THAT THEY CAN GO ABOUT THEIR LIVES FREELY AND WITH CONFIDENCE.

**THE ROYAL CANADIAN MOUNTED POLICE GRATEFULLY
ACKNOWLEDGES THE FOLLOWING AGENCIES FOR THEIR SIGNIFICANT
INPUT AND CONTRIBUTION TO THE NATIONAL IDENTITY CRIME
STRATEGY**

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Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)
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Ottawa Police Services (OPS)
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Public Safety Canada (PSC)
Service Canada
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DEFINITIONS AND TERMS

Identity Crime: a generic term used to describe all forms of illicit conduct (unlawful activity) involving identity including but not limited to ID theft and ID fraud.

Identity Theft: is defined as obtaining and possessing identity information with the intent to use the information deceptively, dishonestly or fraudulently in the commission of a crime. Criminal Code Section 402.2 (1) Everyone commits an offence who knowingly obtains or possesses another person's identity information in circumstances giving rise to a reasonable inference that the information is intended to be used to commit an indictable offence that includes fraud, deceit or falsehood as an element of the offence.

Identity Fraud: is the actual deceptive use of the identity information of another person (living or dead) in connection with various frauds (including for example personating another person and the misuse of debit card or credit card data). Criminal Code Section 403.(1) Everyone commits an offence who fraudulently personates another person, living or dead, with intent to gain advantage for themselves or another person; with intent to obtain any property or an interest in any property; with intent to cause disadvantage to the person being personated or another person; or with intent to avoid arrest or prosecution or to obstruct, pervert or defeat the course of justice.

Trafficking in identity information: Criminal Code Section 402.2 (2) Everyone commits an offence who transmits, makes available, distributes, sells or offers for sale another person's identity information, or has it in their possession for any of those purposes, knowing that or being reckless as to whether the information will be used to commit an indictable offence that includes fraud, deceit or falsehood as an element of the offence.

Identity document: In the broadest sense, an identity document can be any document that identifies a person or that contains identity information. Parliament has created a specific criminal offence in relation to a list of the most common types of official identity documents. Criminal Code Section 56.1 (3) "identity document" means a Social Insurance Number card, a driver's license, a health insurance card, a birth certificate, a death certificate, a passport as defined in subsection 57(5), a document that simplifies the process of entry into Canada, a certificate of citizenship, a document indicating immigration status in Canada, a certificate of Indian status or an employee identity card that bears the employee's photograph and signature, or any similar document, issued or purported to be issued by a department or agency of the federal government or of a provincial or foreign government.

Breeder document: a genuine document used to confirm one's identity when applying for other genuine documents. A birth certificate is a good example of a breeder document. Once altered, counterfeited or illegally obtained, a breeder document can be used to apply for other genuine ID documents or cards.

Identity information: Criminal Code Section 402.1 "identity information" means any information — including biological or physiological information — of a type that is commonly used alone or in combination with other information to identify or purport to identify an individual, including a fingerprint, voice print, retina image, iris image, DNA profile, name, address, date of birth, written signature, electronic signature, digital signature, user name, credit card number, debit card number, financial institution account number, passport number, Social Insurance Number, health insurance number, driver's license number or password.

Note: *As of January 8, 2010, Senate Bill S-4 became law, creating several new Criminal Code offences specifically targeting those aspects of identity theft that were not already covered by existing provisions. Some of these offences (stated above) focus on the preparatory stages of identity theft by making it an offence to obtain, possess, transfer or sell the identity documents of another person.*

INTRODUCTION

Over the past decade, the unprecedented rise in crimes associated with personal identity information has made this type of crime a primary concern for Canadians. Identity-related crime is considered to be one of the fastest growing crimes in the world.

To combat identity-related crimes (herein referred to as identity crimes), key public and private sector organizations, law enforcement agencies and the RCMP have met and partnered to exchange information and ideas, and to join forces. After considering the input from all participants, a general strategy of broad objectives has been developed. This report documents the group's collective effort to support a National Identity Crime Strategy and represents the carefully considered views of law enforcement, private and public sector agencies.

The development of a National Identity Crime Strategy is the first step, the road map, in what will drive the process of tackling the emerging and threatening problem of identity crime in Canada.

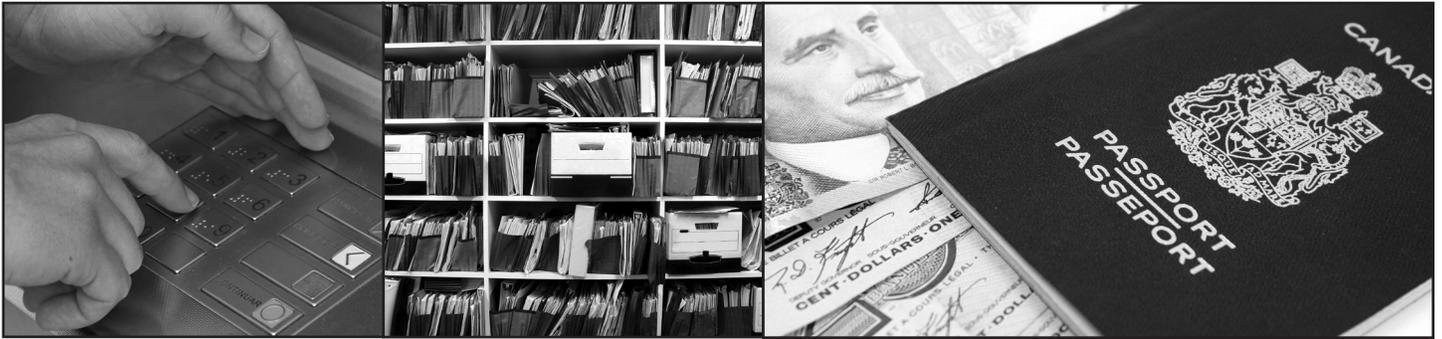
A National Identity Crime Strategy is essential for two primary reasons: first, because identity crime is such a broad crime trend affecting so many entities, a document illustrating agreed upon definitions and goals is fundamental if it is hoped to make significant progress combating it; second, a National Strategy establishes a blueprint for collective actions and solutions. It allows us to share information that identifies gaps and emerging crime trends while establishing a plan of action that benefits all participants. While many organizations have undertaken proactive steps to either educate, prevent, or deter identity crime; without a National Strategy, partner agencies are left to deal with identity crime separately, resulting in a scattershot approach. Collectively, we can establish an effective, targeted plan of action.

There are no simple solutions to the problems posed by identity crimes. They are constantly evolving and require a flexible, multi-faceted approach. Three distinctive pillars form the foundation of the National Identity Crime Strategy: Criminal Intelligence and Analysis; Prevention, Awareness and Victim Assistance; and, Enforcement, Disruption and Prosecution.

Identity documents, whether counterfeit or genuine, provide criminals with a powerful tool for targeting individuals, companies and government agencies. The integrity of identity documents and identity information is crucial for maintaining public trust in Canada's economy.

The impact of identity crime on victims is unlike that of other crimes. Individual identity is the basis of almost every aspect of modern life, and when it is compromised, victims often suffer long-term consequences. Apart from economic losses, there is often damage to reputation, loss of access to credit and other services, and in some cases victims even face criminal prosecution for acts committed by others in their names.

Another key concern is the increased involvement of organized crime groups implicated in identity crime. These groups operate across national and international borders to evade detection and prosecution by law enforcement. Accordingly, identity crimes are



often multi-jurisdictional, crossing municipal and provincial boundaries. Globalization and the absence of cyber borders mean that many cases have international links and implications.

Identity crimes are multi-layered offences where the theft of an identity is just the first in a series of crimes that can be national or international in scope. Preventing identity theft is, therefore, a first step toward deterring subsequent crimes.

Cooperation between law enforcement, private and public sector partners and members of the public is vital if we are to establish measures to effectively combat identity crime. The urgent need for a fully-coordinated approach to prevent and combat crime through a National Identity Crime Strategy is imperative. Maintaining the status quo should not be an option.

UNDERSTANDING IDENTITY CRIME

*“Identity thieves use the information they have stolen in countless ways. It is important for law enforcement officers to understand that identity crime is often used to facilitate other crimes, such as credit card fraud, loan and mortgage fraud, mail theft and mail fraud, narcotics violations, money laundering, weapons trafficking, computer crimes, wire fraud, and terrorism.”*¹

While identity theft is definitely not a new type of crime, it has definitely become more prevalent in recent years. Not only are private and public organizations taking notice, organized crime groups that see identity theft as lucrative and relatively low-risk are also taking notice. In January 2010, identity theft officially became an offence under Canada’s Criminal Code.

Identity crime has always existed in Canada. In the past, offences were based on impersonation and the theft, forgery or misuse of documents. The use of technology for identification has opened up a vast array of new methods for committing identity crime as well as a global market for stolen identity information. Not only are public and private organizations taking notice, so are organized crime groups. They see identity crime as a new field of lucrative, low-risk criminal enterprise and they see how it can be used to shield their operations and profits from law enforcement.

In the past, thieves stole identities using relatively labour-intensive methods such as telephone scams, accessing information found on discarded receipts or stealing letters from mailboxes. Today, though low-tech methods are still used, thieves prefer to use electronic technology such as automated banking services and the internet. Many employ more complex schemes including on-line phishing² for personal and /or financial data, skimming³ and computer hacking. Once identity information has been illegally acquired, it can be trafficked on-line and used by other criminals.

Investigating identity crime presents unusual challenges. It’s more complex than other types of crime simply because it’s often a precursor to related or subsequent criminal acts such as money laundering, terrorism or trafficking in drugs, weapons or people.⁴ Identity crimes are frequently committed by sophisticated offenders who plan and commit offences with care. Computer and internet technologies are often involved and identity crimes are frequently trans-national. All of these factors mean that investigators working on identity crime files must have advanced skills. Law enforcement agencies need to ensure excellent internal coordination with other agencies in their own countries, and where appropriate, with their international contacts.

These serious, high-threat crimes involve organized criminal syndicates, which necessitate the allocation of dedicated resources from law enforcement agencies and from government and private sector organizations.

At present, law enforcement and government agencies across Canada lack sufficient resources to effectively combat identity crime. Very few personnel are dedicated exclusively to identity theft, identity fraud and identity crime investigations or to researching and analyzing these types of crimes.

1 International Association of Chiefs of Police (IACP), Training Key: Identity Crime, Part 1 (2008)

2 Phishing is a general term for e-mails, text messages and websites fabricated and sent by criminals and designed to look like they come from well-known and trusted businesses, financial institutions and government agencies in an attempt to collect personal, financial and sensitive information.

3 Skimming is a method of stealing card information by transferring the electronic data from one magnetic strip to another for fraudulent purposes.

4 UN Report

While a wide range of criminal activities relate to identity theft, for the most part, they can be divided by two types of motives: financial gain (achieved through fraud, with payment card frauds being the most common); and concealment (in relation to terrorism, immigration offences and other crimes).

Once someone's identity information has been stolen, the criminal may:

- 1) Have false ID cards made. For example, a driver's license will show the criminal's picture and the victim's name. Other frequently falsified IDs are Canadian Citizenship cards, provincial health cards and Social Insurance cards. More easily-obtained documents can be used to construct a false identity in order to obtain more secure documents such as a passport.
- 2) Leverage one piece of information or one piece of ID to obtain additional information or to have other valid identity cards issued. This includes new credit card accounts.
- 3) Traffic or sell payment card information and numbers or personal identity information. Brokering identity information on the internet black market is also a fairly new practice among ID criminals. It involves websites known as "carding sites" which specialize in trafficking stolen personal information.
- 4) Fraudulently obtain money, loans, finance and credit.
- 5) Fraudulently obtain government benefits or services.
- 6) Impersonate an individual or a fictitious person to evade law enforcement.
- 7) Create fraudulent documents and provide false identities to unauthorized immigrants living in Canada, or falsified passports to people trying to illegally enter Canada or other countries attempting to "pass" as Canadians.

The current lack of coordination for identity-related standards exposes Canadians, all levels of government and private sector businesses to a variety of risks. Clearly, the illegal use of false or stolen identities poses both financial and security threats to Canadians.

Another alarming variation of identity theft is the "synthetic identity", which is the fabrication of a new identity, a "new person", typically based on a variation of a real person's name or date of birth.

One of the main challenges in developing a strategy is the creation of a framework that will permit effective gathering and sharing of identity crime information among law enforcement, private and public sector partners. We have seen that crime trends know no borders, therefore, communication and cooperation on a transnational level, inter-agency and inter-governmental levels, is paramount. Effective information sharing across jurisdictions will enhance our understanding of identity crimes and improve our ability to prevent, detect and deter identity crimes.

Moreover, the international community has expressed concern regarding issues that arise from the issuance and subsequent use of primary identity documents and the exploitation of civil registries. This has become a critical core aspect of identity crime.

Presently in Canada, there is no coordinating body whose mandate is to address the identity related issues highlighted in this document. The endorsement and commitment from the leaders of the concerned stakeholders will be essential in creating the momentum and involvement necessary to bring about changes that will effectively prevent and combat identity crime.

ECONOMIC IMPACT

Prior to January 2010, identity theft was not specifically recognized as a crime. Given its far-reaching impact, it was impossible to centralize identity theft data, most of which was collected haphazardly. Statistics Canada now collects data specific to the criminal charge of identity theft. Unfortunately, even this information does not provide a realistic measure of the impact that identity theft is having on individual Canadians and on our national economy. Costs are both direct and indirect: businesses and all levels of governments are paying more to detect and prevent identity crimes and victims are left with the burden of repairing their identities.

Hard data on the financial proceeds of identity crime, and on victims of identity crime, are difficult to obtain because of the wide range of crimes involved and the fact that many of these crimes go unreported. However, there are a number of reports and statistics pertaining to identity crime related issues.

In 2010, the Canadian Anti-Fraud Centre received identity fraud reports from 18,146 Canadian victims, totaling a loss of more than \$9.4 million dollars. While payment card fraud was most commonly reported, most instances of identity theft and fraud simply weren't reported to the police.

The most comprehensive study measuring the impact of identity theft in Canada was a 2008 McMaster University consumer survey entitled "**Measuring Identity Theft in Canada**".⁵ The results of the survey concluded that 6.5 % of Canadian adults, or almost 1.7 million people, were victimized by some kind of identity fraud in 2007. More than half of these frauds involved unauthorized purchases made with credit cards. Few of the frauds, just 13%, were reported to the police and 6% of cases were reported to credit reporting agencies. An even smaller percentage, 0.5%, was reported to The Canadian Anti-Fraud Centre. With respect to "phishing", 41% of respondents reported that they had received an e-mail purportedly from a bank or other financial institution asking them to verify or update their account information. Of those who had received such an e-mail, 2.7% reported that they responded and 1.0% reported that they did not know, or were not sure, if they had responded.

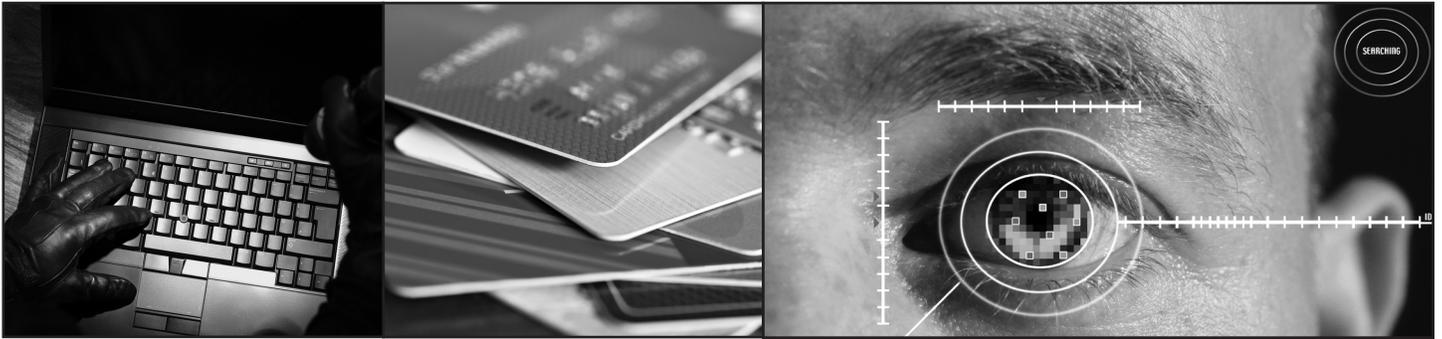
Compared to citizens in other countries, Canadians are among the most frequent users of debit cards.⁶ Over the past few years, the dollars loss in Canada to payment card fraud continue to increase, climbing from \$232 million in 2003 to \$405 million in 2006, reaching \$484 million in 2010, an increase of over 108% in 7 years. In addition, cases pertaining to synthetic identity crime are quickly increasing according to the Credit Bureaus.

An April 2009 Ekos Survey concluded that, although only 16% of Canadians had their ID stolen, 93% of Canadians were very or somewhat concerned about ID theft. Half of the survey respondents reported that they carry sensitive documents with them every day (Social Insurance Number, passport or birth certificate).⁷ This demonstrates the need for public awareness and education campaigns to address public concerns.

5 Measuring Identity Theft in Canada, Susan Sproule and Norm Archer, July 2008, Mc Master eBusiness Research Centre, DeGroote School of Business.

6 Idem

7 Ekos Canadians and Privacy – Ekos Survey – April 2009



The RCMP Criminal Intelligence Branch released “Project Shakedown” (March 2011), a report pertaining to Identity Crime in Canada. The report included the following key findings:

- The use of breeder documents to obtain Canadian identity documents is a prevalent issue that leads to other criminal action including illegal immigration, financial fraud, and concealment of criminal identity.
- There is no standardized procedure to authenticate information contained in a breeder document, or ID document, nor is there one agency responsible for managing ID.
- Enhanced cooperation, information and intelligence sharing between law enforcement agencies and private sector groups would be beneficial to all. Currently, it is challenging because of the many databases that hold ID theft information. There is no standard for reporting.

Most of the statistics available are consumer specific; consequently, none of the studies or data includes or examines the following: government-related identity frauds, fictitious identity cases or financial institution identity frauds.

Internationally, only a few countries have established specific identity crime offences, which make international levels difficult to ascertain. In a 2007 Report that surveyed 48 different United Nations Member States, a group of experts found that identity-related crimes were increasing rapidly, both in volume and in the range of methods being used by offenders. The increasing availability and use of technologies, both for obtaining identity information and to support a global traffic in it were seen as significant factors, as was the fact that criminal techniques had outpaced public awareness of the threat.

COMPONENTS OF THE NATIONAL IDENTITY CRIME STRATEGY

A shared framework for the national strategy has been formulated to maximize the impact of our efforts. It is divided into three specific priority areas or pillars:

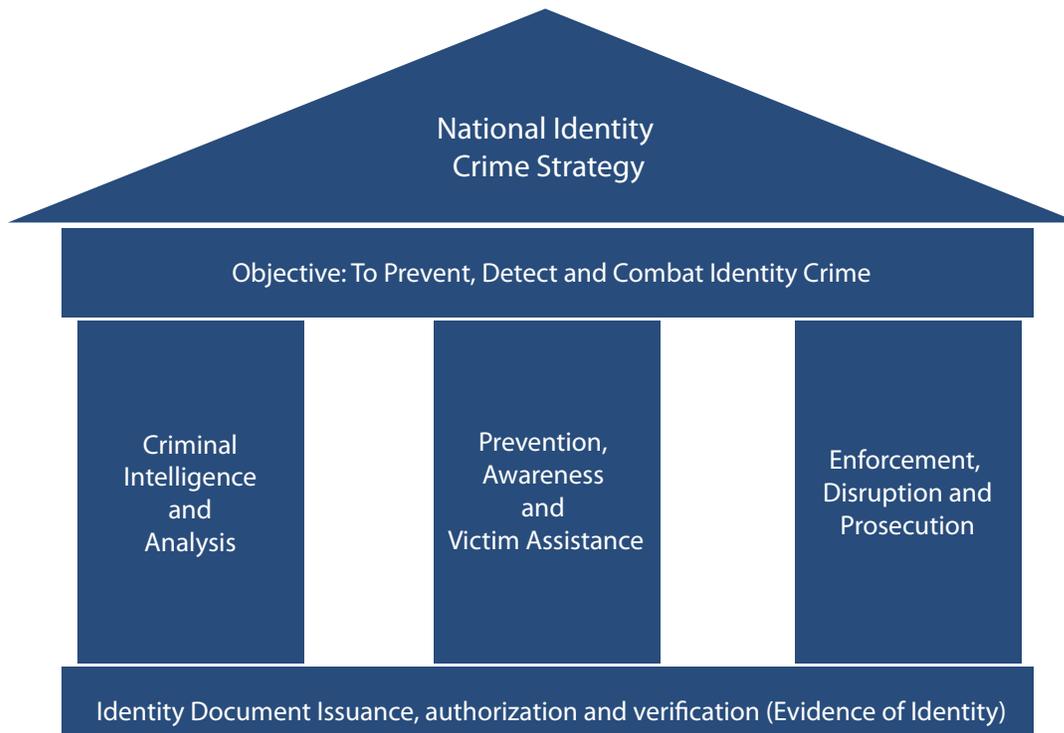
- Criminal Intelligence and Analysis
- Prevention, Awareness and Victim Assistance
- Effective Enforcement, Disruption and Prosecution

These three pillars are interrelated and must be dealt with jointly. Each pillar of the National ID Crime Strategy provides a summary of the current situation and areas of concern and outlines some of the goals to be achieved.

In addition, as noted on the pantheon diagram below, the pillars are supported by a strong foundation: Identity Document Issuance, Authentication and Verification (Evidence of Identity). The strategy will rely on the integrity standards setting relating to Canadian identity documents.

All partner agencies have a vested interest in combating identity crime, it is therefore everyone's responsibility to collaborate and maintain the three pillars. Consequently, every initiative generated from each pillar will require the support and participation of a range of key partners.

Furthermore, the progress and success of the strategy requires a multi-tiered governance framework to ensure that objectives are being met and that the appropriate initiatives are undertaken.



PILLAR 1: CRIMINAL INTELLIGENCE AND ANALYSIS

Current Situation

Information sharing, including criminal intelligence and analysis, is at the heart of this strategy. Adopting a more coordinated approach to collecting and sharing information will enable law enforcement agencies and public and private participants to assess and to effectively counter ID crimes including emerging criminal trends, methodologies and the identity of offenders. Reliable statistics are crucial for establishing a meaningful focus that will involve the right partners. Accordingly, consistency in reporting will be an essential element.

Pertaining to Criminal Intelligence and Analysis, several key challenges emerge:

- is no standardized method for reporting or sharing information among law enforcement, public and private sector organizations.
- There is no central repository or source in Canada for ID theft and ID fraud other than the Canadian Anti-Fraud Centre. The information collected by the Canadian Anti-Fraud Centre generally relates only to individual victims, not to the victimization of government agencies or businesses.
- There is no government agency, national group or association whose primary focus is ID fraud or ID theft.
- The lines of communication linking private and public sector and law enforcement agencies are limited.

Goals

To identify and prevent ID crime strategic partners must focus on the following specific primary and secondary objectives:

- ⇒ Develop common understandings and consensus on what kind of information stakeholders should be gathering.
- ⇒ Establish a nationwide protocol on a crime reporting practice.
- ⇒ Establish a process whereby law enforcement agencies will have direct querying capabilities of the central identity crimes intelligence database.
- ⇒ Aim to establish a custodian for the identity crimes intelligence database (a central repository for intelligence) to promote and ensure direct querying capabilities by law enforcement agencies for strategic and tactical purposes.
- ⇒ Enhance information and intelligence sharing through the collaboration of private sector, public sector and law enforcement agencies. Extend across the federal-provincial boundary and engaging provincial and municipal law enforcement and other entities.
- ⇒ Establish a national process for collecting, reporting and sharing information. Develop a method that allows information to be provided amongst stakeholders within the confines of the law.
- ⇒ Develop a method that insures all information sharing conforms to privacy legislation.
- ⇒ Strengthen the roles and capabilities of the Canadian Anti-Fraud Centre in relation to intelligence and analysis for ID fraud and ID theft.

PILLAR 2: PREVENTION, AWARENESS AND VICTIM SERVICES

Current Situation

A critical component of the National Strategy is Preventing ID crime by raising public awareness and providing continuous education. Prevention measures have the potential to significantly decrease the incidences of identity thefts, identity frauds and identity crimes. Efforts to combat identity theft and identity fraud have been developed through, for example, more secure documents and chip technology, however, at the same time, a wide variety of new threats and/or vulnerabilities have emerged. The National Strategy focuses on reducing the opportunities for identity theft and identity fraud, through awareness, by making it more difficult for criminals to exploit Canadians.

Unlike most other forms of crime, identity abuses can create many complex and long term problems for victims when false or misleading information about them spreads to sources unrelated to the initial crime. In addition to emotional harm, damage to credit rating and reputation, or unforeseen consequences such as the establishing of a criminal record, may remain unknown until the victim travels or tries to borrow money many years after the initial offence took place. The overarching challenge is to make people aware of the problem, educating them on how to protect themselves and where they can find assistance.

Consequently, the obstacles for this pillar are as follows:

- There are no coordinated prevention initiatives relating to identity crime.
- There is no national effort involving public and private sector partners specific to education and awareness.
- There are no coordinated services specific to victims of identity crime.

Goals

Prevention is a solid foundation for reducing and combating ID crime. Therefore empowering Canadians with the information they need to protect themselves is key.

The National Strategy must include these priorities:

- ⇒ Educate Canadians on how to protect personal data/information and raise awareness on how to recognize identity crime.
- ⇒ Develop a system to warn Canadian citizens about emerging risks and crimes (relying on the Criminal Intelligence and Analysis pillar.)
- ⇒ Strengthen partnerships between the public and private sectors and develop common education initiatives with various interest groups, extending across the federal-provincial boundary and engaging provincial and municipal law enforcement and other entities.
- ⇒ Select prevention and education objectives by relying on the Intelligence pillar, which identifies emerging trends and challenges.
- ⇒ Foster improvements in terms of identity management, verification and authentication.

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- ⇒ Coordinate the efforts of all relevant private and public sector groups so that victims have access to comprehensive information, services and guidance.
 - ⇒ Promote outreach and widespread education for victim's services.
 - ⇒ Support initiatives to develop and enhance identity crime victims' services (this could require legislative or policy reform designed to assist victims in the detection and prevention of identity crime as well as the mitigation of damages and restoration of victims' profiles)

Over time, a coordinated effort between all relevant private and public sector entities should be established, so that victims can be provided with comprehensive information about who to contact for which corrections. Individual entities should be encouraged to communicate with one another and to provide comprehensive training so that victims who approach any one entity participating in the Strategy will be re-directed to all other relevant entities, in accordance with their needs.

PILLAR 3: EFFECTIVE ENFORCEMENT, DISRUPTION AND PROSECUTION

Current Situation

An assessment pertaining to Effective Enforcement, Disruption and Prosecution identifies several important challenges. ID crimes almost always cross jurisdictions or international borders and today's technology and mobility further enable identity crimes. Other challenges include:

- The complexity and length of investigations compounded by limited specialized resources.
- The ease of mobility for criminals and the availability of technology.
- Other agencies' identity crime mandate may limit their abilities in relation to reporting or investigating.
- Coordinated, cross-jurisdictional and multi-agency investigations.

Goals

We must develop the ability to respond to the most serious ID crime threats by:

- ⇒ Identifying priorities and emerging risks (relying on the compilation and analysis generated by the Criminal Intelligence pillar) and increasing intelligence-based investigative projects and coordinated disruption efforts.
- ⇒ Developing a standard approach for ID fraud investigations, including creating and adopting a protocol for multi-jurisdiction investigations.
- ⇒ Developing strong partnerships among public and private sector participants, reaching across the federal-provincial boundary and involving provincial and municipal law enforcement and other entities.
- ⇒ Raising identity crime awareness within the judicial community and government officials from across the country and in other countries.
- ⇒ Increasing investigative capacities and abilities.
- ⇒ Encouraging each agency responsible for issuing identity documents to review and evaluate their existing practices to determine if a more diligent and coordinated approach can be developed to diminish vulnerabilities and deter criminals from identity crime.
- ⇒ Promoting information sharing pertaining to prosecution strategies that emphasize integration and a fast response investigative model.
- ⇒ Finding a solution to the current challenge pertaining to the limited availability of forensic examination services (i.e.: limited specialized law enforcement resources).
- ⇒ Fostering the development of national standards that adhere to international standards (with which Passport Canada is in accordance) regarding government-issued identification and breeder documents specifically pertaining to:
 - Verifying breeder/source documents (including cross-jurisdictional authentication).
 - Security features of breeder and source documents

CONCLUSION AND RECOMMENDATIONS

Identity Crime covers all forms of unlawful activity involving identity. Regardless of how it is perpetrated, it has become a highly-profitable, relatively low-risk crime.

Identity theft, the obtaining and possessing of identity information for a criminal purpose, is the precursor to many other offenses and is therefore an indicator of the larger issue of identity crime. The greater the prevalence of identity theft becomes, the more other crimes will ensue. Subsequently, preventing identity theft means proactively preventing identity fraud and other identity-related crimes.

Given the significance of supporting the overall strategy, the next steps should focus on governance aimed at sustaining momentum and the establishment of a central identity crime intelligence database that will facilitate information sharing and support law enforcement agencies involved in identity crime investigations.

Most consumers who have been victims of identity crime have no idea how it happened. Some do not learn that their personal information has been misused for a considerable time – they usually find out when they are notified by law enforcement or by a private sector agency. Consequently, dissemination of information about identity crime to Canadians is a critical element of prevention.

One of the most difficult challenges that identity crime poses for countries such as Canada is that in our society, the ability to establish and verify individual identity is critical to almost every aspect of life, both within Canada and when traveling outside of it. This includes private personal communications, commercial activities such as using bank accounts and credit cards, and official activities ranging from the operation of a motor vehicle to voting and international travel.

One significant factor associated with identity crime is that most Canadian identity documents are used for purposes beyond their original intent. One example is that driver's licenses are being widely used for picture and signature identification. Another example is that passports are, in addition to travel purposes, increasingly used for transactions in the public and private sectors, such as opening bank accounts, supporting financial transactions or accessing governmental services and benefits.⁸

Another factor further compounds the problem. Many government agencies that issue primary Canadian identity documents rely on supporting documentation which was in most cases issued by another government agency. They base their decisions about entitlement on the belief that due diligence was exercised in the validation of information noted on the supporting documents. Each agency relying on supporting identity documents expects that they are genuine, authentic and were legitimately obtained.

Due to jurisdictional and security issues, in many instances it is impossible to ascertain with accuracy the detailed information or veracity of the document. Many public and private sector agencies' decision making actions hinge on these documents and the information they contain, government-issued documents being the foundation.

⁸ Guide for assessing security of handling and issuance of travel documents, International Civil Aviation Organization (ICAO)

Vulnerabilities in the issuing, verification and authentication of identity documents contribute to the root of the problem. Moreover, the quality of an identity document does not necessarily equate to the integrity of the identity document. “As quality and integrity of the physical travel document improves, weaknesses in the issuance will be targeted.”⁹ Accordingly, criminal focus is shifting from fraudulent alteration of identity document (document fraud) to identity fraud.

In Canada, any efforts taken by municipal, provincial (e.g. Provincial Strategies) and federal governments to enhance the issuing process for identity documents, and the capacity to authenticate and verify evidence of identity, must be encouraged and consistent with applicable legislation, taken into consideration and interfaced or linked with the national strategy.

The prevention of identity crime requires diligent issuance, authentication and verification practices and processes for identity documents and identity information.

Another alarming trend is that, in addition to contributing to the concealment and movement of illicit funds, identity crime has become a substantial and increasing source of criminal proceeds, the bulk of which is linked to criminal organizations.

There is no quick fix that will eradicate identity crime and the wide range of challenges faced by Canadian citizens, federal, provincial and local governments, and law enforcement. Stakeholders, citizens, businesses, private sector organizations and governments must all be alerted to the devastating impact of identity crime and must all get fully engaged on the basis of community and economic responsibility.

For a stronger and safer Canada, Identity Theft and Identity Fraud demand the most effective law enforcement and the most effective public and private sector responses possible.

To develop an effective strategy for the prevention and suppression of identity crime, an unprecedented degree of collaboration is required. Law enforcement agencies are only a part of this effort.

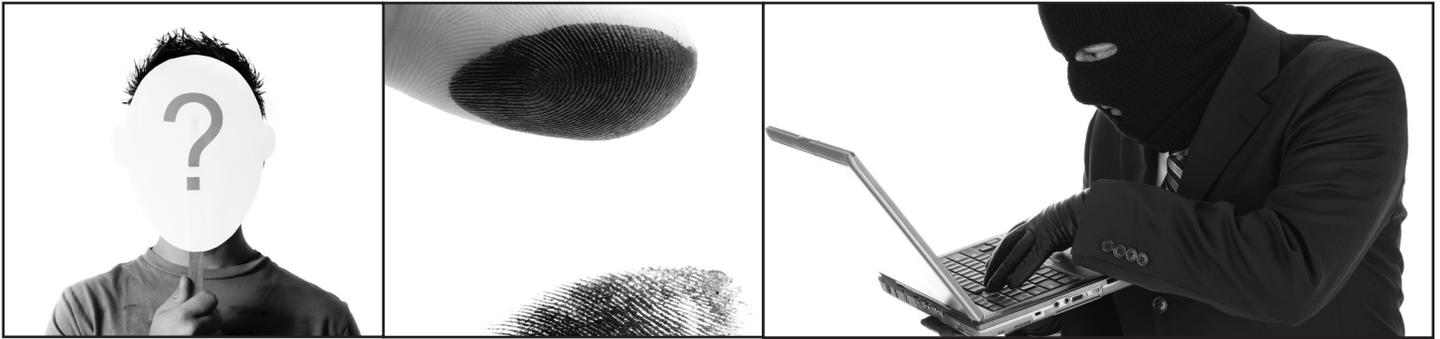
Within Canada, an effective strategy requires the engagement of private sector entities, including those that produce identification systems and documents and the many commercial entities that use them.

In the public sector, it includes not only law enforcement, but also a range of departments and agencies that establish and maintain identification and the infrastructures needed to verify and use identification. It must also include stakeholders at the international, federal, provincial and municipal levels.

In order to respond effectively to changes in criminal behavior and to technology, the strategy must be open-ended and flexible. It is a working document intended to offer insights, guidance and leadership. Its purpose is to examine the challenges relating to Identity Crime and to highlight key objectives for preventing, detecting and combating this type of criminal behavior.

The National Identity Crime Strategy is a call to action for law enforcement, private sector and government agencies nationwide to initiate greater social, economic and collective accountability.

⁹ Annette Offenberger, Chair, ICAO Technical Advisory Group for Machine Readable Travel Documents TAG/MRTD, Montreal Symposium, Nov. 2010



DOCUMENTS COMMONLY ACCEPTED AS PROOF OF IDENTITY

Birth Certificate: The birth certificate is the primary document for all citizens born in Canada to indicate citizenship. The birth certificate is required when applying for a driver's license, passport or Social Insurance Card as well as for other provincial or federal programs. A birth certificate does not have an expiry date.

Breeder document: A primary identity document used by a perpetrator to obtain further legitimate identity documents. A birth certificate is a good example of a breeder document; once altered, counterfeited or illegally obtained, it can be used to apply for other genuine ID documents or cards.

Driver's License: Issued provincially, the driver's license has become the most universally accepted and trusted picture identification card issued by a government agency. While its purpose is to show that you have the privilege of driving a motor vehicle, the driver's license is generally accepted as proof of identification, address, date of birth and residency. If an actual license is stolen, scanned, counterfeited or obtained fraudulently it serves as a crucial tool for committing crime because it is so well accepted.

Citizenship Certificate: This document is issued by the federal government of Canada and certifies Canadian citizenship. It states the owner's name, date of birth and gender and bears his or her photo and signature. A Citizenship Certificate can be used as definitive proof of citizenship status when applying for a job or a passport.

A new format of Citizenship Certificate without photo or security features was introduced on February 1, 2012. A Canadian Citizenship Certificate on its own will no longer meet the requirements of an identity document as defined in section 57(5) of the Criminal Code.

Indian status cards: A Certificate of Indian Status, more commonly known as a Status card, is an identity document issued by Aboriginal Affairs and Northern Development Canada (AANDC) to confirm that the holder is registered as a Status Indian under the *Indian Act*. A Status card gives its holder access to benefits, programs and services administered by federal agencies and provincial governments.

Social Insurance Number (SIN) Card: While SIN cards are not considered ID cards, Social Insurance Numbers are used in a wide variety of databases as a primary identifier. Only federal legislation and specifically designated programs are permitted to use the SIN.

Synthetic Identity: Is the combination of fake and real consumer identifying information or all false information to create a new fictional or partially fabricated identity. This type of identity crime is challenging to detect.

Permanent Resident Card: This identity card provides holders with secure proof of their permanent resident status when re-entering Canada on commercial carriers (plane, train, boat and bus).

Passport: A passport is a travel document issued to facilitate the travel of eligible individuals. Although often perceived as providing proof of citizenship or identity, this is not the intent of the document.

Provincial Identity Card: Some Canadian provinces issue photo identity cards to provincial residents who do not or cannot hold a valid driver's license. Provincial identity cards make it easier for non-drivers to open bank accounts or perform other activities that require official ID. The ID cards are clearly marked "for identification purposes only" and do not entitle holders to operate motor vehicles under any circumstances.

Provincial Health Cards: A resident of any Canadian province may obtain a health card that will entitle him or her to health benefits in the province where he or she resides.